Document of
The World Bank

Report No: ICR00003815

IMPLEMENTATION COMPLETION AND RESULTS REPORT
(IDA-51310, IDA-52380, IDA-H9380)

ON

TWO CREDITS AND ONE GRANT

IN THE TOTAL AMOUNT OF SDR111.1 MILLION
(US$169.27 MILLION EQUIVALENT)

TO THE

REPUBLIC OF NIGER

FOR THE

SHARED GROWTH CREDITS I AND II AND
SHARED GROWTH GRANT III

July 6, 2016

Macroeconomics and Fiscal Management
AFCW3 Country Department
Africa Region

CURRENCY EQUIVALENTS
(Exchange Rate as of May 6, 2016)

Currency Unit = CFA Franc (CFAF)
US$1 = CFAF 572.9
CFAF 1 = US$0.00175

THE REPUBLIC OF NIGER - FISCAL YEAR
January 1–December 31

ABBREVIATIONS AND ACRONYMS

CPS	Country Partnership Strategy
DPO	Development Policy Operation
ECF	Extended Credit Facility
GDP	Gross Domestic Product
GoN	Government of Niger
HDI	Human Development Index
ICR	Implementation Completion and Results Report
IDA	International Development Association
IFC	International Finance Corporation
IMF	International Monetary Fund
ISR	Implementation Status and Results Report
MoF	Ministry of Finance
MPRCD	Ministry of Planning, Regional and Community Development
NIGELEC	Nigerien Electricity Company (*Société Nigérienne d'Electricité*)
NOC	Niger Center for Agronomic Research
ONAHA	National Agency for Irrigation Schemes (*Office National des Aménagements Hydro-Agricoles*)
OPVN	Nigerien Food Product Office (*Office des Produits Vivriers du Niger*)
PDES	Plan for Economic and Social Development (*Programme de Développement Economique et Social*)
PDO	Program Development Objective
PEFA	Public Expenditure and Financial Accountability
PEMFAR	Public Expenditure Management and Financial Accountability Review
PER	Public Expenditure Review
PFM	Public Finance Management
PIM	Public Investment Management
PIRSC	Public Investment Reform Support Credit
PPP	Public-Private Partnership
ProDeC	Projet de Développement des Compétences
SGC	Shared Growth Credit
SOE	State-owned Enterprise
TA	Technical Assistance
TTL	Task Team Leader
TVET	Technical and Vocational Education and Training
WAEMU	West African Economic and Monetary Union

Vice President: Makhtar Diop
Country Director: Paul Noumba Um
Senior Global Practice Director: C. Felipe Jaramillo
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REPUBLIC OF NIGER

SHARED GROWTH CREDITS I, II AND GRANT III

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A. Basic Information			
Program 1			
Country	Niger	Program Name	NIGER - Shared Growth Credit I
Program ID	P125272	L/C/TF Number(s)	IDA-51310
ICR Date	07/05/2016	ICR Type	Core ICR
Lending Instrument	DPL	Borrower	REPUBLIC OF NIGER
Original Total Commitment	SDR 32.30M	Disbursed Amount	SDR 32.30M
Implementing Agencies Ministry of Planning, Regional and Community Development (MPRCD)			
Cofinanciers and Other External Partners			
Program 2			
Country	Niger	Program Name	Second Shared Growth Credit
Program ID	P132757	L/C/TF Number(s)	IDA-52380
ICR Date	07/05/2016	ICR Type	Core ICR
Lending Instrument	DPL	Borrower	REPUBLIC OF NIGER
Original Total Commitment	SDR 33.10M	Disbursed Amount	SDR 33.10M
Implementing Agencies Ministry of Planning, Regional and Community Development (MPRCD)			
Cofinanciers and Other External Partners			
Program 3			
Country	Niger	Program Name	Third Shared Growth Grant
Program ID	P145251	L/C/TF Number(s)	IDA-H9380 (Grant)
ICR Date	07/05/2016	ICR Type	Core ICR
Lending Instrument	DPL	Recipient	REPUBLIC OF NIGER
Original Total Commitment	SDR 45.70M	Disbursed Amount	SDR 45.70M
Implementing Agencies			

Ministry of Planning, Regional and Community Development (MPRCD)
Cofinanciers and Other External Partners

