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MACRO-ECONOMIC TRENDS

NIGER

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## MACRO-ECONOMIC TRENDS: NIGER

### Introduction

Arid, landlocked and predominantly rural, Niger until recently was considered a resource-poor country with limited economic potential. Still one of the poorest countries in the world, with an estimated per capita income of \$200 in 1978, Niger's prospects have brightened considerably with the discovery and exploitation of uranium, whose price took a sharp upward turn in the mid-1970s. Since 1978 the economy has been on an upswing, registering impressive rates of growth in real terms while undergoing substantial structural change towards a potentially dualistic economy whose growth is highly dependent upon activities in the mining sector. A dualistic economy - as the name indicates - generally refers to an economy in which two distinct sectors coexist with little interlinkage. One (small) part of the economy, spurred on by foreign investment and foreign entrepreneurial activity, employs relatively advanced techniques, imported inputs and produces for export. Another (large) part of the economy - the rural subsistence sector - uses traditional techniques and is largely nonmonetized and nonmarket oriented. As discussed below, Niger exhibits some of these characteristics. The mining sector for example employs well under 1 percent of the labor force, yet generates three fourths of total export earnings. On the other hand, indirect linkages with the rest of the economy have been substantial.

Although modest structural changes have been taking place since the 1960s along a classical pattern of a slowly declining share of agriculture and corresponding relative increases in industry, construction and services, the changes that have occurred in the 1970s in terms of the structure of GDP, balance of payments and public finance have been more rapid and more decisive.

The rural sector which heretofore played a crucial role as contributor to gross domestic produce, earner of foreign exchange and source of government revenues, now figures less prominently in the overall macro-economic picture. The drought which extended from 1968 to 1974 sharply altered its role by curtailing agricultural output and decimating livestock herds. While recent growth trends in the rural sector have in fact contributed to overall GDP growth, the percentage share of the rural sector in GDP, the share of agricultural exports in total exports and the portion of agricultural sector derived revenues, has continued to decline.

Uranium in contrast, has become a crucial and integral part of future economic growth and a key factor in the structural evolution of the Nigerien economy. The impact of uranium on the national economy has been most marked in recent years. In 1978, the latest year for which data is available, the production of uranium mining accounted for 9.4% of GDP, represented 70% of total exports and provided the government with revenue equal to one third of the national budget. While direct effects of uranium mining have been limited to the transportation, construction and services sectors, the indirect effects brought about by increased investment due to the availability of uranium revenues have been substantial. Thus, while the impact of mining sector activities on economic growth accentuates the emerging dualistic structure of the economy, the wide ranging investment activities that have been made possible by uranium-derived revenues can serve to mitigate this dualism.

Notwithstanding the changes brought about by uranium, the vision of the future must be tempered with the realization that uranium resources are exhaustible and that the economy must become self-sustaining in the longer run. Uranium is a crucial aspect of this phase of economic growth but it is a catalyst for change rather than a definitive solution to the country's problems. Agriculture is, and probably will remain for some time to come, the primary economic activity in Niger, although the continued reliance of the agricultural sector on the amount and timeliness of rainfall will undoubtedly cause fluctuations in the economy as a whole. Efforts to improve yield, increase production, augment cash incomes and better the lives of those in rural areas, will be crucial.

This report examines the structure, performance and evolution of the national economy from 1966 through the present. Trends in production, balance of payments and public finance are examined and some projections are made as to the potential evolution of the economy over the next five years.

## I. PAST TRENDS AND CURRENT DEVELOPMENTS

### A. GROSS DOMESTIC PRODUCT

The data on national accounts for Niger are particularly weak and irregular.\* Although provisional figures are now

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\*Eliot Berg underscores the "softness" of data in a table which gives estimates of real GDP growth 1960-1970 from half a dozen sources all with different results. See Recent Economy Evolution of the Sahel, Center for Research on Economic Development, June 1, 1975. Table 2, page 11.

Table 1

(In billions CFAF)

NIGER: GROSS DOMESTIC PRODUCT 1967-1978  
(current market prices)

	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978
Rural Sector	53.7	50.9	50.0	46.4	51.9	60.7	66.0	81.8	72.5	101.0	134.4	176.7
Industry, Transport, a) Construction, Services	11.5	11.9	13.1	19.1	20.0	25.1	32.1	28.7	36.6	47.8	70.5	97.8
Mining	0.03	0.1	0.1	0.1	1.2	1.5	1.5	2.5	9.1	14.4	21.6	35.0
Commerce	13.7	13.3	14.4	15.3	14.7	15.4	17.0	17.4	20.0	31.9	40.9	47.1
Government b)	18.5	19.2	20.0	20.6	21.2	5.9	7.1	7.7	11.0	12.5	13.8	15.8
<b>Total GDP</b>	<b>97.5</b>	<b>95.5</b>	<b>97.8</b>	<b>101.6</b>	<b>109.1</b>	<b>108.7</b>	<b>123.7</b>	<b>138.1</b>	<b>149.2</b>	<b>207.6</b>	<b>281.2</b>	<b>372.2</b>
<b>Annual % change</b>		-2.0	2.4	3.8	7.3	-0.3	13.8	11.6	8.0	39.1	35.4	32.4

Source: IMF Staff estimates

Notes: a) 1967-1971 - does not include services

b) 1967-1971 - includes services

available on sectoral contribution to GDP through 1977, no complete official accounts have been published since 1969. Data for recent years are primarily based on estimations of the IMF staff.

In current market prices, GDP has risen from CFAF 97.5 billion in 1967 to CFAF 372.2 billion in 1978, an increase of almost 300 percent.\* There have been substantial year to year variations with the sharpest increases occurring not surprisingly, in the recent post-drought recovery years. Marked structural changes are evident in the twelve year period for which data is available. There has been a slow decline in the contribution of the rural sector to GDP, while at the same time increases in the contribution of the industrial/service sectors. The relative decline in the early years, of the importance of the rural sector is due in part to the classical evolution of developing economies; the continuing trend at the present time is due less to the modernization of the industrial sector (processing and manufacturing] and considerably more to the discovery and exploitation of uranium. The drought induced setback accentuated this trend by severely curtailing agricultural output (including livestock) and thereby decreasing the relative share of the rural sector in GDP.

While the absolute value of the rural sector's contribution to GDP has increased three fold from CFAF 53.7 billion in 1967 to 176.7 billion in 1978, its percentage share has dropped from 65 percent to 47 percent. In contrast, the contribution of the mining sector, which was practically nil in 1967, reached CFAF 35.0 billion in 1978 or 9.4 percent of total GDP for that year. This structural change in favor of the mining sector is likely to be accelerated as new mining ventures are put into operation.

The contribution of industry, transportation, construction and services has increased substantially from 11.7 percent of GDP in 1967 to 26.2 percent in 1978. Most of this increase is due to the latter three components particularly as they relate to mining sector activities. Construction is booming due to investment in mining plants and the development of mining townships, as are services for these towns. The performance of the industrial sector has been weak as it is based primarily on agricultural processing and thus largely dependent upon the size of cash crops in the previous calendar year. In absolute value, the contribution of the commerce sector has increased markedly from CFAF 13.7 billion in 1967

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\* (In 1972 constant prices, GDP in 1978 was estimate at CFAF 146.5 billion]

Table 2

GROSS DOMESTIC PRODUCT  
Annual Rates of Growth of Key Sectors  
&  
[current prices]

	1967-1972	1972-1975	1975-1978
Rural	2.9	7.1	34.5
Industry			
Transport			
Construction	17.6	15.0	38.6
Mining	-	150.0	75.0
Commerce	2.5	9.1	34.2
Total GDP	2.2	11.3	24.8

to CFAF 47.1 billion in 1978. Through 1969, in terms of value added to GDP, commerce represented the second most important sector in the economy.

-- 1967 - 1975

From 1967 to 1969, total GDP stagnated at just over CFAF 97 billion in current market prices, after registering a 2 percent fall in 1968. The drop was due mainly to decreased activity in the rural sector while other sectors showed small but consistent increases. Despite a decline of 7.2 percent in the value added of the rural sector in 1970, overall GDP grew by almost 4 percent that year reflecting expansion in the manufacturing sector. This trend continued the following year as overall GDP in current market prices grew by 7.3 percent spurred on by an increase in the contribution of the rural sector, and by the contribution of the mining sector (1.2 percent) whose share had been practically nil.

The impact of the drought was clearly felt in the two following years when in real terms (1972 prices) GDP dropped by .3 and 14 percent respectively. The 1973 drought induced setback was particularly sharp for Niger as the production of food and cash crops plummeted by over one third and two thirds respectively from the previous year, and the size of livestock herds were reduced by over 60 percent. From 1973 to 1975 there was a slight improvement in overall GDP, although in constant prices it remained 9 percent below the 1972 level at CFAF 99.6 billion. The level of economic activity in the rural sector was again severely curtailed in 1975 due to continued effects of the drought as well as the emergence of rodents and disease attacking principal crops. In that year the shares of food crop and cash crop production in GDP constant prices were one fourth and one third respectively of 1972 levels.

During the 1972-1975 period the decline in the value added to the rural sector was partially offset by an increase in the contributions of the secondary and tertiary sectors. Particularly noteworthy was the increase in the output of the mining sector which grew by over 50 percent to reach CFAF 2.3 billion in 1975, and the parallel growth of related activities in the transportation, construction and services sector.

-- 1976 - 1978

After sluggish, and often negative growth in the preceding years, the three year period 1976-1978 registered impressive rates of growth in real terms. The jump from 1975 to 1976 was particularly impressive at 20.6 percent in real terms.

Table 3

NIGER: GROSS DOMESTIC PRODUCT - CURRENT MARKET PRICES 1967-1978

(In percent)

	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978
Rural Sector	55.1	53.3	51.3	45.6	47.6	55.8	53.3	59.2	48.5	48.6	47.7	47.4
Industry, transport construction services	11.7	9.7	13.3	18.7	18.3	23.0	25.9	20.7	24.5	23.0	25.0	26.2
Mining	-	0.1	0.1	0.1	1.1	1.3	1.2	1.8	6.0	6.9	7.6	9.4
Commerce	14.1	13.9	14.7	15.1	13.5	14.1	13.7	12.5	13.4	15.3	14.5	12.6
Government	19.1	20.1	20.5	20.3	19.5	5.4	5.7	5.5	7.3	6.0	4.9	4.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

(In percent)

GROSS DOMESTIC PRODUCT - CONSTANT PRICES (1972) 1972-1978

Rural Sector	55.8	43.6	50.0	44.4	46.8	45.7	43.7
Industry, transport, construction services	23.0	31.2	25.6	29.6	26.5	28.8	31.4
Mining	1.3	1.7	2.0	2.3	2.0	2.0	2.7
Commerce	14.1	16.5	15.4	16.1	17.7	16.7	15.1
Government	5.4	6.7	6.7	7.4	6.7	6.6	6.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

The value added to all sectors increased substantially in absolute terms although the percentage share of the rural sector declined from 55.8 percent in 1972 to 43.7 percent in 1978. Overall economic growth was due in particular to the expansion of activities in the mining sector and in related areas of transportation, construction and services. In 1978, the latest year for which estimations are available, GDP in 1972 constant prices reached CFAF 146.5 Billion divided among the rural sector - 43.7 percent; industry, transportation, construction and services - 31.4 percent; mining - 2.7 percent; commerce - 15.1 percent; and government - 6.8 percent.

### 1) Agricultural Production

Agriculture, including animal husbandry, is the primary economic activity in Niger, providing the livelihood for the majority of the country's people and up until 1972, the bulk of export earnings. The protracted drought severely curtailed production resulting in a decline of the relative share of the rural sector in GDP to approximately 44 percent in 1978. Food crops and herd size are only marginally above pre-drought levels while cash crop production remains far below the 1967/68 levels -- in the case of groundnuts, estimated 1978 production was one fourth that of 1967/68, and seed cotton production was 50 percent below the pre-drought level.

#### a) Food Crops

Approximately 90 percent of the cultivated land area is devoted to food crops, primarily millet and sorghum for subsistence; less than 15 percent is marketed. Production and yield have fluctuated considerably as output is heavily dependent upon the amount and timeliness of rainfall. Between 1966 and 1971, acreage devoted to these two crops increased significantly at the expense of cash crops. Production fluctuated due to adverse weather conditions, reaching a low in 1968/69 of 947,000 metric tons and an average yield of 386 kg/hectare. Output increased the following year but was set back in 1970/71 despite an increase in acreage; production dropped by 20 percent and yield by 22 percent. Although there were slight increases in output in 1971/72, the next two years of drought intensified the declining trends in production and yield. Production of millet and sorghum fell by 8 percent in 1972 and then by another third the following year. Acreage devoted to food

crops increased relative to that devoted to cash crops, but there was an absolute decline of 16 percent between 1971 and 1973 in the area under food crop cultivation. While not reaching 1972 levels, production in 1974 increased by 46 percent from the previous year; the disastrous harvests in 1975 were the result of continued drought as well as considerable crop destruction by pests and rodents. The past three years have shown oscillations in production levels and yield although there has been a marked upward trend. Estimated production of millet and sorghum for 1978 is 1,450,000 metric tons which is just marginally higher than pre-drought levels.

The fluctuating and declining production of basic food crops has resulted in substantial shortages and the necessity for imports. During the worst years of the drought some 180,000 tons of foodstuffs were imported. Since then the amounts have been considerably smaller although not insignificant. Between 1974 to 1978, food imports (including regular imports and emergency relief) totalled some 200,000 tons.

#### b] Cash Crops

Groundnuts, cowpeas and cotton are the principal cash crops produced in Niger and prior to the drought they occupied an important position in the economy. The protracted drought had a crippling effect on all crops but particularly on cash crops and thus severely curtailed the availability of the raw materials needed for processing and for export.

#### -- Groundnuts

The most decisive change in Niger's agricultural sector over the past twelve years has been the decline in the position of groundnuts as the main export crop and for foreign exchange earner. From a peak of 312,000 metric tons in 1966, production plummeted to an estimated low of 74,000 metric tons in 1978--a more than four-fold drop. In 1966, groundnuts and their by-products accounted for close to 70 percent of total exports; in 1978 there were no exports of groundnuts, and only a very small amount of groundnut cake exports.

Table 5

Cash Crop Production 1966-78

	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977
A	355,4	356,7	432,0	319,8	357,5	394,2	418,5	363,8	256,0	319,7	164,2	174,3
P	311,9	298,3	252,4	206,9	204,6	256,5	260,2	77,1	129,1	41,7	79,2	82,3
Y	877	836	584	647	572	650	385	212	504	130	483	472
A	16,3	17,2	17,3	20,2	19,9	20,6	15,9	10,1	15,2	16,4	12,4	10,4
P	6,7	6,2	7,0	12,6	10,5	9,0	6,1	3,6	7,9	11,1	7,2	6,4
Y	411	358	405	626	526	436	382	352	520	676	571	609
A	602,3	690,0	744,5	968,1	979,8	999,6	920,6	832,0	918,8	839,3	837,4	726,3
P	67,6	77,0	74,2	83,3	84,3	72,1	144,1	92,2	132,7	218,5	216,1	206,8
Y	111	112	100	86	86	72	136	112	144	260	260	205

Source: Direction de l'Agriculture, Ministère du Développement Rural

Between 1966 and 1968 the acreage devoted to groundnut cultivation expanded by 23 percent although production showed a definite declining trend. Yields per hectare also fell by a third during that period. As the drought intensified, the downward trend in production continued, with only a slight respite in 1971 and 1972 due to an increase in acreage and better weather conditions. In 1973--the worst year of the drought--production fell by 70 percent as farmers hedged against starvation by shifting into food crops. For the first time in history, Niger had to import 25,000 tons of groundnuts for seed material and input for local oil mills. Only slight increases were registered the following year and then in 1975, groundnut production suffered its most serious setback underscoring the continuing vulnerability of agricultural exports to external factors. In that year, production hit an unprecedented low of 41,000 metric tons and yields fell to 128 kg per hectare.

The past three years have seen slight improvements in the groundnut situation although production remains extremely low at an estimated 74,000 metric tons. Acreage has expanded marginally in the past two years but remains only slightly above half the cultivated land in 1966. In 1978, it was estimated that the value added to groundnut production amounted to only CFAF 1.6 billion in 1972 constant prices, or just over 2 percent of 1978 GDP.

