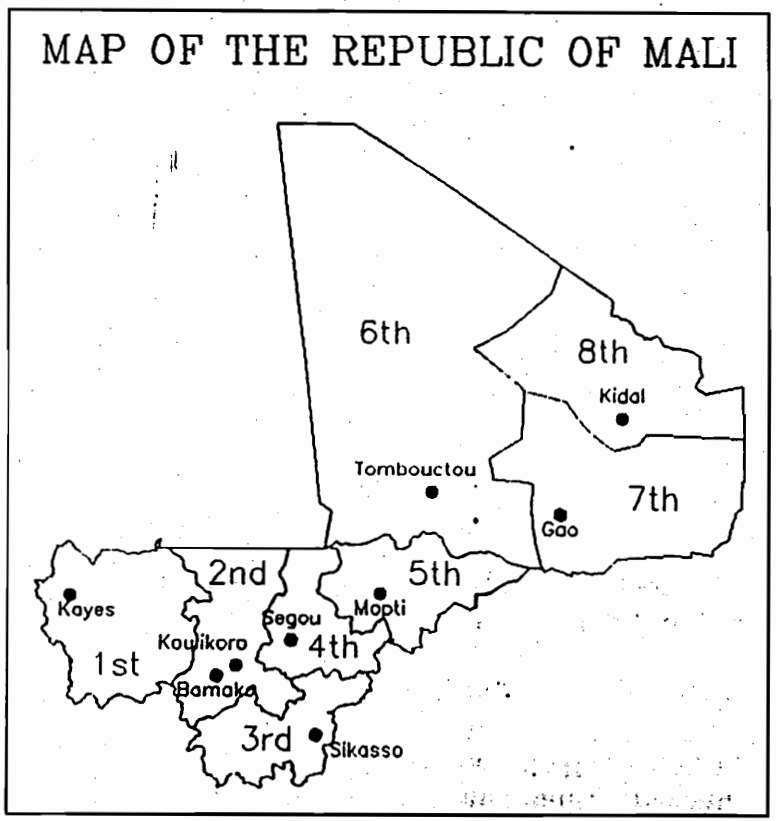
USAID MALI

ASSESSMENT OF PROGRAM IMPACT

FISCAL YEAR 1993



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INTRODUCTION

USAID has rigorously assessed our impact on Malian development for this Assessment of Program Impact. We are pleased to report that USAID has contributed to much of the tangible development process in recent years, such as the establishment of commercial courts, the development and extension of improved and environmentally sound agricultural technologies, the liberalization of agricultural markets, the increase in contraceptive prevalence, and improvements in basic education. We found, however, that our contribution was either indirect or minimal to some of the targets and indicators contained in previous API's. In order to more clearly indicate the true impact of the USAID Mali program, we have included in Section III only those indicators directly related to past, current or future USAID Mali activities. In Annex B, we have reported progress on the remaining indicators, those which inadequately measure the impact of our program. We plan to replace many of them with more appropriate indicators in FY 94. Where it was necessary and possible to modify existing indicators or benchmarks, we have done so in Section III and justified these changes in Annex A.

SECTION I: SPECIAL FACTORS AFFECTING THE USAID MALI PROGRAM

Malians are proud of having removed the military regime of General Moussa Traore in 1991. They are proud of having installed a democratically elected Government and are anxious to gain tangible economic benefits and enjoy their hard-fought freedoms, such as the freedom of the press and freedom to assemble. The Malian Government is having a difficult time balancing off its interest in ensuring the continuation of the democratic process with the need to continue the structural adjustment process. On one hand, it must listen to many economic and social groups, some of them privileged and some of them repressed for over twenty years, but all of whom have become increasingly vocal and focused almost exclusively on their own economic interests. On the other hand, the Government must take steps to restructure its finances and reduce the budget deficit so as to limits its drag on economic growth. The Government's ability to successfully balance these two demands will determine both its own survival and most likely the survival of democracy in Mali.

The Malian Government is a classic example of a "fragile democracy." In order to make a major break with the authoritarianism and repression of the Traore regime, the Government of President Alpha Oumar Konare has, to date, refused to employ sufficient force in dealing with civil disturbances. It showed great weakness in the face of pressure from students who employed tactics of violent civil disobedience in fighting for more and larger scholarships. Strikes and protests by students forced schools in Bamako and other major cities to close for significant periods during the year. Instead of employing force, the Government tried to divide the student movement by negotiating with a less demanding faction. In response, the main group of students burned the National Assembly, the Ministry of Industry and offices and houses of Government and ruling party officials. Opposition parties capitalized on the situation by forcing the Government to resign. The Prime Minister and the rest of his Government resigned in April 1993. The new Government included members of the political party closest to the students.

The new Government was as weak and as split by political dissensions as the previous one. Those few students who had been arrested were released. Government leaders acquiesced to the demands of the students by delaying the implementation of scholarship reforms, such as the establishment of academic performance norms as well as needs criteria, which were promulgated in August 1992.

The Government had to contend with other problems in this period including the remnants of an armed rebellion by Touaregs in the North, organized strikes by businessmen demanding reparations for the damages related to the events of March 1991, protests by civil servants and labor unions for salary increases and backpay, and demonstrations by those who believed they had been inadequately compensated for voluntarily retiring from Government service. While the Government made significant strides in resolving the rebellion in the North, its efforts to satisfy the demands of the most vocal social and economic groups led to budgetary expenditures far in excess of what had been approved by Parliament and agreed to by the World Bank and International Monetary Fund.

Despite the legitimacy of the democratically elected Government, it has little authority. Its inability or unwillingness to enforce the tax laws created the opportunity for many Malian businesspeople and citizens to avoid paying taxes. Some formal private companies have have disappeared into the informal sector, to escape taxation. Corruption is rife among fiscal agents for the Government. A major revenue shortfall has resulted.

The combination of a significant shortfall in fiscal receipts and a sizeable amount of overexpenditures in the last three months of 1992 almost made the Government miss the IMF's Enhanced Structural Adjustment Facility conditionality for the period ending December 31, 1992. These difficulties have only gotten worse in 1993. By July 1993, the IMF estimated the financing gap for 1993 to be about 29 billion FCFA ($116 million). The Government has been forced to concentrate on crisis management to the detriment of the broader issues of economic restructuring needed to get the economy on a sustainable growth path. Following the July 1993 visit of the IMF team, the Government consulted widely with workers, students and the business community on the acceptability of a new set of austerity

measures in an effort to develop a structural adjustment package having broad political support. The measures finally put in place only slightly improved the budgetary situation, with the 1993 financing gap now estimated at 17 billion FCFA ($68 million). The IMF and World Bank have provided only guarded support for the Malian Government since July 1993.

In 1993, the economy has continued to suffer from the overvaluation of the CFA franc. An overvalued currency has decreased incentives for investment in productive enterprises, resulting in increased unemployment and underemployment. In efforts to deal with the consequences of overvaluation of the CFA, the central bank forbid the transport of FCFA notes out of the zone, and announced that it would no longer buy back FCFA notes that had been circulated outside the zone. Billed as a measure to stop illicit capital flight and to bring trade activities within the formal sector, the policy is in effect a step to limit the convertibility of, and thus devalue, the CFA. The quick emergence of a "parallel" market in Bamako buying CFA at a 13 percent discount in Bamako suggests the extent of overvaluation.

The Malian Government recognized the inappropriateness of centralized management to address development problems throughout the country. In response, it has put in place a legal and policy framework necessary for decentralization and local self-government. While some communities have been able to take advantage of their increased decision making power, it has been difficult for many political officials and central Government representatives to give up the power they have enjoyed since Mali became independent.

Following the national pact forged in April 1992 between the Government and the Touareg leaders, the Government has been making a greater effort to channel development resources to northern Mali. The security situation in the region remains tenuous, however, due to the inability of the Government to control banditry. Nevertheless, the uneasy peace is leading to improved markets, exchange mechanisms and public services. PVO's have been better able to achieve their development objectives. The national famine early warning system is now getting more reliable information about food needs in the North and donors are better able to channel emergency food assistance to affected groups.

The 1992 agricultural production season was generally better than average, with a 2.15 million metric ton cereal harvest resulting in a 227,500 metric ton cereal surplus. Stable prices and adequate household stocks have helped maintain adequate food security for most of Mali's people. The 1993 harvest in November and December is expected to produce 2.02 million tons of cereals.

Low world cotton prices, due to all-time high world market supply, undercut the Malian economy by large losses of revenue and foreign exchange. The effect of the 1992 drop in Malian cotton prices left the recently established stabilization fund of the parastatal Malian Textile Development Company with a huge estimated deficit of 10 billion CFA ($40 million).

SECTION II: PROGRESS TOWARD OVERALL COUNTRY PROGRAM GOALS

PROGRAM GOAL: TO PROMOTE ECONOMIC GROWTH							
COUNTRY TREND INDICATORS	BASELINE 1989	1990 EST.	1991 EST.	1992 EST.	1993 PL./EST	1994 EST.	1995 PROJ.
Real Gross Domestic Product (GDP) increases.	$2.1B	$2.23B	$2.43B	$2.63B	$2.7B/2.71B	$2.84B	$2.98B
Per Capita GDP increases.	$260	$278	$280	$285	$325/$285	$290	$300
Exports of goods and non-factor services increase.	$343M	$368M	$355M	$318M	419M/340M	$360M	$380M

The growth of real GDP since 1989 has been greater than the population growth rate of 3.0%. Rainfall, the fundamental variable of Mali's economy, resulted in a 12 percent increase in agricultural output and an overall real GDP growth rate of 8 percent in 1992. The weather was not as good in 1993, leading us to project an increase in real GDP of 3% for the year, taking into account an inflation rate of 2.5%. Thus, economic growth just kept up with population growth. Formal private sector growth, however, has probably been negative, as some formal business activity moved into the informal sector. There are significant problems in measuring the absolute size of the GDP, since approximately two thirds of economic activity takes place in the informal sector. The value of exports in dollars has fallen from its high in 1990, due to low prices for cotton, Mali's major export, and the strengthening of the dollar. (Source: 1993 World Bank Development Report, IMF Statistical Annex and estimates)

PROGRAM SUBGOAL: TO IMPROVE THE QUALITY OF LIFE							
COUNTRY TREND INDICATORS	BASE: 1987	1990 EST.	1991 EST.	1992 PL.	1993 PL./EST.	1994 PL.	1995 PL.
Life expectancy increases.	47 years	47	48	48	49/48	49	50
Literacy rate increases.	14%	14%	15%	15%	16%/15%	16%	17%

Trends in Mali's quality of life indicators are difficult to monitor because of an overall lack of national-level comparable data. National figures are basically a series of guesstimates based on a broad range of noncomparable data. The national infant mortality rate -- a key factor in determining life expectancy -- has been estimated at as low as 102 to as high as 166 per 1,000 live births during the last six years. Anecdotal evidence indicates that it is decreasing, however. Life expectancy is estimated to have remained at 48 years from 1989 to 1991, as reported in the World Bank Development Reports. USAID's child survival activities have the potential to directly contribute to increasing the life expectancy rate through decreasing child mortality in project areas.

Literacy rates also cannot be estimated reliably. The World Bank estimates a rate of 32% for the total population and a rate of 24% for women. These figures probably overestimate the true literacy rate, in efforts to take into account the educational activities of both the Government and the non-governmental organizations. Whatever the actual rate, it changes slowly in the absence of expanding access to primary education and to literacy programs. Despite the fact that the numbers of children enrolled in primary school increased by 10% in 1993, the percentage of primary school age children attending school remained low and has increased only slightly, moving from 22% in 1989 to 29% in 1993. Literacy levels will not increase significantly due to the low percentage of children in primary school, combined with large numbers of repeaters and dropouts. USAID's Basic Education Expansion Project is working to increase enrollment while improving the quality of education. Increasing the percentage of girls enrolled in school is a major priority. Increasing opportunities for the development of private and community-run schools is another important objective. Through the literacy component of the Development of the Haute Vallee Project, 66,000 persons have received training since 1988, of whom 26% were women. This represents 15.4% of the zone's population. (Sources: Ministries; National Directorate of Statistics and Information; World Bank and UNDP Reports; World Population Data Sheet; USAID estimates).

