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**ASSESSMENT  
OF THE  
SAHEL DEVELOPMENT PROGRAM**

**Africa Bureau/Office of Sahel and West Africa  
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## ASSESSMENT OF THE SAHEL DEVELOPMENT PROGRAM

### I. Executive Summary and Conclusions

#### A. General

The present draft responds to a request from AA/AFR, F. S. Ruddy, to AFR/SWA for an assessment of the Sahel Development Program which considers, inter alia, "how it relates to the original objectives and what changes should be made now in view of political and economic developments in the Sahel" since its inception. The assessment finds that, despite problems encountered in their pursuit, the original objectives of the Sahel Development Program remain sound and feasible. AID's contribution to the multidonor effort should be sustained at its present proportional level.

As a result of the drought emergency of 1973, the U.S., other donors, and the Sahelians developed a comprehensive strategy which attracted a large and sustained volume of resources as well as a strong commitment to long-term development of the region. The international community spent an estimated \$1 billion on drought relief and post-drought rehabilitation from 1973 through 1974. From 1973 through 1982 the U.S.--through disaster assistance, P.L. 480 and the Development Assistance budget--has committed an equal amount of resources to the Sahel region.

The program in the Sahel is one of the best examples of international cooperation for development. A responsive organizational structure was devised to coordinate a large number of bilateral and multilateral development initiatives. The system is far from perfect, yet it has credibly addressed many of the basic problems of the region.

AID programs have been growing since the first reconstruction assistance of 1973 and 1974. The composition and orientation of AID's Sahel Development Program (SDP) has evolved significantly. Most of its weaknesses are traceable to the urgency which impelled the early development of the program and the deployment of appropriated funds at a pace which strained AID and host government management systems. A number of projects sought to stimulate medium-term food production increases based on over-optimistic judgments about the availability of technical packages, the capabilities of cooperating institutions and the financial capacity of Sahelian governments. In addition, the program spread rapidly into forestry-ecology, primary health, women's roles, various kinds of training, village water supply and several areas of the livestock sector. The emphasis was on responding as directly as possible to the basic needs of target populations. However, many of the initial activities involved institutional development aspects, and later projects have been primarily oriented to such objectives. Numerous studies and analyses were also carried out -- especially within the CILSS/Club structure -- that today influence policy. Early assumptions about technology were often hedged with investments in research. The results of these varied efforts have been mixed, but on balance highly positive. The quality and effectiveness of the

program has steadily improved as we have learned from experience to better understand the Sahelian cultural, administrative, institutional and physical environments.

AID's SDP constitutes an important and proportionally appropriate component of the expanding multidonor development program. If the current level of effort is maintained in real terms the CILSS/Club strategy goal of food self-sufficiency with environmental stability and self-sustaining economic growth is an achievable goal. For this reason and because of the importance of AID's role in the agricultural and rural development sectors, AID's contribution should increase proportionately with the overall donor effort. These resources must be coordinated within a regional, multidonor framework that allows for change and flexibility in response to the lessons of experience.

### B. Lessons Learned

1. Technical production packages are still inadequate for all but some areas in higher rainfall zones. Selected technological improvements such as animal traction or certain new crop varieties have found use in application within specific agro-climatic zones and in certain farming systems, but on the whole, the available technical packages have not provided a basis for large-scale efforts to increase food production. This indicates the need for more emphasis on agricultural research and that most area-focused food production and integrated development projects need to be phased out or substantially redesigned and reoriented toward economically and technically valid goals.
2. Agricultural research systems directed at developing new production technologies must be strengthened, refocused on farming systems and selectively expanded. While it is important that international and regional crop-oriented research be strengthened, it is also essential that the development of adequate national systems be given priority. Promising cultural practices and crop varieties coming out of international work must be evaluated in the various regional agro-climatic zones and tested under farm conditions. The research networks must ultimately produce superior technical packages for each agro-climatic zone. This implies a great deal of increased attention and careful programming of additional resources for agricultural research.
3. Our efforts to date have not placed enough emphasis on the development of agricultural production systems and forging strong linkages between their crucial elements. This implies a need for careful assessment of existing systems and selective targeting of institutional development assistance to foster the development of adequate production support systems within a 10-15 year time horizon. There is a subsidiary need for agriculture-oriented education and human resources development strategies at the regional and national levels.

4. Government agencies, including parastatals, should restrict themselves to roles that cannot be appropriately allocated to the private sector. However, for historical reasons, and often in association with AID, Sahelian governments, are currently relying on parastatals to furnish goods and services which ultimately should be handled by the private sector. In such cases we need to help the governments to formulate plans for the orderly transfer of such functions to the private sector. On one side, governments and AID must disengage from paying parastatals' operating expenses and phase out subsidized provision of goods and services so that the private sector can compete. On the other hand, positive strategies are required to enable the private and cooperative sectors to take up input and produce marketing functions abandoned by governments.

5. Notwithstanding the success achieved in the CILSS/Club context in the pursuit of policy dialogue, our programs at the national level have suffered from inadequate concern with the resolution of policy constraints to economic, and particularly agricultural, development. We should continue and reinforce efforts now underway to focus AID and other donor programs in ways which will induce essential reform.

6. River Basin and irrigation development must continue to be pursued on a steady basis so that river basin planning frameworks and socio-economically sound irrigation models will be available to permit an acceleration of the pace of investment in irrigated agriculture over the next 15-20 years.

7. The forestry and environment component of the program continues to be inadequate and the decline of the woodlands continues. Most research, training and the conservation measures underway should continue and our level of effort in these areas should be increased substantially. We should, at the same time, seriously investigate the attributes of a major effort to establish plantations for urban fuelwood supply.

8. Further livestock production activities should be initiated only when we are sure of the technology being introduced, and it is clear that these offer economic returns superior to alternative agricultural investments. Other initiatives in the livestock sector should be limited to the development of socio-economically and technically sound solutions to problems affecting productivity and producer incomes.

9. Notwithstanding all our good intentions to the contrary, AID has taken on too many separate projects and these have been too widely dispersed both geographically and sectorally. There is a need to limit project selection to the Sahel development strategy priorities of food self-sufficiency and ecological balance within the framework of suitably comprehensive long-term strategies.

10. The Sahel financial management problem as well as other difficulties we have had in implementing our program serve to remind us that we must plan and design our program with scrupulous and realistic attention to the financial and administrative capabilities of Sahelian institutions and our own

management resources. This means that we will have to select our institutional development involvements with great care, recognizing that human resource and financial constraints will often dictate long-term commitments and support of recurrent costs. We must find ways of facing up to the need to maintain adequate staff strength to manage our programs in the field.