B. Key Dates

NIGER - Shared Growth Credit I - P125272

Process	Date	Process	Original Date	Revised / Actual Date(s)
Concept Review:	12/01/2011	Effectiveness:	10/01/2012	10/01/2012
Appraisal:	05/07/2012	Restructuring(s):		
Approval:	06/26/2012	Mid-term Review:	03/04/2013	
		Closing:	06/30/2013	06/30/2013

Second Shared Growth Credit - P132757

Process	Date	Process	Original Date	Revised / Actual Date(s)
Concept Review:	12/19/2012	Effectiveness:	09/07/2013	
Appraisal:	03/04/2013	Restructuring(s):		
Approval:	04/30/2013	Mid-term Review:		
		Closing:	06/30/2014	06/30/2014

Third Shared Growth Credit - P145251

Process	Date	Process	Original Date	Revised / Actual Date(s)
Concept Review:	11/14/2013	Effectiveness:	08/07/2014	
Appraisal:	02/10/2014	Restructuring(s):		
Approval:	03/21/2014	Mid-term Review:		
		Closing:	06/30/2015	06/30/2015

C. Ratings Summary

C.1 Performance Rating by ICR

Overall Program Rating

Outcomes	Moderately Unsatisfactory
Risk to Development Outcome	Significant
Bank Performance	Moderately Unsatisfactory
Borrower Performance	Moderately Unsatisfactory

C.2 Detailed Ratings of Bank and Borrower Performance (by ICR)

Overall Program Rating

Bank	Ratings	Borrower	Ratings
Quality at Entry	Moderately Satisfactory	Government:	Moderately Satisfactory

Quality of Supervision:	Moderately Unsatisfactory	Implementing Agency/Agencies:	Moderately Unsatisfactory
Overall Bank Performance	Moderately Unsatisfactory	Overall Borrower Performance	Moderately Unsatisfactory

C.3 Quality at Entry and Implementation Performance Indicators

NIGER - Shared Growth Credit I - P125272

Implementation Performance	Indicators	QAG Assessments (if any)	Rating:
Potential Problem Program at any time (Yes/No):	No	Quality at Entry (QEA)	None
Problem Program at any time (Yes/No):	No	Quality of Supervision (QSA)	None
DO rating before Closing/Inactive status	Satisfactory		

Second Shared Growth Credit - P132757

Implementation Performance	Indicators	QAG Assessments (if any)	Rating:
Potential Problem Program at any time (Yes/No):	No	Quality at Entry (QEA)	None
Problem Program at any time (Yes/No):	No	Quality of Supervision (QSA)	None
DO rating before Closing/Inactive status	Satisfactory		

Third Shared Growth Grant - P145251

Implementation Performance	Indicators	QAG Assessments (if any)	Rating:
Potential Problem Program at any time (Yes/No):	No	Quality at Entry (QEA)	None
Problem Program at any time (Yes/No):	No	Quality of Supervision (QSA)	None
DO rating before Closing/Inactive status	Moderately Satisfactory		

D. Sector and Theme Codes

NIGER - Shared Growth Credit I - P125272		
	Original	Actual
Sector Code (as % of total Bank financing)		
Agricultural extension and research	13	13
Central government administration	62	62
General industry and trade sector	25	25
Theme Code (as % of total Bank financing)		
Other Private Sector Development	12	12
Public expenditure, financial management and procurement	50	50
Regulation and competition policy	13	13
Rural services and infrastructure	13	13
Tax policy and administration	12	12

Second Shared Growth Credit - P132757		
	Original	Actual
Sector Code (as % of total Bank financing)		
Agricultural extension and research	13	13
Central government administration	63	63
General industry and trade sector	12	12
Vocational training	12	12
Theme Code (as % of total Bank financing)		
Improving labor markets	12	12
Public expenditure, financial management and procurement	50	50
Rural services and infrastructure	12	12
Tax policy and administration	13	13
Trade facilitation and market access	13	13

Third Shared Growth Grant - P145251		
	Original	Actual
Sector Code (as % of total Bank financing)		
Central government administration	15	15
General agriculture, fishing and forestry sector	30	30
General energy sector	20	20

General industry and trade sector	25	25
Vocational training	10	10
Theme Code (as % of total Bank financing)		
Education for the knowledge economy	10	10
Export development and competitiveness	20	20
Public expenditure, financial management and procurement	40	40
Rural policies and institutions	10	10
Tax policy and administration	20	20