The Societe Nationale de Commercialisation de l'Arachide (SONARA) is responsible for the export marketing of groundnuts and for supplying local oil pressing mills.\* SONARA purchases groundnuts from the Union Nigerienne de Credit et de Cooperation (UNCC) or from private marketing agents who buy directly from the farmers at the minimum price in force. After falling in the mid-sixties, producer prices for groundnuts (unshelled) rose slightly to CFAF 18/kg in 73/74. The price was increased over twofold the following year and is currently at CFAF 52/kg. The chart below shows export prices for, and marketing of, groundnuts.

\*For more complete discussion of marketing procedures and institutions, see Shanti Conly, "National and Agricultural Policies in Niger"

Niger: Export Prices and Marketing of  
Groundnuts, 1973/74-1977-78 1/

	1973/74	1974/75	1975/76	1976/77	1977/78
<u>(In CFA francs per kg, shelled) 2/</u>					
<b>I. Structure of export prices</b>					
Cost price, c.i.f.	56.45	110.00	113.00	113.00	127.00
Official producer price	28.00	55.00	55.00	55.00	69.00
Export tax 3/	2.25	2.25	--	--	--
Other costs 4/	26.20	52.75	58.00	58.00	58.00
<u>(In thousands of metric tons, shelled)</u>					
<b>II. Marketing</b>					
Purchases by SONARA	14 5/	75 6/	4	7.8	14.2
Sales by SONARA	14	55	24 7/	7.8	13.6
Exports	(--]	(15]	(13]	(--)	(--]
Delivery to domestic oil mills	(14]	(40]	(11]	(7.8)	(13.6)

Source: IMF

- 1/ Crop year: October 1-September 30.
- 2/ Shelled base = 0.67 base in shell.
- 3/ Export tax of CFAF 2.25 per kg is still in force, but recently no groundnuts have been exported.
- 4/ Including purchasing and miscellaneous collection costs, storage, handling, shelling, internal transport, maritime transport, insurance, unloading, and sales commission.
- 5/ Excludes 25,000 tons of seeds distributed to the producers to reconstitute their seed stock.
- 6/ Of which 20,000 tons kept as seeds for delivery to the producers in 1975/76.
- 7/ Including 20,000 tons carried over from the stocks accumulated during 1974/75.

-- Cotton

Although output has always been modest, until 1973, cotton was Niger's second most important cash crop. Annual production has averaged somewhere below 10,000 metric tons but has been dropping steadily since 1975. The focus on improving and expanding the country's irrigated production may serve to increase output in the next few years. Most of the cotton is bought from the producers by the UNCC and then delivered to the Compagne Francaise pour le Developpement des Fibres Textiles (CFDT) which has monopoly over the marketing of cotton. Cotton ginning is done by the CFDT which operates four ginning mills with a capacity (now much underutilized) of 20,000 tons. The ginned cotton is sold by the CFDT in export markets and to the local textile mill SONITEXTILE (ex NITEX). In 1976/77, of the approximately 4000 tons produced, 1400 tons were ginned and 900 tons (23 percent of total production) were delivered to SONITEXTILE. The factory's demand for cotton was at a peak in 1974 (1600 tons) but has since dropped by close to 50 percent. The cotton ginning process also produces seeds, some of which are used for planting and supplemental livestock feed, and some for export.

-- Cowpeas

The production of cowpeas has grown considerably since the 1966 level of 70,000 metric tons. In 1978, production was estimated at a record 245,000 metric tons. Acreage is 50 percent above what it was in 1966 while yields have increased two and a half fold. In 1975, cowpeas surpassed cotton in terms of export value and by 1976 the export of cowpeas represented close to 8 percent of total exports. Since 1976 due to the depressed groundnut situation SONARA has had responsibility for the marketing of cowpeas. Despite fairly high production, only a small percent has been marketed in the past years due to increased consumption and by farmers. It is estimated that between 1974 and 1976, an average of under 20 percent was marketed; in 1977 this figure dropped to 1.2 percent. It should also be noted that these figures represent only the portion marketed through official channels whereas a substantial portion is in fact smuggled across the border to Nigeria.

Table 7

## LIVESTOCK 1972 - 1978 (in 1,000 head)

	1972	1973	1974	1975	1976	1978 <sup>a)</sup>
Cattle	4,200	2,650	2,130	2,510	2,670	2,80 <sup>n</sup>
Goats	6,300	5,300	4,920	5,400	5,950	6,300
Sheep	2,850	1,800	2,140	2,200	2,350	2,000

## RECORDED EXPORTS

LIVE ANIMALS

Cattle	184	179	130	51	100	( )
Goats	96	76	95	50	3	( )
Sheep	48	38	27	37	34	( )

MEATS (tons)

Cattle	418	354	359	305	246	( )
--------	-----	-----	-----	-----	-----	-----

HIDES/SKINS (tons)

Hide (cattle)	159	415	332	88	75	( )
Goat Skins	185	302	397	254	210	( )

Source: World Bank

a) Provisional

## 2) Animal Husbandry

Animal husbandry provides employment for one fifth of the population, both sedentary farmers and nomadic tribesmen. The livestock sector was one of the worst hit by the drought and suffered herd losses of up to 50 percent. In 1972, the value added of livestock production was equal to 20 percent of GDP but this figure has been in steady decline, estimated at 10.4 percent in 1978.

There were substantial losses to livestock herds in 1969, followed by partial size recovery during the next few years. When the drought intensified in 1973 and 1974, the cattle population declined by 50 percent and goats by 22 percent. Sheep population declined initially by 37 percent but then partially recovered the following year.

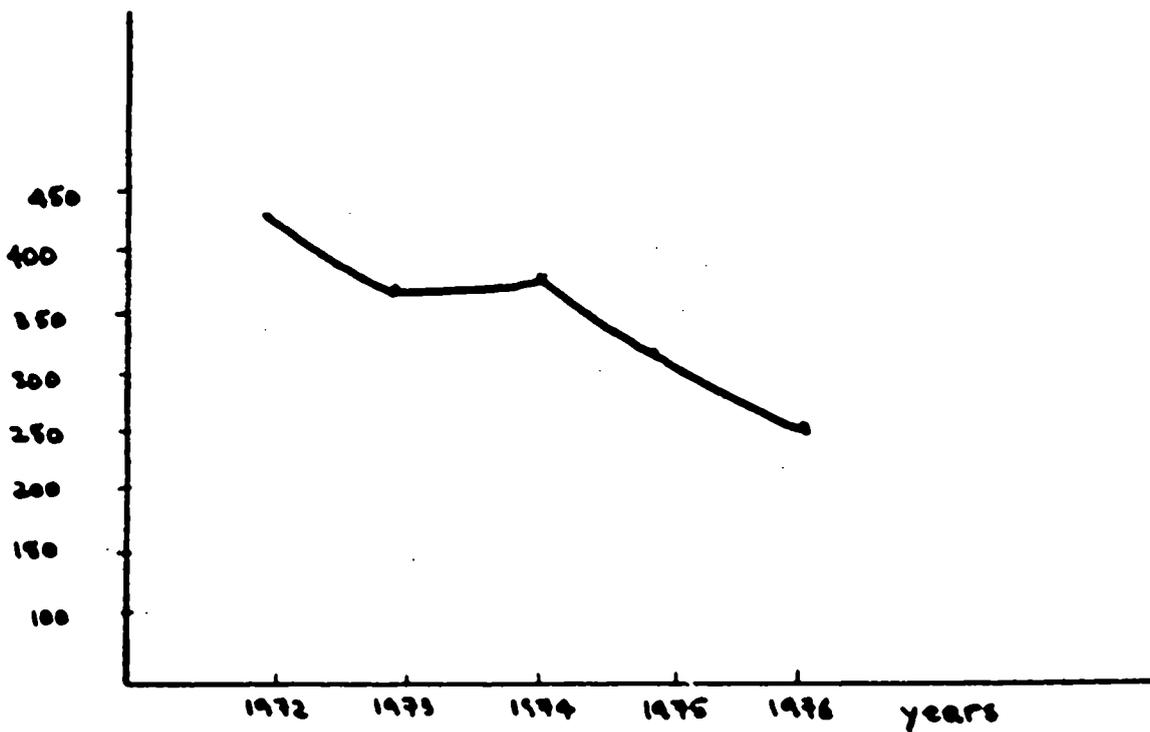
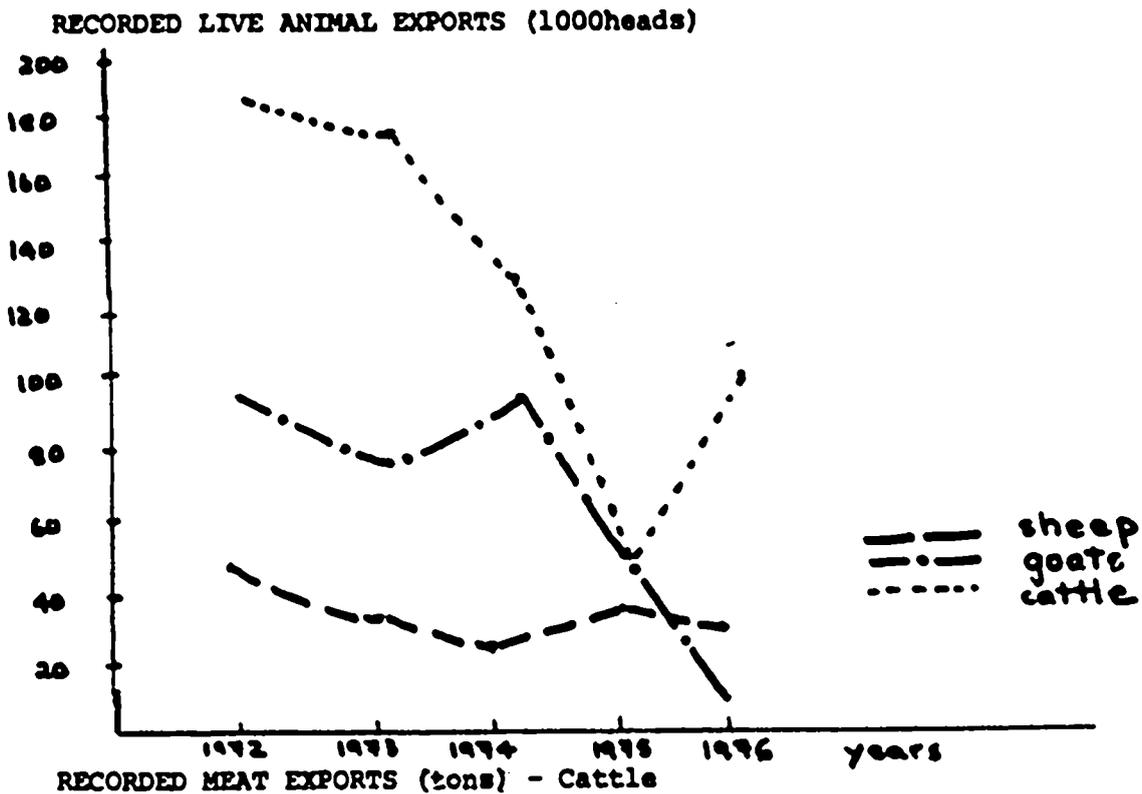
Since 1974, the government has been following a livestock reconstitution program aimed at increasing herd size to a level compatible with range land availability. The program has been successful in that herd size has reached, and for certain categories, surpassed, the pre-drought levels. Livestock exports (mainly cattle) have increased although export of meat has declined since Nigeria, the main market for Niger's livestock, prefers to import on the hoof. A more definitive livestock policy is being established as part of the 1979-1983 Five Year Plan.

## 3) Industry

Limited by a small internal market, high transportation and energy costs, the industrial sector has played a relatively minor role in Niger's economy. The industry, transport, construction and services sector accounted for approximately 15 percent of total GDP during the period from 1967 to 1971 and one fourth of total GDP from 1972 to 1978. The share of industry alone has not been disaggregated in available statistics although it is estimated that its share in GDP does not exceed 10 percent.

### a) Agricultural Processing

Processing of agricultural commodities--groundnuts, cotton, cowpeas and livestock--has fared poorly over the years due to the obvious dependence upon declining rural sector output. Groundnut processing at one time dominated processing activities, accounting for over 80 percent of total processing and representing 6.5 percent of GDP in 1972. Starting in



SOURCE: WORLD BANK

1974, SONARA increased the proportion of groundnuts delivered to oil mills (thus the proportion for export declined) but the sharp decline in groundnut production resulted in a concomittant drop in the groundnut processing contribution to GDP, estimated at 1.5 per cent in 1978. One of the groundnut shelling plants has been closed and the remaining two are operating well below capacity as are the oil mills.

In contrast to the depressed state of groundnut processing, the value added to cowpea processing\* has been rising steadily from CFAF 1.5 billion in 1972 to CFAF 4.3 billion in 1978 (constant prices), at which time it represented two thirds of total precessing. The other processing activities have been operating below capacity--cotton and paddy rice processing due to insufficient supply and livestock processing due both to inadequate supply and the preference of Nigeria (the primary livestock importer) for live cattle. See Table 2 Annex

#### b) Other Industries

There are a number of other small industries in Niger---a cement plant, several brick and tile factories and a textile mill. On the whole, activity has been sluggish due to a variety of factors such as insufficient demand, high prices of inputs and inadequate managerial capacity.

#### 4) Mining

The contribution of the mining sector to current GDP has increased from 1.1 percent in 1971 to 9.4 percent in 1978, thereby substantially accelerating the rate of structural change in the economy and opening up a new perspective on Niger's future. Spurred on by the oil price increases in 1973-74, the price of uranium has risen more than five fold from CFAF 4,597/kg in 1973 to an estimated CFAF 24,300/kg in 1979. Output, which reached 410 tons in 1971, has expanded rapidly to an estimated 3300 tons in 1979. Two mines, SOMAIR and COMINAK, are currently in operation, with two more expected to begin production by 1982/83 and a dozen more on the horizon.\*\* With an estimated 200,000 ton reserve,

\*Cowpea processing simply refers to preparing the cowpeas for export.

\*\* See Annex #9 for description of current and planned mining operations

Table 4

Millet and Sorghum production 1966-1978

	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	
Millet													
A	1.743,0	1.864,6	1095,2	2271,9	2309,8	2355,8	2194,5	2007,7	2230,0	1692,9	2526,9	2728,5	
P	841,8	1.000,1	732,6	1095,4	870,9	958,9	918,8	626,9	882,6	581,3	1019,1	1130,3	1090
Y	483	537	387	482	377	407	390	312	395	343	403	407	
Sorghum													
A	530,2	556,2	595,6	595,0	513,1	579,3	566,8	448,0	547,7	790,9	615,5	732,5	
P	277,1	342,2	215,1	289,3	230,2	266,8	208,4	126,1	218,9	253,8	206,6	312,0	245
Y	508	645	386	406	380	461	344	282	404	320	465	466	

Source: Direction de l'Agriculture, Ministère du Développement Rural

Table 8

## Contribution of Mining Sector to Gross Domestic Production (Current and Percentage)

	1971	1972	1973	1974	1975	1976	1977	1978
Total GDP (CFAF billions)	109.1	108.7	123.7	138.1	149.8	207.6	281.2	372.2
Value Added to Mining (CFAF billions)	1.2	1.5	1.5	2.5	9.4	14.4	21.6	35.0
Annual Growth (%)		25.0	-	66.6	276.0	53.2	50.0	62.0
Value Added to Mining as % GDP	1.1	1.4	1.2	1.8	6.0	6.9	7.7	9.4

Source: IMF

Niger ranks eighth in the world after the U.S., Canada, South Africa, France, Australia and Spain, and ranks fourth as uranium producer in the non-centrally planned economies.

Prior to the discovery and exploitation of uranium, cassiterite (a tin ore) was the most important mineral in Niger, although production remained modest as did its contribution to overall GDP. With the opening up of the SOMAIR mining concession in 1971, the contribution of the mining sector to GDP reached 1.1 percent; production and price increases accelerated this trend and by 1975, value added to the mining sector had increased eight fold, to CFAF 9.4 billion in current prices or 6 percent of GDP. Measured in constant prices, the increase in the share of uranium mining in GDP was of course less dramatic. Although output was initially modest, the exploitation and marketing of uranium had a crucial and positive impact on the economy when severely curtailed agricultural output reduced the share of the rural sector in GDP. During the worst years of the drought, when real GDP fell by 14 percent, output in the mining sector--and in related sectors such as transportation, construction and services--increased, thereby serving as a buffer to the destabilizing effects of reduced agricultural output.