Progress Toward Promoting Economic Growth

USAID is contributing to economic growth through its activities which improve agricultural production and income, its support for other donor activities related to structural adjustment, and its efforts to create a positive enabling environment for the private sector. These activities are complemented by our efforts to reduce the rate of population growth. The current political and economic situation prevents USAID activities from having their full impact on economic growth, however. Once there is greater political stability and the Malian Government has gained greater authority, the impact of USAID's current efforts should become more tangible.

The loss of Government authority has made investment in Mali more risky and pushed economic activities into the informal sector, where perhaps two thirds of economic activity takes place. This has not necessarily reduced investment, however. As a result, the economy is growing at the same rate as population (3%), but below potential and not necessarily in the most productive sectors. On a per capita basis, there is no growth at all. In other words, Mali's limited resources could be used much more efficiently. In addition, given the high population growth rate, the average Malian family has not benefitted from economic growth.

Increasing Agricultural Incomes: In 1993, the economy is expected to have a real growth rate of 3 percent after correcting for an expected inflation rate of 2.5 percent. A major factor explaining economic growth is the relatively good harvest, resulting from a good rainy season. USAID's activities in support of agricultural research and extension, cereals market liberalization, credit extension to both men and women, and livestock export promotion have helped Malian farmers and their families to maximize their production and income, within the constraints of uncertain rainfall, a fragile political environment, an overvalued currency and the inability of the Government to collect revenues needed for adequately funding agricultural development.

Support for Structural Adjustment: USAID coordinates closely with the World Bank, the IMF and other donors in developing activities and policy conditionality supportive of structural adjustment. In previous years, we have been responsible for the decision of the Malian Government to end export taxes, for the establishment of a loan guarantee fund devoted to financing the investments of voluntary retirees from the Government, and for the liberalization of the coarse grains market. USAID is currently devoting its efforts to building on our previous structural adjustment activities, monitoring progress on the multi-donor funded adjustment program, and providing technical assistance to the Malian Government in economic policy analysis, with a special focus on creating an environment of due process under the law.

The structural adjustment program aims at reducing the Government budget deficit, excluding donor assistance, to 7.7 percent of GDP, and bringing the external current account gap to 13 percent of GDP. The success of the program depends on the Government's ability to gain broad support for the program and create greater civic spirit and responsibility. Without an increase in the willingness of citizens to pay taxes, the Government could find itself with a decreased ability to obtain external assistance or bank financing. Mali's leaders understand that structural adjustment must happen with or without the Bretton Woods institutions and bilateral donors. They are working hard to educate the public on this very point.

Given the difficult political environment, the simple fact that the Government tries to honor its reform commitments with the donors has to be seen as a success. That it made a clear and large scale effort to include the public in the decision making process, is an intangible but necessary step on the road to economic development. However, some of the Government compromises lead us to conclude that sustained and broadbased economic growth for Mali will be achieved more slowly than was expected in the midst of the euphoria following the overthrow of the military regime in 1991.

Significant specific reforms, aimed at improving private sector incentives, reinforcing the management of public resources, and decreasing the share of resources going to the public sector over the past year include:

- the drafting of legislation on institutional, regulatory and procedural changes needed to develop an efficient commercial court system and establish a transparent and equitable environment for private sector activity;

- Continued reform of the public enterprise sector with the liquidation of SEPAMA, an oilseeds processor

and the privatization of TAMALI, a hides and skins company, under the Public Enterprise Sector Adjustment Program.

- Continued restructuring of the rice and cotton subsectors, with the objective of making them more efficient by focusing their activities, cutting costs and making them more responsive to market forces;

- Continuation of the program to reduce the number and costs of civil servants and the adoption of a new salary grid to better control the wage bill;

Improvement of the Private Sector Enabling Environment: While USAID looks to the World Bank and the IMF to provide leadership with respect to the structural adjustment process, we have taken the lead in certain activities aimed at improving the enabling environment for the private sector. Our efforts to put in place both commercial and administrative courts will result in a legal system that inspires greater investor and business confidence. Commercial courts are already in place in Bamako and two regional capitals, and they have resolved over 400 cases. Following our analysis of the National Economic Affairs Agency, we hope to engage the Malian Government in a plan to move the Agency from a role of policing business to one of supporting it.

Family Planning Assistance: USAID's funding for promoting and marketing of contraceptives through the Malian Government and PVO's was a major factor in the doubling of contraceptive prevalence rates. In the social marketing sphere, oral contraceptives were made available in private marketing channels in June 1993, a major step to bring effective contraception to women at reasonable prices. There is still long way to go, however, before the rate of population growth drops to a level that permits a sustainable increase in the income of the average Malian.

Progress Towards Improving the Quality of Life

USAID is working to improve the quality of life in Mali through its activities in health, child survival, family planning, literacy and basic education. While political instability and inadequate economic growth have hampered development of health and education services, USAID's efforts resulted in measurable improvements.

In health and family planning, data is available from a number of surveys indicating an increase in pre and postnatal consultations, a decrease in infant mortality, and an increase in the contraceptive prevalence rate. Better data will be available in 1995, following the Demographic Health Survey.

USAID's literacy activities have focussed on the Haute Vallee zone, where 15.4% of the population has received literacy training since 1988. These efforts have been counteracted by a low school enrollment rate of 29% (for the nation as a whole), preventing any national improvement in literacy levels. Nevertheless, the number of children enrolled in primary school has increased by 41% since 1989, due to the efforts of USAID and other donors. USAID has focused on improving the quality of basic education, resulting in a decrease of students repeating primary school grades and a decrease in the percentage of children dropping out from school.

Health and Family Planning: In cooperation with the Ministry of Health, USAID sponsored a major review of all elements of the Government's population strategy. As a result, we have agreement to a threefold expansion of family planning activities including the sharp expansion of community based distribution of contraceptives and social marketing of pills, condoms, and injectables.

The Mission had experts in the family planning field review our assistance to the population sector in Mali and make recommendations for improvement. Basically, the Mission population strategy review confirmed that USAID family planning activities were a major factor in increasing use of contraceptives. USAID will pursue the strategy recommendations, especially continuing and expanding community based distribution and social marketing of contraceptives.

USAID has been instrumental in getting the private and public sectors to work together on health and population activities and in getting the public sector to recognize the importance of the private sector in contributing to the goals of reduced infant mortality and increased contraceptive prevalence. The Minister of Health has appointed his Director of Planning to develop a Ministry strategy for public-private sector collaboration in health, population and AIDS prevention.

Our major health and family planning project is linked to a World Bank-coordinated multidonor project, to which other donors have been slow in delivering assistance. Our activities have been carried out as planned, however.

Literacy and Basic Education: The period of October 1992 through September 1993 was very unstable in the education sector. Student protests occurred regularly at the ministries concerned with education, in the schools and in the streets. Teachers also went on strike. Students and teachers demanded higher scholarships and salaries, which the Government partially granted. In acquiescing to student and teacher demands, the Government readjusted its budget priorities. The percentage of the national budget devoted to basic education fell while the percentage of the budget devoted to secondary and tertiary education increased.

In addition to receiving less funding than expected, many schools were closed for long periods. The Government came close to declaring the academic year invalid. Instead, it allowed students to decide whether they wanted the year to count. The activities of USAID's Basic Education Project were delayed, epecially those of the monitoring and evaluation component which collects data in the schools.

Nevertheless, we have some fairly solid data showing progress in enrollment of boys and girls and quality of education. Indicators improved significantly for repeater rates, drop-out rates, number of pupil-years to complete 6 grades, number of boys and girls enrolled and teacher use of textbooks, due in large part to the USAID program.

SECTION III: PROGRESS TOWARD STRATEGIC OBJECTIVES AND PROGRESS INDICATORS

STRATEGIC OBJECTIVE 1: INCREASE PRIVATE SECTOR PARTICIPATION IN THE ECONOMY

	PROGRAM PERFORMANCE INDICATOR	BASE: 1989	1990	1991 EST.	1992 EST.	1993 PL./EST.	1994 PL.	1995 PL.
1A.	Private investment in the economy increases. (FCFA billions).	75	NA	83	98.1	104.8/ 98.1	113.1	120

Private investment is estimated to have increased from CFA 83 billion in 1991 to 98.1 in 1992, explainable in part by the longstanding effort to create an environment supportive of private sector-led growth, an increase in credit to the private sector by the banking system, the adoption of the new Labor, Investment and Commercial Codes, and the continuation of the public enterprise reform program. USAID has modestly contributed to each of these activities. We contributed to increasing the availability of credit to the private sector in limited geographic areas through the rural credit programs of the Development of the Haute Vallee project and the Cereals Marketing Reform Project as well as women-oriented programs implemented by several PVO's and NGO's (such as Save the Children and the American Freedom from Hunger Foundation). Through the Policy Reform for Economic Development Project, we also established a loan guarantee fund for investments of voluntary retirees from the Government. USAID has been involved in the development of the Commercial Code since 1986. Once the commercial and administrative courts supported by USAID are fully operational, they should improve the environment for private investment. USAID, in efforts to support the privatization of public enterprises, saw a concrete payoff when an American firm bought the formerly state-owned hides and skins company.

In 1993, a sharp drop in revenues forced the Government to increase its efforts to collect the heavy taxes that fall on the formal private sector businesses. An unknown number of private sector businesses moved into the informal sector. Anecdotal evidence indicates that more new investments were made in the informal sector than in the formal sector, although the amount of private investment probably remained the same. The overvalued currency, the FCFA, discourages investment in export and import substituting activities. Overvaluation of the FCFA is a problem affecting many Francophone African countries. For several years, the international community has been encouraging the countries in the CFA Franc zone to devalue, but has been unable to overcome the political resistance of both the African countries and France, the guarantor of the currency. The 1993 restrictions on exports of CFA currency act as a form of devaluation. They are unlikely to have a positive effect on the growth of the formal sector, however. (Sources: IBRD, IMF and Mission estimates)

	PROGRAM PERFORMANCE INDICATOR	BASE: 1988	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./EST.	1994 PL.	1995 PL.
1C.	Increase in the number of traders receiving credit for grain storage and marketing through the Cereals Market Restructuring Program.	19	3	13	42	NA/38	TBD	TBD

Through the multi-donor funded Cereals Market Restructuring Program (PRMC, from its French name), coarse grain trade has become completely privatized. Grain imports and exports require no licenses. This process of liberalization has encouraged the establishment of many new grain trading enterprises. USAID bilateral and PL 480 Title III funds have enabled the PRMC to establish a cereals price information system, which has provided traders and consumers with the information needed to take advantage of price differentials between different regions of Mali. (Source: Cereals Market Restructuring Program)

Target 1.1: Improve Regulatory Policies and Practices						
SUBTARGET	BASE: 1988	1989 ACT.	1990 PL.			
1.1b Transport: (a) Price controls on internal transport are abolished, (b) allowing the private sector to provide agricultural transport services.	a. controls in place b. 17% of HauteVallee cotton transported privately	a. urban enforced b. All Haute Vallee cotton transported privately	a. controls abolished b. same			

This subtarget has been accomplished. All official price controls on internal transport have been abolished. Competition between private haulers has resulted in a fall in transport prices of 51% since 1988. The USAID-funded Haute Vallee Project has ensured that all cotton produced in the zone is transported by private operators. Other development zones are increasingly using privately owned transport. Title III funds will help to reduce dependence on public transport for rice produced in the Office du Niger, in the context of the restructuring of the Office. While official price controls on private transport have been eliminated, USAID receives reports that transporters are often forced to pay bribes to police and customs agents at roadblocks. For FY 94, USAID will examine whether to establish a new subtarget to address this problem. (Sources: Office de Haute Vallee and Direction Nationale des Affaires Economiques reports; private sector interviews)

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

This subtarget has been achieved. Private pharmacies are now importing and distributing all non-essential drugs. In addition, 300 parastatal pharmacies have been converted into private pharmacies. The remaining parastatal pharmacies are being used exclusively to supply the Ministry of Health centers with essential drugs. Given that this subtarget has been achieved, we will not report further progress against it in FY 94. (Sources: Pharmacie Populaire du Mali and Health, Population and Water Supply Project reports)