E. Bank Staff

NIGER - Shared Growth Credit I - P125272

Positions	At ICR	At Approval
Vice President:	Makhtar Diop	Makhtar Diop
Country Director:	Paul Noumba Um	Ousmane Diagana
Global Practice Sr. Director	C. Felipe Jaramillo	Not applicable
Practice Manager/ Manager:	Seynabou Sakho	Eric Bell (Acting)
Task Team Leader:	Johannes Herderschee	Robert Johann Utz
ICR Team Leader:	Luc Razafimandimby	
ICR Primary Author:	Richard Carroll	

Second Shared Growth Credit - P132757

Positions	At ICR	At Approval
Vice President:	Makhtar Diop	Makhtar Diop
Country Director:	Paul Noumba Um	Ousmane Diagana
Global Practice Sr. Director	C. Felipe Jaramillo	Not applicable
Practice Manager/Manager:	Seynabou Sakho	Miria Pigato
Task Team Leader:	Johannes Herderschee	Robert Johann Utz
ICR Team Leader:	Luc Razafimandimby	
ICR Primary Author:	Richard Carroll	

Third Shared Growth Credit - P145251		
Positions	**At ICR**	**At Approval**
Vice President:	Makhtar Diop	Makhtar Diop
Country Director:	Paul Noumba Um	Paul Noumba Um
Global Practice Sr. Director	C. Felipe Jaramillo	Marcelo Giugale
Practice Manager/Manager:	Seynabou Sakho	Maria Pigato-SM
Task Team Leader:	Johannes Herderschee	Johannes Herderschee/Abdoulahi Garba, co-task team leader
ICR Team Leader:	Luc Razafimandimby	
ICR Primary Author:	Richard Carroll	

F. Results Framework Analysis

Program Development Objectives (from Program Document)
The objectives of the proposed operation were to: (i) improve the business environment for investment and trade; (ii) increase agricultural productivity; and (iii) improve public financial management.

Revised Program Development Objectives (as approved by original approving authority)
Not revised.

Indicator(s)
Note: An indicator is characterized as exceeding its target if the actual is 20 percent or higher than the target.

Third Shared Growth Credit - P145251				
Indicator	**Baseline Value**	**Original Target Values (from approval documents)**	**Formally Revised Target Values**	**Actual Value Achieved at Completion or Target Years**
Indicator 1:	Average number of meetings with tax officials per year (Number, Custom)			
Value (quantitative or qualitative)	1.6	1.4		n.a.
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	The Implementation Completion and Results Report (ICR) cannot confirm performance against this target because the necessary new enterprise survey was not carried out. Doing Business 2016 does not provide this number, nor does it give data on improvement over time.			
Indicator 2:	Time required for processing merchandise imports (Days, Custom)			
Value (quantitative or qualitative)	64	58		61
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. %	Target not met. Final ISR reported 13 days as actual, however, this number followed the *Doing Business 2016* (DB) whose methodology was not			

achievement)	comparable to that used to establish the baseline and target. DB 2015 number (61) is used because its methodology is consistent. Further information is in section 3.2.			
Indicator 3:	Time required for processing merchandise exports (Days, Custom)			
Value (quantitative or qualitative)	59	50		56
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target not met. Final ISR reported 5 days as actual, however, this number followed the DB 2016 whose methodology was not comparable to that used to establish the baseline and target. DB 2015 number (56) is used because its methodology is same as the baseline and target. Further information is in section 3.2.			
Indicator 4:	Number of roadblocks per 100 km (Number, Custom)			
Value (quantitative or qualitative)	3.0	2.0		1.6
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target achieved and exceeded. *Ministry of Trade*			
Indicator 5:	Total number of public-private partnerships (PPPs) being implemented (Number, Custom)			
Value (quantitative or qualitative)	0	5		10
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target achieved and exceeded. *PPP unit reports*			
Indicator 6:	Number of enterprises registered per year (Number, Custom)			
Value (quantitative or qualitative)	0	1,500		1,800
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target achieved and exceeded. *La Maison de l'entreprise (Chamber of Trade and Industry).* This target was also supported through the World Bank's Competitiveness and Growth Support Project (P127204).			
Indicator 7:	Legal framework for the electricity sector regulator is established (Yes/No, Custom)			
Value (quantitative or qualitative)	No	Yes		No
Date achieved	June 30, 2011	June 30, 2015		July 30, 2015
Comments (incl. % achievement)	Target not achieved, but progress was made. The new draft law required additional time to prepare because of client's capacity limitations. The Parliament approved the law in May 2016, but the necessary decrees have not been issued. These are being taken up in the next Development Policy Operation			