Although uranium mining is an "enclave" activity--one that requires a large amount of imported inputs and that causes profits, expatriates' wages and salaries to be transferred abroad--the direct effects on the economy have been and will continue to be significant. Forward-linkage activities, such as the processing of the mineral, are nonexistent and unlikely to develop in the near or medium term due to the high technology component. Backward linkage however has been substantial in the areas of transportation, construction, services and energy. The World Bank estimates that in 1977 approximately 10 percent (CFAF 2.9 billion) of the gross export value of uranium went to the transport sector. The importance of the transportation sector in uranium production is underscored by the fact that to produce one ton of uranium, at least 25 tons of inputs (sulphur and petroleum products) are needed. In other related areas, the Societe Nigerienne du Charbon (SONICHAR) is involved in the construction of a coal-fired power plant which would supply the mining companies and towns with energy and the construction of the "uranium road" is underway. The development of mining townships will have a strong regional economic impact.

While uranium mining may not have a direct effect on the majority of people whose livelihood depends on rural sector activities, the indirect effects have already been,

and should continue to be, substantial. The increased investment activity undertaken by the government due to the availability of uranium revenue is one such effect. This will be discussed in the following sections.

**B. FOREIGN TRADE AND PAYMENTS**

**1) Overall balance of payments developments**

Niger's balance of payments for the ten year period 1968-1978 is characterized by fluctuating and increasing current account deficits which have been more than offset by capital inflows, originally in the form of foreign grant aid but increasingly in the form of foreign investment. Apart from relatively small deficits in 1968, 1974 and more recently in 1978, the overall balance of payments has been in surplus, reaching a peak of CFAF 7.9 billion in 1976.

Except for the years 1971 through 1973 when unrequited transfers\* doubled and the trade deficit decreased, the current account has been in deficit, due to deficits on goods and services\*\* which have increased four fold, from CFAF 7.0 billion in 1968 to CFAF 27.5 billion in 1978. The trade balance, although negative throughout the ten year period under review has not been the primary cause of the current account deficit. Rather the deficit has been due in large part to the increasing net services deficits, which includes expenditures on technical assistance, insurance, freight and investment income. Net outflows of investment income include interest payments on government borrowing and earnings of foreign shareholders in mining activities. The positive net inflow of investment income in 1974 and 1975 reflects the net losses of foreign-owned enterprises concerned with oil exploration. The balance of trade deficit reflects deteriorating terms of trade (through 1973) and rapidly increasing fuel and capital goods costs.

Official transfers in grant form (including food aid) constitute the bulk of unrequited transfers on the current account. Foreign aid reached a peak in 1974 at CFAF 28.3 billion but has subsequently declined by over 50 percent to its current level of CFAF 12.7 billion. This decline has

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\*Includes private transfers mainly outflows of earnings of foreigners, and official transfers, grant and food aid.

\*\*Includes trade (imports and exports) and services, mainly payments for freight and insurance and investment income (earnings of foreign shareholders and interest payments on Government borrowing).

Table 9

NIGER: BALANCE OF PAYMENTS 1968-1978  
(billions CFA francs)

	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978
A. Goods and Services	<u>-7.0</u>	<u>-7.8</u>	<u>-8.3</u>	<u>-3.0</u>	<u>-7.0</u>	<u>-9.7</u>	<u>-28.1</u>	<u>-15.5</u>	<u>-15.9</u>	<u>-21.5</u>	<u>-27.5</u>
Trade Balance	<u>-4.2</u>	<u>-5.9</u>	<u>-6.1</u>	<u>-2.1</u>	<u>-3.4</u>	<u>-2.7</u>	<u>-15.2</u>	<u>- 2.0</u>	<u>- 1.7</u>	<u>- 4.2</u>	<u>- 2.1</u>
Exports	8.5	10.2	12.9	16.1	17.9	22.2	19.6	29.7	36.9	44.9	63.4
Imports	<u>-12.7</u>	<u>-16.7</u>	<u>-19.9</u>	<u>-18.3</u>	<u>-21.3</u>	<u>-31.1</u>	<u>-34.7</u>	<u>-31.6</u>	<u>-38.6</u>	<u>-49.1</u>	<u>-65.5</u>
Services (net)	<u>- 2.8</u>	<u>- 1.8</u>	<u>- 2.1</u>	<u>- .8</u>	<u>- 3.6</u>	<u>- 7.0</u>	<u>-12.9</u>	<u>-13.5</u>	<u>-14.2</u>	<u>-17.3</u>	<u>-25.4</u>
of which: freight and insurance	.3	.1	.2	.2	.1	- 6.0	-11.5	- 9.2			
Income	<u>- .2</u>	<u>- .3</u>	<u>- .4</u>	<u> 9.4</u>	<u>- .2</u>	<u> .1</u>	<u> 3.4</u>	<u> 3.4</u>			
B. Unrequired transfers	<u> 5.9</u>	<u> 6.4</u>	<u> 8.3</u>	<u> 7.5</u>	<u> 8.9</u>	<u>15.2</u>	<u>24.9</u>	<u>13.7</u>	<u>11.1</u>	<u> 9.9</u>	<u> 8.2</u>
Private	<u>.02</u>	<u>- .2</u>	<u>- .02</u>	<u>- .09</u>	<u>- .7</u>	<u>- 2.7</u>	<u>- 3.4</u>	<u>- 3.5</u>	<u>- 3.7</u>	<u>- 3.6</u>	<u>- 4.5</u>
of which: workers remittances	<u>- .6</u>	<u>- .8</u>	<u>- .5</u>	<u>- .8</u>	<u>- 1.7</u>	<u>- 3.2</u>	<u>- 3.7</u>	<u>- 3.7</u>			
Official	5.9	6.6	8.3	7.6	9.7	17.9	28.3	17.2	14.8	13.5	12.7
C. Current Account Balance	<u>- 1.1</u>	<u>- 1.3</u>	<u>- .02</u>	<u> 4.5</u>	<u> 1.9</u>	<u> 5.5</u>	<u>- 3.2</u>	<u>- 1.8</u>	<u>- 4.8</u>	<u>-11.6</u>	<u>-19.3</u>
D. Non monetary capital	<u> 2.3</u>	<u> 4.2</u>	<u> 5.5</u>	<u> 2.1</u>	<u> 4.4</u>	<u>- .6</u>	<u> 6.2</u>	<u> 7.3</u>	<u>12.4</u>	<u>16.1</u>	<u>15.5</u>
Direct Investment	1.9	2.6	.2	- 1.3	.5	.1	1.6	3.5			
Other private long-term	<u>.08</u>	<u>.09</u>	<u> 5.2</u>	<u> 1.5</u>		<u>- .2</u>	<u> .3</u>	<u> .6</u>	<u> 7.5</u>	<u>10.1</u>	<u> 8.5</u>
Private short-term	<u>- .4</u>	<u> .1</u>	<u>- .7</u>	<u> .3</u>	<u> .5</u>	<u>- 2.5</u>	<u> 1.4</u>	<u>- .5</u>			
Official	.7	1.3	.7	1.6	3.4	1.9	2.9	3.7	4.9	6.0	7.0
E. Monetary Capital						<u> .2</u>	<u>- .5</u>	<u> .9</u>	<u> .2</u>	<u>- 0.8</u>	<u> 0.1</u>
F. Errors and Omissions	<u>- 1.3</u>	<u>- 1.3</u>	<u>- 3.7</u>	<u>- 3.2</u>	<u>- 3.9</u>	<u>- 4.0</u>	<u>- 4.0</u>	<u>- 5.2</u>	<u> .1</u>	<u> .2</u>	
G. Overall Balance (A through F)	<u>- .1</u>	<u> 1.4</u>	<u> 1.7</u>	<u> 3.5</u>	<u> 2.4</u>	<u> 1.1</u>	<u>- 1.5</u>	<u> 1.2</u>	<u> 7.9</u>	<u> 3.9</u>	<u>- 3.7</u>

been more than offset by inflows on the capital account in the form of loans and mining-related investment. Foreign assistance to Niger has been primarily in the form of grants and amounted to some CFAF 150 billion between 1968 and 1977. Project related grants have been the main components although during 1973 and 1974 food aid increased substantially, representing 43 and 53 percent respectively of total grant aid.

From 1970 to 1973 the sum of unrequited transfers more than offset the deficit on goods and services resulting in surpluses on the current account. After 1974, the situation was reversed and from 1974 to 1978 the current account deficit increased six fold from CFAF 3.2 billion to CFAF 19.3 billion, reflecting both stagnating official transfers and rapidly increasing net services deficits.

Private unrequited transfers have been relatively small over the past ten years although there has been a significant increase since 1972, reflecting a larger number of expatriate remittances abroad related to mining activities. In 1978 this figure was estimated at CFAF 4.5 billion, over half of net unrequited transfers.

The capital account has been characterized by increasing inflows of nonmonetary capital\* which have served to finance the deficits on the current account. From 1968 to 1978, capital inflows increased seven fold from CFAF 2.3 billion to CFAF 15.5 billion, although there was substantial downward fluctuation in 1971 and 1973 owing to a slowdown in the investment activity of the private sector. Official inflows, in the form of government drawing on foreign loans have increased significantly, as have the inflows on the private account reflecting increased investment and reinvestment in the mining sector. Between 1974 and 1977, capital inflows on the private account increased three fold reaching a level of CFAF 10.1 billion. In 1978 nonmonetary capital inflows stagnated, contributing to the overall balance of payments deficit - the first such deficit since 1974.

## 2) Foreign Trade

Available data on foreign trade does not give a complete picture of Niger's trade relations with other countries due to a large unrecorded trade sector (particularly with Nigeria) and delayed accounting procedures. Official (but provisional)

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\*Includes direct investment (mainly in mining sector), and Government borrowing.

trade statistics are available through 1976; estimates for 1977 and 1978 are available but subject to substantial variation.

a) Exports

The composition of recorded exports has changed dramatically during the ten year period under consideration. In 1968, the export of groundnut products amounted to CFAF 4,921 million or close to 70 percent of total exports, as compared with CFAF 330 million or .5 percent of total exports in 1978. Receipts of groundnut exports (primarily shelled groundnuts) fluctuated through 1972 as a result of changes in both volume and value. In 1973 there was a sharp drop in the export of shelled groundnuts as production fell and an increasing proportion of groundnuts was delivered to oil mills. The following year, when groundnut production fell to a new low, the government prohibited the export of groundnut products in order to meet domestic consumption needs although a portion of groundnut oil was eventually exported at a value comparable to the previous year. Groundnut production is now virtually nonexistent despite government efforts to redress the situation. Producer prices have been raised substantially and projects are planned for the 1979-1983 Plan Quinquennal to focus specifically on revitalizing groundnut production.

While the production and export of cotton has all but collapsed, the production of cowpeas has emerged as an important growth element in Niger's crop exports. Recorded exports of cowpeas reached an estimated CFAF 3,100 million in 1977 (7 percent of total exports). There is also a large unrecorded trade sector, particularly with Nigeria.

Exports of livestock continue to rank second in Niger's total commodity exports although there have been sharp fluctuations in volume and value. Between 1968 and 1973, the volume of exported livestock almost tripled reflecting herders inability to maintain herds on existing grazing areas. Between 1973 and 1975, volume dropped by three fourths as a reaction to the previous high export period and as the government sought to curtail the export of productive animals in order to spur herd reconstitution. Due to a shortage of meat in West Africa, the unit values rose sharply resulting in a doubling of export values and a halving of volume in the 1973-76 period. Livestock exports have continued to grow since 1976 with values estimated at CFAF 8,070 million

Table 10

NIGER: COMPOSITION OF RECORDED EXPORTS 1968-1978

(in millions of CFA francs)

	1968	1969	1970	1971	1972 <sup>a</sup>	1973	1974	1975	1976 <sup>b</sup>	1977 <sup>c</sup>	1978 <sup>c</sup>	
Uranium concentrate	-	-	-	2,000	1,451	5,428	6,322	11,082	20,176	20,100	47,000	
Livestock	863	890	1,390	1,445	585	2,313	2,093	3,653	4,798	8,070	11,600	
of which: cattle	(779)	(771)	(1,232)	(1,703)	(471)	(1,813)	(1,561)	(2,146)	(1,519)	(5,665)	(7,300)	
Meat						133	124	203	210			
Hides and skins						662	617	177	477			
Groundnuts (shelled)	4,513	3,721	4,934	3,413	3,704	1,844	--	2	697			
Groundnuts oil	330	191	566	967	224	1,416	1,145	1,026	919			
Groundnuts cake	78	63	192	265	152	335	185	184	369	320	330	
Cotton	393	297	160	561	121	94	16	46	400	400	100	
Vegetables	431	672	644	284	35	139	152	575	2,785			
of which: onions	(46)	(126)	(326)	(193)	(8)	(112)	(129)	(430)	(772)			
cowpeas						(1)	(8)	(137)	(2,537)	(3,100)	(210)	
Other	530	799	690	877	2,508	1,453	1,977	1,728	818			
Total f.o.b.	7,241	6,402	8,795	10,670	9,019	13,817	12,621	19,556	31,979	44,900 <sup>d</sup>	63,400 <sup>d</sup>	
	(in percent of total)											
Uranium concentrate	-	-	-	18.7	16.0	39.2	50.0	60.7	64.0	63.2	74.1	
Livestock	12.0	13.9	15.8	18.1	6.5	16.7	16.5	18.6	15.0	18.0	18.2	
of which: cattle	(10.8)	(12.0)	(14.0)	(15.9)	(5.2)	(13.5)	(12.3)	(10.9)	(14.1)	(12.6)	(11.5)	
Meat					.9	1.0	1.0	1.4	.6			
Hides and skins	1.7	2.7	2.2	3.1	1.3	4.7	4.8	.9	1.5			
Groundnuts (shelled)	62.3	58.1	56.1	32.0	41.8	13.3	-	-	2.1			
Groundnuts oil	4.6	3.0	6.4	9.1	2.5	10.2	9.0	5.2	2.8			
Groundnuts cake	1.1	1.0	2.2	2.5	1.7	2.4	1.4	.9	1.1	.7	.5	
Cotton	5.4	4.6	1.8	5.3	2.0	6.7	.1	.2	.1	.9	.1	
Vegetables	5.9	3.8	7.3	2.7	.4	1.0	1.2	2.9	8.7			
of which: onions	(.6)	(2.0)	(3.7)	(1.8)	(.1)	(.8)	(1.0)	(2.1)	(.7)			
cowpeas						(-)	(-)	(.7)	(7.9)	(6.9)	(.3)	
Other	7.3	12.5	7.8	8.2	27.7	10.5	15.6	8.8	2.6			
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
				Exports - Annual Percentage change								
		-11.6	37.3	21.3	-15.1	52.6	-8.6	55.0	63.5	40.4	41.2	

Notes: Composition of Recorded Exports 1968-1978

- a) January to June only  
b) Provisional  
c) Estimates  
d) Provisional estimates and projections on a balance of payments basis  
e) May not add to 100 due to rounding

and 11,600 million in 1977 and 1978 respectively (approximately 18 percent of total exports). Live cattle have been the key exports as Nigeria--Niger's primary importer--prefers to import on the hoof.

In 1971 when SOMAIR produced approximately 410 metric tons with a unit value of CFAF 5,000 per ton and an export value of CFAF 2,000 million, exports of uranium already accounted for 19 percent of total exports. In 1978, with an estimated production of 2,000 metric tons and a unit price of CFAF 23,500 per ton, uranium is the number one export item, currently representing three fourths of Niger's exports. If imports related to uranium mining are taken into consideration, the net value of uranium export earnings represents around 80 percent of it's gross value. Uranium has thus been the primary contributing factor to the rapidly increasing value of total exports estimated at CFAF 64.0 billion in 1978--a nine fold increase in ten years. While the size of the contribution of uranium exports to total exports in terms of value, depends on per unit price projections, the contribution in terms of projected volume is somewhat more reliable. With an estimated 200,000 ton reserve and a projected output of 6635 metric tons by 1983, uranium will continue to be the key element in Niger's exports. Two mining companies - SOMAIR and COMINAK - are currently in operation and they will be joined by two others, Societe Miniere de Tassa N'Taghalgue and Teguida N'Tessoum, in the mid 1980s. Even if in real terms the unit price remains steady, the value of uranium exports will be substantial. Marketing arrangements have changed significantly since 1971 when COGEMA had sole responsibility in this area. Since 1977, Niger has marketed small amounts and it is expected that Niger will have responsibility for the marketing of 50 percent of the uranium produced by the SMTT mine.