### C. Recommendations

1. A CDSS-type strategy is required for the development of the Sahel as a region. Based on analyses of the broad options, it would lay out a program for the phased development of (a) the institutional capabilities and programs in the agriculture and forestry/ecology sectors and (b) the irrigated agriculture capacity required to help achieve food self-sufficiency, through trade as well as domestic production, by the year 2000. Unlike the present Regional Development Strategy Statement (RDSS), the new strategy would address resource allocation issues in light of economic and technical analyses of the various trade-offs such as that between rainfed and irrigated agriculture.
2. Project selection must be guided strictly by the dictates of bilateral as well as regional program strategies in pursuit of food self-sufficiency and ecological balance by the year 2000. This implies rigorous development of agricultural and forestry/ecology sector strategies, complemented by derived program priorities in human resources, health and other supporting sectors.
3. The staff resources and the role of the Sahel Development Planning Team (SDPT) must be strengthened. To the present complement should be added an agronomist knowledgeable of irrigated as well as rainfed systems, a river basin development specialist and a Deputy Director (Deputy Regional Development Officer or Program Officer). The latter is required to assure that the long-term planning and other functions of the team are consistently pursued despite the heavy travel schedules of the team members and Director. The SDPT should be charged with analyzing and commenting on the feasibility and priority of all PIDs and all strategy documents submitted by Sahel Missions. The persons responsible for AID liaison with the CILSS Secretariat and the Sahel Institute should function as members of the SDPT. The SDPT should have PM&R budgetary resources sufficient to carry out or commission studies required for strategy development.
4. The SDPT should be transferred to Ouagadougou so that its long-term planning studies and analyses can be carried out in collaboration with the CILSS Secretariat and be fed consistently into the deliberations of sector working groups both at this regional level and at the national level.
5. We need to continue and strengthen our efforts in financial and program management. This requires:
  - an assessment of AID Sahel program management capacities and requirements in the field;

-- stricter review and criteria for financial management and accounting capabilities in every project, including the provision of technical assistance where necessary; and

-- a second generation of initiatives to strengthen program management capacities at the regional and national levels;

-- greater use of private sector accountants in design, implementation and monitoring of the Sahel program and projects;

-- increased audit coverage of the program.

6. A review should be conducted of the SDP project portfolio in order to identify projects which need to be revised or phased out in light of the assessment findings, the Mission's current program strategies and the current RDSS.

## II. Introduction

In the late 1960s and early 1970s, AID did not have any bilateral programs in the Sahel countries. Country activities were handled by three Regional Development Offices (RDO) located in Dakar, Niamey and Yaounde. In response to the drought, AID became much more involved in the Sahel region. Along with other donors, the U.S. geared up a major emergency drought relief effort in 1973-74. AID contributed about one-fourth of the estimated \$1 billion and at one point U.S. Air Force planes were enlisted to transport food to distant parts of Mali and Chad. Not surprisingly, logistical and coordination problems were encountered. Despite their extraordinary efforts, donors were criticized for slow and inadequate reaction.

Then Secretary of State Kissinger and Administrator Parker provided top level impetus to the U.S. effort. Other donors were equally energetic and committed. In 1973, Congress authorized \$25 million under the Foreign Assistance Act (FAA) for emergency relief, consultation, and development of a long-term program. In 1974, \$129 million was appropriated for food, emergency relief and rehabilitation. AID put into place a Relief and Rehabilitation (R&R) program of \$2-3 million per country to restore social services and infrastructure to provide transport and to bring in supplies. AID's presence in the field was expanded so that apart from the large offices in Niamey and Dakar, at least one AID person was posted in each country.

In late 1975 Congress provided \$5 million for planning, consultation, and program development in the Sahel. The latter funded the large studies and analyses which preceded the formulation of the regional strategy. Also in 1975 Congress authorized \$68 million for Sahel development. The Agency was obliged to move quickly, to work with the political systems and institutions which were available, and to work within the established policy environment of the host countries. The R&R program was quick-disbursing, short-term and was considered fairly effective, but it had little long lasting effect. In 1975-76 AID began preparing medium-term development projects intended to contribute to long-term growth.

On their side, the Sahel countries created the Permanent Interstate Committee for Control Drought in the Sahel (CILSS) in 1973 to provide coordination of planning for emergency relief and a united approach with the international community. Following the drought, CILSS Chiefs of State expanded their mandate to include longer term regional development. In 1975, the U.S. launched consultations which resulted in the counterpart organization of donors, the Club du Sahel. The inaugural meeting was in Dakar in 1976. The purpose of the Club was to help mobilize resources and to assist the CILSS in coordinating donor efforts in the Sahel. Perhaps most importantly, the Club was to provide a forum for joint study and dialogue on policy issues.

In April, 1976, AID submitted a Report to the United States Congress for a "Proposal for a Long-Term Comprehensive Development Program for the Sahel." This report provided the basis for legislation setting up the Sahel Development Program. The report said:

1. The Sahel's production system must be fundamentally altered which is a long-term (20-30 years) proposition.
2. Given the potential for increased productivity, a transformation and increase of the area's productive capacities are possible with major infusion of international development assistance and proper international cooperation.
3. Total self-sufficiency in staple foods during droughts (like that of 1968-73) would be too costly, but much improved food security was possible.

These are essentially the goals identified by the donors and the Sahel governments in the Strategy for Drought Control and Development in the Sahel. This strategy was the product of ten sectoral teams who have constituted the CILSS/Club Working Group composed of Sahelians and donor experts as one of the first acts of the Sahel Development Program. The strategy was adopted by the CILSS Council of Ministers and the Club du Sahel and has provided a framework for donors and Sahelians. The strategy aims at food self-sufficiency on a regional basis by the end of the century, environmental improvement and stabilization, and long-term economic growth. The International Development Assistance Act of 1977 authorized \$200 million for the Sahel Development Program with a limitation of \$50 million for appropriations in the first year, 1978, to launch AID's program.

The aggregate AID obligations within the Sahel Development Program, 1976-82 are presented in the table below. This assistance covers all forms: food technical, budget, balance of payments, etc. including development investment.

U.S. Assistance to the Sahel  
(\$ Million)

<u>Obligations</u>	<u>Development Assistance</u>	<u>P.L. 480 Food Aid</u>	<u>Total</u>
1973-75			206
1976	35	24	59
1977	45**	27	72
1978	50***	50	100
1979	75***	39	114
1980	75***	49	124
1981	93***	47*	140
1982	94	36*	130*

\* estimates

\*\* from functional appropriations

\*\*\* Sahel Development Program Funds - new money only

### III. General Economic Effect of the Sahel Development Program

In many respects the economic condition of the states of the Sahel has deteriorated since the drought emergency of 1973. As measured by the levels of external debt, debt service ratios, fiscal deficits, terms of trade, balance of payments, deficits and food imports, the situation is worse.

#### Sahel Economic Data

	Average GDP Growth 1976-80 (%)	Average Growth Annual Agricultural Production 1975-79 (%)	1979 Foreign Debt as % GDP	1979 Debt Service Ratio
Cape Verde	N/A	N/A		
Gambia	3.3	0	N/A	N/A
Mali	N/A	1.2	28	.4
Mauritania	1.8	6	54	5.6
Niger	12.3	9	118	16.3
Senegal	1	-1	16	2.7
Upper Volta	.8	2.3	30	14.1
			26	3.7

Sahel Current Account Balance: 1976 -- \$509 million  
1980 -- \$1,718 million

Although the severe drought has not recurred, the data show that below-average annual conditions have persisted throughout the region from the late 1950s through the present. Following the recovery years of 1974-75, growth in average per capita GNP has been modest overall; growth in food production, while lagging the increase in population has been positive. Through the multi-donor aid effort, thousands of expatriate teachers and technicians have been at work training and implementing, hundreds of miles of roads have been built or reconditioned, thousands of Africans have been trained or are in training, health services have been delivered to millions, basic research has gone forward in many sectors, food has been provided, environmental improvement was begun, production of some export crops was improved, and much effort has gone into determining how to improve food production. This has occurred in a time of continuing poor growing conditions. The Sahel has not only mostly recovered from the drought emergency, it has been able to hold on, and to grow, because of voluminous and sustained external aid which has helped with economic stability while laying the foundation for the long-term development program.

But sustained self-generated economic growth and development is a long-term goal. Annual fluctuations in economic indicators continue, as do indicators of progress in the agricultural sector. Yearly variations in agricultural production are so extreme, that any small changes which may result from the development program would not be detectable in a span of so few years.