	(DPO) series. Indicator was added at the time of Third Shared Growth Credit (SGC 3) to reflect the prior action.			
Indicator 8:	Number of reports published on production of crude oil and refined products (Number, Custom)			
Value (quantitative or qualitative)	0	4		4
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target achieved. Indicator added at SGC 3. *Publications of Ministry of Energy and Petroleum in newspapers including 'Le Sahel'.*			
Indicator 9:	Number of out-of-school youth that are registered in dual-apprenticeship programs in the context of the Projet de Développement des Compétences (ProDeC) project (percentage of girls) (Number, Custom)			
Value (quantitative or qualitative)	0	700		1,103
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target achieved and exceeded with respect to total registrants. 20% of registrants are female, but a target was not established for this indicator which was added at SGC 3. *Annual report of ProDeC project (P126049)*			
Indicator 10:	Number of new technologies released by NOCs (Number, Custom)a-			
Value (quantitative or qualitative)	0	5		6
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target achieved and exceeded. *West Africa Agricultural Productivity Program APL (WAAPP-1C-P122065), National Council of Research.* a-Niger Center for Agronomic Research			
Indicator 11:	Area cultivated with new technologies (Hectares-ha, Custom)			
Value (quantitative or qualitative)	0	108,000		145,000
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target achieved and exceeded. *West Africa Agricultural Productivity Program APL (WAAPP-1C-P122065), National Council of Research*			
Indicator 12:	Number of producers (agribusinesses) who have adopted improved technologies (Number, Custom)			
Value (quantitative or qualitative)	1,800	150,000		230,000
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target achieved and exceeded. *West Africa Agricultural Productivity Program APL (WAAPP-1C-P122065), National Council of Research*			
Indicator 13:	Share of total schemes (by number) monitored by ONAHA in which performance is rated as satisfactory (Number, Custom)			

Value (quantitative or qualitative)	0	66		85
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target achieved and exceeded. Indicator added at SGC 3. However, confirmation field visits are yet to take place. *National Agency for Irrigation Schemes (Office National des Aménagements Hydro-Agricoles, ONAHA) report, 2015*			
Indicator 14:	Number of operational animal feed factories (Number, Custom)			
Value (quantitative or qualitative)	0	1		0
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target not achieved. Indicator added at SGC 3. Concession process for animal feed factories is completed, but operationalization awaiting action by new private owners. *Ministry of Livestock*			
Indicator 15:	Share of public procurement contracts issued by the National Food Product Office that follow public procurement rules (Percentage, Custom)			
Value (quantitative or qualitative)	40	90		95
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target achieved. Indicator added at SGC 3. *National Food Product Office (Office des Produits Vivriers du Niger, OPVN) annual reports approved by the Board of OPVN.*			
Indicator 16:	Change in the recipient's PEFA scores (Text, Custom)			
Value (quantitative or qualitative)	2008 score	+6 score improvement since 2009		Insignificant progress up to end-2011; some improvements after that
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Inadequate information. The ICR cannot confirm achievement because the last Public Expenditure and Financial Accountability (PEFA) report was completed in 2013 with data from 2011. This PEFA ranked 21 of 31 indicators lower than their 2008 level, but not sufficiently attributable to the SGC series.			
Indicator 17:	Number of physical inspections of the execution of public procurement contracts with an individual value of more than CFAF 20,000,000 (and which are thus subject to competitive bidding) (Percentage, Custom)			
Value (quantitative or qualitative)	0	10		2
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target not achieved. Indicator added at SGC 3. *Ministry of Finance*			
Indicator 18:	Change in arrears owed by the state to the specified public enterprises (Text, Custom)			