#### b) Imports

Total recorded imports (cif) increased three fold in the period 1968 to 1976 (the latest date for which figures are available) reaching CFAF 30.4 billion or close to 80 percent of imports on a balance of payments basis. Much of this increase, particularly after 1973, is due to rising prices of imports. The composition of recorded imports has remained fairly consistent over the eight year period, with the bulk of growth caused by imports of fuel and capital goods related to the mining sector. Imports of fuel increased from CFAF 1.49 billion for

Table 11

NIGER: COMPOSITION OF RECORDED IMPORTS 1968-1976

(billions CFA francs)	(in millions CFA francs)									
	1968	1969	1970	1971	1972	1973	1974	1975	1976	
Food, beverages, tobacco	1,151	1,383	1,636	1,408	2,533	2,865	3,904	2,096	2,055	
Fish				16	8	11	12	12	12	
Milk products				142	170	174	311	147	170	
Cereals				162	319	800	1,212	1,502	1	
Sugar				478	835	884	1,367	642	739	
Beverages				182	186	198	241	180	274	
Tobacco				228	247	432	242	375	470	
Other				196	776	366	519	239	389	
Other consumer goods				1,277	1,260	1,404	1,489	1,292	2,316	
Raw materials and intermediate goods	3,909	4,903	6,762	2,700	3,036	2,005	1,718	1,388	2,425	
Capital goods of which:	3,545	5,060	5,552	5,355	5,912	7,768	8,485	7,883	13,200	
machinery	1,334	2,946	2,242	2,023	2,344	3,922	3,394	3,145	4,437	
road transport	1,799	1,310	2,267	2,207	1,895	2,772	2,812	2,397	5,394	
iron & steel	412	804	1,043	803	913	1,008	1,292	1,150	2,093	
Fuels	497	507	602	1,278	1,462	1,488	3,139	2,750	3,525	
Other	1,015	1,062	1,661	3,278	3,086	3,564	4,409	6,480	6,862	
Total Imports	10,117	12,922	16,213	14,974	16,575	19,098	23,144	21,889	30,383	
				Annual Percentage Change						
		27.7	25.4	-7.6	10.7	15.2	21.1	-5.4	38.8	

Notes: Composition of recorded imports  
 1968 through 1970 IMF  
 1971-1972 BCEAO  
 1973-1976 IMF

77,920 tons of oil in 1973 to CFAF 3.52 billion for 102,380 tons in 1976.

Imports of food, (not donated grain) beverages and tobacco represented an average of 10 percent of recorded imports between 1968 and 1971. Between 1972 and 1974, the percentage share increased to 17 percent as the drought increased the need for emergency supplies. In 1976, this category of imports was valued at CFAF 2,055 million or 7 percent of the total for that year.

Between 1968 and 1976, the value of fuel imports rose from CFAF 497 million to CFAF 3,525 million, while that of capital goods rose from CFAF 3,545 million to CFAF 13,200 million. In 1976, the latter represented 44 percent of total recorded imports and it is expected that this share will continue to increase.

#### c) Direction of Trade

Unlike the composition of trade, the direction of trade has remained relatively stable over the past nine years. France remains Niger's most important trading partner, supplying 43 percent of Niger's imports and receiving 54 percent of Niger's exports in 1976. The European Community as a whole plays an important and privileged role in Niger's trade relations, supplying over half of Niger's imports and receiving close to three fourths of Niger's exports in 1976.

Exports to France have traditionally consisted of groundnuts, cotton and hides and skins. Since 1971, almost all of Niger's uranium has been exported to France, replacing groundnuts and cotton whose production came to a virtual standstill in the mid-1970s. France supplies a variety of manufactured and consumer goods as well as the inputs for Niger's growing uranium activities.

Nigeria has also played an important role mainly as a market for Niger's exports although most transactions are part of unrecorded trade. In 1976, exports to Nigeria (primarily cowpeas and livestock) represented about 23 percent of total exports. Niger imports oil and electricity from Nigeria.

#### d) Terms of Trade

According to estimates of the IMF, the terms of trade have improved significantly since the drought when declines in agricultural production and rapid price

Table 12

Exports by Country of Destination  
1968-1976  
(in percent of total)

	1968	1969	1970	1971	1972	1973	1974	1975	1976
EUROPE	76.4	67.9	64.5	58.9	61.4	64.6	64.4	66.7	73.2
EUROPEAN COMMUNITY	76.3	67.5	64.1	57.0	52.6	64.4	64.3	66.6	73.2
FRANCE	(63.1)	(62.7)	(46.7)	(51.6)	(38.4)	(50.7)	(54.5)	(63.7)	(54.0)
OTHER EC	(13.2)	(4.8)	(17.4)	(5.4)	(14.2)	(13.7)	(9.8)	(2.9)	(19.2)
OTHER	.1	.4	.4	1.9	8.8	.2	.1	.1	-
NIGERIA	14.9	16.1	19.7	25.6	27.5	25.9	27.0	21.9	23.3
OTHER AFRICA*	7.2	11.1	12.5	8.8	7.5	8.1	7.0	8.0	3.1
UNITED STATES	.3	1.3	0.2	0.4	.9	.1	.6	.8	--
OTHER	1.2	3.6	3.1	6.3	2.7	1.3	.8	2.6	.4
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Origin of Imports  
1968-1976  
(in percent of total)

	1968	1969	1970	1971	1972	1973	1974	1975	1976
EUROPE	61.4	62.2	63.0	61.3	66.9	64.9	55.6	47.5	51.9
EUROPEAN COMMUNITY	59.0	60.4	61.5	60.5	64.9	63.4	54.1	43.8	56.2
FRANCE	(47.9)	(47.4)	(45.8)	(43.2)	(56.8)	(43.2)	(37.1)	(30.4)	(43.4)
OTHER EC	(11.1)	(13.0)	(15.7)	(17.3)	(8.1)	(20.2)	(17.0)	(13.4)	(12.8)
OTHER	2.4	1.8	2.3	3.8	2.0	1.5	1.5	3.7	2.7
NIGERIA	2.5	2.0	1.4	2.3	2.7	5.5	8.6	2.3	4.3
ALGERIA**					1.4	.8	3.3	7.7	5.8
OTHER AFRICA*	11.4	10.1	11.6	8.6	14.0	10.8	12.0	21.0	10.8
UNITED STATES	7.3	4.9	5.3	7.8	4.8	7.5	12.8	12.2	6.4
VENEZUELA	1.1	0.5	0.4	2.3	2.5	2.6	0.9	1.3	0.6
ASIA	4.3	2.7	3.0	2.6	5.3	5.5	4.5	4.8	6.4
OTHER	11.0	17.6	14.5	12.1	2.4	2.4	2.3	3.2	6.8
TOTAL	100.00	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Sources:

Notes: \* 1968-1971, only Ghana and IN/FAO incl  
 \*\* 1968-1971, Algeria included in Other

increases caused a 30 percent drop in the terms of trade. Import prices have been rising rapidly, although since 1975, have remained below export prices. The jump in uranium export prices has had a positive impact on Niger's terms of trade, estimated at 161 in 1978 (1972=100).

### C. PUBLIC FINANCE AND INVESTMENT

Current budgetary operations of the central government are recorded in the general budget--Budget General de Fonctionnement-- and public investment operations are recorded in the National Investment Fund--Fonds National d'Investissement (FNI). There is also an annexed budget for the operation and maintenance of public works equipment. The operations of the Budget General cover the fiscal year October 1 through September 30. The FNI receives a transfer from the Budget General at the beginning of each fiscal year although FNI expenditures tend to extend themselves over several years. The Five Year Plan for the first time will attempt to provide a longer term perspective for the FNI by appropriating funds over the full five year period.\*

#### 1) Overall Budgetary Development

No official figures exist for fiscal revenue derived directly from uranium but it is clear that uranium has been the key factor in budget expansion and has accounted for most of the increase in tax revenue. Over the past 10 years, Niger's budget has been characterized by current budgetary savings due to conservative policies on current spending, and by rapidly increasing expenditures on the capital account reflecting growing inflows of taxable uranium revenue. Disbursements on the capital account have however remained considerably below appropriations.

Between 1969/70 and 1972/73, Niger's budget was characterized by slowly increasing revenue and expenditure-- the latter rising at a slightly quicker pace than the former. Total expenditure increased at an average annual average rate of 7.8 percent during the four year period while revenue increased by 5.6 percent annually. Current expenditure remained below current revenue resulting in surpluses on government current budgetary operations through 1972. Sizeable external grants, mainly from France (reaching up to 13 percent

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\*The FNI budget for Fiscal year 1980 has been set at CFAF 26.0 billion; as of yet there is no mention of how this fits into an overall five-year FNI figure.

of revenue), and contributions by the Price Stabilization Fund (CSPPN)\* helped to bolster the government's financial position. Capital expenditure was limited, and financed primarily by French budgetary assistance whose contribution also included an annual special grant to compensate Niger for shortfalls in fiscal receipts from uranium.

After 1973, both revenue and expenditure increased rapidly, although pursuant to a policy of strict expenditure control, growth of current expenditure was kept consistently lower than that of revenue. French budgetary assistance was discontinued in 1974 although capital expenditures remained relatively low up until 1976, when increased fiscal revenue from uranium allowed further expansion. In addition there was a change in budgetary procedures whereby capital expenditure and debt servicing previously financed from the current budget Title IV were included in FNI appropriations.

The continued expansion of budget appropriations is directly linked to the amount of revenues derived from uranium exploitation and exportation. As with any commodity, price and production projections depend on assumptions concerning world supply and demand, the rate of exploitation, the number of mining companies in operation, the unit price, the tax structure (i.e. the manner in which revenues accrue to the government). The outlook through 1985 is good, reflecting in part the opening up of several new mines in which ONAREM has both increased equity participation and potential expanded marketing responsibilities.

## 2) Trends in Expenditure

The government has pursued generally conservative policies in current expenditure in an effort to minimize nonproductive expenditures and increase the amount of resources available for development expenditure. Between 1969/70 and 1972/73, current expenditure grew at an annual average rate of 5.4 percent, while capital expenditure grew by 30 percent. During the next two year capital expenditure declined, then increased rapidly at an 88 percent annual average rate between 1974/75 and 1978/79. Current expenditure rose by an average 20 percent during that same period.

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\*Caisse de Stabilisation des Prix des Produits du Niger

Table 13

## ECONOMIC AND FUNCTIONAL CLASSIFICATION OF CURRENT EXPENDITURE

FUNCTIONAL CLASSIFICATION	1969/70		1970/71		1971/72		1972/73		1973/74	
	CFAPM	%	CFAP	%	CFAP	%	CFAP	%	CFAP	%
General Public Services	5,398	53.4	5,849	53.3	6,015	53.2	6,110	51.5	6,533	46.4
Defence	776	7.6	765	7.0	779	7.0	803	6.7	820	5.8
Education	1,459	14.4	1,553	14.1	1,778	15.7	1,987	16.7	2,393	17.0
Health	942	9.3	906	8.2	970	8.5	1,012	8.5	1,105	7.8
Social Security/Services	170	1.7	144	1.3	154	1.3	129	1.0	76	.5
Economic Services of which: agriculture	655 (653)	6.4 (6.4)	680 (674)	6.2 (6.1)	709 (703)	6.2 (6.2)	731 (725)	6.1 (6.1)	999 (750)	7.1 (5.3)
Public debt	278	2.7	178	1.6	154	1.3	152	1.3	643	4.5
Payment of arrears Other A)	426	4.2	889	8.1	738	6.5	922	7.7	950 542	6.7
<b>ECONOMIC CLASSIFICATION</b>										
Goods and Services	9,213	91.5	10,058	91.7	10,380	91.8	10,890	92.0	12,029	85.5
Wages & salaries	(4,719)	(46.7)	(4,878)	(44.4)	(5,181)	(45.8)	(5,549)	(46.8)	(6,109)	(43.4)
Materials & supplies	(2,419)	(23.9)	(2,360)	(21.5)	(2,496)	(22.0)	(2,492)	(21.0)	(3,080)	(21.9)
Housing	(267)	(2.6)	(289)	(2.6)	(348)	(3.0)	(365)	(3.0)	(590)	(4.2)
Transport	(1,102)	(10.9)	(1,400)	(12.7)	(1,244)	(11.0)	(1,216)	(10.2)	(1,554)	(11.0)
Other	(704)	(7.0)	(1,129)	(10.2)	(1,110)	(9.8)	(1,266)	(10.6)	(691)	(4.9)
Public Debt	278	2.7	178	1.6	154	1.3	152	1.3	643	4.5
Subsidies & Current Transfers of which: participation in int'l organizations	615 (197)	6.0 (1.9)	730 (216)	6.6 (2.0)	764 (225)	6.7 (2.0)	806 (240)	6.8 (2.0)	1,392 (296)	10.0 (2.1)
<b>TOTAL</b>	<b>10,107</b>	<b>100.0</b>	<b>10,967</b>	<b>100.0</b>	<b>11,299</b>	<b>100.0</b>	<b>11,849</b>	<b>100.0</b>	<b>14,065</b>	<b>100.0</b>
Annual % change			8.5		3.0		4.8		18.7	

Table 13 Con't

1969/70 - 1978/79 - In millions CFAP and in percent of total

1974/75		1975/76		1976/77		1977/78		1978/79	
CFAP	%	CFAP	%	CFAP	%	CFAP	%	CFAP	%
7,062	40.2	9,805	43.7	17,175	42.0	13,693	45.0	17,018	47.6
1,313	7.6	1,544	6.9	1,861	6.5	2,226	7.3	2,609	7.3
3,228	18.4	3,900	17.4	4,249	14.9	4,900	16.1	5,797	16.2
1,223	7.0	1,657	7.4	1,795	6.3	2,207	7.2	2,665	7.4
74)	-	120	.5	104	.6	254	.8	287	.8
2,369 <sup>c)</sup>	13.5	2,126	10.8	3,317	11.6	4,017	15.8	4,615	13.0
(1,156)	6.5	(998)	(4.4)			(1,325)	(4.3)	(1,637)	4.5
933	5.3	1,521	6.8	2,052	10.0	2,303	7.6	2,753	7.7
539	3.0	608	2.7	1,008	3.5	-	-		
(47)		815		908					
13,607	77.5	16,261	73.9	19,424	68.3	20,547	67.6	25,143	70.3
(7,037)	40.1	(7,224)	35.3	(9,113)	32.0	(11,135)	36.6	(12,816)	35.8
(3,624)	20.6	(5,097)	22.7	(5,962)	21.0	(6,193)	20.3	(8,745)	24.4
(554)	3.1	(586)	2.6	(632)	2.2	(582)	1.9	(632)	1.7
(1,811)	10.3	(2,255)	10.0	(2,733)	9.6	(2,637)	8.6	(2,949)	8.2
(577)	3.3	(697)	3.1	(903)	3.4				
933	5.3	1,521	6.7	2,052	10.0	2,303	7.6	2,753	7.7
2,995	17.0	4,323	19.3	6,154	21.6	7,552	24.8	7,849	22.0
(499)	2.8	(505)	8.2	(494)	1.7	(778)	2.5	(1,136)	31.8
17,538	100.0	22,406	100.0	28,432	100.0	30,404	100.0	35,742	100.0
24.6		27.7		26.8					

Source: IMF

a) For 1973/74 - 1978/79, functional classification does not include annexed budget.

b) Wages and salaries of social services included in general Administration.

c) From 1974/75 Public Works expenditures previously included in gen'l admin. were included in Economic Services.

d) Budget Expenditures

## Current Expenditure

### a) Economic Classification

Until 1973/74 the economic composition of current expenditures remained relatively stable. Expenditures on goods and services constituted the bulk of government spending, averaging around 92 percent of the total during the four year period. Wages and salaries represented an average 46 percent while expenditures on materials and supplies, and transport averaged around one-fifth and one-tenth respectively of current expenditures. Servicing of public debt declined in absolute and relative terms as development-related debt service payments were being met by the FNI. Subsidies and other current transfers (which include Niger's participation in international organizations) increased by 31 percent between 1969/70 and 72/73 although their relative share in current expenditures also remained stable at about 6.5 percent.