In 1979-80 the Club/CILSS commissioned a review and analysis of the program to date. This review cited a lack of progress in agriculture, poor maintenance and degradation of irrigated perimeters, and that despite substantial outside assistance, there seemed to be little progress overall. The report did note some positive points: the fact that the Sahel was able to traverse the period since the 1973 drought without another calamity and the fact that some institutions were being built up and some experience acquired in key sectors. The report noted that other aspects of the regional economy had fared relatively better than the food sector, e.g., cotton productivity had risen substantially and livestock numbers and production had been restored.

But the central point of the assessment was that it appeared that the regional program was not focusing enough attention on food production. At the biannual donors conference in Kuwait, the member representatives reconfirmed the goals of the Sahel Development Program and agreed to place more emphasis on the priority sectors of food production and environmental restoration.

Since 1980 the proportion of aid directed to food production has gradually increased. For AID, this narrowing of focus has been sharper than that of the donors generally. We believe, at this time, the most important issue is the need to substantially refine the combined program to assure appropriate emphasis on agricultural production. Major adjustments in other donor policies will be required to achieve this; it will involve difficult negotiations within the community and each donor's system. Much preliminary work has been achieved, much is underway but much remains. We expect that at the next Club conference in Brussels in October 1983 the program goals and the necessary refocusing will again be reaffirmed.

For AID there are special problems. A series of project audits has shown that some projects have been compromised by inadequate (some possibly fraudulent) internal accounting and financial management practices. The audits have also brought into question overall management of some projects and, by extension, the efficacy of the entire AID program in the Sahel. In the following pages we will assess the major problems and the achievements of AID development efforts in the Sahel and within the collaborative Club/CILSS structure we will also consider the adjustments that should be made in the process of implementing the program.

#### IV. AID's Program Experience

##### A. Sectoral Activities

1. Agriculture. AID's efforts in this sector have consisted of two broad kinds of activities--some aimed directly at increasing food production with the assumption that the necessary technology was available, others aimed at strengthening agricultural production support systems. AID began projects to inventory country resources and document and analyze other data such as

water resources, fertilizer potential, river basin potential, climate and meteorology and even to develop remote sensing. Technical education was addressed by providing support to agriculture institutes, training in management, project design and planning, basic literacy and advanced professional studies. Projects to strengthen agriculture extension were initiated. In direct agricultural production there were projects to test the adaptability of animal traction, and to introduce improved seeds and simple techniques. Research in plant and crop protection was enhanced and crop protection services strengthened. Secondary roads were constructed to improve access to agricultural inputs and market outlets.

These activities were elements of a variety of agricultural projects, as many as 50, covering all countries plus the river basins and regional projects from 1973 to 1982. Many of these projects are early or only midway in execution; others have been completed. While the aggregate of the outputs of this effort is difficult to quantify, most projects are reaching their goals.

AID implemented relatively large, multipurpose integrated rural development (IRD) projects in the five largest countries in the Sahel. Although certain aspects of most of these projects were successful, most also encountered major problems. A general difficulty is the sheer complexity of the projects which requires the participation and coordination of many personnel and, what is more difficult, a number of agencies and institutions. Problems of design in at least two of the projects, operation Mils Mopti in Mali and the Eastern ORD IRD project in Upper Volta as a result of complexity, poor assumptions (e.g., misapprehension of availability of technology), underestimation of costs and overambitious scheduling rendered the projects essentially impossible at conception. In others, implementation was delayed because AID was slow in fielding contractors so that the scheduled goals could not be reached. In Mali's Haute Vallee project the host counterpart implementing agency has proven incapable of managing a complex project, while AID had trouble in securing capable contracting and AID staff.

None of the projects in the lower rainfall areas (i.e., annual precipitation less than 1,000 mm) has succeeded in achieving its principal goal of increased agricultural production to an extent which justifies the project cost. This is so because the means available to improve production are not adequate. It seems at this time that only in a locale where precipitation exceeds 1,000 mm annually is it possible to achieve an acceptable increase in agricultural output; this has occurred in instances where mixed cash and food farming was practiced.

Because of the unavailability of an economic dryland production technology superior to that traditionally in use, the results of direct production initiatives on a broad scale have been disappointing. Here again, it has been possible to make some aspects of production projects work, e.g., improved seeds, supply of fertilizers, improved marketing, farm credit systems, but the food output itself has been inadequate given the project cost.

AID has been able to construct grain storage facilities in various countries (Senegal and Chad) but there have been problems with design suitable to the climate and, of much more importance, there is now very serious question of the necessity for additional central storage. On-farm storage is generally believed to be adequate and the traditional techniques are quite efficient. Moreover, central facilities operated by the authorities tend to be redundant and inefficiently managed.

From the beginning AID has been heavily involved in research either as a separate initiative or as a component of most production projects. The regional projects of SAFGRAD and ICRISAT have made important investigations into various components of the production system such as cultivation techniques, animal traction and variety selection and promising trial results have been obtained. AID has also mounted special research activities with OMVS and has supported the research coordination and analysis function of the Sahel Institute, which, although in its formative stage, continues to be a promising development. AID along with the UNDP, FAO and CILSS has undertaken the difficult task of establishing a regional system for research into control of crop pests. This, as we know, has had serious difficulties but the effort is continuing because of the importance of effective crop protection upon net usable agricultural yield.

AID has invested a good proportion of its effort in institutional development. Much of this has been in working with host government organizations, including parastatals, which were frequently misconceived in that they were too centralized and attempting services and actions better carried out by the private sector or other agencies. On the other hand, AID's institution building has contributed to the effectiveness of essential ministries including agriculture, education, rural development and planning. In addition, AID began early in the program to encourage improvement in the basic functions of planning, research and coordination of the international river basin organizations. These have been gestating for many years as they worked out internal problems and developed their knowledge with activities in mapping, resource inventories and modeling of river flows.

Although our assistance to the Lake Chad Basin Committee was abortive, the help given to OMVS has assisted that body to assume responsibility for the large development initiatives in the Senegal valley. Similarly the Gambia Commission and the Niger Authority are improving their functioning and escalating the volume of work underway with the respective river systems partly as a result of AID's interest and support.

An important complement to the gradual maturation of the process of river basin coordination is the growing experience with implementation of small irrigation projects. By undertaking these early in the program, AID has been able to provide a basis for future activities. Failures and partial success have also contributed to this education; thus, even though the quantity of land brought into irrigated cultivation in Mali's Operation Riz-Sorgho was below target, AID did help install the functional dikes which can be further developed, along with land leveling, to gradually improve the

site. Also Mali's Action Ble project did provide many pumps which the farmers have adopted and put to use to significantly and economically increase their production (partly by reducing their dependence upon official services and finding their own alternative supply systems). In the case of the small perimeters at Bakel in Senegal, AID has been able to develop a model for small perimeters, based upon good farmer organization and limited official participation.

2. Livestock. This sector provides an important portion of Sahelian income. Through 1981, AID has financed some \$47 million in projects in the sector. The approach to development of this important subsector was varied in order to determine the most effective strategy. Vaccine production was strengthened in Mali and animal health delivery systems were supported in several projects. These efforts have proven to be effective, popular and profitable, to the extent that herders find it in their interest to seek out and pay for the costs of these services. Several ambitious range management projects were mounted (Senegal, Mali and Niger) to help preserve the quality of the grasslands while increasing output. Experimental marketing and production systems based upon stratification and fattening pens were also attempted in several areas. Numerous watering points and catchment ponds were located in underused portions of the range and many kilometers of firebreaks were constructed to control range fires. In Niger extended research into range resources and development of means for herders to organize cooperative range management, provision of inputs and marketing have yielded promising results. AID has also had good results with the introduction of mixed cattle fattening and cultivation based upon the use of farm by-products and forage production in the rainfed as well as irrigated agriculture sections of the Sahel.