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 PL.	1993 PL./ACT.	1994 PL.	1995 PL.
1.1d Judicial System: Commercial and Administrative courts in Bamako, Kayes, Mopti and Segou become fully operational, successfully handling business and industrial litigations.	Business litigation inefficient in civil courts	Decrees establish Commer -cial Courts	Buildings secured; magistrates trained	Cases litigated in Bamako, Kayes and Mopti	NA/ 400 cases 'filed and resolved thus far	800 C. Court cases liti- gated in four regions. Admin. courts estab- lished	1,200 C. Court cases in four regions. Admin. Courts established

Recommendations developed by the Policy Reform for Economic Development Project are being implemented by the Ministry of Justice and project staff to promote and establish a fully functional Commercial and Administrative Courts system. In-service professional training programs in commercial law are being provided to over 250 magistrates, lawyers and paralegal assistants in four regions. Physical upgrading of facilities and documentation is taking place. The town of Segou has been added as one of the sites for the establishment of both a Commercial and Administrative Court. (Source: Ministry of Justice)

Target 1.2: Decrease Fiscal Burden on the Private Sector								
	SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
1.2a	Export Promotion: GRM eliminates all export taxes.	Export taxes exist	Taxes suspended	Taxes abolished	Export procedures simplified	One-Stop Window functional (planned and actual)		

In fulfillment of the conditionality of USAID's Policy Reform for Economic Development Project, export taxes were completely eliminated in 1991. This measure was also supported by the World Bank through the structural adjustment program. However, the drop in the world price of cotton had an adverse impact on exports, leading to a decline of 10% from CFA 100 billion in 1991 to CFA 90 billion in 1992. Exports are expected to increase to CFA 96 billion in 1993. USAID is working closely with livestock traders to increase exports to neighboring countries. Obstacles to exporting cotton and livestock still exist, however, as a result of corruption both in Mali and its neighbors. USAID is attempting to address this issue through the Policy Reform and Economic Development, Animal Productivity and Export and the proposed Democracy and Governance projects. Since this indicator has been achieved, we will not report on it in FY 94. We will consider establishing another indicator to measure USAID's impact on export promotion. (Sources: IMF reports).

Target 1.3: Improve Public Sector Performance								
	SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
1.3a	Support to Private Sector: The National Economic Affairs Directorate is reoriented to a private sector support role.	Exclusive Regulatory Role	Private Sector Support Mandate	No change	No change	Functional in new role/ institutional study completed	New structure defined	Functional in new role

A USAID-funded institutional study has been carried out which, if implemented, will enable the National Economic Affairs Directorate to reorient itself from its historical role as regulator and controller, to an organ responsible for supporting further development of the private sector. As a first step, the Directorate was moved to the newly created Ministry of Commerce, Industry and Transport in November, 1993. (Source: Ministry of Finance and Plan).

SUBTARGET	BASE: 1989	1990 EST.	1991 EST.	1992 EST.	1993 PROJ./ACT.	1994 PROJ.	1995 PROJ.
1.3b Fiscal performance: Government fiscal deficit as a percentage of GDP is reduced.	10%	8.4%	12%	11.3%	7.1%/9.5%	8.0%	7.0%

Though it exceeded the programmed 10.7% of GDP, the overall fiscal deficit was reduced from 12% of GDP in 1991 to 11.3% in 1992 in spite of difficulties in revenue collection in the last quarter of the year. Initial estimates for 1993 indicate a slight reduction in the budget deficit, inadequate to meet the IMF target of 7.1%. In 1993, the Malian Government has been squeezed on both revenues and expenditures. While the erosion of civic spirit resulted in falling tax receipts, the financial demands of important social groups, such as students, government employees, and business owners hurt by the 1991 civil disturbances, caused the Government to increase significantly its expenditures. Fear of being declared out of compliance with the IMF and World Bank structural adjustment package forced the Government to develop measures to bring the budget closer into balance. Following extensive consultations with these social groups, the Government implemented a series of measures that have so far had little effect on the fiscal deficit. USAID is providing the Malian Government with some of the tools to monitor fiscal performance and make decisions on fiscal policy. We have helped the Ministry of Finance to computerize its payroll system and are now helping it to identify employees collecting two or more salaries, a problem which has resulted in significant uncontrolled expenditures. We also helped the Customs Service to computerize its data system. (Sources: IMF, Ministry of Finance and Plan, USAID reports)

SUBTARGET	BASE: 1988	1989 ACT.	1990 ACT.	1991 ACT.	1992 EST.	1993 PL./EST.	1994 PL.	1995 PL.
1.3c Revenue Promotion and Equity: Budget revenues increase, through increase in the tax base and equitable rates (FCFA billion)	85.6	109.6	116	110	100	123/104	110	120

Tax revenues declined from FCFA 82.4 billion in 1991 to 77.8 billion in 1992, due to the refusal of increasing numbers of Malians to pay taxes, the resistance of the commercial sector to pay the value added tax on retail sales, and the abolition of the head tax. Overall budgetary revenues are expected to increase slightly in 1993, but expenditures are expected to increase even more. As a result, the external debt may rise by as much as 7.7 billion FCFA. The Policy Reform for Economic Development Project is reviewing the current GRM system of budgeting and planning, and is paying special attention to revenue generation. The technical team will recommend ways of ensuring better control of public revenues, through reduction of tax complexity and rates, greater enforcement, and an increase in the transparency of the tax system. USAID has not had a significant impact on revenue generation until now. To successfully increase revenues, our efforts to improve the Government's revenue collection capability must be accompanied by an increase in the Government's authority and strong pressure from the World Bank and IMF. (Source: IMF reports)

STRATEGIC OBJECTIVE 2: INCREASE INCOMES IN AREA OF HIGH PRODUCTIVE POTENTIAL							
PROGRAM PERFORMANCE INDICATOR	BASE: 1988	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./EST.	1994 PL	1995 PL
2A. The value of agricultural production (grains and cotton) increases.	Index: 100 124 B FCFA	Index:131	Index:83	Index:117	Index:NA/ Index:114	Index 125	Index 130

After a sharp decline in 1991 (due to a bad 1990 harvest), the value of agricultural production increased in 1992 and 1993 above the base year level. However, the 1993 value is expected to be slightly lower than the previous year's level, mainly due to lower grain production and relatively stable coarse grain prices. USAID's support for drought resistant varieties has limited the effects of drought in the Mopti region. USAID has also contributed to the donor-funded market information system, which improved the information flow on prices and brought about greater market stability and transparency. Cotton production in 1993 will increase slightly, but falling prices will lead to a slight decrease in the value of cotton production. As a whole, the value of agricultural production is anticipated to be less than but very close to the value of last year's harvest. (Sources: Ministry of Rural Development, National Directorate for Statistics, FAO)

PROGRAM PERFORMANCE INDICATOR	BASE: 1988	1990 ACT.	1991 ACT.	1992 EST.	1993 PL./EST.	1994 PL.	1995 PL.
2B. The value of agricultural exports increases. (FCFA billions)	60	91	79.3	101.6	NA/110	115	120

Due to a bumper harvest in 1991, cereal exports increased during 1992. The absence of export taxes on cereals and lower domestic prices during 1992 made Malian grain exports more competitive in the subregion, particularly in Mauritania and Senegal. Cotton fiber exports have been increasing from year to year since 1988, but world market prices have been decreasing. The value of livestock exports decreased in 1992 as low prices prevented traders from benefitting fully from increased exports. The quantity of exports increased due in part to better market information and greater export promotion efforts conducted by USAID and the World Bank. In spite of the continuous decrease in world cotton prices and the decrease in livestock prices since 1990, the value of agricultural exports is estimated to have increased in 1992 compared to both the base and previous years. It is also expected to increase further in 1993, due to increases in quantities exported. (Sources: IBRD, FAO, Mission estimates).

Target 2.1: Increase Agricultural Production							
SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./EST.	1994 PL.	1995 PL.
2.1a Staple grains: (a) Annual grain production outpaces (b) annual population growth.	a. 1.5 MT (1981-1989) b. 3.0%	a.1.76 MT (+17%) b. 3.0%	a2.23 MT (+26%) b. 3.0%	a.2.15 MT (-3.6%) b. 3.0%	a2.41/2.02MT (+17%)/(-6%) b3.0%/3.0%	a.2.41 MT (+19% b.3.0%	a2.61 MT (+8.3%) b. 3.0%

The 1993 harvest in November-December is expected to produce 2.02 million tons of food grain. This is 6.1.% lower than the 1992 production, but 34.7% higher than the 1981-89 average. In contrast, population grew less rapidly but is expected to be 16% higher at the end of 1993 than at the beginning of 1989. The average annual growth in grain production from the base period was 8.3%, compared to an annual population growth rate of 3.0%. Thus, the average Malian has greater access to locally produced grains than he or she did fours years ago. Grain production is expected to decrease in 1993, due to the fact that rains were late, forcing farmers to replant crops. Rains in some areas did not continue long enough to ensure a good harvest. Since the 1980's, some of the growth in agricultural production is directly attribuable to reforms in the coarse grains and irrigated rice sectors that were supported by USAID and other donors through the Cereal Marketing Restructuring Program.

Agricultural productivity is expected to decrease by 16.1%, from 1.202 kg/ha in 1992 to 1.008 kg/ha in 1993, for millet and sorghum, the major food crops. Using the value of agricultural production as a proxy, the purchasing power of rural Malians (80% of the total population) increased by 34% in 1992 compared to 1991, due to a higher volume of production in 1991 and moderate and stable prices in 1992. Thus, on average rural Malians were better able to meet their food needs in 1992 than in 1991. The lower harvest expected for 1993 may result in higher food prices, and as a consequence, the share of income spent on food consumption may increase in 1994.

In the absence of a recent formal survey on household budget, expenditures and consumption, USAID estimates that the percentage of the home budget spent on food was less in 1992 and 1993 than the 51% estimate derived from a 1988 home budget and consumption survey by the Malian Statistics Bureau. Thus, more income went to non-food consumption, providing some evidence that there was an improvement in the standard of living. (Sources: FAO, Cereals Market Reform Program, National Directorate of Statistics, National Directorate of Agriculture, Population Reference Bureau).

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./EST.	1994 PL.	1995 PL.
2.1b Food Security: Intra-annual grain price variation is reduced:(a) for millet; (b) for rice.	a. 11.2% (1982-1989) b. 8.6% (1982-1991)	a. 20.9% b. 8.3%	a. 8.1% b. 2.2%	a. 6.4% b. 1.9%	a. 6%/ 6.6% b. NA/ 1.5%	a. 5% b. 1.5%	a. 4% b. 1.5%

The coefficient of variation of millet prices from January through July 1993 is about the same level as it was in 1992. The retail consumer price for rice in Bamako has also been very stable. Sorghum and maize prices were less stable, however. Between 1992 and 1993, the intra-annual coefficient of price variation increased from 1.5% to 11.6% for sorghum and from 2.9% to 7.7% for maize. Price swings during 1993 followed normal patterns, but the magnitude of price changes was higher from one period to the next than it was in 1992. Consumer prices were low at the beginning of the year due to low producer prices. Producer prices rose in June and July 1993 when farmers held on to their stocks in anticipation of a bad rainy season and a poor harvest. When rains started falling in July, prices decreased significantly. This situation resulted in a higher coefficient of price variation in 1993 than in 1992. The decrease in within-year grain price variation since the mid-1980's results from a series of good harvests as well as the establishment of the USAID and other donor-supported market information system, and further progress by the Malian Government in liberalizing the economy and operating with greater transparency. (Source: Cereals Market Restructuring Program)

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./EST.	1994 PL.	1995 PL.
2.1c Rural Credit: Credit given to rural cooperatives from: a) Development of Haute Vallee Project and b) Cereals Market Restructuring Program increases ($ millions).	a) 1.2 b) 3.1	a) 1.38 b) 1.89	a) 1.48 b) 2.4	a) 1.56 b) 2.6	a)NA/2.11 b)NA/1.74	a) 2.5 b) 2.0	a) 3.0 b)2.5

The USAID and other donor-funded Cereals Market Restructuring Program provided $1.74 million to commercial banks for onlending in 1992/93, 32.9% less than the previous year. This decrease is imputed to the low reimbursement rate of previous loans which made many cooperatives ineligible for new loans. As the 1992 harvest was a good one, farmers bought and stocked large quantities of grain, with the hope of profiting from increasing prices. Prices did not rise as high as these farmers expected, and many of them were unable to repay their loans. In contrast, USAID's Development of the Haute Vallee Project was able to increase the amount of credit extended to village associations, through efforts focussing on adult literacy and improved business skills. The percentage of credit coming from commercial banks in the area increased as well, perhaps reflecting a greater interest by the banks in extending credit to those peasants who are literate and numerate. Through integration of literacy and training activities, USAID-funded PVO's such as the American Freedom from Hunger Foundation and Save the Children-US successfully increased the size of their rural credit programs. (Sources: Development Haute Vallee and commercial bank records; Ministry of Finance and Plan, National Directorate of Statistics).