Starting in 1973/74, changes occurred in the economic classification of current expenditures. Although expenditures on goods and services grew at a slightly more rapid pace than in previous years, their share in total current expenditure declined from 92 percent in 1972/73 to 68 percent in 1976/77. Only a slight increase to 70.3 percent was expected during 1978/79. Within this category, most marked was the decline in the share of wages and salaries from 46.8 percent in 1972/73 to 35 percent in 1978/79 despite salary increases granted to civil servants in January 1975, October 1977 and May 1978 and more recently in October 1979. Other categories of goods and services expenditures remained relatively stable.

The other categories of current expenditure--public debt, and subsidies and current transfers--both increased substantially relative to expenditures on goods and services. After 1974/75, the servicing of public debt was met entirely by the general budget (prior to this time, it had been divided between the general budget and the FNI); its share in total current expenditure rose from 1.3 percent in 1972/73 to 10.0 percent in 1976/77 when it reached CFAF 2,852 million.\* Subsidies and current transfers rose at an average annual rate of 35 percent during that same period to reach CFAF 6,154 million or 22 percent of the total. Expenditures in this category

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\*West Germany, Canada and to some extent France have recently written off several outstanding debts.

include transfers to households, mainly for educational purposes, and subsidy payments to various public agencies.

b) Functional Classification

Expenditures on general public services (general administration and public order and safety) represent around half of current expenditures. In absolute terms, expenditures in this category grew fairly slowly between 1969/70 and 1974/75, at an average annual rate of 5.5 percent, and very rapidly through 1978/79 during which time they increased two and a half fold reaching CFAF 17,018 million.

Education receives the second largest share of current expenditure reflecting the high priority accorded to education by the government. Its relative share has gone from 14.4 percent in 1969/70 to 16.2 percent in 1978/79 while in absolute terms there has been a four fold increase. Expenditures on health have risen appreciably in absolute terms but remain at a relatively low level of 7.4 percent of current expenditures. The low priority accorded to agriculture in the current budget is due to the fact that much of donor assistance (whose contribution is not recorded in the general budget) is devoted to this area.

Capital Expenditure

Most central government investment expenditure is carried out through the National Investment Fund (FNI), although prior to 1974/75, some capital expenditure was also channeled through Title IV in the current budget and through the annexed budget. There also exist several extra budgetary special accounts whose revenue is derived from a special tax levied on uranium. Until 1975/76 the investment budget was funded by French budgetary aid, earmarked excise taxes on petroleum products and revenues derived from uranium, as well as from some profits of the National Lottery. This procedure has since been discontinued in favor of direct transfers from the general budget in an amount equivalent\* to the fiscal revenue derived from uranium. Projects financed directly by foreign aid are not included in the FNI.

\*Although GON officials admit to the link between uranium-derived revenues and capital/investment expenditure in General, it was pointed out in several conversations that these revenues are not earmarked for the FNI, and the total FNI budget is not the same as the total uranium-derived revenues. The official statements made in connection with the 1979/80 budget do however seem to link the two as both amount to CFAF 26.0 billion.

Through 1978/79, appropriations for the FNI were received on a yearly basis through transfers from the General Budget. Expenditures however tended to extend over a period of several years, resulting in rolling commitments and disbursements. The Five Year Plan is attempting to accommodate the longer term nature of FNI projects by appropriating funds over the full five year period. As of October 1979, no official figures have been released; the Plan is expected to be completed by the end of the year.

After fluctuating through 1974/75, capital expenditure has risen consistently and rapidly each year. Budgeted at CFAF 21.0 billion for 1978/79 and CFAF 26.0 billion for 1979/80, expenditures on the capital account now represent 37 percent of total expenditures. This rapid increase (an average annual rate of over 100 percent since 1976) is due to the growth of uranium mining activities from which the Government derives sizeable revenues.

Although specific revenues are no longer earmarked for the FNI, the resources transferred to the FNI from the General Budget have been in line with the amount of fiscal revenues derived from uranium. The tax structure of companies involved with research, exploitation and processing of uranium and related substances is set forth in Law 68.02 of January 1968, amended and modified in 1970 and 1975. There are several set fees for research and exploitation permits and there are different taxes applied to uranium mining at various stages of production and exportation. (see p.40 ) Other uranium--related revenue is derived from ONAREM's equity share in mining companies and more recently from a fee levied on each kilogram produced. This revenue accrues to a Guarantee Fund (Fonds de Garantie du Niger) used for investment purposes.

The rate at which FNI funds have been disbursed and expended has been substantially below the rate at which the money has been appropriated, resulting in surpluses of unallocable revenues, and substantial pipeline funds.\*

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\*In theory, all the funding for a project is budgeted for one year, although in practice, since many projects extend beyond a year, incremental funding takes place, as funds are carried over for three years.

Table 14

Growth of Budgeted Capital Expenditure  
(in billion CFAF)

	1971/72	1972/73	1973/74	1974/75	1975/76	1976/77	1977/78	1978/79	1979/80
CFAF billion	2.17	2.70	3.20	2.50	6.70	10.70	14.00	21.00	26.00
Annual Growth (in percent)		24.0	18.5	-22.0	168.0	59.7	30.8	50.0	24.0

Source: World Bank

According to the World Bank, the rate of actual spending was approximately 60 percent of the budgeted amount\* between 1972/73 and 1976/77 as illustrated below.

(in billions CFAF)

Table 15

Budgeted Capital Expenditure	2.70	3.20	2.50	6.70	10.70
Actual Capital Expenditure	1.71	2.00	1.87	2.59	5.91
Ratio of Actual to Budgeted (%)	63	63	75	39	55

The difficulties of the Government in absorbing resources from uranium in the form of public investment has led to increase transfers to the banking system. Lengthy bureaucratic procedures and lack of adequate, trained manpower to carry out projects has curtailed the absorptive capacity of the Ministries in charge of their implementation. Due to the longterm nature of these constraints, it is likely that the rate of implementation of investment projects will remain lower than the rate of growth of capital appropriations. In addition, projects whose execution period exceeds the budgetary year, are not recorded in the year in which funds were originally appropriated, and unspent appropriations can be carried over for three years. It is thus difficult to get a complete and up-to-date picture of realized investment.\*\*

\*The calculations of the World Bank are based on year by year appropriations and expenditures. Since FNI spending takes place on a rolling basis, these ratios may be somewhat misleading. See Annex Table 7 for an example of carry over procedure.

\*\*See Annex Table

Table 16

 FUNCTIONAL CLASSIFICATION OF INVESTMENT BUDGET EXPENDITURE  
 1969/70 - 1977/78 (millions CFAP)

	1969/70		1970/71		1971/72		1972/73		1973/74		1974/75		1975/76		1976/77	
	CFAP	%	CFAP	%	CFAP	%	CFAP	%	CFAP	%	CFAP	%	CFAP	%	CFAP	%
General Public Services	116	6.3	90	5.0	87	3.4	122	3.8	94	7.0	91	8.1	217	8.4	709	13.8
Defense	31	1.6	4	-	34	1.3	33	1.0	36	2.7	15	1.2	26	1.0	93	1.6
Education	70	3.8	31	1.6	46	1.8	15	.5	155	11.5	105	8.6	472	18.3	1,689	32.3
Health	52	2.8	17	.9	52	2.0	19	.6	43	3.2	30	2.4	87	3.3	141	2.4
Community/Social Services	90	4.8	17	.9	39	1.5	36	1.1	6	.5	14	1.1	55	2.1	49	.8
Economic Services	1,242	67.2	1,124	61.0	1,958	76.3	2,125	73.7	825	61.7	723	59.1	1,461	56.7	2,491	43.2
Gen'l Admin.	(2)	(-)	(2)	(-)	(3)	(-)	(2)	(-)	(34)	(2.5)	(103)	(8.4)	(14)	(1.3)	(20)	(.8)
Agriculture	(371)	(21.1)	(306)	(16.6)	(409)	(19.0)	(546)	(18.0)	(288)	(21.5)	(270)	(22.2)	(506)	19.6	(505)	(8.7)
Mining/Mfg./Construction	(272)	(14.7)	(79)	(4.3)	(165)	(6.4)	(262)	(8.3)	(5)	(.3)	(3)	(-)	(28)	(1.1)	(166)	(2.8)
Energy	(40)	(2.1)	(--)	(--)	(8)	(.3)	(43)	(1.3)	(83)	(6.2)	(77)	(6.3)	(297)	(11.5)	(403)	(7.0)
Roads	(414)	(26.2)	(77)	(39.5)	(1,222)	(47.6)	(1,355)	(43.0)	(340)	(26.1)	(124)	(10.1)	(309)	(15.1)	(774)	(16.9)
Waterways	(--)	(--)	(--)	(--)	(--)	(47.6)	(--)	(--)	(--)	(--)	(--)	(--)	(5)	(-)	(21)	(.5)
Other transportation	(51)	(2.7)	(9)	(.5)	(68)	(2.6)	(96)	(3.0)	(66)	(4.9)	(96)	(7.8)	(202)	(7.8)	(465)	(6.3)
Other	244	13.2	554	30.1	348	13.5	601	19.0	178	13.1	236	19.3	258	10.0	501	8.7
<b>TOTAL</b>	<b>1,847</b>	<b>100.0</b>	<b>1,840</b>	<b>100.0</b>	<b>2,546</b>	<b>100.0</b>	<b>3,152</b>	<b>100.0</b>	<b>1,337<sup>h</sup></b>	<b>100.0</b>	<b>1,222<sup>h</sup></b>	<b>100.0</b>	<b>2,576</b>	<b>100.0</b>	<b>5,762</b>	<b>100.0</b>

Source: IMF

- Notes:
- 1) 1969/70 - 1972/73 includes capital expenditures carried on the current budget under Title IV
  - 2) Totals for 1969/70 - 1974/75 differ from totals recorded in Treasury Accounts
  - 3) After 1975/76, FMI resources consist exclusively of transfers from the Gen'l Budget
  - 4) Totals differ from those recorded in Treasury accounts

The decisions regarding projects to be implemented during the fiscal year, take place over a four to six month period during which the various ministries send in their project requests and justifications to have them evaluated and prioritized. A general total FNI figure for a given year is known prior to project selection, to which are added unspent appropriations that have been carried over from previous years.

#### Functional Classification

Data available since 1969/70\* show that infrastructure has received priority in the FNI budget, accounting for close to one third of investment expenditure through 1976/77. Agriculture's share in the capital budget fluctuates during the same period although it has been in steady decline since 1974/75 as donor assistance (not budgeted in the FNI) has been increasingly focused on that area. Following stated priority on education, expenditures in this area have been increasing significantly. In 1975/76 and 1976/77, education received 18.3 and 29.3 percent respectively of total investment expenditure, up from 8.6 percent in 1974/75.

Infrastructure, particularly road construction held a dominant position in total investment expenditure through 1973/74 when it represented an average of 36 percent. Since 1975/76, expenditure on education has become more important at the expense of infrastructure.

Counterparts to foreign-financed projects have increased substantially and accounted for an estimated CFAF 2.2 billion or 15 percent of the 1977/78 budget.\*\* These are local investment costs which are incurred during the life of the project. The problem of recurrent costs - operating and maintenance costs for the project after the initial investment phase of the project has been completed - is one that is getting increased attention by donors and developing countries alike. The relatively high level of foreign assistance has resulted in a growing recurrent cost burden for the developing countries. In Niger, some recurrent costs are being met by the current budget although specific breakdowns are not available. While increased revenue availability may lead to some recurrent cost financing, the major obstacle is not so much financial, as it is human: i.e. the lack of trained Nigerien personnel to carry out and implement the projects.

\*Data varies considerably by source

\*\*See Annex Table

### 3) Trends in Revenue

Tax revenue has provided the bulk of total revenue during the ten year period under review. Between 1969/70 and 1978/79, fiscal receipts on an average, represented 95 percent of current revenue. Nontax revenue, although minimal in most years, represented 22 percent of current revenue in 1974/75 due to a payment by France for uranium mining rights, and 12 percent in 1976/77, reflecting increased property income derived from dividends paid by SOMAIR. Other budgetary revenue has consisted of foreign budgetary assistance (until 1973/74) and small contributions by the Caisse de Stabilisation des Prix des Produits du Niger (CSPPN).

#### Tax Revenue

Over the period 1969/70 to 1978/79, fiscal revenue increased four and a half fold. It is estimated that over 50 percent of the increase between 1974/75 and 1978/79, is attributable to uranium revenues which accrue to the government in the form of various taxes. No official figures exist on fiscal revenue derived directly from uranium production, although it is estimated that it has increased from CFAF 2.5 billion in 1975/76 to CFAF 26.0 billion in 1979/80.

Taxes on income and profits have grown markedly since 1969/70 reflecting the rapid increase in uranium - derived revenues. Modified arrangements for uranium taxation became operational in 1975/76 and at present, the tax structure is as follows:

- Profits (Benefic es Industriels et Commerciaux) are taxed at a rate of 40.5 percent
- Dividends distributed to foreign shareholders are taxed at a rate of 16 percent
- Royalties are proportional to production at 4.5 percent
- Uranium concentrates are taxed at a rate of 1 percent of their export value.

It is the profit tax (BIC) on uranium mentioned above, which is the primary component of taxes on income and profits and the main reason for the significant increases since 1973. While these taxes only grew at an average annual rate of 15 percent between 1969/70 and 1972/73, they increased by almost 50 percent annually from 1972/72 to 1978/79. Their relative share in total revenue has also grown, from 10.3 percent in

Table 17

GOVERNMENT BUDGET REVENUE, 1969/70-1978/79 (In millions CFAF and %)

	1969/70		1970/71		1971/72		1972/73	
	CFAFM.	%	CFAFM.	%	CFAFM.	%	CFAFM.	%
TAX REVENUE	<u>10,190</u>	84.8	<u>10,455</u>	84.3	<u>11,245</u>	85.4	<u>11,976</u>	84.6
Taxes on income and profits	1,238	10.3	1,354	10.9	1,486	11.2	1,804	13.3
of which:								
industrial, commercial								
noncommercial, agricultural-	(435)	(3.6)	(620)	5.0	(524)	4.0	(792)	5.5
Employers' social taxes	21	.1	24	.1	14	-	26	-
Property taxes	782	6.5	718	5.8	653	5.0	301	2.1
Taxes on goods and services	3,833	32.0	4,225	34.1	4,494	34.1	5,065	35.8
of which:								
turnover taxes	(2,741)	(22.8)	(3,074)	(24.8)	(3,311)	(25.1)	(3,743)	(26.4)
excise taxes	(1,005)	(8.3)	(1,061)	(8.5)	(1,087)	(8.2)	(1,200)	(8.4)
taxes on uses of goods and property	(66)	(.5)	(62)	(.5)	(65)	(.5)	(86)	(.6)
Taxes on international trade	2,244	18.6	2,155	17.3	2,370	18.0	2,543	18.0
Import taxes & duties	(1,593)	(13.2)	(1,632)	13.1	(1,555)	11.8	(1,688)	12.0
Export taxes & duties	(598)	(5.0)	(473)	3.8	(769)	5.8	(804)	5.6
Other taxes	2,070	17.2	1,977	16.0	2,227	17.0	2,156	15.2
of which: head tax <sup>a)</sup>	(1,825)	(15.1)	(1,718)	13.8	(1,850)	14.0	(1,686)	
NON-TAX REVENUE	<u>720</u>	6.0	<u>989</u>	8.0	<u>865</u>	6.5	<u>890</u>	11.9
OTHER REVENUE <sup>b)</sup>	<u>1,097</u>	9.1	<u>1,116</u>	9.0	<u>1,356</u>	10.3	<u>1,703</u>	12.6
TOTAL REVENUE	12,008	100.0	12,389	100.0	13,161	100.0	14,148	100.0
Annual Percentage Growth			3.1		6.2		7.5	

