

GAMBIA

**COUNTRY DEVELOPMENT
STRATEGY STATEMENT**

FY 83

January 1981

BEST AVAILABLE

THIS STRATEGY STATEMENT HAS BEEN PREPARED BY THE
A.I.D. FIELD MISSION. IT IS PREPARED ANNUALLY AND
USED FOR PLANNING PURPOSES IN THE FIELD AND IN
WASHINGTON. IT DOES NOT REPRESENT OFFICIAL AGENCY
POLICY!

**

*

THE GAMBIA

FY83 Country Development Strategy Statement

Small Program Statement

January 1981

Table of Contents

THE GAMBIA

FY83 Country Development Strategy Statement

Small Program Statement

I.	Introduction	Page 1
II.	Slow Pace of Implementation	1
III.	Second Five-Year Plan	2
IV.	A.I.D. Participation in Planning	4
V.	Rural Development Program II (RDP II)	4
VI.	ODA Food Strategy Study	5
VII.	Current Food and General Economic Situation	5
VIII.	A.I.D.'s Role - Need for Reassessment	5

FY83 COUNTRY DEVELOPMENT STRATEGY STATEMENT
SMALL PROGRAM STATEMENT

I. Introduction

1. The Mission's request for an update of the current SPS in lieu of a revision for FY 1983 stems from two considerations. The first is that the GOTG is currently formulating its second five-year development plan, the composition of which will have a fundamental bearing on A.I.D.'s program. Its completion schedule, however, does not coincide with the timing requirements of the SPS. The second consideration concerns the pace at which implementation of our current program is proceeding and the continuing need to focus Mission and GOTG resources on furthering its progress.

II. Slow Pace of Implementation.

1. Dealing with the second point first, progress on our program over the past year plus has proceeded at a much slower pace than any of us had anticipated. The reasons for this are manifold. But the heart of the matter has been primarily the difficulty we and the GOTG have had with meshing each others project management systems, particularly with respect to contracting and purchasing, and secondly the absorption problems the GOTG has in general. For example, in August 1979 a grant agreement was signed to inaugurate the Mixed Farming Project, a major element of which is the provision of a long-term technical assistance host-country contract with a U.S. Title XII organization, a consortium. As of today, some seventeen months later, a contract is yet to be signed. Similarly, expatriate housing was to be built locally for the technical assistance team staff under the terms of the agreement. Not a spadeful of dirt has been turned to launch this construction. Under the Rural Roads Project, there has been a very similar scenario. In the on-going Soils and Water Management Project, serious problems have developed in the GOTG

inability to fulfill its commitments concerning counterpart staff and operating funds. Such problems are not unique to A.I.D. but rather reflect the difficulties the GOTG and all donors face in attempting to actually deliver on the wide range of GOTG commitments made during the more euphoric stage of project development but not always available in the cold budgetary and human resource realities when it comes time for implementation. Because of these absorption problems and because of the need to concentrate our and GOTG energies on the here and now of implementation we have been cautious about looking too far into the future with our counterparts. However, we remain optimistic that soundly conceived and managed development projects in the Gambia have a high likelihood of success.

III. Second Five-Year Plan

1. With regard to the second five-year plan (SFYP), the GOTG has advised us that the plan is not expected to be released until July, though we have been provided with some basic information as to its general makeup; an evaluation of the first five-year plan (FFYP) is being done in conjunction with the preparation of the SFYP. Its budget is expected at around 400 million dalasis (dollars 1.00 equals dalasis 1.68) which is about the estimated final cost of the FFYP. Some 90 percent of the plan is expected to be covered by foreign aid, vs. 85 percent for the FFYP. The focus of the SFYP will remain on rural development as it was in the FFYP. However, more emphasis will be placed on production. Despite this, actual investments will likely remain highest in the transport and communication sector which received over 50 percent of total expenditures in the FFYP. The principal reason for this is the relative high cost of infrastructure projects, as well as concern over the absorptive capacity of

the agriculture sector. However, the bulk of these projects will be rural oriented. The Gambian River Basin Development (OMVG) Project remains the country's centerpiece in terms of long-range development. The GOTG at this point is not seriously considering alternative possibilities to the achievement of its objective of food self-sufficiency. Investments in OMVG will not likely constitute a large portion of SFYP expenditures as the timing on the project puts it in the latter portion of the SFYP schedule. Yet the project is the principal determinant of the SFYP strategy, i.e., efforts will be devoted to improving traditional rain-fed agricultural production to the extent possible until irrigated production from the OMVG Project gets underway.