At this time we believe that accessible Sahelian grasslands are nearly fully stocked and in some areas overstocked, given current technology. Research has not been able to devise a better production technique for general adoption than the traditional methods in use. However, there is some room for projects which can help increase production on the margin, e.g., creating water points where there is underexploited forage, improving animal health services and perhaps supporting pastoral cooperatives. While there is strong and growing internal and export demand for animal products, official marketing interventions are not economic and, as a rule, not required since this is a profitable and mature commercial enterprise.

Truly significant livestock potential is in the tsetse areas. A coordinated effort is continuing, not only in the study of epidemiology and prophylaxis but also in field work, in vector control and in popularizing the trypano-resistant types of cattle such as Ndama.

3. Forestry/Environment. Although this is a priority sector, relatively limited resources have been invested. We are reasonably confident that although the desert may not be "advancing" generally, certain land areas are nonetheless being degraded as a result of overuse by farmers or pastoralists. The greatest degradation results from the demand for fuelwood and the large annual decrease in available natural forests. There has been

limited success with development of fuelwood plantations for urban consumers but in narrow commercial terms these projects may be uneconomical partly because a fast-growing species adapted to the Sahel has not been identified. On a small-scale, village woodlots have been successful; unfortunately, these require intense application of scarce technical expertise and, therefore, cannot be extensively implemented. Soil conservation and water runoff control initiatives have also been only partly successful because of limited numbers of technicians and difficulties in identifying compelling incentives to interest farmers. We have undertaken experiments in exotic alternative energies; these have proved to be uneconomic or too technically complicated for implementation.

There are hopeful prospects however. AID and other donors have several projects to popularize conservation in use of fuelwood. Forest management which will yield a sustained supply of forest products is sensible and requires research into technique, training of personnel, and improvement of the forests and waters institutions. In Upper Volta AID is strengthening research and training in natural forest management. The greatest pressure on the woodlands is on the forests in the vicinity of urban areas; to help with this plantations such as the pilot project near Dakar, Senegal may be the best solution. In order to reduce cutting of natural forests, fuelwood plantations may indeed be the best solution, but projects to develop plantations must be evaluated in terms of their total benefits: the value of production as well as the contribution to environmental protection (windbreaks, erosion control), foreign exchange advantages, and health and aesthetics. Although exceptions may be justified, as a rule, basic research into exotic alternative energies should be left to the sophisticated science and engineering establishments of the industrial countries, but application of selective and proven alternatives may make sense in certain special circumstances. Research in native varieties, seed multiplication, etc. and investment in tree nurseries, village woodlots and erosion control are usually small-scale applications using known techniques; these have merit.

4. Human Resources. The Sahel Development Program includes a large training component covering all levels. A number of projects are designed specifically to train Sahelian personnel in areas of highest priority need. Others are of a sectoral or project nature in which training is one of several elements. We should improve our efficiency by reducing unit costs and encouraging and investing in regional and national educational institutions which can supply development requirements. Farmer literacy and numeracy projects can be very economic and provide direct benefits to the rural poor. AID's experience and success with education and training in the Sahel has been substantial. AID continues to devote a major proportion of total program funds to human resource development. Education in its broadest sense is recognized as one of the most remunerative investments. At the regional level, the Sahel Manpower Development Project (SMDP) provides professional training for Sahelians in African countries or in the U.S. Under the current phase of the project over 300 Sahelians are being trained in programs ranging from short-term specialized instruction in agriculture and in managerial skills to longer term graduate education. This project is helping to remove obstacles to program implementation and complements the training being provided under other more specialized technical assistance projects. We are currently drafting five-year training plans in each country which we will consolidate into a regional training plan as a keystone of the AID program.

5. Health. AID assistance has been important in the provision of quality health services to rural areas. The most popular and costly interventions are the rural health services projects in Senegal, Mali and Niger. These are extremely difficult to implement and have had high initial costs. While some of the problems are being solved, delivery of simple health services on a national scope seems beyond the means of most Sahelian economies. Some problems with AID projects result from poor design which has located pilot projects in remote areas to which we could neither supply sustained technical assistance nor assure necessary support.

Some of AID's health projects have been successful. In Niger, over 3,000 village health workers have been trained, in addition to 260 nurses to work in rural dispensaries and clinics. The immunization program for young children in Mauritania has successfully reached the majority of the age group in that country. Emergency vaccines are provided though the region as required and AID has assisted in improving the supply of pharmaceuticals.

The Sahel Directors have agreed to limit health sector interventions to those which have a clear and direct effect upon agricultural production or (as in the case of schistosomiasis in water control projects) address effects which might compromise the benefits of production projects. In the case of limited investment resources, food production has the priority (the host governments simply cannot afford universal minimal health care; although they must sustain a certain level of efforts), and in fact medicine and health are subjects to which each individual will undoubtedly make his/her own best effort and hence be the best source of finance.

#### B. Regional Coordination

The CILSS/Club mechanism is the means devised to achieve coordination of donors and Sahelians. The first work of the CILSS/Club du Sahel following the Club's creation in Dakar in 1976, was to set up Working Groups in key development sectors (rainfed agriculture, irrigation, livestock, human resources, ecology/forestry and fisheries). The teams made in-depth sectoral studies which were combined by a synthesis group into the regional strategy.

As a companion piece to the strategy the Sahelians identified a First Generation of Projects, a list of projects in key sectors, that should be financed on a priority basis. After preparing the strategy, the Working Groups were retained to work on sectoral and overall policy issues. Very important and useful diagnostic work has been carried out within the Club/CILSS framework in ecology/forestry, rainfed agriculture, irrigated agriculture and recurrent costs. Some of these key activities are discussed below because they are extremely important ingredients in the overall Sahel development program.

The regional coordination approach has had difficulties. Collaboration promises numerous benefits but it is extremely difficult to execute. AID has learned that nascent regional organizations cannot be overburdened with myriad responsibilities and resources. They should be kept small and their tasks limited and clearly defined. Despite the problems, the regional organizations

have also been very constructive in helping make the coordinated program function and in attacking some of the fundamental and universal problems which could not be effectively approached by other means.

1. Policy Reform. Although everyone who studied the Sahel production systems agreed that cereals policies would have to be re-oriented, there was virtually no movement on this front prior to the existence of the Club/CILSS mechanism. Sahel countries viewed this issue a matter of sovereignty and not a subject of general concern. This was understandable in one sense when one realizes that fixing the price of cereals is probably one of the most dangerous and critical things that a Sahel government does. However, it became obvious that agricultural projects would inevitably fail unless policies were amended. The Club du Sahel and CILSS sponsored the Berg study which set out for the first time the inconsistencies of cereals policies in the Sahel: low prices to farmers, ineffective and inefficient cereals boards, unenforceable government monopolies, etc. The Sahelians agreed to discuss the issues. This enabled AID, the World Bank, the EEC, and other donors to begin working on the cereals policy issues in various countries with the Club/CILSS international effort to back them up. To follow up on the Berg cereals report, Club/CILSS organized a symposium on the cereals sector held at Nouakchott, January 1979, where all the issues were laid bare in what was the first frank dialogue ever held in the Sahel between donors and Sahelians on cereals policy. As a result of the conclusions of the Nouakchott Cereals Symposium, negotiations on these issues are continuing in almost every country and are sustained by the continuing initiative of the CILSS/Club. In Mauritania, there has been a reorganization of food assistance operations which has streamlined food management through a reduction in costs, improved utilization and training of staff and more efficient distribution of grain. The direction of the pricing structure for cereals has been improved and has encouraged local production and brought producer prices in line with world parity prices. In Mali, P.L. 480 food assistance is being proposed as part of a larger multi-donor effort linking food aid and policy reforms. Under a five-year program, important policy changes have been made and are scheduled in the areas of cereals pricing and marketing. The government has already implemented major aspects of the program, including increasing producer and consumer prices and giving a larger role to private traders. Similar reforms are also underway in Senegal. Cereals policies are included in the rainfed agriculture analyses which have already been completed for Niger, Mali, and Upper Volta as well as the World Food Council sponsored food sector strategies prepared for several countries. These studies are intended to be the basis for coordination of food sector planning and development programming on a continuing basis among donor representatives and host governments in each country.

