

International Bank for Reconstruction and Development
International Development Association
International Finance Corporation
Multilateral Investment Guarantee Agency

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EDS97-415
November 11, 1997

Board Meeting of November 11, 1997
Statement by Helmut Schaffer

Niger CAS

1. We believe that this is a very good and innovative Country Assistance Strategy. We find the assessments to be realistic, with regard to the track record of the country and also with regard to the development perspectives of Niger in the short, middle and long term. We are thankful for a very clear and realistic picture: "a harsh natural environment and poor resource base, weak human resource development, high population growth, and a possibly unstable political situation" as the CAS puts it. One would only have to add a very long time of mismanagement and a lack of investments to know that we should all prepare for a long time of assistance for Niger. That is clearly not a very optimistic picture, but considering that Niger ranks last on the Human Development Index of UNDP it is the unfortunate reality and our strategy has to start from there.

2. We agree with the sectoral priorities for the Bank and we see them as complementary to our bilateral assistance. We know that there has been close consultation of donors in Niamey, something that the Board often asks for and we are very thankful for that. Unfortunately the document itself doesn't tell us what the regional and sectoral priorities of the other donors are and whether the proposed strategy is complementary to all programs. It would have been interesting to include that information, i.e. the close coordination with the EU in health or even ideas for possible joint initiatives with other donors (sector investment programs etc.).

3. Para 27 describes in a very frank and self-critical manner the self-assessment of the Bank's performance, something this chair always highly values in all Bank documents. We - if we may - tend to agree with the assessment (frequently unrealistic goals, too complex operations, underestimation of implementation problems - all features known in our cooperation as well) and we are very glad to see that staff is dedicated to learn from mistakes. Something we would be inclined to add to the list is the lack of participatory and decentralized approaches. If applied that could (among other benefits) potentially help increase ownership.

4. The document makes it very clear that at present and in the middle term it will not be possible that the basic needs of all people in Niger will be satisfied. Investments in basic education, basic health services and drinking water are therefore highly needed and welcome. Because of the magnitude of the deficits the Bank proposes to work directly with target groups and non-governmental structures. This participatory approach is also very welcome in principle. The only problem in Niger seems to be that there are very few competent and reliable groups and NGOs to work with for these purposes. It would be interesting to hear from staff how exactly we intend to implement such programs given the lack of capacities and partners. For instance: who will finance recurrent costs of implementing structures and in the case of external financing: for how long ?

5. We share the importance of controlling population growth and would encourage the Bank to send very clear signals in its political dialogue with the authorities in Niamey. It is our opinion that because of the sensitivities involved UNFPA should take the lead with support from the Bank and bilaterals.

6. Our authorities have asked us to encourage staff to closely coordinate all activities in the water sector with them since this is a sector where we seem to have considerable experience and exposure in Niger. One of the experiences is that in order to promote sustainability in the water sector (drinking water and resource management) we should look for small, local solutions adaptable to local circumstances rather than big projects (very much in line with the self-assessment mentioned earlier).

In this context, it was surprising to note that the CAS does not mention desertification as one of the major problems and also omits to make references to the desertification convention.

7. We believe that the importance of agriculture and food security is slightly underestimated in the CAS. Considering the fact that only 12% of the area of Niger can be used for agricultural purposes (and only 5% is actually used) increasing agricultural productivity should receive more attention.

8. We support the suggested open economic policies and regional linkages, but we miss a discussion of some of the major impediments for instance for trade with Nigeria: illegal trade, corrupt and criminal practices as well as currency related problems seem to be major issues that need to be addressed.

9. With regard to triggers it is our opinion that a rate of 80% satisfactory projects is not a great incentive considering the fact that according to Annex B6 nine out of ten credits were rated "satisfactory" (in spite of all the problems). With regard to the disbursement trigger, we would like to see it complemented by a qualitative indicator. We also observe that the CAS development indicators are mostly input-indicators. Wouldn't it be more useful to use output measures ?

Again, in spite of the points mentioned above, we think that this is a very good CAS and congratulate staff on a fine piece of work.