Target 2.2: Increase Staple Grain Sector Productivity							
SUBTARGET	BASE: 1989	1990 PL.	1991 ACT.	1992 PL.	1993 PL./ACT.	1994 PL.	1995 PL.
2.2a Technology: New technologies are developed by research organizations and adopted by farmers.	8 varieties; 1 practice (1980-89)	NA	6 new varieties	1 new cropping practice	2 new cropping practices/8 new technologies cleared		

Under the USAID-funded Farming Systems Research and Extension Project, eight new technologies have been cleared, following on-farm testing. The following technologies are being extended on a pilot scale: improved varieties, cultural practices for maize and rainfed rice, millet and maize crop association, millet and cowpea crop association, live fences, improved animal sheds, composting and improving the quality of diets at the village level. Many of the technologies are focused on the needs of women, such as using fertilizer to increase the yield of peanuts, which women use as a cash crop. In 1991-92, 915 hectares of peanuts were fertilized, increasing the net revenue per hectare by $89. In one village, a women's market garden benefitting from fertilization yielded an estimated increase in income of $10,500, when onions were grown. The project has been identified by a number of households surveyed as the main source of knowledge for over 62% of the technologies they use. Under the Strengthening Research Planning and Research on Commodities Project, new technologies will be developed and efforts will be made to increase the adoption by farmers of these technologies. (Sources: International Center for Research in the Semi-Arid Tropics, Institute of Rural Economy, "Farming Systems Research and Extension Project Intermediate Impact Indicators," Southeast Consortium for International Development, May 1993)

SUBTARGET	BASE: 1989	1990 PL.	1991 ACT.	1992 PL.	1993 PL./ACT.	1994 PL.	1995 PL.
2.2b Research: The National Agricultural Research System is reorganized; national agricultural research strategy is developed and adopted.	Previous organization; no strategy	NA	Reorganiza -tion completed; draft strategy accepted by Mali Gov.	Strategy accepted by donors	Strategy guides programs/ finance linked with research	Program budgeting functional	TBD

Staff of the Farming System Research and Extension project helped establish the National Agricultural Research Strategy. The strategy is Mali's first comprehensive plan to coordinate research on crops, soils, livestock, natural resources, economics and sociology within one national institution. The plan also provides for decentralization of authority, focusing on personnel, funding and research programs. The project is carrying out the strategy's objective of making research respond to the demands of farmers, through funding on-farm trials to increase food crop productivity, and through efforts to maximize integration of animal production into the farming system. The Strengthening Research Planning and Research on Commodities Project is helping the reorganized national agricultural research system to implement the National Research Plan. (Source: Institute of Rural Economy).

SUBTARGET	BASE: 1989	1990 PL.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
2.2c Resource Management: Farmers adopt improved farming practices.	3 improved practices in Haute Vallee Zone	NA	12 improved practices	17 improved practices	NA		

The Farming Systems Research and Extension Project is conducting an inventory of existing and introduced technologies in the Haute Vallee Office zone and analyzing their impact on agricultural productivity. About fifty technologies, grouped into five general categories, have been identified. Initial analyses indicate that farmers are adopting technologies introduced by research and have thereby increased production, productivity and income. Several farmers have adopted one or more out of five technologies introduced by research (including farming systems research), resulting in significant increases to crop production. For example, chemical fertilizer (ammonium phosphate) application on sorghum and millet increased yields from 800 to 1,500 kg per hectare on 36,604 hectares in the Haute Vallee zone. The additional cereal production of 25,600 tons in 1992 gave a net revenue increase of 200 U.S. dollars per hectare to 9,479 households. In 1991-92, more than 24,000 households in the Haute Vallee zone applied animal manure at an average rate of two tons per hectare on 25,000 hectares (19% of the total crop area). Average yield with manure was 1,000 kg per hectar compared to 800 kg per hectar without manure. The net revenue increase was 58 dollars per hectare. Analyses continue on about 40 technologies, including improvement to soil fertility, soil conservation, alleviation of constraints to labor, crop-livestock integration and resolutio of women producers' concerns.

Under the Development of the Haute Vallee Project, sixteen new natural resource management technologies or practices such as anti-erosion techniques, improved fallow, reforestation, small-scale irrigation and live fences have been extended to approximately 10,000 farmers. These activities resulted in an increase of the cultivated area, increased crop diversity and increase of cotton and staple food production. For example, cotton production in the zone increased from 9,000 tons in 1990 to 12,000 tons in 1992. Consequently, Haute Vallee farm incomes have increased.

The Village Reforestation Project helped diversify and improve farming practices through the promotion of improved soil conservation techniques and the planting of trees (agroforestry) for farm use and income generation. Five private nurseries were established in the Mopti region under the USAID project, thereby providing direct access to appropriate species of trees for soil conservation and income generation. (Sources: Development of the Haute Vallee, Farming Systems Research and Extension, and Institute of Rural Economy records)

SUBTARGET	BASE: 1989	1990 PL.	1991 ACT.	1992 ACT.	1993 PL.	1994 PL.	1995 PL.
2.2d Land Use and Tenure: Land use and forest policies favoring private agro-forestry investment are approved and implemented.	State owns and controls forest lands	NA	Forestry Code reviewed	National debates; legislation	De-Control of forest lands/Initiation of Village Forest management committees.	Application of new Code -Decisions being made by committees.	Continued application Growth in # of committees

With support from the Village Reforestration Project, public hearings, regional conferences and national debate on the forest code revision clarified rural priorities and resulted in recommendations on important changes regarding land-use and forestry policies. The suggested policies, when implemented, will increase local villagers' participation in making decisions and managing natural resources. In 1993, Parliament began to draft legislation to allow village management of forest resources. These activities were made possible by the availability of information on land and tree tenure contained in a report funded by the project.

The Development of the Haute Vallee Project has supported the efforts of twelve village associations to successfully negotiate agreements with the National Water and Forestry Service under which they were authorized to manage their forest reserves in exchange for agreeing to replant trees and control cutting in the perimeter of the village.

The proposed Mali Forestry Sector Reform Program will be designed to ensure that the revised Forest Code clarifies the rights of citizens with regard to access to and control over forest resources. The Program will help rural producers and management agencies to understand and use the new Code. During the planning of the Program, USAID will determine whether it would be helpful to revise this subtarget, and if not, what we hope to accomplish in 1994 and 1995 against the existing subtarget. (Source: project reports)

Target 2.3: Increase Livestock Exports							
SUBTARGET	BASE: 1989	1990 PL.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
2.3a Fiscal and Regulatory Measures: The GRM abolishes export taxes, minimizes nuisance and "rent-seeking" taxes, and simplifies procedures for livestock exports.	Taxes and complex procedures exist	NA	Export taxes eliminated	Export procedures simplified	Nuisance taxes eliminated/ export obstacles studied	Integration of regional and export economies	Further integration

The improved export environment is expected to result in a 13% increase in the value of livestock exports in 1993. The livestock sector is increasing its importance to the balance of payments, making up 30 percent of exports in 1993 compared to 27 percent in 1991. Following our success in abolishing export taxes, USAID has been working to decrease other obstacles to livestock exports. The Animal Productivity and Export Project is helping the Government to monitor progress in removing such obstacles as official extortion. The project is undertaking activities to increase the ease of access to information about livestock market prices, potential supplies available and estimated demand, as well as to reduce transaction costs. USAID funded a Regional Livestock Production and Comparative Advantage Study, which will help the GRM to establish appropriate marketing policies, combat corruption and minimize the Government burden on livestock exporters. (Sources: USAID Reports: Koulibaba and Holtzman 1991; Sarrasoro 1990/1991)

SUBTARGET	BASE: 1989	1990 PL.	1991 ACT.	1992 ACT.	1993 PL.	1994 PL.	1995 PL.
2.3c Private Practice: The number of private veterinary practitioners increases.	Civil service moonlighters	NA	60 vets; 30 assistants	90 vets; 70 assistants	NA/ 110 vets	130 vets	150 vets

There has been a rapid and widespread establishment of private veterinary pharmacies. The rate of increase of private veterinary clinics has slowed. Competition among veterinarians is increasing in the urban areas, while trained veterinarians are less attracted to work in the rural areas. Through marketing promotion activities, the Animal Productivity and Export Project is upgrading private sector vaccine distribution and marketing programs, both in Mali and in the region. Under the project, private veterinary units are given loans by the Central Veterinary Laboratory to purchase and market vaccines. The project also trains local groups in direct delivery of less complicated animal health practices. (Source: Ministry of Rural Development information, field trip reports)

STRATEGIC OBJECTIVE 3: IMPROVE THE DELIVERY OF HEALTH AND EDUCATIONAL SERVICES							
PROGRAM PERFORMANCE INDICATOR	BASE: 1987	1990 PL.	1991 EST.	1992 EST.	1993 PL/EST.	1994 PL.	1995 PL.
3A. Infant mortality declines.	108 per 1000	NA	107	102	100/NA	NA	95

Some data indicate a noticeable decline in infant deaths. While the June 1993 report of the OPTIONS Country Profile indicated that the infant mortality rate for Mali as a whole was 111/1000, the infant mortality rate in the USAID--funded World Vision Koutiala Child Survival Project area was estimated at 102/1000 in 1993. In the USAID and other donor-funded Save the Children Federation-US Kolondieba Project, the infant mortality rate dropped from 102/1000 in 1989 to 59/1000 in 1992 and to 49/1000 in 1993. Most of the USAID-funded Private Voluntary Organizations intervening in child survival have not yet included the infant mortality rate in their monitoring systems. PVO child survival interventions have limited geographic scope, and may not significantly affect the national infant mortality rate. Nevertheless, based on USAID's other ongoing child survival activities such as the centrally-funded African Child Survival Initiative, we believe that there has been a slight decline in the national infant mortality rate, which was last measured reliably in the Demographic and Health Survey of 1987. (Sources: 1987 Demographic Health Survey; US Bureau of the Census Survey; World Bank and UNDP Annual Reports; Integrated Family Health and Service Project and PVO statistics).

PROGRAM PERFORMANCE INDICATOR	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
3B. The number of primary school children completing 6th grade increases.	25,857	28,883	27,434	29,762	42,000/ 30,953	35,000	40,000

The benchmarks for this indicator represent the numbers of children who have finished sixth grade, and not only those who have passed the examination to move into seventh grade. Students in privately funded Ecoles de Base were not included in the figures. The number of students completing the 6th grade has steadily increased since 1989. The USAID project has encouraged retention of children through increasing the quality of basic education, including providing textbooks and training teachers. (Source: Statistical Directory, Ministry of Education).

Target 3.1: Improve Health Care							
SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./EST.	1994 PL.	1995 PL.
3.1a Village Health Centers: New centers are established, staffed with trained personnel, and financed from local community funds.	3	NA	3	59	94 total/ 5 USAID, 5 locally funded	126	156

The number of village health centers has probably increased from 1992 to 1993 and services have improved. The Community Health and Population Services Project is planning technical assistance to 120 community health centers, which will be constructed using funds from local communities as well as other donors. Five centers assisted by the Project are operational. We are aware of five others that have been created through the initiative of local populations. Although we lack information on the exact number of health centers created through local initiatives, we know that the number of community health centers has increased during the last few years. Health management by communities has been encouraged by Private Voluntary Organisations and Non Governmental Organizations. For example, USAID has provided funds to World Education's Urban Revitalization Project, which organizes communities in the Bamako District and in other regions to solve their health and sanitation problems. (Source: Department of Epidemiology, Ministry of Health).