The CILSS/Club also sponsored a seminar on cereals prices harmonization which resulted in an agreement to consider means to facilitate trade in cereals among the Sahel countries and the creation of a price and market information system for the region to facilitate market responses to surpluses and deficits within the region. If permitted to be carried to its logical conclusion, this beginning will result in free trade in cereals in the Sahel and in West Africa.

Food aid has become a substantial source of the cereals supply for current consumption in the region, approaching at times 15-20 percent of the aggregate supply. While most concede that these imports are dangerously distorting to the domestic cereals sector and that they help create dependency, their short-term utility frequently prevails over desired independence. The donors have, nonetheless, agreed with the Sahelians to cooperatively assess yearly food import requirements and to coordinate programs of food aid in order to both assure supply when and where it is needed but also to limit imports to that actually required, to minimize encouragement of demand for cereals which cannot be locally grown and to find means of reducing food aid and substituting domestic grains for imports. Some progress has been made but the problem is insidious and hydra-headed because of conflicting interests among donors and Sahelians.

The Nouakchott colloquium also recommended that the CILSS devise a regional collective food security system to insure supply in emergencies, particularly for the immediate future while production is being increased. The donors have agreed to a first step in establishing a unit in the CILSS Secretariat to begin to collect food production and supply data, to standardize data collection and dissemination and to serve as a monitoring unit for the food situation of the region. The unit has also been directed to implement refinement of the design of the regional food security proposal based upon revised terms of reference provided by AID experts.

2. Recurrent Costs. Early in the planning of the Sahel program, the donors anticipated the potential problem of the limited financial capacities of the Sahelian governments and the recurrent costs obligations which would accompany the donor investment program. It was decided at Kuwait that the recurrent costs problem should be addressed at a regional symposium followed by a series of national conferences. The regional symposium took place in January 1982 under CILSS/Club auspices with technical support from the IMF and the World Bank. Studies were prepared by Sahelian experts in collaboration with international experts on such topics as public service employment policy in Mali, public utility charges in Senegal as a means of financing recurrent costs, the impact of the parastatal sector on public finances of Mali and the scope for applying user charges. Micro- or project-oriented studies considered approaches to analyzing the recurrent costs implications of projects, project selection issues and the role that user changes and tax levies can play in reducing the recurrent costs burden. Discussions focused on how policies concerning exchange rates and tariffs, public sector employment, the parastatal enterprise sector and agricultural producer prices and marketing may all require adjustment in order to stimulate private sector growth and generate tax revenues. While it was recognized that the donors are willing to treat recurrent costs as legitimate development expenditures, the donors made clear that they are interested in approaching the recurrent cost issue in ways which address fundamental macro-economic problems in each country. Follow-up national symposiums are being prepared for each Sahel capital under Club/CILSS sponsorship. These meetings offer great promise of generating useful and continuing policy dialogue between Sahelian governments

and the whole donor community on hitherto undiscussed issues such as public sector employment policy, privatization, parastatal reform and tax policy.

3. Strengthening the System. The U.S. has played the leading role in seeking and supporting improvements of the Club/CILSS system. The main agenda for these efforts is defined in terms of two problems that have arisen in the pursuit of the multi-donor program. The principal one has to do with the need to shift the allocation of Sahelian and donor resources to give greater priority to the sectors essential to food production and rural productivity. Currently these sectors are receiving some 26 percent of project assistance. The second problem has to do with increasing the degree of correspondence between national level sector strategies programs and policies, on one hand, and, on the other, those that each Sahelian government has endorsed for the region. While agriculture and food production are generally accorded first priority in Sahelian governments' development plans, there is a general shallowness of program strategy and analysis in support of the stated emphasis. Donors whose programs are framed through annual bilateral consultations have also noticed a lack of correspondence between project priorities asserted on these occasions and the priorities of the Sahel Development Program strategy. This is explained in part by the fact that Sahelian governments are represented in CILSS by their Minister of Rural Development or of Agriculture while setting overall development priorities is the responsibility of planning ministers. Of course there is also no escaping the fact that even Sahelian governments need technical and financial assistance for many needs outside agriculture and rural development. Some, such as roads, can also play crucial roles in encouraging or facilitating agriculture production increases.

Largely through AID's urging, these two linked problems were addressed in September 1981 at an informal Club donors' meeting with CILSS Secretariat representatives present as observers. It was agreed that both problems could be addressed by bringing the Club/CILSS consultative process to bear on coordination of donor and Sahelian sector programs at the national level. Deepening the consensus among donors and Sahelians on sector development issues would stimulate greater resource flows into the priority areas. This is because most donors, apart from the World Bank and AID, have little capacity to prepare their own sector and project analyses. This particularly inhibits their entry into complicated and difficult sectors such as rainfed agriculture.

The CILSS Secretariat has played an excellent mediating role in first agreeing to the proposition put forth by AID and then persuading member-governments of the idea's merit. Accordingly it was endorsed by the CILSS ministers and Chiefs of State in Praia in January, 1982. It will focus initially on the agriculture and forestry ecology sectors. Sector program analyses, including inventories of donor and Sahelian activities have been prepared and the consultations have already begun in Senegal on forestry-ecology and in Niger, Upper Volta, and Mali on agriculture. This is an example of the logical continuation of the coordination of donor programs in the region and it will be the principal focus of the Club/CILSS work during the next few years.

As the Club/CILSS sector teams completed their initial major regional studies and the first generation of projects was well underway, the Secretariat became somewhat moribund and the leadership, distracted by more glamorous high-level international coordination responsibilities, neglected management of the technical staff. The donors were very firm in their guidance to the Secretary-General: it is crucial to the regional program that the CILSS Secretariat remain competent, productive and respected. CILSS was urged to assure that the next major thrust, the coordination of host government and donor activities in each country, be executed thoroughly and credibly during the coming years so that the staff would be suitably employed and the potential of the regional organizations fully utilized. Concurrently, we have advised the CILSS to reduce some of its planned activities, curtail travel, and to refrain from further work in most project identification and search for project financing. The CILSS Chiefs of State in Praia, 1982, directed that the CILSS organizations be the subject of a major review to assess their progress and determine their appropriate future course.

The Sahel Institute, the regional research coordination organization, has a very able technical staff. It is competently implementing a regional technical information network, the AID/UNDP regional demographic project as well as several other more limited research activities. Unfortunately, from AID's perspective, other functions of the Institute are either not being effectively carried out or they are misdirected. The basic problem is that the Institution is inclined to design projects and solicit funding so that an active and diverse research program can be implemented by the Institute itself. AID has continuously counselled against this orientation but the incumbent director-general was unwilling to change course. We are hopeful that the newly-appointed director-general and the new guidance from the CILSS Chiefs of State will change the Institute's focus to concentrate on research coordination.

### C. Program Management and Implementation

We asked the Mission Directors in the Sahel to identify the major problems they have encountered in implementing their programs. To a large extent most issues are common to all the countries and programs in the region.