2. While all of the implementation activities under the SFYP have yet to be fleshed out, the GOTG is attempting to be further along in this process by the time of the plan's release than it was for that of the FFYP. Within the agriculture sector, the Rural Development Program II (RDP II), which is further discussed below, will be the principal effort. Beyond this, GOTG intentions are unclear, other than a small (500 hectares) pilot project in irrigated rice. There will be a 40 million dalasis project to develop a commercial fishing industry, tourism will continue to receive high priority, but no major new investments are expected. Rather, emphasis will be on promotional activities and on services in the industrial sector. Efforts will be aimed at promoting agro-industrial small business and at developing foreign investment incentives. In the social area, the main activity will be the Primary Health Care (PHC) Project, in which A.I.D. is expected to play a significant role. In education, the emphasis will be on technical training.

IV. A.I.D. Participation in Planning

1. Apart from our involvement so far in the design and development phases of RDP II and PHC, A.I.D. has not yet been approached by the GOTG to further participate in the SFYP, though there have been recent feelers regarding assistance in the multi-donor fishing project mentioned above and in various phases of education. While we have indicated our willingness to consider any proposals in A.I.D.'s primary areas of interest, we have done little to encourage such overtures until we and the GOTG have had more time to digest what is already on the platter.

V. Rural Development Program II (RDP II)

1. RDP II will concentrate on improving productivity of the small-scale farmer and on improving the handling and marketing procedures for crop and livestock products. The project is being scaled down from its original conception in order to sharpen its focus on production and to relate more realistically to the GOTG's limited absorptive capacity. While A.I.D. has a fairly well-defined role in the original project proposal, it is not now as clear as to what part A.I.D. will play in the scaled-down version. A World Bank preparation team from the Bank's Regional Office in Abidjan, on which we were represented by REDSO/WA, was here in October to gather information for the project. It will return in March/April with a more defined proposal, at which time all parties concerned should have a clearer understanding of the project's facets and of their possible roles in it. We envision the development of a new PID based on the Bank's report possibly as soon as the fourth quarter of FY 1981.

VI. ODA Food Strategy Study

1. Added to the SFYP preparation will be the results of a food strategy study being conducted by the ODA under CILSS sponsorship which is expected to be completed in April, 1981. While the GOTG welcomes the study as a means of consolidating information and of sharpening focus, it is not anticipating major directional changes in the SFYP as a result of the study, as it believes its development priorities are already food-oriented.

VII. Current Food and General Economic Situation

1. With respect to food and the general economic picture in the Gambia, it appears that this year's cereal crop (sorghum, millet, rice and maize) harvest will be considerably better than last year's but will still fall substantially short (by 15,000-20,000 M.T.) of a normal year (78,000-80,000 M.T.). However, the ground-nut crop is predicted to be a disaster. The 50,000-55,000 M.T. expected this year will be only 1/3 of the amount harvested in a normal year. Last year's production was off by almost half the normal. With the sale of groundnuts comprising some 95 percent of the Gambia's foreign exchange, the economic situation looks bleak. As happened last year, we are expecting the GOTG to soon approach donors for food aid as it will be hard pressed to cover the food deficit with increased imports given its foreign exchange problems. It normally brings in 36,000 M.T. of rice a year.

VIII. A.I.D.'s Role - Need for Reassessment

1. For the above reasons, over the next few months the Mission must reassess A.I.D.'s role in the Gambia's development scheme. It is evident that A.I.D. has not yet been taken into much consideration as the GOTG

has developed the SFYP. Part of the reason for this, we believe, is that A.I.D. is relatively new here and not yet a donor to which the government would naturally turn for assistance. Tied in with this is the lack of understanding among key GOTG officials, particularly within the Ministry of Planning, of just what A.I.D.'s interests and capabilities are. As indicated above, we have been preoccupied with initiating project implementation this past year after several previous years of emphasis on project design. Implementation will continue to require a disproportionate amount of attention over the coming months; however, the Mission staff will be considerably beefed up with the arrival of three key officers over the next three months which we expect will significantly help alleviate current work-load pressures and will permit the devotion of more attention to forward planning. Staffing and program implementation difficulties notwithstanding, it behooves us with the advent of the SFYP to take a fresh look at how we might best help the country achieve its development objectives. To do this, we will likely need to pull together a team of specialists from REDSO/WA and AID/W to map out a new strategy in light of the SFYP, including the identification of specific project possibilities. We will attempt to have a reasonable idea of our direction by the time of the FY 83 ABS and might very well submit a revised FY 83 SPS by mid-year.