Value (quantitative or qualitative)	Increase in arrears during 2010–11	Decline in arrears 2013–14		2011–2012: decline 2013: slight increase 2013–2014: decline
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target achieved. Indicator added at SGC 3. Last available data at the treasury shows that, although arrears for the main state-owned enterprises (SOEs) (telecom, electricity, and water) increased during 2012–13, they decreased for 2013–14. *National Treasury and the SOEs - telecom, electricity, water*			
Indicator 19:	Share of public contracts tendered competitively (by value) (%age, Custom)			
Value (quantitative or qualitative)	81	90		91
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target achieved. *Public Procurement Regulatory Agency*			
Indicator 20:	Share of public contracts tendered competitively (Percentage, Custom)			
Value (quantitative or qualitative)	68	90		93
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target achieved. *Public Procurement Regulatory Agency*			
Indicator 21:	Number of years since 2007 for which procurement processes have been audited and reports published (Number, Custom)			
Value (quantitative or qualitative)	0	6		7
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	Target achieved. Indicator added at SGC 3. *Public Procurement Regulatory Agency*			
Indicator 22:	Investment in newly established firms-US$			
Value (quantitative or qualitative)	0	30,000,000		NA
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	No information. Indicator dropped at SGC 3			
Indicator 23:	Productivity of areas under irrigation (tons/ha)			
Value (quantitative or qualitative)	4.5	6		NA
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. %	No information. Indicator dropped at SGC 3			

achievement)				
Indicator 24:	Ratio of actual pro-poor expenditures to budgeted pro-poor expenditures (percent)			
Value (quantitative or qualitative)	74	100		NA
Date achieved	June 30, 2011	June 30, 2015		June 30, 2015
Comments (incl. % achievement)	No information. Indicator dropped at SGC 3			

G. Ratings of Program Performance in ISRs

NIGER - Shared Growth Credit I - P125272				
No.	**Date ISR Archived**	**DO**	**IP**	**Actual Disbursements (USD millions)**
1	07/27/2012	Satisfactory	Satisfactory	0.00
2	02/23/2013	Satisfactory	Satisfactory	49.08

Second Shared Growth Credit - P132757				
No.	**Date ISR Archived**	**DO**	**IP**	**Actual Disbursements (USD millions)**
1	02/19/2014	Satisfactory	Satisfactory	50.22

Third Shared Growth Credit - P145251				
No.	**Date ISR Archived**	**DO**	**IP**	**Actual Disbursements (USD millions)**
1	02/03/2016	Moderately Satisfactory	Moderately Satisfactory	69.97

H. Restructuring

Not applicable.

1. Program Context, Development Objectives and Design

1.1 Context at Appraisal

1. Niger is a landlocked, mostly desert, country with an area of 1.27 million km^2 with a fast growing population. The country's population is concentrated in the areas around the Niger River in the western corner of the country, bordered by Mali, Burkina Faso, and Benin, and then stretches through the Sahel region all along Nigeria's long northern border. North of this belt, the land is largely desert. Niger's population is growing by 3.3 percent annually with 47 percent under the age of 15. Total population, at appraisal, was about 16 million.

2. At the time of appraisal, Niger ranked 187 out of the 187 countries on the United Nations Development Program's 2012 Human Development Index (HDI). The gross domestic product (GDP) per capita in purchasing power parity terms was US$701 in 2012, among the lowest in the world. The poor HDI ranking notwithstanding, between 2000 and appraisal, the country's economic and social indicators had improved, and despite periodic setbacks due to droughts, conflict in the sub-region, and political instability, Niger's economy began to grow, with positive per capita GDP growth after 2000.

3. More than half of the population lived below the national poverty line and more than two thirds of the adult population were illiterate. About 80 percent of the population derived their livelihoods from agriculture and livestock, even though the country constantly battled drought and only about 12 percent of all its land is arable. Uranium mining contributed about 50 percent of the country's exports. Productivity in most sectors was low and exports consist mainly of unprocessed products from the extractive industries, livestock, and agriculture. Most of the country's growth potential is associated with the oil and mining sectors, livestock, and with regional trade in the West African Economic and Monetary Union (WAEMU) and with Nigeria.

4. The successful return to constitutional order in April 2011 provided a basis for a renewed focus on economic development and poverty reduction. The government program set out an ambitious agenda to foster economic growth, food security, universal primary education, and good governance. The start of oil production in November 2011 and large scale investments in the uranium sector promised to boost economic growth in the medium term and provided additional resources to the Government for the realization of its program.

5. At the same time, Niger faced a number of risks. The regional security situation was extremely difficult. With Libya to the north in turmoil, about 200,000 Nigerien migrant workers were forced to return to Niger. Large numbers of weapons and soldiers were flowing across Niger's borders. Insurgency was developing in Mali, which erupted a year later in 2012. Terrorist activities were on the rise; Boko Haram was increasing activities in Nigeria which caused people to flee into Niger, and there was an ongoing threat of Al Qaida in the Islamic Maghreb. There were also risks of political fragility where failure of the Government to deliver tangible results could result quickly in the loss of popular support and a political stalemate and continued vulnerability to climatic shocks and developments in commodity markets.