The Sahelians commonly employ top-down institutional arrangements which require experienced and capable management, competent mid-level technicians and managers, trained field people and good communications between the center and the provinces. Few appropriately qualified Sahelians are available to staff these organizations except at the higher levels. With hindsight, many Sahel institutions are inappropriate to the needs of the sectors they serve. However, we regrettably set about designing and implementing our programs with the expectation that the official institutions would be able counterparts. We, including most other donors, have complicated the difficulties by increasing the burdens of the host governments and, in effect, encouraging and protecting organizations which might best have been bypassed. Naturally there were very good political and practical rationale for attempting to work with the existing structures; retrospect forces the identification of alternatives.

A sufficient quantity of trained personnel of all types is not available in any country in the region. This is, of course, one aspect of underdevelopment, but AID has not been patient to assure the provision of required talent in advance of attempting activities. Training takes time and, in the Sahel the educational system, from top to bottom, is either inadequate in capacity or inappropriate in type of output. AID went ahead and implemented numerous projects and sub-projects for human resource development concurrently with mounting major projects which required the types of personnel which were being trained. This has worked to some extent and, as training is completed, more people are becoming available, but there will be a continuous shortage and, in the beginning, the unavailability in some instances, prevented project success.

When the drought hit the Sahel AID had permanent staff in only two Sahel countries--Niger and Senegal where RDOs were located. The RDO in Dakar served Senegal, Mauritania, Mali, and The Gambia while the RDO in Niamey served Niger and Upper Volta (and other Entente countries). RDO/Yaounde in Cameroon served Chad as well as other Central African countries. There were no controllers in any RDO since allotment and financial control was exercised from AID/W. The RDOs were fairly modest-sized offices, five to ten professionals, and could not be knowledgeable in depth of the situations in all their countries.

As the drought progressed (1973-74) some emergency assistance officers were posted in Sahel posts (one per post) and were replaced by officers to run the R&R programs. In 1974 AID reviewed the financial management and controller situation and began posting controllers in the RDOs. There was also some controller capability in REDSO/Abidjan, a service office started in 1971. In 1974-75 the R&R officers were phased out and Country Development Officers were posted in Sahel posts where there was not an RDO. In some cases they were assisted by one or two officers. It was not until 1978 that the countries without RDO's were staffed up and all the Sahel countries, except The Gambia, became USAID/Missions. Controllers were assigned to the USAID's which until then had been serviced from the RDOs.

AID probably did not have enough controller presence soon enough while the program was building. We underestimated the financial management problems we would encounter in projects, and at any rate probably did not have the personnel and the ceilings to provide much greater coverage for it must also be remembered that AID was under pressure to keep the number of personnel in the field at as low a level as possible. There was also a gap in AID's project management system which has still not been completely resolved, namely, the responsibility of project managers for financial accountability in projects.

Audit coverage of the Sahel was re-established in 1978 with the opening of an Inspector General (IG) field office in Abidjan. In the next two years the Abidjan-based team carried out nine project audits. Most of these audits were performed at the request of concerned Sahel Mission Directors. In

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addition, one wrap-up report was done on the financial management findings gleaned in carrying out the project audits. Another covered the IG's assessment of the sector programming and donor coordination functions carried out by the CILSS, the Club du Sahel, and the Institute du Sahel. These reports showed a pattern of inadequate accounting systems to record and control funds released to Sahelian government agencies or parastatals for financing of local costs. Apart from the disturbing news that some AID resources in the Sahel have been diverted from their intended beneficiaries and purposes, the reports also document serious inadequacies in AID and host government financial and program management. The reports and subsequent investigations confirm that the basic problems lay in the difficulties AID has had in (a) maintaining adequate project manager and controller staff strengths in its Sahel missions and (b) appreciating the extent of Sahelian agencies' program and financial management weaknesses. Sahelian officials were forced constantly to try to keep their operations going despite frequent interruptions of host government funds. They had developed habits of "juggling" funding accounts to avoid crippling of their programs from funding shortages in one account by another in which funds were available. This practice was sometimes extended to use of AID funds; much of the misspent AID monies were used for legitimate government operational and development purposes even though they were used in contravention of our project grant agreements. AID staff were typically too inexperienced in the Sahel to recognize the extent of the weaknesses on the Sahelian side which ignored the normal application of AID procedures for the advancing and replenishing local cost funds based on financial reporting and accounting systems maintained by the host government.

Two other problems related to personnel have posed severe constraints. Obviously, since AID's presence in the Sahel had been small starting with the drought, our experience and knowledge of the Sahel itself was limited. As for potential U.S. contractors, both in U.S. universities and consultants, the situation was and is one of scarcity. This general lack of knowledgeable personnel both on the AID direct hire and contractors sides has meant that we have had to learn as we go with all the mistakes and misjudgments that implies.

Another staff constraint has been and is the lack of truly qualified French speaking personnel, both among AID direct hire and contractors. Not only have we had difficulty in access and use of the vast French literature and scientific work on the Sahel, but we have had difficulty talking to our Sahelian and French counterparts. Misunderstandings are bound to occur and this has cut across our entire Sahel program. We have not been able to substitute imported personnel to compensate for those unavailable locally. The result has been a program which suffered all along the line from concept through planning, design, and implementation. Hence, weak host institutions were asked to direct management of projects beyond their capabilities while AID was, at times, unable to provide either effective counterpart management or minimal oversight of the basics, such as financial accounts.

AID's program may have been appropriate, in volume, to the need in the Sahel but the programming of those resources was, at times, inappropriate in

the circumstances. A major problem has been dispersion of the program geographically and also sectorally within countries. Given the great expanses of individual Sahel countries, the dispersed populations and diverse needs of very poor people, the limited Mission staffs were attempting to cover too much territory and too many activities. Communications are primitive and travel tortuous, yet AID tried, all too often, to mount projects in remote areas. AID field staff were under pressure to improve health, provide water, improve logistics, limit population growth, educate, survey, study, and manage in addition to assuring food supply for current consumption and developing long-term production. There were too many projects in too many places.

Projects were often poorly designed. Basic information was unavailable; our design teams were inexperienced with the Sahel environment and unfamiliar with Francophone institutions, not to mention French itself. Projects were begun in too great haste, based upon ignorance and incorrect assumptions. Crucial understanding of the culture and desires of target beneficiaries was absent. Host government counterparts, when they were available, were often not consulted during the design and not informed in detail of what their own roles and obligations would be. Once approved and begun, as errors in design became evident, the Missions did not have the authority to undertake field changes to adjust to the circumstances. Implementation was delayed by ponderous commodity supply from U.S. sources and, more specifically, American motor vehicles do not do well because there is no system for supply of parts or maintenance.

Overshadowing all good intentions were (and are) central government policies and philosophies which inhibit individual initiative, are disincentive to production, misallocate resources, improperly train, subsidize, urbanize, discourage trade, overregulate and misdirect development. Misconceived cereals policies and cereals management institutions are only part of the problem. Governments had the wrong priorities, e.g., cash crops at the expense of food, industry in preference to agriculture and consumer subsidies rather than producer incentives. In general the atmosphere was centralist and state-welfare oriented rather than directed toward individual enterprise self-reliant improvement. The effect was and is an environment which compromises and makes more difficult and expensive successful completion of critical primary sector development projects.

V. The Changing Economic and Political Situation

A. General Trends

Usually world depression hurts developing countries disproportionately because prices of their principal exports decline, terms of trade deteriorate and other external earnings fall. All of these events, including the series of oil shocks, have negatively affected the Sahel economies at a time when they were still attempting to recover from the drought. They have been sustained by concessional assistance which helped initially to reverse the acute, life-threatening emergency and since has meant the difference between continuing economic decline or stagnation and modest aggregate growth.