Table 17 Con't

1973/74		1974/75		1975/76		1976/77		1977/78 <sup>c)</sup>		1978/79 <sup>c)</sup>	
CFAPM.	%	CFAPM.	%	CFAPM.	%	CFAPM.	%	CFAPM.	%	CFAPM.	%
<u>11,615</u>	70.7	<u>15,647</u>	70.0	<u>23,075</u>	84.0	<u>30,324</u>	80.5	<u>31,263</u>	89.7	<u>47,058</u>	81.0
3,418	20.8	5,159	23.0	8,033	29.2	10,338	34.0	12,287	32.1	17,935	31.6
(201)	(5.5)	(1,730)	(7.7)	(4,039)	(14.7)	(6,273)	(16.6)	(9,487)	(24.8)	(14,535)	(25.6)
38	.2	27	.1	48	.1	49	.1	75	.2	60	.1
64	.4	75	.3	131	.5	160	.4	199	.5	224	.4
5,644	34.3	6,665	29.7	8,606	31.6	11,587	30.8	11,822	31.0	15,327	27.0
(4,069)	(24.8)	(4,989)	(22.2)	(6,415)	(23.3)	(8,622)	(23.0)	(9,025)	(23.6)	(12,740)	(22.4)
(1,111)	(6.7)	(1,172)	(5.2)	(1,445)	(5.2)	(1,607)	(4.2)	(1,700)	(4.4)	(1,350)	(2.3)
(347)	(2.1)	(452)	(2.0)	(723)	(2.6)	(1,209)	(3.2)	(155)	(.4)	(1,082)	(1.9)
2,110	14.4	3,634	16.2	5,351	19.4	6,438	17.1	8,150	21.3	9,486	16.7
(1,410)	(11.0)	(2,528)	(11.3)	(4,070)	(14.8)	(4,780)	(12.7)	(6,005)	(15.7)	(6,835)	(12.0)
(160)	(3.4)	(1,105)	(5.0)	(1,291)	(4.7)	(1,658)	(4.4)	(2,145)	(5.6)	(2,651)	(4.6)
78	.5	84	.3	143	.5	237	.6	180	.5	180	.3
<u>1,737</u>	10.5	<u>4,521</u>	20.1	<u>2,236</u>	9.2	<u>4,071</u>	10.8	<u>3,320</u>	8.7	<u>3,743</u>	6.5
<u>3,068</u>	18.7	<u>2,216</u>	10.0	<u>1,848</u>	6.7	<u>3,231</u>	8.5	<u>583</u>	1.5	<u>434</u>	.7
16,420	100.0	22,385	100.0	27,460	100.0	37,627	100.0	38,196	100.0	56,742	100.0
16.0		36.3		22.6		37.0		1.5		48.5	

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SOURCE: IMF

- NOTES: a) 1973-1978, head tax subsumed under Taxes on Incomes and Profits. Collection generally not enforced during drought years; tax eliminated in two steps 1976 and 1977.
- b) Includes receipts carried over from previous years, contributions of parastatal organizations and external financial assistance (through 1973/1974 only).
- c) Previsions

1969/70, to 32 percent in 1978/79. Since 1976/77 this category of taxes has become the single largest contributor to tax revenue and total revenue.

Since 1971/72 the contribution of property taxes to total revenues has declined markedly reflecting the cancellation of livestock taxes in two successive steps, to alleviate some of the effects of the drought. In 1973/74, a new property tax was introduced but its contribution has remained marginal, accounting for only .4 percent of total revenue in 1978/79.

Until 1976, taxes on goods and services had the largest relative share in total revenue, accounting for an average one-third. This category of taxes, whose main component is the turnover tax on imports, grew at an average annual rate of 12 percent between 1969/70 and 1974/75, and at a yearly rate of 24 percent between 1974/75 and 1978/79. The share of excise taxes on petroleum, tobacco and alcohol, in total revenue remained steady at 8 percent through 1973, then declined significantly in following years. Until 1974/75, much of the revenue from the excise taxes on petroleum products was earmarked for the FNI. Starting in 1975/76, revenue from uranium was reflected in taxes on goods and services when a special tax was levied. Receipts in this category grew from CFAF 681 million in 1975/76 to approximately CFAF 3,846 million in 1978/79.

Taxes on international trade increased from CFAF 2,244 million in 1969/70 to CFAF 9,486 million in 1978/79, at an average annual rate of 1.5 percent between 1969/70 and 1973/74 and at 22 percent annually through 1978/79. Their share in total revenue has remained fairly steady, averaging 17 percent over the ten year period under review. Import duties have accounted for the bulk of these taxes although growth has been curtailed due to a large unrecorded trade sector. Export duties have increased significantly since 1974 reflecting an increase in the production and exportation of uranium.

The head tax (Impot Minimum Fiscal) constituted the bulk of other taxes through 1973/74 although collection was not enforced during the worst years of the drought. This tax was subsequently eliminated in two steps starting in 1976.

#### Nontax Revenue

Nontax revenue (property income, fines and forfeits and miscellaneous uranium revenues), increased from CFAF 720 million in 1969/70 to CFAF 3,743 million in 1978/79, reaching a peak of CFAF 4,521 million in 1974/75 which reflected a large payment by France for uranium mining rights. Property

income derived from dividends paid by the mining companies, constitute the bulk of nontax revenue. It is expected that its share will increase in line with expanded activities in the mining sector.

#### 4) The 1979/1980 Budget

The recently approved 1979/1980 budget raises by 27 percent the total for the General Budget, bringing it up to CFAF 72.14 billion. As is customary, the budget is balanced with total revenues equal to total expenditures. Tax revenue constitutes 82 percent of total revenue with CFAF 21.0 billion, CFAF 12.8 billion and CFAF 22.1 billion coming from direct, indirect and custom taxes respectively. Uranium-derived revenue figures prominently in the 1979/80 budget and is estimated at CFAF 26.0 billion. The tax on industrial and commercial profits (BIC) constitutes the bulk of uranium revenue, with CFAF 15.6 billion. Other revenue from this mineral resource comes from the royalty tax, the export tax, and the tax on dividends.

Total budgeted expenditures of CFAF 72.14 billion are divided between current expenditures - CFAF 46.0 billion and investment expenditures - 26.0 billion. Current spending is up 29 percent from the 1978/79 provisions, possibly reflecting a modification of previous conservative policies regarding current expenditure. Part of this increase is accounted for by a rise in salaries - 54 percent for the lower levels and 14 percent for the higher echelons. In terms of a functional classification, expenditures on education, health and rural development are up by 31, 24 and 29 percent respectively.

Investment expenditures for the FNI amount to CFAF 26.0 billion, an increase of 27 percent from the 1978/79 provisions. Priority is given to education, training and health with CFAF 8.60 billion, a two thirds increase from the previous year. According to official pronouncements the totality of uranium-derived revenues is allotted to the FNI.\* In addition to the CFAF 26.0 billion appropriated for 1979/1980, are carry-over funds from the previous three years. Although in theory, unspent funds from 1975/76 should be annulled, in practice this is not always the case.

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\*This concept diverges from that which was emphasized in conversations with GON officials whereby uranium revenues were not considered to be necessarily equivalent to FNI expenditures.

#### D. EMPLOYMENT

A population census has just been completed which puts the number of inhabitants in Niger at 5 million. An annual growth of 2.7 percent is assumed for total population with a lower rate in rural areas (2.2 percent) than in urban areas (7.8 percent). It is estimated that 85 to 90 percent of the total population earn their main income from agricultural activities. Few wage earners exist in the rural sector and the number of wage earners in the non-agricultural sector only accounts for 2.2 percent of the labor force.

In 1978, there were some 55,000 wage earners in the modern, non-agricultural sector. Excluding civil servants (22,000) and househelpers (11,000), it is estimated that wage earners in other industries (private and parastatal) amount to 22,000, or less than 1 percent of the total labor force. Until 1974, the growth rate of this sector was about 8 percent per year. Since 1976 the rate of growth has accelerated, reaching 24 percent between 1976 and 1977 and 18 percent through 1979.

Between 1974 and 1977, the number of wage earners in construction and public works grew by one third. Currently this sector represents about 35 percent of wage earners in the private and parastatal sector. Wage earning employment in modern industry is limited, amounting to 6000 or one fourth of those employed in the private and parastatal sector. The industrial sector has remained relatively weak due to its high dependence on an erratic sector. The most important element of growth in modern industry employment is employment in the mining sector. Although there are currently only some 2000 wage earners in that sector (under 10 percent of those employed in the private and parastatal sector), the number is growing rapidly due to expanded activities in the mining sector, and is expected to reach 7000 by 1983. In addition the wage and salary structure in the uranium sector will have a significant impact on the level and structure of wages in other employment sectors. Currently, uranium mining has been paying a premium in order to attract workers to the remote mining areas. While this policy could serve to raise wage levels in other sectors it also could produce serious structural distortions in production costs in both the modern sector and in the agricultural sector.

While no unemployment statistics exist in Niger, there are indications that the long years of drought accentuated seasonal migration and aggravated the rural-urban exodus. Unemployment in urban areas has thus tended to increase as jobs in those areas have not kept pace with the number of job seekers. There is probably a large degree of underemployment. It is estimated that Niger's five largest cities (Niamey, Maradi, Agadez, Tahoua, Zinder) attract more than 85 percent of the job seekers. Unemployment is higher for unskilled workers, and the government has set up various training centers. Both SOMAIR and COMINAK run

training programs for their workers and contribute to the financing of a national mining school "Ecole des Mines d'Air." Unemployment among skilled workers has been concentrated in specific industries such as groundnut shelling and oil processing, and textiles.

The shortage of qualified personnel in all sectors continues to be one of the major constraints on development progress in Niger, and one of the key reasons for the country's limited absorptive capacity. Despite the government's priority on education and training, the short and medium term prospects suggest that the necessary trained Nigerien personnel will not be available. While stated policy has emphasized the need to "Nigerienize" the work force, it is certain that at least in the short run, expatriate technical assistants will be necessary

### III. PROJECTIONS: GDP, BALANCE OF PAYMENTS, PUBLIC FINANCE

The reliability of economic projections is usually questionable, particularly when one is dealing with a limited and irregular data base. In the case of Niger these projections are all the more tentative given the predominant role that uranium is likely to play and the uncertainties with regard to production and price. Thus, while it is clear that near and medium-term trends in gross domestic product, balance of payments and public finance will depend primarily on uranium, it is not possible to give more than gross estimates.\*\*

The following section attempts to give a general macro-economic overview through 1985; figures and discussion are only meant to be illustrative of a potential situation.

#### A. GROSS DOMESTIC PRODUCTION

On balance, the macro-economic outlook is encouraging although present trends could serve to accentuate the emerging dualistic structure of the economy. In 1978, the relative share of uranium mining in total GDP was just under 10 percent and it is expected to increase significantly over the next five year period as new mines begin production and total output expands to an estimated 6635 tons by 1983. In contrast, the share of the rural sector has been in steady decline reflecting its continued dependence on climatic factors. The outlook for agricultural is better

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\*This is an important aspect of the recurrent cost problem which extends well beyond financial considerations to the perhaps more constraining, longer term, human considerations, i.e. the trained Nigerien personnel capable of running projects after technical assistants leave.

\*\*See general Note Projections Annex Table

than in the past owing to a projected partial recovery of groundnuts, increased rice production and improved livestock productivity. The World Bank tentatively projects an annual growth rate of 3 percent for the value added to rural sector through 1985.

Apart from modest growth in the rural sector which is likely to have a marginal impact upon overall growth, the main determinants of GDP growth over the next few years are certain to be high growth rates in uranium mining and in related sectors of transport, construction and services. The World Bank projects that in 1985, value added originating in mining (1978 constant prices) would represent 25 percent of total GDP, against 16 percent for agriculture (excluding livestock). At present, value added originating in mining represents 75 percent of its gross export value. The chart below shows projected value added through 1983 based on a 4.5 percent annual increase in the price of uranium.

Table 18

	1979	1980	1981	1982	1983
Uranium Prod (mt)	3600	4300	4500	5845	6635
Export Value (CFAF millions)	87,480	109,181	119,412	134,351	192,269
Value Added (CFAF millions)	65,510	81,891	89,559	100,763	144,201

Given the potential trends in GDP growth and composition, an important goal in the next five to ten years will be to achieve a better balance of sectoral investment that could mitigate the emerging dualistic structure of the economy.

#### B. FOREIGN TRADE AND PAYMENTS

Recent overall balance of payments developments provide a good indication of future trends and as with other macro-economic variables, are highly dependent upon activities in the uranium mining sector.

Since 1976, Niger's balance of payments has been characterized by increasing current deficits which have been more than offset by capital inflows, primarily in the form of foreign investment related to the mining sector. Given projected expanded activity in the mining sector, the inflows on the capital account both in the form of private investment and in the form of government drawings on official loans,

are likely to increase substantially serving to offset the current account deficit (if the unit price of uranium only increases marginally) or to accentuate the current account surplus (if the unit price increases substantially). The deficit on net services is also expected to increase significantly reflecting growing outflows in the form of investment income and interest payments on foreign loans. The World Bank assumes a relatively small annual increase in public borrowing; this could change considerably if the government were to embark on major infrastructure type projects such as roads/rails and dams. Official grants are expected to remain fairly steady through 1985.

The composition of foreign trade has undergone substantial structural change over the past five years and this trend is likely to continue. Uranium exports accounted for approximately three fourths of total exports in 1978 against a 0.5 percent share for groundnuts, traditionally Niger's primary foreign exchange earner. With two new mines opening up within the next few years, and a projected output of some 6,635 by 1983, it is expected that the share of uranium exports will reach 85 percent of the total.

While unit price increases of uranium have been substantially less in the past two years than in 1974 and 1975, there is no clear indication that this trend will continue. Certainly no one in 1972 could have foreseen the dramatic price jump that was to occur two years later. For illustrative purposes the chart below shows possible uranium export trends assuming a 4.5 percent annual increase in the unit price of uranium.

Table 19

	1979	1980	1981	1982	1983
Volume of Uranium Exports (MT)	3600	4300	4500	4845	6635
Value of Uranium Exports (CFAP Millions)	87,480	109,189	119,412	134,351	192,269

Source: See Annex  
Table

The value of imports has been consistently greater than that of exports reflecting higher prices as well as larger volumes of goods particularly in connection with mining sector activities. The IMF estimates that in 1978, if imports related to uranium mining were taken into consideration, the net value of uranium export earnings would represent approximately

80 percent of its gross value. For 1985, the World Bank projects a higher value of imports than exports only in the case where the unit price of uranium remains low\*; otherwise the trade balance is projected to be in surplus.

### C. PUBLIC FINANCE

Overall budgetary developments over the next few years will be highly dependent upon the uranium mining sector which has been the primary contributor to government revenues, and the impetus behind increasing capital investment appropriations. Uncertainties surrounding future prices of uranium as well as profit margins and taxable uranium incomes, make specific projections difficult.

Revenue growth is expected to remain fairly rapid as increased uranium sector activities generate additional funds. Even if less taxable profits are generated from the upcoming mining operations, the revenues accruing to Niger should continue to be substantial. Most likely, one will see a continuation of the recent trend to embark on large infrastructure projects which are critical to Niger's long term development and also very costly given Niger's landlocked position. The key constraint will be the country's limited absorptive capacity which has a direct impact upon the level of investment which can be effectively channeled into the public sector. Several interrelated options are available to the Government of Niger. Included among these would be slowing down uranium production in order to decelerate the inflow of revenues; transferring excess funds to domestic or foreign financial assets; and /or increasing funds available to the current budget.\*\*

The amount of uranium-derived revenue that accrues to Niger is a function of production, of the unit price of uranium and of the tax system applicable to the mining company. The tax structure in effect for SOMAIR and COMINAK is based on Law 68-02 of January 1968, modified and amended in 1970 and 1975, but it is not clear whether this same system will apply to the next three mines scheduled to begin operations in the mid 1980s. In any case, taxable profits should be less than those generated by SOMAIR which received a number of tax breaks.

\*See Note in Annex

\*\*As noted earlier, the GON has pursued a conservative policy with regard to current spending although the 1979/80 budget foresees a higher than normal increase in current spending.