Community Health & Population Services

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SUBTARGET	BASE: 1987	1990 PL.	1991 ACT.	1992 ACT.	1993 PL./EST.	1994 PL.	1995 PL.
3.1b Infant Vaccination: The number of children under age 1 immunized against major childhood diseases increases.	5%	NA	41%	34%	52%/36%	58%	65%

SUBTARGET	BASE: 1989	1990 PL.	1991 ACT.	1992 PL.	1992 EST.	1993 PL./EST.	1994 PL.	1995 PL.
3.1c Mothers at risk: The number of women of reproductive age vaccinated with two doses of tetanus toxoid increases.	Coverage: 30% urban 7% rural	NA	18.76% total	35.39% total	8% total	44% urban 17% rural/ 10% total	44% urban 17% rural	60% urban 30% rural

The 1992 evaluation report from UNICEF indicated that nationally 34% of children and 8 % of women were completely vaccinated. USAID's previous planning figures were much higher, since we had not taken into account the effects of the change in UNICEF's Expanded Program of Immunization's strategy from mobile units to fixed units. Under the new strategy, the health centers require financial support from the local populations. Immediately after the policy was put into effect, many communities were unwilling to fund logistical support for the community motivators. In addition, fewer people were visiting the health centers. A short-term decrease in the vaccination coverage rate resulted. Once the static units are all in place, it is expected that the rate will increase significantly.

USAID contributed to the immunization program in two ways, through central funding of the UNICEF program in Mali and through Mission funding of PVO child survival activities. The Save the Children Federation - US Kolondieba project indicated that 49.3% of children were completely vaccinated in 1992. In the same area, 85.8% of childbearing age women were completely vaccinated, surpassing the 80% coverage rate target set by WHO. The Africare Dioro Child Survival project final evaluation report indicated an immunization coverage rate of 52% for women in 1992. World Vision in Koutiala helped increase the immunization coverage rate for tuberculosis to 54.4%, and for measles to 43.3% by 1993. (Source: World Vision Koutiala Project Evaluation Report, Sept 1993, Integrated Family Health Services project, National Immunization Center, PVOs, Mission estimates).

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SUBTARGET	BASE: 1987	1990 PL.	1991 PL.	1992 EST.	1993 PL./EST.	1994 PL.	1995 PL.
3.1e Contraceptives: The national contraceptive prevalence rate increases.	1.3%	NA	NA	NA	5%/3.5%	5.4%	6.8%

The National Contraceptive prevalence rate has increased and will continue to increase, in response to the intensification of USAID's social marketing and community-based distribution activities, and with continued USAID funding for PVO/NGO implementation of family planning and AIDS prevention activities. USAID introduced the Protector condom in 1989, and sales now average over 100,000 per month. Pilplan oral contraceptives, which were introduced in June 1993, are being sold at the rate of 7,000 cycles per month. The contraceptive prevalence rate increased in the Save the Children Fund - US Kolondieba project area from less than 1% before activities started to approximately 18% in 1993. In the World Vision Koutiala Project, the contraceptive prevalence rate for child bearing age women was estimated at 8% in 1993. The Malian Family Planning Association recently did a survey on the impact of family planning publicity in Bamako. Baseline data showed the contraceptive prevalence rate at 6% before publicity and 13% after publicity. (Source National Directorate for Statistics, "Perspective 1978-2022," 1992, World Vision Koutiala Mid-Term Evaluation Report, Family Health Division, Mali Family Planning Association, Family Health Initiative II, Demographic Health Survey, Integrated Family Health Services reports).

SUBTARGET	BASE: 1990	1991 ACT.	1992 ACT.	1993 PL./EST.	1994 PL.	1995 PL.
3.1f Pharmaceuticals: The number of village pharmacies fully stocked with essential drugs and contraceptives increases.	0	NA	257	292/300	347	437

We expect the number of fully stocked village pharmacies to increase with the creation of community health centers receiving technical assistance from USAID's Community Health and Population Services project (5 centers already created) and with the implementation of family planning and AIDS prevention activities by NGOs recently funded under the USAID Private Voluntary Organization Co-Financing project. (Source: National Directorate for Statistics; USAID records and estimates).

SUBTARGET	BASE: 1990	1991	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
3.1g Private Practice: The number of private health practitioners increases.	9 clinics (Bamako)	NA	41	NA/116	150	200

The number of private health practitioners has increased, mainly due to greater access to start-up capital for those health practioners participating in the structural adjustment-related program of voluntary retirement from Government service. This program was funded by USAID as well as other donors such as the EC, UNDP, ILO, and Canada. The above data reflects only those health practioners who have retired early from Government service. There is likely to have been an increase in the number of health practitioners outside of the voluntary retirement program, who are not included in the above statistics. (Source: Division of Health Establishments and Sanitary Infrastructure, National Direction of Public Health, Ministry of Health)

SUBTARGET	BASE: 1990	1991 EST.	1992 EST.	1993 PL./EST.	1994 PL.	1995 PL.
3.1h Disease Coverage: The percentage of post-natal consultations with the public health system increases.	15%	NA	27%	35%/30%	44%	52%

The number of disease episodes treated through the public health system has probably increased, given the development of the health infrastructure and the improvement in service delivery in the maternal and child protection services and maternities of the USAID-funded Integrated Family Health Services project. Services have increased in child survival project areas. In World Vision's Koutiala project, the service usage rate for pre-natal consultations in 1993 was 73%. In the same project area, there was either one maternity or at least one trained traditional birth attendant in each village. In previous years, we have used the percentage of postnatal consultations as a proxy for the percentage of disease episodes treated through the public health system. Source: "Analyse des Statistiques Sanitaires," 1992 (Epidemiology Division, Ministry of Health).

Target 3.2: Improve Basic Education							
SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
3.2a Enrollment: The number of children enrolled in grades 1-6 increases. (Note: Percentages represent total annual enrollment rates)	311,873 (22.16%	323,354 (22.24%)	340,573 (22.97%)	374,041 (25%)	440,213 (28)%/ 438,302 (29%)	447,310 (30%)	528,000 (31%)

The overall enrollment in the primary cycle has increased by 41% since 1989 and is expected to surpass the base year figure by 66% in 1995. USAID's efforts to improve the quality of education through teacher training has encouraged children to remain in school, as noted by the decrease in the drop-out rate (see subtarget 3.2c). In addition, our activities promoting girls' schooling have resulted in increases in both girls' enrollment and total enrollment. (Source: Statistical Directory, Ministry of Education, USAID projections).

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
3.2b Gender: The number of girls enrolled in grades 1-6 increases. (Note: Percentages represent girls' annual enrollment rates)	115,300 (16.66%)	118,284 (16.5%)	124,407 (16.95%)	139,430 (18.74%)	range 150,469 to 165,827 (20%)/ 165,692 (22%)	181,433 (22%)	200,000 (22%)

The number of girls enrolled in primary school has steadily increased since the base year (1989). Also, the number of pupil years to complete the first six grades for girls has been greatly reduced (from 22.2 in 1991/1992 to 15.2 in 1992/1993). The percentage of girls attending primary school relative to all primary school students has modestly increased from 36.9% in 1989 to 37.8% in 1993. USAID's Basic Education project has two components encouraging the enrollment of girls: 1) teacher training and textbook distribution to improve the efficiency of the educational system; and 2) a girls' schooling component with the goal of improving the capacity of the Ministry of Basic Education to attract, serve and retain girls in public schools and to make the concept of girls' schooling more culturally acceptable. While a variety of factors explain the increase in girls' enrollment since 1989, it is not clear how much the USAID project contributed. The Project is expected to contribute more to this objective in the future. As a result, we expect that the targets set for 1994 and 1995 will be surpassed. (Source: Statistical Directory, Ministry of Education.)

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
3.2c Repeater Rate: The number of students repeating primary school grades decreases.	89,846 28%	96,388 29%	92,423 29%	114,541 33%	NA/ 116,591 (27%)	20%	15%

After a peak in 1992 (students were offered the option to repeat without any penalty), the percentage of repeaters has decreased. The surge of repeaters should result in fewer repeaters in the future, given improvements in educational quality. The drop-out rate has also decreased significantly from 10.93% in 1991/1992 to 7.2% in 1992/1993. The Basic Education project puts great emphasis on improving the quality of school, and USAID is the only donor whose main goal is to improve the efficiency of the basic education system in Mali. (Statistical Directory, Ministry of Education).

SUBTARGET	BASE: 1989	1990 PL.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
3.2d Student-Teacher Ratio: The number of students per teacher decreases.	51:1	NA	49:1	46:1	44:1/ 50:1	48:1	50:1

The increase in the student-teacher ratio in 1993 is linked to the fact that enrollment increased, while the number of teachers decreased. As noted above, USAID has played a positive role in increasing enrollment. A number of teachers retired under the World Bank-funded voluntary retirement program. While this program was intended to decrease Government payrolls, teachers were supposedly forbidden to participate. Nevertheless, 187 primary teachers were allowed to take advantage of the program in 1991 and 1992. Since there was also a hiring limit for the Government as a whole, the net number of teachers decreased. This situation may change in 1994 by the redeployment of teachers from administrative to teaching jobs, if USAID project efforts succeed. USAID funded a census of redeployable teachers to help the Ministry with this process. (Source: Ministry of Education statistics)

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
3.2e Training: The number of teachers and other staff receiving in-serving training in pedagogical and management skills increases.	0	1200	3264	6170	NA/3,276	3,500	4,000

The decrease in the number of trainees in 1993 is due to a deliberate change in training strategy: to offer intensive quality training to smaller groups. USAID's Basic Education Project's training component has developed the Ministry of Basic Education's in-service training center through providing assistance in rehabilitation, logistics and training of trainers, both in Bamako and in the regions. The Ministry and all other donors working on in-service training draw on the human resources and programs of this center. USAID has been working with the Government to institutionalize the center. (Source: Ministry of National Education statistics).

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./EST.	1994 PL.	1995 PL.
3.2f Textbook availability: The number of textbooks available per student increases.	.3	.3	.22	.5	2/.5	.5	.5

Purchase and distribution of 313,500 reading textbooks was solely supported by USAID in 1992/1993. These books were used in the first through third grades. We also paid for the distribution of 224,000 reading, math and grammar books for the first through sixth grades in 1991/1992. Another 275,000 reading and math textbooks have been purchased by USAID and will be distributed to the first, fourth, fifth and sixth grades this year. While no textbooks are scheduled to be bought for 1994/1995, additional books will be purchased and distributed in 1995/1996.

SUBTARGET	BASE: 1991	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
3.2g Textbook Use: The % of teachers using textbooks increases	10%	22%	40%/84%	86%	90%

There has been a massive increase in the percentage of teachers using textbooks, directly attributable to USAID's efforts at purchasing and distributing textbooks, as well as training in their use. The World Bank is funding the distribution of 400,000 teaching manuals to be used in the 1994-1995 school year, which should increase the use of textbooks even more. The limiting factor will be the availability of textbooks, which is not expected to increase. (Source: Ministry of Education and Basic Education project records).

SUBTARGET	BASE: 1992	1993 PL./ACT.	1994 PL.	1995 PL.
3.2i Number of "Complete Schools" increase in the Koulikoro Region.	0	110/NA	50	80

The concept of "Complete Schools" includes physical improvements, equipment in classrooms and sanitation, didactic and pedagogical materials, trained teachers assigned to all classrooms and involved School Parent Associations. The progress in creating complete schools has been less than originally expected because a closer analysis of the schools forced us to conclude that they would require more assistance than we initially had planned. (Source: Basic Education Expansion Project data).

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
3.2j Budget Restructuring: (a) Education's share of Government budget increases; (b) primary education share of Education budget increases.	(a) 25%	25%	27%	26%	NA/19%	20%	21%
	(b) 38%	35%	37%	34.4%	NA/31%	32%	33%

The reduction in budget shares for education and basic education have to be interpreted carefully. The basis for these budget calculations was restructured by the Government in 1992. Other sources of funding such as all annex budgets and special funds are included in the central budget for the first time. As a result, the percentage going to education from the central budget would appear to have decreased, even if the share of education in the previous budget format remained the same. Nevertheless, it appears that there were decreases in both the education sector's share of the central budget and primary education's share of the overall education budget. Expenditures for basic education dropped from CFA 7.5 billion in 1992 to CFA 6.9 billion in 1993. In response, the World Bank has cancelled its nonproject assistance for education due to the inability of the GRM to meet the above targets, although the project assistance component of the project has continued. USAID is refocusing non-project assistance to encourage better use of education funds. (Source: "Point d'Exécution du IVème Projet," World Bank, Octobre 1993, "Aide-Mémoire, Mission de Supervision," Projet de Consolidation du Secteur de l'Education, World Bank, October 1993).