When the rains resumed in 1974, planting and production were rapidly restored to their pre-drought levels; this output, however, had to be shared with a larger and growing population. Thus per capita agricultural production has been on the decline for the region as a whole. Conditions in other sectors of the economy--central government finances, external debt, trade earnings and balance of payments-- have since degenerated. The governments are currently being forced to reallocate diminished resources away from new investment to support consolidation of previous development efforts as well as consumption and debt servicing. The situation is increasingly more one of sustenance than development. Thus donors are witnessing more requests for IMF intervention, for program and budget support and have been forced to slow-down development itself. This is not without some advantages. During such economic circumstances there is little alternative to seeking development through policy reform and more efficient resource use. The donors, including AID, are taking this time to promote adjustments which will facilitate future growth. We can also use the occasion to restructure the development program itself, to cull out the less essential activities and streamline those supporting the priority objectives.

The current fiscal problems of the governments are largely problems of current (in contrast to investment) costs of maintaining their operations, including those (the recurrent costs) which stem from development investment activities. As we have seen, the development community has a major effort underway to understand and to manage the recurrent costs problem in all its manifestations. We are aware that adjustment includes a variety of measures: efficiency, increased revenues, user fees, even curtailment of investment and we have long recognized that to sustain the level of development effort the donors would probably have to either increase overall financing to help fund recurrent costs or divert resources from elsewhere. The latter is now happening; we must make the best of it by, for example, seeing that funds counterpart to budget or balance of payments aid are efficiently used for development and accompanied by policy reform as appropriate.

## B. Politics.

The political situation in the Sahel is dominated by two internal factors. One--the pervading sense that the political and administrative structures inherited at independence have lost their credibility--is new. In most of the Sahel states the political leadership is realizing that this public sector is overextended. Budgetary pressures dictate that governments cease to serve as employer of last resort for school-leavers. The parastatal sector has, with few exceptions, revealed beyond all doubt its inability to provide goods and services at fair prices on a financially self-sustaining basis. Most Sahelian governments are looking for new solutions. There is tentative movement toward shrinking and restructuring parastatals. Some of the worst are being dissolved. Governments are looking for ways to transfer functions formerly exercised by parastatals to the private sector. They are phasing out formerly sacrosanct subsidies on staple foods and agricultural inputs. There is new interest in user charges for formerly free government services, notably for health care and education.

The other internal factor--the fragility of African political systems--is not new. Family and ethnic commitments, often transcending national boundaries and outweighing national allegiance, remain very strong. The economic interests of the politically conscious middle class and urban workers are heavily tied--at least in the near-term--to perpetuation of the untenable status quo. Modern African history abounds with examples of regimes that succumbed to political tumult and military coups provoked by reforms which were desirable in economic terms. Already fragile Sahelian political structures will be placed under increasing strain as governments try new policies in the economic sphere. Means must either be found to ease the impact of economic reforms on the modern sector elite or to reduce their inclination to block the process. Various approaches are available. One is careful public education about the case for new measures. Another is to reduce the negative effects of policy transitions. An example of this approach is the food aid and policy reform scheme in Mali which is designed to delay and soften the rise in urban food prices that might otherwise occur as producer prices are raised.

One government--Niger--is groping toward a broad formula with potential for building political support for new economic approaches. The National Development Society is designed to build a pyramidal structure for popular participation in the development planning process. This structure may offer a way of juxtaposing the interests of the potential beneficiaries of economic reforms and those of the elites whose interests are threatened. This was demonstrated during an agricultural conference held recently in Zinder. Farmer participants roundly denounced government policies and the agricultural services as ineffective or counterproductive. As a result, the Ministry of Rural Development is now preparing new approaches in response to the needs expressed at Zinder. By staging what was in effect a confrontation between the bureaucracy and the public it is charged to serve, the Kountche government removed, at least partially, from itself the onus of launching reforms that are both necessary and potentially discomfiting to entrenched forces within the public service.

Brief mention must also be made of an important outside influence on the Sahelian political and security situation. Libya has actively sought to destabilize the countries of the Sahel. Chad has particularly suffered in this regard and Libya continues to support armed resistance to the Habre government. Qaddafi has publicly stated that his next target is Niger. Libyan efforts in Niger and elsewhere in the region are particularly focused on Touareg and Arabic-speaking populations. It seems safe to conclude that Libya will attempt to profit from any events or situations which exacerbate the political tension in this region.

Annex I

Origins and Underpinnings of the Sahel Development Program

A. Introduction

The Sahel experienced below normal rainfall in the early 1960s but it was not until 1968 that the drought reached major proportions. The drought caused untold misery with tens of thousands dead of hunger, thirst, and despair (some estimates to as high as 100,000 dead), and a third of the livestock dead. The economies and development prospects of what were already poor countries were set back. The Sahel drought received widespread and sympathetic coverage in the world media and an immense amount of humanitarian goodwill was built up for the Sahelian people. This point should not be forgotten: the Sahel drought became a media event and the possibility of the Sahel returning to the glare of publicity remains since the media continues to track events in the Sahel.

In the late 1960s and early 70s, AID did not have bilateral programs in the Sahel countries and none of the Sahel countries was a so-called "emphasis" country eligible to receive bilateral assistance. Regional programs involving two or more countries were handled out of three Regional Development Offices (Dakar, Niamey, Yaounde). In 1972-73 AID geared up a major emergency relief effort of food and non-food assistance in conjunction with other donors. Severe logistics and coordination problems were encountered in the relief program which was estimated to have cost the international community about \$1 billion of which AID contributed about one-fourth of the cost. At one point, U.S. Air Force planes were enlisted to transport food to distant parts of Mali and Chad. Despite a heroic effort, AID and the international community were criticized, sometimes bitterly, for slow and inadequate reaction.

In 1973-74, AID put into place a relief and rehabilitation (R&R) program of \$2-3 million per country to restore social services and infrastructure, to provide transport, and to bring in supplies. AID's presence in the field was expanded so that in addition to the offices in Niamey and Dakar, at least one AID person was stationed in each country. The R&R program was quick disbursing, short term, and considered fairly effective but it had little long-lasting effect.

In 1974-75 AID identified, designed and began to fund, medium-term projects in agriculture and health. Most of the projects aimed at supporting agricultural extension of technical packages by parastatals, it being assumed at the time that effective packages existed and only needed to be brought to farmers. In many ways, these medium-term projects set the pattern for later projects because they began the process of institutional development.

B. Major Diagnostic Studies of the Sahel

Between 1974 and 1976 several important studies were prepared by donors and international agencies to investigate the development prospects of the Sahel region. AID financed a \$1 million one year study by MIT which detailed the parameters and focus that a Sahel development program might have.

Although not favorably received by AID at the time in 1974-75, the MIT study did, on hindsight, provide a great deal of thoughtful ideas and information useful to the program. The French financed a major study by two large French consulting firms (SCET and SEDES), and other major studies were made by UNDP, IBRD and, most important, FAO. There was a surprising convergence of views in these major studies to say: (1) as a first step in their development, the Sahel countries should focus on agricultural production, particularly food production, which they had neglected; and (2) given the Sahel's potential, the goal of food self-sufficiency in years of normal rainfall is attainable within a reasonable time frame (20-30 years). The analysis pointed out that it would be essential for donors and host countries to coordinate their efforts. The studies also agreed that the drought was not the harbinger of an irreversible change in climate and the Sahel indeed had potential.