The current ratio of government revenues to gross export value is between 35 and 38 percent. The World Bank estimates that this could drop as low as 25 percent for the new mining operations (including COMINAK). Assuming a 4.5 percent annual increase in the per unit price of uranium and a 25 percent ratio of government revenues to gross export value, uranium-derived revenue could reach some CFAF 48.0 billion by 1983 (at the current rate of exchange - \$1 = CFAF 212 - \$226 million). The chart below gives projections of uranium production, export value and revenue for the period 1979 to 1983.

Table 20

	1979	1980	1981	1982	1983
Production (metric tons)	3600	4300	4500	5845	6635
Gross Export Value (millions CFAF)	87,480	109,189	119,412	134,351	192,269
Revenue* (million CFAF)	21,870	27,297	29,853	33,587	48,067

Source: Annex Table

While growth of current expenditure has been kept below 17 percent annually in the past few years, that of capital expenditure has exceeded 50 percent a year spurred on by the increased availability of uranium-derived revenues. Although the procedure of earmarking revenues for the FNI has been discontinued in favor of transfers from the general budget, the yearly increases in FNI appropriations do reflect growing uranium-derived revenues accruing to the government.\*\* The growth of revenues available for investment purposes has exceeded the capacity of the government to absorb these funds and this situation is likely to be exacerbated in the coming years. Proper financial management of uranium proceeds will be an important element of future planning.

The 1979-1983 Development Plan is still in preparation, and overall projections for expenditure are not yet available. However it is expected that the Plan, for the first time, will attempt to provide a longer term perspective for the FNI by

\*This revenue ratio is more likely than not underestimated. In any case it is not meant to include dividends or other special fees levied on produced uranium.

\*\*Conversations with GON officials have emphasized the "separateness" of uranium revenues and FNI expenditures.

appropriating funds over a five year period and thereby adjusting to the "rolling" nature of FNI appropriations and expenditures. Tentative estimates for the 1979/80 FNI budget are put at CFAF 26.0 billion - a 24 percent increase over the previous year's appropriations. Additional appropriations, carried over from prior budgets amount to some CFAF 12.0 billion. The FNI five year total is not yet known.

Given the continued increase in capital appropriations due to the availability of uranium - derived revenues, long term planning will be necessary to insure that appropriations do not continually outpace expenditures as is currently the case. One of the major considerations will be the appropriate level of investment in line with the country's absorptive capacity. Streamlining bureaucratic procedures and expanding education and training opportunities will be of primary importance although the latter will, of necessity, require a longer time frame.

## STATISTICAL ANNEX

### General Note on Statistical Data

### General Note on Projections

1. Gross Domestic Product - Current Prices
2. Gross Domestic Product - Constant Prices
3. Evolution of National Agricultural Production
4. Total, Current and Capital Expenditure
5. FNI Appropriations 1978/79 and 1979/80
6. Examples of Niger Counterparts to Foreign-Financed Projects
7. FNI Budget
8. Debt Outstanding
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12. Uranium Production and Projections
13. Evolution of Per Unit Price of Uranium
14. Total Revenue, Tax Revenue and Revenue from Uranium
15. Value of Total Recorded Exports and Uranium Exports
16. Revenues and Expenditures of Central Government

## General Note on Statistical Data

Economic data is relatively weak and irregular and should be treated with caution. Many variations exist depending on the source. For the purposes of consistency, most of the data in this report is based on findings, estimates and projections of the IMF. Uranium - related statistics in particular seem to be subject to considerable variations. Production and price figures are primarily based on GON data although when included in general economic tables, the IMF figures have been used.

## General Note on Projections

The unreliability of economic projections is accentuated by their dependence on price and production projections for uranium. Nonetheless, an attempt has been made to give some overall projections for GDP, foreign trade and payments, and public finance in order to get a rough idea of Niger's economic situation through 1985.

While some of the discussion relies on World Bank estimates and projections, we have chosen not to use their figures. Instead we have based the general macro-economic projections on GON production estimates and price estimates which assume a 4.5 percent annual increase in the price of uranium, and on IMF estimates for 1978. It should be emphasized that these projections are only meant to be illustrative.

NIGER: GROSS DOMESTIC PRODUCT - CURRENT MARKET PRICES 1967-1978

(in billions CFA francs)

GDP Current

	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978
<b>Rural Sector</b>	<u>53.7</u>	<u>50.9</u>	<u>50.0</u>	<u>46.4</u>	<u>51.9</u>	<u>60.7</u>	<u>66.0</u>	<u>81.8</u>	<u>72.5</u>	<u>101.0</u>	<u>134.4</u>	<u>176.7</u>
<b>Agriculture, forestry, fishing</b>						39.7	51.1	66.2	54.0	76.8	103.1	137.1
<b>Subsistence crops</b>						30.4	46.8	59.4	46.2	66.6	91.4	121.9
Cereals						(26.5)	(35.4)	(51.9)	(39.4)	59.4	83.5	109.1
Other						( 3.9)	(11.4)	( 7.5)	( 6.8)	7.2	7.9	12.8
<b>Cash crops</b>						9.3	4.3	6.8	7.8	10.2	11.7	15.2
Groundnuts (unshelled)						( 6.0)	( 1.9)	( 3.3)	( 1.4)	2.6	3.2	3.4
Cotton (unginned)						( 0.1)	( 0.1)	( 0.1)	( 0.2)	0.1	0.1	0.2
Cowpeas						( 2.7)	( 1.9)	( 2.8)	( 5.1)	6.1	7.0	9.7
Other						( 0.5)	( 0.4)	( 0.6)	( 1.1)	1.4	1.4	1.9
<b>Livestock</b>						21.0	14.9	15.6	18.5	24.2	31.3	33.6
Cattle						(10.9)	( 6.4)	( 6.8)	( 8.1)	10.5	13.3	16.3
Sheep and goats						( 2.7)	( 2.3)	( 2.4)	( 2.8)	3.7	4.9	6.1
Other						( 7.4)	( 6.2)	( 6.4)	( 7.6)	10.0	13.1	17.2
<b>Industry, transport, construction and services</b>	<u>11.5</u>	<u>11.9</u>	<u>13.1</u>	<u>19.1</u>	<u>20.0</u>	<u>25.1</u>	<u>32.1</u>	<u>28.7</u>	<u>36.6</u>	<u>47.8</u>	<u>70.5</u>	<u>97.8</u>
<b>Agricultural processing</b>						8.9	11.4	4.9	8.3	9.0	12.7	14.2
Groundnuts						( 7.2)	( 8.0)	( 2.5)	( 4.6)	1.8	4.0	4.9
Cotton						( 0.2)	( 0.1)	( 0.1)	( 0.2)	0.3	0.4	0.2
Cowpeas						( 1.5)	( 3.3)	( 2.3)	( 3.5)	6.9	8.3	9.1
<b>Energy</b>						0.5	0.7	0.9	1.0	1.3	2.0	2.8
Other						15.7	20.0	22.9	27.3	37.5	55.8	80.8

Table 1

	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978
Mining	<u>0.03</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>1.2</u>	<u>1.5</u>	<u>1.5</u>	<u>2.5</u>	<u>9.1</u>	<u>14.4</u>	<u>21.6</u>	<u>35.0</u>
Commerce	<u>13.7</u>	<u>13.3</u>	<u>14.4</u>	<u>15.3</u>	<u>14.7</u>	<u>15.4</u>	<u>17.0</u>	<u>17.4</u>	<u>20.0</u>	<u>31.9</u>	<u>40.9</u>	<u>47.1</u>
Government	<u>18.5</u>	<u>19.2</u>	<u>20.0</u>	<u>20.6</u>	<u>21.2</u>	<u>5.9</u>	<u>7.1</u>	<u>7.7</u>	<u>11.0</u>	<u>12.5</u>	<u>13.8</u>	<u>15.8</u>
TOTAL GDP	97.5	95.5	97.8	101.6	109.1	108.7	123.7	138.1	149.2	207.6	281.2	372.2
Annual Change (%)		-2.0	2.4	3.8	7.3	-0.3	13.8	11.6	8.0	39.1	35.4	32.4

Notes

Breakdown not available 1967-1971

For 1967 - 1971, figure does not include services

For 1967 -1971, figure also includes services

(In billions CFA francs)

NIGER: GROSS DOMESTIC PRODUCT - CONSTANT PRICES (1972) 1972-1978

	1972	1973	1974	1975	1976	1977	1978
Rural Sector	<u>60.7</u>	<u>40.8</u>	<u>49.5</u>	<u>44.3</u>	<u>56.3</u>	<u>62.1</u>	<u>64.1</u>
Agriculture, forestry, fishing	39.7	27.3	35.7	29.4	40.1	44.7	45.4
Subsistence crops	30.4	23.4	29.7	23.1	33.2	38.1	28.2
Cereals	26.5	17.7	26.0	19.7	29.7	34.8	34.2
Other	3.9	5.7	3.7	3.4	3.6	3.3	4.0
Cash crops	9.3	3.9	6.0	6.0	6.3	6.6	7.2
Groundnuts (unshelled)	6.0	1.7	2.9	1.1	1.7	1.8	1.6
Cotton (unginned)	0.1	0.1	0.1	0.2	0.1	0.1	0.1
Cowpeas	2.7	1.7	2.5	4.1	4.1	3.9	4.6
Other	0.5	0.4	0.5	0.9	0.9	0.8	0.9
Livestock	21.0	13.5	13.8	14.9	16.2	17.4	18.7
Cattle	10.9	5.8	6.0	6.5	7.0	7.4	7.7
Sheep and Goats	2.7	2.1	2.1	2.3	2.5	2.7	2.9
Other	7.4	5.6	5.7	6.1	6.7	7.3	8.1
Industry, transport, construction and services	<u>25.1</u>	<u>29.2</u>	<u>25.4</u>	<u>29.5</u>	<u>31.9</u>	<u>39.1</u>	<u>46.1</u>
Agricultural processing	8.9	10.4	4.3	6.7	6.0	7.0	6.7
Groundnuts	7.2	7.3	2.2	3.7	1.2	2.2	2.3
Cotton	0.2	0.1	0.2	0.2	0.2	0.2	0.1
Cowpeas	1.5	3.0	2.0	2.8	4.6	4.6	4.3
Energy	0.5	0.6	0.8	0.8	0.9	1.1	1.3
Other	15.7	18.2	20.3	22.0	25.0	31.0	38.1
Mining	<u>1.5</u>	<u>1.6</u>	<u>2.0</u>	<u>2.3</u>	<u>2.5</u>	<u>2.8</u>	<u>4.0</u>
Commerce	<u>15.4</u>	<u>15.5</u>	<u>15.4</u>	<u>16.1</u>	<u>21.3</u>	<u>22.7</u>	<u>22.0</u>
Government	<u>5.9</u>	<u>6.3</u>	<u>6.7</u>	<u>7.4</u>	<u>8.1</u>	<u>9.0</u>	<u>10.0</u>
TOTAL GDP	108.7	93.4	99.0	99.6	120.1	135.7	146.5
Annual change (%)		- 14.1	6.0	0.6	20.6	13.0	8.0

Table 2

S - hectares  
 P - tons  
 K - kg

EVOLUTION OF NATIONAL AGRICULTURAL PRODUCTION - MAJOR CROPS

Crop	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	
Millets	909 000 P 216 000	488 000 372 000	989 000 480 000	1 211 000 485 000	1 455 000 620 000	1 505 000 621 000	1 595 000 673 000	1 692 000 711 000	1 640 000 776 000	1 840 000 934 000	1 887 000 971 000	1 777 000 1 013 421	HA T
Sorgho	725 000 P 171 000	377 000 267 000	319 000 307 000	570 000 361 000	534 000 300 000	432 000 260 000	458 000 273 000	440 000 222 000	453 467 275 000	463 000 270 000	415 000 352 000	453 000 314 425	HA T
Millet/ <sup>1</sup> Voandzou	110 000 P 16 000	114 000 15 000	122 000 17 000	349 000 24 000	351 000 4 000	341 000 55 000	338 000 50 000	375 000 46 600	427 000 53 000	475 000 73 000	506 000 110 000	423 000 65 270	HA T
Arachide	141 000 P 16 100	142 250 72 950	195 415 140 170	252 550 131 000	303 956 192 110	324 205 167 650	312 850 104 450	321 430 150 486	348 955 151 800	323 000 205 370	318 510 200 330	222 850 101 157	HA T
Colza	HA P HA	HA HA	HA HA	2 700 440	3 020 830	4 260 1 596	4 870 1 670	5 400 1 300	8 150 3 370	10 310 5 100	12 055 6 340	14 647 6 385	HA T
Riz	4 715 3 550	4 770 3 910	5 140 4 630	5 450 3 950	5 500 4 590	5 410 4 730	5 340 4 400	8 153 7 395	9 150 9 550	9 115 11 200	2 373 10 050	2 360 11 740	HA T

1 - Time series begins as combined totals for two crops (Millet/Voandzou).  
 In later years, mention of Voandzou is dropped but statistics  
 remain unchanged.

Source: A; Service Statistical Year book

S - 000 hectares  
 P - 000 tons  
 H - Kgs

EVOLUTION OF NATIONAL AGRICULTURAL PRODUCTION - MAJOR CROPS

Cultures		1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978*
Blé	S	1.777,0	1.810,0	1.743,0	1.864,6	1.895,2	2.271,9	2.309,8	2.355,8	2.194,5	2.007,7	2.230,0	1.692,9	2.526,9	2.721,5	
	P	1.033,4	789,5	641,8	1.000,1	732,6	1.095,4	870,9	958,9	918,8	626,9	882,6	581,3	1.014,1	1.130,3	1.090,5
	H	570	436	483	537	387	482	377	407	390	312	395	343	403	407	
Sorgho	S	453,0	465,0	530,2	556,2	595,6	595,0	593,1	579,3	566,8	448,0	547,7	790,9	615,5	721,5	
	P	315,4	265,6	277,1	342,2	215,1	289,3	230,2	266,8	208,4	126,1	218,9	253,8	286,6	342,0	245,3
	H	696	571	508	645	386	486	380	461	344	282	404	320	465	466	
Millet	S	493,0	432,2	608,3	690,0	744,5	968,1	979,8	999,6	920,6	832,0	918,8	839,3	837,4	726,3	
	P	66,0	48,0	67,6	77,0	74,2	83,3	84,3	72,1	144,1	92,2	132,7	218,5	216,1	206,8	362,0
	H	134	111	111	112	100	86	86	72	136	112	144	260	260	285	
Arachide	S	292,9	341,4	355,4	356,7	432,0	319,8	357,5	394,2	418,5	363,8	256,0	319,7	164,2	174,3	
	P	194,4	216,5	311,9	298,3	252,4	206,9	204,6	256,5	260,2	77,1	129,1	41,7	79,2	14,3	73,7
	H	664	810	877	836	584	647	572	650	385	212	504	130	483	472	
Coton	S	14,6	16,3	16,3	17,2	17,3	20,2	19,9	20,6	15,9	10,1	15,2	16,4	12,4	10,4	
	P	6,1	7,0	6,7	6,2	7,0	12,6	10,5	9,0	6,1	3,6	7,9	11,1	7,2	6,4	
	H	413	429	411	358	405	626	526	436	382	352	520	676	571	609	
Lég.	S	9,4	8,7	9,2	11,5	15,3	15,5	16,4	17,1	17,2	17,8	14,8	17,2	21,7	23,0	
	P	11,8	11,7	20,5	32,6	39,0	38,0	37,1	27,3	31,8	46,3	30,2	29,3	28,7	26,6	33,4
	H	1.260	1.340	2.218	2.829	2.553	2.921	2.259	1.592	1.407	2.605	2.037	1.820	1.320	1.155	

\*Estimated

Direction de l'Agriculture, Ministère du Développement Rural

Table 3 continued

**TOTAL, CURRENT AND CAPITAL EXPENDITURE**  
**(1973/74 - 1979/80)**  
**millions CFAP**

	1973/74	1974/75	1975/76	1976/77	1977/78 <sup>a)</sup>	1978/79 <sup>a)</sup>	1979/80 <sup>a)</sup>
Total Expenditure	16,534	19,552	25,953	34,702	44,504	56,742	72,145
Current Expenditure	14,065	17,538	22,406	28,432	30,404	35,742	46,145
Capital Expenditure	1,991	1,873	2,587	5,914	14,100	21,000	26,000
Capital Expenditure as % of Total	12.0	9.5	10.0	17.0	32.0	37.0	36.0

Source: DGF, Ministère des Finances

Notes : a) Budgeted amounts

FNI Appropriations  
1978/79 and 1979/80  
(CFAF millions)

Table 5

	1978/79	%	1979/80	%
Title I	<u>14,936</u>	71.1	<u>18,165</u>	71.0
Natural Resource Dulpmt	1,377	6.5	1,966	7.6
Roads and Bridges	1,459	6.9	1,147	4.5
Other communications infrastructure	853	4.0	1,741	6.8
Human infrastructure	5,331	25.4	8,603	33.6
Admin. infrastructure	5,527	26.3	4,708	18.4
Title II*	<u>6,063</u>	28.8	<u>7,443</u>	29.0
TOTAL	21,000	100.0	25,608	100.0

Sources: Marchés Tropicaux et Méditerranéens, June 1, 1979  
Le Sahel Sept. 25, 1979

\*Title II includes counterparts to foreign financed projects

## Examples of Niger Counterparts to Foreign-Financed Projects

Project (1977/78)	Amount (millions CFAF)
Regional Planning - UNDP	15
Well construction - UNICEF	35
Maradi Rural Development - World Bank	10
Konni Hydroagricultural Project - World Bank	675
Sahel Vert	15
Project (1978/79)	
Konni Hydroagricultural Project	700
IBRD - AID Telecommunications Project	368
Agricultural Operations	270
Counterpart to Saudi loan	300

The following two charts are meant to be illustrative of the "rolling" or carry over nature of FNI appropriations and expenditures. Although the FNI receives a yearly transfer from the Budget Général, many projects are not completed within one year. As such funds are carried over for a three year period at which time, if not used, they are (theoretically) annulled.