SUBTARGET	BASE: 1992	1993 PL./EST.	1994 PL.	1995 PL.
3.2k Student performance in core areas improves in the 2nd and 5th grades. (achievement test scores)	44.4	50/44.4	44.4	50

An achievement test was developed by USAID in 1992 to measure improvements in student performance. After the second year's test results showed no improvement, we concluded that it will be several years before there is a significant improvement in average student performance. Improvements in quality are counterbalanced by increasing student-teacher ratios. Nevertheless, we expect that by 1995, USAID's efforts on improving educational quality will begin to be shown in students' performance. (Source: Ministry of Education and Basic Education Expansion project records).

SECTION IV: OTHER PROGRESS IN PRIORITY AREAS

The Assessment of Program Impact does not adequately reflect USAID's impact on the Agency's strategic objective of building democracy, of which certain women-in-development activities should be considered a part. To improve governance, USAID has led a consciousness raising campaign among the donors and the Government on the longterm negative impact on all parts of society of the misuse of donor assistance. In addition, USAID has made a significant investment in private voluntary organizations working on a wide range of development activities. This section addresses how our activities in these areas contribute to USAID's impact on development in Mali.

Promoting Democracy and Improving Governance

The political and economic events of the last year provided USAID with the framework in which to craft a new democratization and governance project. An outline of a concept paper for the project was developed and discussed in the Mission and in AID/W. Three main constraints to be addressed were included in the outline: corruption, inefficiency of civil service, and over-centralized power and decision making. The solutions identified were: continuing USAID project assistance to the Controlleur General d'Etat, the Malian Government's Inspector General, to help it more effectively audit the accounts of Government organizations; placing the organization under the auspices of the Legislative Branch; encouraging administrative reform measures; and providing assistance to the decentralization efforts of the Government. Reducing corruption will give the population less to criticize, allowing the Government more freedom to institute measures with long-term benefits but short-term costs. The assistance to decentralization will provide communities with the resources to develop responsive governing bodies at the local level.

AID/W funded an assessment of democracy and governance in Mali to provide the U.S. Mission as well as other donors with a more comprehensive understanding and analysis of Malian governance and to suggest a conceptual approach for a new project. This assessment has raised the interest of the Presidency, other donors and many of the institutions, both civil and governmental, upon which good governance depends. The Secretary General of the Presidency participated in drafting the scope of work, and has agreed to call interested donors together at critical points during the process to assure that we are all working towards the same goal. A previous USAID assessment of political measures helped several donors to develop small projects of a more political nature. This more detailed assessment will be a resource for determining directions and priorities for the Government, donors, and civil society in the field of democratic governance.

The Malian Government made significant first steps toward decentralization during the last year. The basic law was passed quickly and the follow-on decrees are already in draft. A Decentralization Task Force was put in place.

The impact of decentralization, meaning local self-government, could be significant eventually for both local communities and the donors. We should be able to work more frequently with parties other than the Central Government, building on our experience working with village associations, especially in the Haute Vallee zone. Decentralization should also encourage civic responsibility, resulting in greater tax revenue for the local governments and greater participation by citizens in community affairs. But empowering villages, towns, cities and regions to take responsibility for their own affairs and to actually finance and carry out those responsibilities will take years, if not decades, of work.

Our existing democracy projects are also becoming more relevant because of the political initiatives of the past year. The Civic Education Project, for example, is providing important information to the Decentralization Task Force. Our training of local officials in management and finance should have an increasing payoff as they are given more

responsibility and power by the Central Government.

Integrating Women into the Development Process

The democratic process that started in 1991 encouraged women's rights advocates and feminist activists to speak out about the inferior social, political, economic and legal situation of women. Since 1991, gender awareness has grown considerably among women themselves, decision-makers, political leaders, donor communities and non-governmental organizations. USAID has played a catalytic role in sponsoring training on gender considerations in development for high level policy makers, contractors and officials implementing Mission-financed projects, and USAID staff.

Women's concerns are analyzed and addressed in all development sectors now. Some women have been chosen for, or elected to, decision-making positions in the Government, the National Assembly, and political parties.

Associations and womens' groups have been created to advocate women's rights in various fields: abolition or revision of discriminatory laws dealing with marriage, business, inheritance rights, income tax and land tenure; and sensitization on issues critical to mothers' and children's health such as excision, family planning, and AIDS prevention. USAID has assisted many of these associations. Women's associations from all over Mali benefitted from management and organizational training sponsored by USAID. We gave assistance to the Malian Association of Women Merchants and Entreneurs to help illiterate members deal with the Customs Service, the Malian economic affairs agency and banks. We also funded a seminar on women and labor issues organized by the Malian Association of Women Lawyers. USAID has been an active participant in the focus group on women sponsored by the consortium of non-governmental organizations. We also participate in the informal meetings of the Women in Development donor group to exchange ideas and experiences to more effectively target women in development activities.

Of all USAID-funded longterm training participants, 14% are women. Recognizing our slow progress in targeting women for training, we recently established a policy of requiring a minimum of 50% women for longterm training under our training projects.

Improving Management and Ending Abuses of USAID funds

USAID has set an example for the Government and the donors by eliminating corrupting influences in the management of our projects. In an environment where corruption is tolerated if not encouraged, we felt that USAID activities should serve as a model of good, transparent management through improving our management controls and making an issue of any efforts by civil servants to unduly benefit from our assistance. In taking these steps, we have been completely open with the Government and other donors, who many times were opposed to what we were doing. We believe that our efforts at consciousness raising are paying off, in that Government corruption has become an important issue to the Presidency, the donors and the media. While we recognize that civil servants are poorly paid, there is a growing awareness that a privileged elite in the civil service is personally benefitting from donor-financed activities at the expense of the country, the people and economic development.

In 1993, USAID has taken the following steps:

Special allowances, such as "participation fees" and honoraria, have been eliminated in our in-country training programs. Collecting such allowances had become the principal purpose of going to training for some Malians, rather than the transfer of knowledge and expertise.

The schedule for in-country per diem has been radically reduced in cost and simplified in its administration with the effect of eliminating most incentives for travelling for the sake of collecting per diem or for submitting false receipts.

All USAID vehicles are now identified with the USAID logo and the full project name printed in large block letters on the doors to make vehicle abuse easier to detect. Furthermore, project officers now monitor trip tickets regularly.

Transportation or gasoline allowances, in-kind or in the form of vouchers, are no longer paid, ending one of the worst abuses.

Salary supplements to GRM employees have been eliminated as well as primes and indemnities, such as allowances for higher

responsibility, representation, family size, housing, transportation and doing scientific research. We have also ended USAID-financed payments to Government employees for "overtime" and systematic, periodic, "performance awards."

We have ended the practice of employing Malian Government employees as consultants "after hours."

When we discovered cases of theft or poor administration in USAID projects, we stopped project activities until the problems were corrected.

Developing the Capacity of Private Voluntary Organizations and Non-Governmental Organizations

USAID is programming a large percentage of its resources through private voluntary organizations (PVO's) and non-governmental organizations (NGO's). Grants support activities in microenterprise, child survival and family planning, natural resources and education. These organizations allow USAID to work closely with local communities and participate in the Malian Government's efforts to decentralize development management and financing in all of the above sectors. We have funded PVO "pivot groups" to develop the capacity of NGO's in specific sectors. Few PVO's are now able to provide good information on impact. We are working closely with the pivot groups to ensure that indicators are established and monitoring systems are put in place.

The Mission strongly supports the PVO community to expand its efforts in family planning. This complements the already strong PVO contribution to child survival activities. Therefore USAID, through the PVO Co-Financing and the new AIDS project, will be supporting efforts in increased AIDS awareness and increased contraceptive prevalence through social marketing.

In the area of natural resources, the irrigated perimeters, the gardening and the recession sorghum production activities carried out by AID-funded PVO's are helping many project areas reach food self sufficiency, even some areas in the arid North.

As a result of their constant use of functional literacy to advance their activities, PVOs and NGOs are making significant contributions to improving the literacy rate in Mali. In Kolondièba, Save the Children US has developed a very participative approach to education which calls for the active collaboration of villagers and local and national authorities. Developed with villagers' participation, the curriculum and the school year are directly related to rural life and the national language is the medium of instruction. Pedagogical results are much better. Girls make up 50% of the students as opposed to 22% in the formal system. National authorities are making arrangements for replicating this experience at the national level, as the President of Mali noted in one of his speeches.

ANNEX A: CHANGES IN INDICATORS AND REVISIONS TO THE EXPECTED LEVEL OF ACHIEVEMENT:

PROGRAM GOAL: TO PROMOTE ECONOMIC GROWTH							
COUNTRY TREND INDICATORS	BASELINE 1989	1990 EST.	1991 EST.	1992 EST.	1993 PL./EST	1994 EST.	1995 PROJ.
Real Gross Domestic Product (GDP) increases.	$2.1B	$2.23B	$2.43B	$2.63B	$2.7B/2.71B	$2.84B	$2.98B
Per Capita GDP increases.	$260	$278	$280	$285	$325/$285	$290	$300
Exports of goods and non-factor services increase.	$343M	$368M	$355M	$318M	419M/340M	$360M	$380M

Our previous GDP projections are now considered unrealistic, and so we have developed new benchmarks for real GDP in 1994 and 1995, based on an average growth of 5%.

STRATEGIC OBJECTIVE 1: INCREASE PRIVATE SECTOR PARTICIPATION IN THE ECONOMY							
PROGRAM PERFORMANCE INDICATOR	BASE: 1988	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./EST.	1994 PL.	1995 PL.
1C. Increase in the number of traders receiving credit for grain storage and marketing through the Cereals Market Restructuring Program.	19	3	13	42	NA/38	TBD	TBD

This indicator has been reworded to better indicate the impact of the USAID program. USAID is now re-examining whether this is an appropriate activity for the Cereals Market Restructuring Program. Once a decision is made on the continuation of the PRMC credit program, we will develop either benchmarks for 1994 and 1995 or a new performance indicator.

Target 1.1 Improve Regulatory Policies and Practices							
SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 PL.	1993 PL./ACT.	1994 PL.	1995 PL.
1.1d Judicial System: Commercial and Administrative courts in Bamako, Kayes, Mopti and Segou become fully operational, successfully handling business and industrial litigations.	Business litigation inef-ficient in civil courts	Decrees establish Commer -cial Courts	Buildings secured; magistrates trained	Cases litigated in Bamako, Kayes and Mopti	NA/ 400 cases filed and resolved thus far	800 C. Court cases liti-gated in four regions. Admin. courts estab-lished	1,200 C. Court cases in four regions. Admin. Courts established

Since the original subtarget has already been surpassed, we have made it more ambitious and modified it to more appropriately reflect project impact.

Target 1.3 Improve Public Sector Performance							
SUBTARGET	BASE: 1989	1990 EST.	1991 EST.	1992 EST.	1993 PROJ./ACT.	1994 PROJ.	1995 PROJ.
1.3b Fiscal performance: Government fiscal deficit as a percentage of GDP is reduced.	10%	8.4%	12%	11.3%	7.1%/9.5%	8.0%	7.0%

Donors have concluded that it will be several years before the Government can increase revenues on a sustainable basis. Consequently, we have revised the benchmarks for 1994 and 1995.

SUBTARGET	BASE: 1988	1989 ACT.	1990 ACT.	1991 ACT.	1992 EST.	1993 PL./EST.	1994 PL.	1995 PL.
1.3c Revenue Promotion and Equity: Budget revenues increase, through increase in the tax base and equitable rates (FCFA billion)	85.6	109.6	116	110	100	123/104	110	120

The benchmarks for 1994 and 1995 have been revised, taking into account the long period of time that will be required to convince Malians of their responsibility to pay taxes.

STRATEGIC OBJECTIVE 2: INCREASE INCOME IN AREAS OF HIGH POTENTIAL

Target 2.1 Increase Agricultural Production

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./EST.	1994 PL.	1995 PL.
2.1b Food Security: Intra-annual grain price variation is reduced:(a) for millet; (b) for rice.	a. 11.2% (1982-1989) b. 8.6% (1982-1991)	a. 20.9% b. 8.3%	a. 8.1% b. 2.2%	a. 6.4% b. 1.9%	a. 6%/ 6.6% b. NA/ 1.5%	a. 5% b. 1.5%	a. 4% b. 1.5%

We have modified this subtarget to include rice as well as millet. The price of millet is important, because about 50 percent of household grain purchases are in the form of millet. However, we believe that including rice in this subtarget will provide a better indication of intra-annual cereal prices.