### C. Creation of the CILSS and Club du Sahel

During the worst of the drought in 1973 the Sahel countries created a regional organization (Permanent Interstate Committee for Drought Control in the Sahel—known by its French acronym CILSS) to provide coordination, planning and a window to the international community. CILSS was a weak organization at the beginning reflecting the state of organization and development of its eight-member countries but it has progressively been built up with assistance from donors and the Sahel member states. In 1975, the Chairman of the DAC (OECD), Mr. Maurice Williams, former Deputy Administrator of AID, was appointed by the President of the United States as the Coordinator of Sahel Drought Assistance. The U.S. was instrumental in launching the Club du Sahel whose inaugural meeting was held in Dakar in 1976. The purpose of the Club was to help mobilize resources and to assist the CILSS in coordinating donor efforts in the Sahel. Perhaps more importantly, the Club du Sahel was to provide a forum for joint study and dialogue on policy issues identified in the major studies. Thus, the Club/CILSS mechanism constitutes one ingredient that the long-term studies said would be necessary for the success of the Sahel Development Program; namely, joint study, policy dialogue and donor coordination.

### D. Report to the United States Congress

In April 1976, AID submitted a Report to the United States Congress entitled "Proposal for a Long-Term Comprehensive Development Program for the Sahel." This report provided the basis for legislation setting up the Sahel Development Program. The Report said:

1. The Sahel's production system must be fundamentally altered which is a long-term (20-30 years) proposition.

2. Given the potential for increased productivity, a transformation and increase of the area's productive capacities are possible with major infusion of international development assistance and proper international cooperation. The CILSS/Club du Sahel mechanism was identified as the response to the latter point.

3. Total self-sufficiency in staple foods during droughts (like the long one of 1968-73) would be too costly but much better food security to meet food shortfalls (i.e., self-sufficiency in years of normal rainfall) would be possible.

4. The program would be long-term, divided into Near-Term (1976-80), Medium-Term (1980-90), and Long-Term .

In the Near-Term, activities would improve the lot of rural families, spread out available technology over a wider geographic area (improved dryland farming, improved range management, health care, training), conduct studies and pilot schemes to realize the potential of the area, provide training programs and promote institutional development.

In the Medium-Term, an effort will be made to extend productive capacity of dryland areas along with more intensive health care, nutrition and mother/child care programs, and improved education. Planning would go forward on river basins development.

In the third phase, drawing on experience, the larger resources of the region, in particular the major river basins, will be developed and the program will move from food self-sufficiency towards self-sustaining economic growth based on greater yields from irrigated agriculture, agro-industry and mineral exploitation which hydro-electric power would make possible.

The resources transfer over 15-25 years will be sizeable and, therefore, absorptive capacity in the early years of the program must be expanded through training programs, research, institution building and pilot programs.

The Report to Congress was not itself the long-term strategy for development of the Sahel, but it did set forth the essential ingredients of a Sahel development program. The Report to Congress also included Technical Background Papers which contained sectoral discussions on geography and climate, agriculture, human resources development, minerals, infrastructure and health as well as a presentation of constraints in meeting objectives.

The Report to Congress ended with a very positive statement: "We are persuaded that the goals of this Sahel Development Program are attainable...From both the humanitarian and technological point of view, the long-term comprehensive development of the Sahel is a unique opportunity which lies before us today. And the world community can and should accept this challenge."

## Annex II

### A Sample of Problems Commonly Encountered in AID Projects

In January 1983, the Sahel USAIDs reported their assessments of the principal difficulties of the major problem projects which they had managed in the respective countries. Twenty-one projects were summarized in the reports. These included current as well as terminated activities, bilateral as well as regional projects. A summary of the assessments follows:

Design Problems. Twenty-four of the 25 projects assessed identified problems with design which contributed from as little as 5 to as much as 85 percent of the projects' difficulties. Two-thirds of the projects were judged to having been overambitious in the types of things being attempted or unrealistic in the outputs promised.

Management. All projects had problems with management and four of 21 with host country financial management of local currency.

Host Country Financial Contributions. Eleven of 25 had difficulty with host country financial support; it was late in coming or inadequate.

Host Country Policies. Ten of 25 cited host policies as either diminishing the useful output of projects or, in certain cases, completely blocking the benefits planned.

Counterparts. Fifteen of 25 projects had inadequate counterpart personnel with which to work. Personnel were untrained, unqualified, not assigned, incompatible, etc.

### AID Inputs

Contractor Technical Assistance. Ten of 25 projects were cited as having had insufficiently qualified, late arriving, incompatible personnel or other variously non-performing technicians.

AID Management. Fully 17 of the 25 identified trouble with AID project management: inexperienced personnel, overextended, remote projects, etc.

ASSESSMENT OF PROBLEM PROJECTS

<u>Proj.</u>	<u>Problems of Design</u>	<u>Problems with Counterparts</u>	<u>Problems of Host Government</u>	<u>Problems of Financial Mgmt.</u>	<u>Problems with AID Inputs</u>	<u>Problems with AID Management</u>
1.	too ambitious	inadequate	HG financing not provided		Technical Assistance	
2.	* inadequate, too ambitious		inappropriate policies			
3.	too ambitious	inadequate	No HG financing, poor management		Delays in delivery of commodities	
4.	lack of recognition of certain key problems	unsatisfactory	inadequate HG financing poor management		U.S. vehicles inappropriate	lack of oversight
5.	lack of clearly defined objectives	inadequate	* poor communication poor management	poor management	delays in U.S. commodities	lack of qualified personnel
6.	inadequately defined	poor communication	* poor management			
7.	misunderstanding of strategy to be pursued	none provided	* poor management no HG financial contribution		delays in delivery of commodities	
8.	* lack of collaborative design approach		poor management poor financial records			
9.	too ambitious		poor initial management, overpriced			
29 10.	too remote, too ambitious	poor	poor management	poor	no U.S. TA inadequate U.S. vehicles	no project manager

ASSESSMENT OF PROBLEM PROJECTS Continued

Proj.	<u>Problems of Design</u>	<u>Problems with Counterparts</u>	<u>Problems of Host Government</u>	<u>Problems of Financial Mgmt.</u>	<u>Problems with AID Inputs</u>	<u>Problems with AID Management</u>
11.	too ambitious	poor	* limited/delayed HG financing		poor	poor management (too remote)
12.	too complicated	overstaffed, ineffective	inappropriate policies	poor	delayed U.S. vehicles, delayed contractor	poor
13.	poorly prepared	inappropriate, poorly coordinated	no HG commitment, poor management		inadequate U.S. TA	no AID manager or financial oversight
14.	no base data, too ambitious	delayed		delayed financial system	delayed	management overextended
15.	poor					overextended management
16.	* no technical package		* poor organization, no financing provided, policy constraints			poor
17.	overly optimistic assumptions	no qualified counterparts	poor management, no HG financing		poor	poor
18.	badly defined goals	not provided as anticipated	poor management		poor supply	inadequate staff
19.			poor management, no HG financing provided		* poor coordination, technical assistance	
20.	* poor with inadequate	ineligible	land tenure problems		delays changed policy	

ASSESSMENT OF PROBLEM PROJECTS Continued

<u>Proj.</u>	<u>Problems of Design</u>	<u>with Counterparts</u>	<u>Problems of Host Government</u>	<u>Problems of Financial Mgmt.</u>	<u>Problems with AID Inputs</u>	<u>Problems with AID Management</u>
21.	too ambitious, too extended	delayed inputs	delayed inputs, no HG financing, obstructive management		poor	
22.	*over optimistic inadequate	uncoordinated by government	delayed inadequate inputs			
23.	* poor technical design			* incompetent initial contractor		
24.	inadequate incomplete	unavailable or inadequate			insufficient staff	
25.		inadequate	uncoordinated management			

\* Problem considered to be major.