The first two columns show the amounts originally appropriated and disbursed in the same year. The column labeled Carry Over Funds reflects both unused funds from the previous year(s) as well as additional funds that might have been made available. The column labeled Realized Investment refers to total realized investment through 1978/79 including the previous sum (column 2). Other refers to pending disbursements and other left over funds.

The FNI is divided into two sections. Title I Direct Interventions and Title II Other Interventions. The latter includes Niger's participation in mixed enterprises and in foreign aid operations. The former is divided into five sections as follows:

- Section I : Natural Resource Development
- Section II : Roads and Bridges
- Section III : Other Communications Infrastructure
- Section IV : Human Infrastructure
- Section V : Administrative Infrastructure

FBI BUDGET 1976/77 (in millions CPAP)

	(1) Initial Appropriations 76/77	(2) Realized Investment 76/77	(3) Carry Over Funds to 77/78	(4) Carry Over Funds to 78/79	(5) Realized Investment through 78/79	(6) (5) As % of (1)	(7) Other
<u>Section I</u>							
330		267	228	68	447	135.4	47
<u>Section II</u>							
1,441		774	667	90	1,401	97.2	34
<u>Section III</u>							
212		131	109	53	204	96.2	87
<u>Section IV</u>							
2,801		1,403	1,215	371	2,385	85.1	233
<u>Section V</u>							
1,960		616	1,162	321	1,637	83.5	140
<u>Title I</u>							
6,744		4,695	3,381	903	6,074	90.0	541
<u>Title II</u>							
1,056		1,145					
<u>TOTAL</u>							
7,400		6,840					

Table 7 continued

1977 BUDGET 1977/78 (in millions CPAP)

	(1) Initial Appropriations 77/78	(2) Realized Investment 77/78	(3) Carry Over Funds to 78/79	(4) Realized Investment through 78/79	(5) (4) As % of (1)	(6) Other
<u>Section I</u>						
610		181	447	427	70.0	199
<u>Section II</u>						
1,032		862	424	1,101	106.6	18.5
<u>Section III</u>						
177		63	121	81	45.7	102
<u>Section IV</u>						
4,128		3,279	974	3,919	95.0	333
<u>Section V</u>						
2,182		1,462	1,452	2,096	96.0	817
<u>Title I</u>						
8,139		5,847	3,418	7,624	93.6	1,636
<u>Title II</u>						
4,860						

Source: Ministère des Finances

TOTAL

13,000

Notes : a) All figures not available

b) Includes realized investment  
in 1976/77, 1977/78 and 1978/79

c) Includes realized investment  
in 1977/78 and 1978/79

d) Includes committed funding as

**DEBT OUTSTANDING AND DEBT SERVICE PAYMENTS**

Year	Debt Outstanding at Beginning of Period			Service Payments			Total
	Disbursed	Incl. Undisbursed	Commitments	Disbursements	Principal	Interest	
1972	49,387	98,915	8,193	12,913	1,679	660	2,339
1973	61,907	107,306	30,254	12,460	1,949	1,471	3,520
1974	72,646	128,594	67,936	27,247	2,565	590	3,185
1975	100,686	201,285	34,936	28,811	5,641	3,033	8,674
1976	119,618	221,799	69,385	24,245	6,521	2,441	8,962
1977	135,123	284,022					

Source: World Bank

**URANIUM RESEARCH AND EXPLORATION**  
(in percent)

<u>Mining Company/ Partnership</u>	<u>Niger (a)</u>	<u>France</u>	<u>U.S.</u>	<u>Japan</u>	<u>Great Britain</u>	<u>Italy (h)</u>	<u>Spain (l)</u>	<u>Canada (i)</u>	<u>Iran (k)</u>	<u>Saudi Arabia (e)</u>	<u>Nigeria (m)</u>	<u>Germany (FRG)</u>
SOMAIR	33	53.9 (b)				6.5						6.5 (n)
COMINAK	31	34 (b*)		25 (d)			10					
Tassa N'Tughalgue (SMTT)	50	50 (b*)										
Teguida N'Tessoum (TGT)	50 50			50 20(e)						30		
Immouraren	30	35 (b*)	35 (c)									
Djado (SMD)	25	25 (b*)		25 (f)								25 (n)
Afasto-Ouest	33.3	33.3 (b*)		33.3 (d)								
Afasto-Est	30	30 (b*)			12						16	12 (o)
In-Adrar	33	26 (b*)				15			26			
Amachech, Ourarene, Tazole, Agades	49											
Tikiritene Assamako Emi-Lulu	50							50				

- (a) Office Nationale des Recherches Minières du Niger - ONAREM
- (b) Compagnie Generale des Matieres Nucleaires - COGEMA (26.9%)  
Compagnie Francaise des Minerais d'Uranium - CFMU (11.7%)  
Pechiney-Mokta (7.5%)  
Minatome (7.5%)
- (b\*) COGEMA
- (c) Continental Oil Corporation - CONOCO
- (d) Overseas Uranium Resources Development Company - OURD
- (e) International Resources SA - IRSA
- (f) Power Nuclear Corporation
- (g) Central Electric Generating Board - CEGB
- (h) Agip Nucleaire
- (i) Empresa Nacional del Uranio S.A. - ENUSA
- (j) Pan Ocean Oil Ltd.
- (k) Organization for Atomic Energy Iran - OAEI
- (l) Saudi Arabia and Oil
- (m) Nigeria Mining Corporation - NMC
- (n) Urangesellschaft
- (o) Interplan

FRANCE

Compagnie Generale des Matieres Nucleaires - COGEMA  
Compagnie Francaise des Mines d'Uranium - CFMU  
Pechiney - Mokta  
Minatome

USA

Continental Oil Company - CONOCO  
ARACCA - OXOCO

JAPAN

Overseas Uranium Resources Development Company - OURD  
Power Nuclear Fuel Development Corporation - PNC  
International Resources S.A. - IRSA

FEDERAL REPUBLIC OF GERMANY

Urangesellschaft  
Interplan

GREAS. BRITAIN

Central Electric Generating Board - CEGB

ITALY

Agip Nucleaire

SPAIN

Empresa Nacional del Uranio S.A. - ENUSA

CANADA

Pan Ocean Oil Ltd.

IRAN

Organization de l'Energie Atomique - OEA

NIGERIA

State of Nigeria

In its most recent Country Economic Memorandum on Niger (draft only), the World Bank staff has made a series of tentative projections concerning uranium production and prices through 1990. Uranium production is assumed to reach 6,400 tons by 1985 and 9,400 tons by 1990. Three assumptions for export prices are used with a projected overall inflation rate of 7 percent per year.

- low assumption: 3.5 percent decline per year in 1978 constant prices or a 3.5 percent increase in current prices.
- medium assumption: no change in constant prices or a 7 percent per year increase in current prices
- high assumption: a 2 percent increase per year in 1978 constant prices or a 9 percent per year increase in current prices.

Production projections differ substantially from GON estimates. Preparatory materials on the mining sector (or the Five Year Plan suggest a 4.5 percent annual increase in the per unit price of uranium.

URANIUM PRODUCTION AND PROJECTIONS (metric tons of uranium metal)

	1977	1978	1979	1980	1981	1982	1983	1984	1986
SOMAIR	1609	1710	1800	2100	2300	2300	2300	2300	2300
COMINAK	-	350	1750	2200	2200	2200	2200	2200	2200
IMMOURAREN								1000	3000
SMTT						600	1600	1500	1500
TOTAL <sup>a)</sup>	1609	2060	3550	4300	4500	5100	6100	7000	9000
b)		2060	3600	4300	4500	4845	6635		

Source: a) Uranium in Niger, Delegation de la Commission des Communautés  
Europeenes en Republique du Niger. June 1979.

b) Ministere du Plan projections

Table 13

## Evolution of per unit price of uranium

	(in CFAF/kg	<u>annual % increase</u>
1971	4.918	
1972	4.918	
1973	4.597	6.5
1974	5.117	11.3
1975	10.000	95.4
1976	14.000	40.0
1977	20.000	43.0
1978	23.500	17.5
1979	24.300	3.4

Total Revenue, Tax Revenue, and Revenue from Uranium

	<u>1973/74</u>	<u>1974/75</u>	<u>1975/76</u>	<u>1976/77</u>	<u>1977/78</u>	<u>1978/79</u>
Total Revenue (millions CFAF)	16,420	22,385	27,460	37,627	44,504	56,742
Tax Revenue (millions CFAF)	11,615	15,647	23,075	30,324	28,558	47,058
As % of Total	70.7	69.9	84.0	80.6	64.2	82.9
Uranium Revenue (millions CFAF)	1,009	3,478	7,579	10,565	14,579	21,650

Source: IMF and Ministère des Finances

Value of Total Recorded Exports and Uranium Exports

	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>	<u>1977<sup>b)</sup></u>	<u>1978<sup>b)</sup></u>
Total Exports (millions CFAF)	10,670	9,049	13,817	12,621	19,556	31,979	44,900	63,400
Uranium Exports <sup>a)</sup> (millions CFAF)	2,000	1,451	5,428	6,322	11,882	21,000	28,400	47,000
As % of Total Exports	18.7	16.0	39.2	50.1	60.7	65.5	63.2	74.1

Source: IMF

Notes: a) Value of uranium exports differs slightly from other charts due to variations in unit price of uranium and volume exported in different sources.  
 b) Preliminary estimate

(In billions CFA francs)

NIGER - Revenues and Expenditures of the Central Government  
1969/70 - 1978/79

Revenues/Expenditures

	1969/70	1970/71	1971/72	1972/73	1973/74	1974/75	1975/76	1976/77	1977/78	1978/79
Total Revenue	12.00	12.40	13.16	14.14	16.42	22.38	27.46	37.62	45.74	56.74
Current Revenue	10.92	11.44	12.11	12.86	13.35	20.16	25.61	34.39	45.10	56.30
Tax Revenue	10.19	10.45	11.24	11.97	11.61	15.64	23.07	30.32	38.80	47.05
Nontax Revenue	.72	.98	.86	.89	1.73	4.52	2.53	4.07	6.60	9.24
Other Budgetary Revenue <sup>a/</sup>	1.09	1.11	1.35	1.59	3.06	2.21	1.84	3.23	.34	.43
Total Expenditure	11.94	12.80	13.85	14.99	16.53	19.56	25.95	34.70	45.65	56.74
Current Expenditure <sup>b/</sup>	10.10	10.96	11.29	11.84	14.06	17.53	22.40	28.43	32.03	35.74
Capital Expenditure	1.84	1.84	2.56	3.15	1.99	1.87	2.58	5.91	13.62	21.00
Unallocable					.47	.15	.95	.35		

Annual Percentage Change

Total Revenue		3.3	6.1	7.4	16.1	36.2	22.6	36.9	21.5	24.0
Current Revenue		4.7	5.8	6.1	3.8	51.0	27.0	34.2	32.0	24.0
Tax Revenue		2.5	7.5	6.5	-3.0	34.7	47.5	31.4	28.0	21.2
Nontax Revenue		36.1	-12.2	3.4	94.0	161.2	-14.0	60.8	62.1	40.0
Other Budgetary Revenue		1.8	21.6	17.7	92.4	-27.7	-16.7	75.5	-89.4	26.4
Total Expenditure		7.2	8.2	8.2	10.2	18.3	32.6	33.7	31.5	24.3
Current Expenditure		8.5	3.0	4.8	18.7	24.6	27.7	26.9	12.6	11.5
Capital Expenditure		-	39.1	23.0	-36.8	-6.0	37.9	129.0	130.0	54.2

<sup>a/</sup> Includes: Sales of fixed capital assets receipts from previous years drawing on reserve fund contribution by stabilization fund external financial assistance.

<sup>b/</sup> For 1969/70 - 1972/73 includes investment expenditure through the FNI and current budget. Also includes expenditure on public debt.

For 1969/70 - 1972/73, total revenue is on a National Budget basis; total expenditure is the sum of current expenditure (excluding line item capital expenditure and transfers to FNI) and capital expenditure which includes capital expenditures carried on in current Budget under Title IV. Total differs from Treasury Operations total.

List of People Contacted in Connection with Report

USAID- Jay Johnson - Director USAID Niamey  
Murl Baker - Capital Development Project Officer  
Harry Dickherber - Director Niger Cereals Project

State- Ambassador James Bishop  
Dennis Keogh - Deputy Chief of Mission, Niamey  
David Thatcher - Economic Officer, Niamey  
Mark Eaton - Desk Officer AF/W

GON- Illa Kane - Director Services Financieres, Ministere du Plan  
Amadou Seydou - Direceur du Budget, Miistere des Finances  
Adamou Salifou - Chef de Serice - Budget, Ministere des Finances  
Abdul Harin Paraiso - Director des Contributions Diverses,  
Ministere des Finances  
Jean Regnier - Assistant Technique, Ministere du Plan

Other- Andre Martins - Directeur FED, Delegation de la Communaute  
Europeene  
Michael Challons - Permanent Representative UNDP  
Robert Thornton - Head, Citibank  
Gaetan Regafneur - Director, Pan Ocean Oie  
Jean Jacques Desmier - Local Representative - CONOCO  
Robert Pagnon - Barque Centrale des Etats de l'Afrique de l'Ouest  
and IMF

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- Petroleum and the Nigerian Economy, Scott Pearson

FINANCIAL BUDGET 1977/78 (in millions C\$)

(1) Initial Appropriations 77/78	(2) Realized Investment 77/78	(3) Carry Over Funds to 78/79	(4) Realized Investment through 78/79	(5) (4) As % of (1)	(6) Other
<u>Section I</u>					
610	181	447	427	70.0	199
<u>Section II</u>					
1,032	862	424	1,101	106.6	18.5
<u>Section III</u>					
177	63	121	81	45.7	102
<u>Section IV</u>					
4,128	3,279	974	3,919	95.0	333
<u>Section V</u>					
2,182	1,462	1,452	2,096	96.0	817
<u>Title I</u>					
8,139	5,847	3,418	7,624	93.6	1,636
<u>Title II</u>					
4,860					
<u>TOTAL</u>					
13,000					

Source: Ministère des Finances

- Notes :
- a) All figures not available
  - b) Includes realized investment in 1976/77, 1977/78 and 1978/79.
  - c) Includes realized investment in 1977/78 and 1978/79
  - d) Includes committed funding as well as other left over funding.

Table 7 continued