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./EST.	1994 PL.	1995 PL.
2.1c Rural Credit: Credit given to rural cooperatives from: a) Development of Haute Vallee Project and b) Cereals Market Restructuring Program increases ($ millions).	a) 1.2 b) 3.1	a) 1.38 b) 1.89	a) 1.48 b) 2.4	a) 1.56 b) 2.6	a)NA/2.11 b)NA/1.74	a) 2.5 b) 2.0	a) 3.0 b)2.5

This subtarget has been restated to better capture the impact of the credit programs for which USAID has direct responsibility. We are unable to collect accurate and reliable statistics on rural credit at the national level, as required by the previous wording of the subtarget.

STRATEGIC OBJECTIVE 3: IMPROVE DELIVERY OF HEALTH AND EDUCATIONAL SERVICES

PROGRAM PERFORMANCE INDICATOR	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
3B. The number of primary school children completing 6th grade increases.	25,857	28,883	27,434	29,762	42,000/ 30,953	35,000	40,000

The benchmarks for this indicator have been revised, due to better information collected by the Management Information System component of USAID's Basic Education Expansion Project and a better understanding of numbers of children in primary schools. We expect to see a large jump in 6th grade completion rates in the next few years, because of a large increase in first grade enrollments. Between 1991 and 1992, first grade enrollment increased by 24%.

Target 3.1 Improve Health Care

SUBTARGET	BASE: 1987	1990 PL.	1991 PL.	1992 EST.	1993 PL./EST.	1994 PL.	1995 PL.
3.1e Contraceptives: The national contraceptive prevalence rate increases.	1.3%	NA	NA	NA	5%/ 3.5%	5.4%	6.8%

The benchmarks for 1994 and 1995 have been decreased, in line with our understanding of the slowness of growth in national contraceptive prevalence rates.

SUBTARGET	BASE: 1990	1991 EST.	1992 EST.	1993 PL./EST.	1994 PL.	1995 PL.
3.1h Disease Coverage: The percentage of post-natal consultations with the public health system increases.	15%	NA	27%	35%/ 30%	44%	52%

The USAID program has a wider impact in the health sector than increasing the number of postnatal consultations. In order to more accurately reflect what we are capable of monitoring, however, we have chosen this as a subtarget rather than the previous subtarget of increasing the number of disease episodes treated by the public health system.

Target 3.2 Improve Basic Education							
SUBTARGET	BASE: 1989	1990 PL.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
3.2d Student-Teacher Ratio: The number of students per teacher decreases.	51:1	NA	49:1	46:1	44:1/ 50:1	48:1	50:1

The redeployment expected for the next two years will involve a small percentage of the teaching pool. As a result, it will only slightly decrease the student-teacher ratio in 1994. In 1995, the rate of student enrollment is expected to surpass the rate of redeployed and new teachers, increasing the student-teacher ratio again. Consequently, we have revised the benchmarks for these years.

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
3.2e Training: The number of teachers and other staff receiving in-service training in pedagogical and management skills increases.	0	1200	3264	6170	NA/3,276	3,500	4,000

The benchmarks have been revised to take into account the tradeoff between the numbers of teachers trained and the improvements in the quality of training.

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./EST.	1994 PL.	1995 PL.
3.2f Textbook availability: The number of textbooks available per student increases.	.3	.3	.22	.5	2/.5	.5	.5

Given losses of books due to normal wear and tear, USAID's purchase of 175,000 books in 1992/1993 will only prevent the number of textbooks per student from falling. Subsequent planned purchases will not increase significantly the number of books per pupil. We have therefore projected no further improvement in this subtarget.

SUBTARGET	BASE: 1991	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
3.2g Textbook Use: The % of teachers using textbooks increases	10%	22%	40%/84%	86%	90%

We have revised our benchmarks for this subtarget, since the original ones have already been significantly surpassed.

SUBTARGET	BASE: 1992	1993 PL./ACT.	1994 PL.	1995 PL.
3.2i Number of "Complete Schools" increase in the Koulikoro Region.	0	110/NA	50	80

In order to meet minimum standards, Complete Schools will require more assistance than we initially had planned. As a result, we have developed more realistic subtargets for the next two years.

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
3.2j Budget Restructuring: (a) Education's share of Government budget increases; (b) primary education share of Education budget increases.	(a) 25%	25%	27%	26%	NA/19%	20%	21%
	(b) 38%	35%	37%	34.4%	NA/31%	32%	33%

We have revised our benchmarks to more realistically reflect the social and political pressure on the Government budget.

SUBTARGET	BASE: 1992	1993 PL./EST.	1994 PL.	1995 PL.
3.2k Student performance in core areas improves in the 2nd and 5th grades.	44.4	50/44.4	44.4	50

We now expect that by 1995, USAID's efforts in improving educational quality will begin to be shown in students' performance. We have revised the benchmarks accordingly.

ANNEX B: INDICATORS AND SUBTARGETS THAT DO NOT ADEQUATELY MEASURE USAID IMPACT

STRATEGIC OBJECTIVE 1: INCREASE PRIVATE SECTOR PARTICIPATION IN THE ECONOMY						
PROGRAM PERFORMANCE INDICATOR	BASE: 1990	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
1B. New firms obtaining business licenses in Bamako District increases.	12,588	12,574	14,380	16,000/ 7,020 (1st six months)		

The number of new firms obtaining business licenses in Bamako is likely to decrease in 1993. During the first six months of 1992, 13,460 licenses were issued, while only 7,020 were issued during the same period in 1993. Typically, few business licenses are issued in the second half of the year. Some of the decrease in licenses could be explained by new licensing procedures, which require payment of all taxes at the time the license is approved. The reluctance to seek licenses for new businesses is also related to a general breakdown in the authority of the Malian Government, as manifested by the refusal of many Malians to pay taxes. Since anecdotal evidence indicates that the number of new businesses is about the same as it was in 1992, one can conclude that a decrease in the number of business licenses does not necessarily imply a decrease in the number of new businesses. Given the inadequacy of this indicator in measuring USAID's contribution to growth of the private sector, an alternative indicator will be developed for FY 94. During the next year, the technical assistance team of the Policy Reform for Economic Development Project will study obstacles to the establishment of formal private sector businesses. (Source: Tax Center, District of Bamako).

Target 1.1 Improve Regulatory Policies and Practices							
SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 PL.	1993 PL.	1994 PL.	1995 PL.
1.1a Simplification: GRM introduces a single direct income tax.	11 income taxes	No change	No change	No change	No change		

USAID has concluded that this subtarget is inappropriate. The Malian Government has been working toward establishing a single lump-sum tax, which we believe might further discourage payment of taxes. What is needed is a mechanism that incorporates all taxes into a system with reasonable marginal rates, and that generates revenues without discouraging the underlying economic activities. In order to help the Government to optimize both revenues and incentives to pay income taxes, USAID will analyze tax policies through the Policy Reform for Economic Development Project and make recommendations for policy reform. A more appropriate subtarget will be developed for FY 94.

Target 1.2 Decrease Fiscal Burden on the Private Sector								
SUBTARGET	BASE: 1986	1987 PL.	1990 PL.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
1.2b Fiscal Pressure: GRM reduces (a) the minimum business profits tax and (b) the payroll tax.	a. 75% of all sales b.7.5% of payroll	NA	NA	No change	No change	Both rates are reduced/ No change		

For most firms, the rates for these taxes have not changed since 1986-87. However, in compensation for hiring young graduates, the payroll tax has been reduced for selected enterprises. As with the single income tax, this subtarget will be refined or replaced by another fiscal subtarget, following study by the Policy Reform for Economic Development Project's technical assistance team. (Source: Ministry of Finance)

SUBTARGET	BASE: 1989	1990 PL.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
1.2c Equity: Number of taxpayers increases, with fiscal burden equitably distributed.	35% estimate	NA	NA	NA	1992 plus 10%/NA		

This subtarget was not worded in a way that reflects the Malian Government's tax system. We intend to develop a more appropriate measure in FY 94. Nevertheless, it is clear that both tax revenues and numbers of tax payers have sharply declined during this reporting period. With the advent of democracy, many Malians distrust their Government and need to be convinced that their tax money will not be stolen or wasted and that they will directly benefit. At the same time, formal private sector enterprises have been overtaxed by the Government, since other revenues are dwindling. As a result, formal sector businesses hide their income. Data and figures documenting this phenomenon are extremely difficult to develop. The Government would like to distribute more equitably the fiscal burden, as evidenced by its efforts to reduce tax exemptions, to inform the public of its responsibility to pay taxes, to improve customs receipts, and to fight fraud and corruption. These measures have not resulted in significant increases in revenue, and have had little impact on the equity of revenue collection. The Policy Reform for Economic Development Project will identify regulatory and fiscal contraints that prevent economic activities from shifting from the informal to the formal sectors. The institutionalization of commercial and administrative courts under this project may help establish a sense of confidence for businesses operating in the formal sector.

Target 1.4 Increase Job Opportunities							
	SUBTARGET	BASE: 1990	1991 ACT.				
1.4a	Employment: Growth in private sector employment absorbs 18,000 from public sector overflow and unemployed graduates.	42,400 civil. 15,000 mil. 10,000 grads	40,800 No change No change				

Employment figures at the macro level are very difficult to obtain. With the liberalization of hiring and firing procedures, the year 1992 witnessed the emergence of private placement agencies in Bamako and other regions, further complicating data collection. Demand for labor from the modern private sector registered at the "Office Nationale de la Main d'Oeuvre" has increased by 195.6% from 1,007 in 1991 to 2,977 in 1992. The bulk of the demand however is unrecorded and is in the informal sector. USAID has had only a marginal impact on employment, directly for the 644 voluntary retirees from the Government who are elible to receive business loans guaranteed by our funds, and indirectly through our general support for structural adjustment. USAID will develop a more appropriate indicator for FY 94. (Source: Ministry of Employment, Vocational Training and Private Initiatives).

Target 1.5 Increase the Availability of Credit to Small and Medium Enterprises								
	SUBTARGET	BASE: 1988	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./EST.	1994 PL.	1995 PL.
1.5a	Lending: Bank credit for (a) private sector activities and particularly (b) small and medium enterprises (SMEs) increases. (FCFA millions).	a.70,400 b.13,420 or 19.1%	a.85,400 b.12.988 or 15.20%	a. 87,200 b. 13,813 or 15.84%	a. 92,600 b. 14,684 or 15.85%	a.NA/ 96,100 b. NA		

Although Mali pursued a prudent credit policy in 1992, credit given to the private sector as a whole increased by 6.2%, and credit to SME's increased by 6.3% relative to 1991. The slow expansion of credit in Mali is ultimately due to an overvalued FCFA, which is propped up by credit ceilings and high interest rates. Few projects are feasible at these rates of interest. Under the structural adjustment program, the Malian Government has decreased its domestic borrowing and internal arrears, leading to an increase in the amount of credit available to the private sector. USAID's contribution toward increasing credit for the private sector has been modest, given the constraints of the CFA monetary system. The Policy Reform for Economic Development Project's funding of computerization of the Government payroll has helped reduce expenditures, limiting increases in Government's need to borrow. To improve the environment for the private sector, the Project is helping in the creation of commercial and judicial courts, which will increase business confidence. (Sources: Central Bank, Office de l'Haute Vallee and Cereals Market Restructuring Program)

SUBTARGET	BASE: 1988	1989 ACT.	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL./EST.	1994 PL.	1995 PL.
1.5b Non-Commercial Credit: The share of credit given to non-commercial activities increases.	54%	53%	55.9%	53.3%	55%	60%/53%		

The share of credit given to non-commercial activities slightly increased in 1992, but appears to have decreased in 1993. In the current economic environment, commercial activities are the safest investments for banks. Most Malian banks resist making loans for productive activities, unless they have a close relationship with the entrepreneur. Nevertheless, the absolute level of credit to non-commercial activities may have changed little, since the increase in the percentage of lending to commercial activities was balanced to some degree with the increase in credit to the private sector as a whole. The structural adjustment program is designed to increase the profitability of export production. USAID has played a limited and indirect role in promoting credit to non-commercial activities. We helped increase the profitability of exporting by making elimination of export taxes a condition for disbursement of non-project assistance under the Policy Reform for Economic Development Project. The Project's involvement with commercial and administrative courts will leader to greater investment incentives for non-commercial activities. (Sources: Central Bank, Mission estimates)

Target 2.2 Increase stable grain sector productivity

SUBTARGET	BASE: 1989	1990 PL.	1991 ACT.	1992 PL.	1993 PL./ACT.	1994 PL.	1995 PL.
2.2a Technology: New technologies are developed by research organizations and adopted by farmers.	8 varieties; 1 practice (1980-89)	NA	6 new varieties	1 new cropping practice	2 new cropping practices/8 new technologies cleared		

We believe this subtarget inadequately shows the impact of USAID's agricultural research activities. We will develop more appropriate subtargets for FY 94.

SUBTARGET	BASE: 1989	1990 PL.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
2.2c Resource Management: Farmers adopt improved farming practices.	3 improved practices in Haute Vallee Zone	NA	12 improved practices	17 improved practices	NA		

This subtarget, like that for technologies, is considered inadequate to show USAID's impact. We will develop a new subtarget for FY 94.

Target 2.3 Increase Livestock Exports							
SUBTARGET	BASE: 1989	1990 PL.	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
2.3b Animal Health: The vaccination rate for rinderpest increases.	55%	NA	58%	63%	69%/NA		

This indicator is no longer appropriate because there have been no epidemic outbreaks of rinderpest in Mali for several years. The Animal Productivity and Export Project is funding programs to increase private sector responsibility for herd vaccination without additional health risk or loss to the national herd. An alternative subtarget for animal health will be included in FY 94. (Sources: Central Veterinary Laboratory and Management Development Support Team records)

STRATEGIC OBJECTIVE 3: IMPROVE DELIVERY OF HEALTH AND EDUCATIONAL SERVICES

Target 3.1 Improve Health Care							
SUBTARGET	BASE: 1987	1990 PL.	1991 EST.	1992 EST.	1993 PL./EST.	1994 PL.	1995 PL.
3.1d The chronic malnutrition rate decreases. (weight for height)	24%	NA	22.1%	21.6%	21.2%/ 21.1%		

We believe the chronic malnutrition rate is decreasing. The USAID-funded Africare Dioro Child Survival Project's final evaluation report (December 1992) indicated a reduction from 29.7% to 14.7% in moderate/severe malnutrition. A midterm assessment of the Nutrition Communication Project in Macina carried out in February 1993 indicated a general improvement in the nutritional status of children under 3 years of age, illustrated by a drop from 14% to 4.55% in the percentage of malnourished children using weight for height and from 44.4% to 21.1% in the percentage of malnourished children using weight for age.

There is evidence that improvements occurred in nutrition practices and behaviors, which should result in a decrease in chronic malnutrition. The World Vision project mid-term evaluation indicates that 100% of mothers in Koutiala are introducing solids to infants 4-6 months of age compared to 25% in 1990, when the project began. In 1993, 80% of mothers in the project area knew how to manage a child during a diarrheal episode compared to 50% in 1990. (Sources: Demographic Health Survey, Nutrition Communication Project, PVO reports, Mission Estimates).

USAID's contribution to the fight against malnutrition has been on a local rather than a national scale. We are considering developing a more geographically-limited subtarget for FY 94.

Target 3.2 Improve Basic Education						
SUBTARGET	BASE: 1990	1991 ACT.	1992 ACT.	1993 PL./ACT	1994 PL.	1995 PL.
3.1i Budget Restructuring: Ministry of Health's share of the GRM central budget increases.	6.6%	7.3%	8%	8.2%/6%		

The portion of the Government budget allocated to health for 1993 was approximately 6%, reflecting the competition for dwindling government revenues. The Prime Minister publicly reaffirmed the high priority his Government gives the health sector, but political and economic pressures associated with structural adjustment have prevented increasing the percentage of the budget devoted to health. We are not optimistic that the Malian Government will increase significantly the percentage of its budget going to the health sector as a whole in the next few years. USAID does not have much influence over budgetary allocations to health, other than insisting that the Government live up to its commitments to finance its share of USAID health projects. For FY 94, we will consider developing a new subtarget that better reflects USAID impact on the health budget. (Sources: Ministry of Health, Ministry of Finance, World Bank statistics)

SUBTARGET	BASE: 1990	1991 ACT.	1992 ACT.	1993 PL./ACT.	1994 PL.	1995 PL.
3.2h Decentralization: (a) School Parent Groups increase their share of funding for school improvements; (b) the number of classrooms increases.	(a) N/A (b) 7300	N/A 7591	N/A 7788	N/A 8500/9292		

A finance study will be carried out to assess parents' contributions for school improvements. This is primarily a World Bank-supported activity, under the Fourth Educational Project. USAID complements the World Bank project through funding classroom rehabilitation. While data for this indicator is not yet available, we believe it is important to maintain the indicator in some form because of its significance for long-term funding of basic education. The number of classrooms increased significantly through funding from donors for construction of classrooms. The World Bank financed the construction of 613 classes and the rehabilitation of 1,290 classes from 1989-1993. Canada during the same period financed 72 new classes and 134 rehabilitated classes. Other donors, such as Germany, Norway, The Islamic Development Bank, OPEC and the African Development Bank, are planning to construct or rehabilitate additional classes. USAID funded the rehabilitation of 1,970 classes. Most of these repairs improved the quality of existing classrooms, rather than contributing to an increase in the number of classrooms and thus increased classroom usage. We will establish indicators that more directly show USAID impact in FY 94. (Source: Statistical Directory, Ministry of Education).

Annex C
USAID Mali Program Logical Framework, Fiscal Years 1990 - 1994

MISSION PROGRAM GOAL To Promote Economic Growth. **SUBGOAL** To Improve the Quality of Life.	**COUNTRY TREND INDICATORS** 1. Real GDP grows at least 4% per year, surpassing $3.3 billion by 1995. 2. Per capita GDP increases from $260 in 1989 to $355 in 1995. 3. Exports of goods and non-factor services increases from $268 million in 1989 to $468 million in 1995. 1. Life expectancy increases from 47 in 1987 to 51 by 1995. 2. Literacy rate increases from 14% in 1989 to 17% in 1995.

STRATEGIC OBJECTIVE 1: Increase Private Sector Participation in the Economy.	**PROGRAM PERFORMANCE INDICATORS** A. Private sector investment in the economy increases from FCFA 75 billion in 1989 to FCFA 130 billion in 1995. B. (eliminated) C. Number of traders receiving credit for grain storage and marketing through the Cereals Market Restructuring Program increases from 19 in 1988 to --- in 1995.
TARGET	**SUBTARGET**
1.1: Improve Regulatory Policies and Practices	a. (eliminated) b. Transport: Price controls on internal transport are abolished by 1993, allowing private sector to provide agricultural transport services. c. Privatization: The Pharmacie Populaire du Mali (PPM) stops importing nonessential drugs by 1991, permitting private pharmacies to do so directly. d. Judicial system: Commercial and administrative courts in Bamako, Kayes, Mopti and regions become fully operational by successfully handling business and industrial ligitations.
1.2: Decrease Fiscal Burden on the Private Sector	a. Export promotion: GRM eliminates all export taxes by 1992. b. (eliminated) c. (eliminated)
1.3: Improve Public Sector Performance	a. Support to private sector: Ministry of Finance's DNAE is reoriented to a private sector support role by 1992. b. Fiscal performance: Government fiscal deficit as a percentage of GDP is reduced from 10% in 1989 to 7% in 1995. c. Revenue promotion and equity: Tax reveues increase from FCFA 85.6 billion in 1988 to FCFA 120 billion in 1995, through increases in the tax base and equitable income tax rates.
1.4: (eliminated)	a. (eliminated) b. (eliminated)
1.5: (eliminated)	

STRATEGIC OBJECTIVE 2: Increase Incomes in Areas of High Productive Potential.	PROGRAM PERFORMANCE INDICATORS A. The value of agricultural production increases an average of 4% per year during the 1989-1995 period. B. The value of agricultural exports increases from FCFA 60 billion in 1988 to 120 billion in 1995.
TARGET 2.1: Increase Agricultural Production	SUBTARGET a. Staple grains: grain production outpaces population growth (3.0% per year) during the 1989-1995 period. b. Food security: intra-annual grain price variation is reduced from an average of 11.2% for millet ans 8.6% for rice in 1989 to 4% for millet ans 1,5% for rice in 1995. c. Credit: Credit extended from USAID projects to cooperatives increases, from $4.3 million in 1989 to $5,5 million in 1995.
2.2: Increase Staple Grain Sector Productivity	a. b. Research: The national agricultural research system is reorganized, and a national agricultural research strategy is developed and adopted by 1995. c. (eliminated)
2.3: Increase Livestock Exports	d. Land use and tenure: Land use and forest policies favoring private agroforestry investment are implemented by 1994. a. Fiscal and regulatory measures: The GRM abolishes export taxes by 1991, minimizes nuisance taxes by 1993, and simplifies procedures for livestock exports by 1994. b. (eliminated) c. Private practice: The number of private veterinary practitioners increases.

STRATEGIC OBJECTIVE 3: Improve Delivery of Health and Educational Services	PROGRAM PERFORMANCE INDICATORS A. Infant mortality declines from 108/1000 live births in 1987 to 92/1000 in 1995. B. The number of primary school children completing the sixth grade increases from 25,850 in 1989 to 40,000 (cumulative) in 1995.
TARGET 3.1: Improve Health Care	SUBTARGET a. Village health centers: 156 new health centers are established, staffed with trained personnel, and financed entirely from local community funds during the 1991-1995 period. b. Infant vaccinations: The number of children under age 1 vaccinated against major childhood diseases increases from 5% in 1987 to 65% in 1995. c. Mothers at risk: The number of urban and rural women of reproductive age vaccinated with two doses of tetanus toxoid increases from 30% and 7% (1990) to 60% and 30% (1995). d. (eliminated) e. Contraceptives: The national prevalence rate increases from 1.3% in 1987 to 6.8% in 1995. f. Pharmaceuticals: The number of village pharmacies fully stocked with essential drugs and contraceptives increases from 0 to 100% in the CHPS project zone and 50% nationwide. g. Private practice: The number of private health practitioners increases. h. Disease coverage: The number percentage of post natal consultations with the public health system increases from 15% in 1990 to 52% in 1995. i. (eliminated)

STRATEGIC OBJECTIVE 3: Improve Delivery of Health and Educational Services	PROGRAM PERFORMANCE INDICATORS A. Infant mortality declines from 117/1000 live births in 1989 to 98/1000 in 1995. B. The number of primary school children completing the sixth grade increases from 19,300 in 1989 to 82,600 (cumulative) in 1995.
TARGET 3.2: Improve Basic Education	SUBTARGET a. Enrollment: The number enrolled in grades 1 through 6 increases from 311,000 in 1989 to 528,000 in 1995. b. Gender: The number of girls enrolled in grades 1 through 6 increases from 115,000 in 1990 (17% of all school-age girls) to 200,000 in 1995 (29%). c. Repeater rate: The number of students repeating primary school grades decreases from 30% in 1988 to 10% in 1995. d. Student-teacher ratio: The number of students per teacher decreases from 51:1 in 1989 to 48:1 in 1994. e. Training: The number of teachers and other staff receiving in-service training in pedagogical and management skills increases from 0 in 1989 to 4,000 in 1995. f. Textbook availability: The number of textbooks per student increases from 0.3 in 1990 to 15 in 1995. g. Textbook use: (a) the percentage of teachers using textbooks increases from 10% in 1991 to 90% in 1995; (b) the percentage of classrooms where students use textbooks increases. h. (eliminated) i. Number of "complete schools" increases in the Koulikoro Region from 0 in 1992 to 80 in 1995. j. Budget restructuring: Education's share of the central budget does not fall below 21% in 1995, from 25% in 1989 to 27%; resources for basic education do not fall below 33% of Education budget in 1995 from 38% of MEN's budget in 1989 to 45%. k. Student perfomance in core areas improves in the 2nd and 5th grades form 44.4 to 50.