6. **Rationale for World Bank Assistance**. The Shared Growth Credit (SGC)[1] series was designed to help achieve the Country Partnership Strategy (CPS) and the World Bank's Africa Region Strategy. The focus areas of the CPS included: (a) promoting resilient growth; (b) reducing vulnerability; and (c) mainstreaming gender and strengthening governance and capacity for public service delivery. Funds from the SGC series would help the Government of Niger (GoN) in pursuing the objectives of its national development strategy as defined in the Plan for Economic and Social Development (*Programme de Developpement Economique et Social,* PDES). The Africa Strategy's pillars were (a) competitiveness and employment and (b) vulnerability and resilience, with a crosscutting focus on good governance and strong public sector capacity. The series supported reforms aimed at reducing barriers to investment through the improvement of the business climate, which would contribute to both pillars by supporting accelerated growth and economic diversification. Diversification would broaden Niger's economic and fiscal base, reducing its macroeconomic vulnerability and enhancing its resilience to external shocks. There were also synergies between ongoing investment projects and technical assistance (TA) supported by the World Bank that benefited from the SGC series (detailed in section 2).

1.2 Original Program Development Objectives (PDO) and Key Indicators

7. The PDO was to (i) improve the business environment for investment and trade; (ii) increase agricultural productivity; and (iii) improve public financial management, which was aligned with the GoN's PDES priorities.

1.3 Revised PDO and Key Indicators, and Reasons/Justification

8. There were no revisions to the PDO. SGC 1 and SGC 2 used the same set of 14 results indicators. Ten results indicators were added for the third SGC to align with the new set of prior actions. At the same time, three other results indicators were dropped (table 1), one from each of the three Program policy areas. These revisions were made in consultation with the Ministry of Planning, Regional and Community Development (MPRCD) and the Ministry of Finance (MoF). The series closed with 21 results indicators. Sector and theme codes also shifted between SGC 2 and SGC 3 to reflect the changing composition of prior actions. However, these changes did not necessitate a change in the PDO, which remained appropriate.

Table 1. Revisions to the SGC Results Indicators

Added for SGC 3	Deleted from original SGC 1 program
1. Legal framework for the electricity sector regulator is established (Yes/No)	1. Productivity of areas under irrigation (tons/ha)
2. Number of reports published on production of crude oil and refined products	2. Investment in newly established firms
3. Number of out-of-school youth who are registered in dual-apprenticeship programs in the context of the *Projet de Développement des Compétences* (ProDeC) project (percentage of girls)	3. Ratio of actual pro-poor expenditures to budgeted pro-poor expenditures

[1] Note that the first two operations in the SGC series were IDA credits while the third operation was a grant. For simplicity, this Implementation Completion and Results Report (ICR) refers to the three operations as SGC 1, 2 and 3.

4. Share of total schemes (by number) monitored by *National Agency for Irrigation Schemes (Office National des Aménagements Hydro-Agricoles,* ONAHA) in which performance is rated as satisfactory	
5. Number of operational animal feed factories	
6. Share of public procurement contracts issued by the National Food Product Office that follow public procurement rules	
7. Change in the recipient's PEFA scores	
8. Number of physical inspections of the execution of public procurement contracts with an individual value of more than CFAF 20,000,000 (and which are thus subject to competitive bidding.	
9. Change in arrears owed by the state to the specified public enterprises	
10. Number of years since 2007 for which procurement processes have been audited and reports published	

Note: ONAHA = National Agency for Irrigation Schemes (*Office National des Aménagements Hydro-Agricoles*); PEFA = Public Expenditure and Financial Accountability.

9. The additional indicators helped improve the results framework because they were more closely tied to the specific prior actions. The three indicators that were deleted were too high a level and/or generally not closely attributable to the actions of the SGC series (see section 2.3 for further discussion).

1.4 Original Policy Areas Supported by the Program

10. The aim of the SGC series was to address three main constraints to development: a business environment that was not conducive to growth and employment, an irrigated agricultural sector that required institutional improvements to raise productivity, and weak public financial management that reduced government efficiency. These policy areas and their sub-objectives are presented below. The relevant portion of the GoN development strategy, the PDES, is provided in parentheses and further details of the relevance of the SGC Program to the GoN's priorities are presented in section 3.1. The relevant PDES pillars were: Pillar 4. Promoting the diversification and enhancing competitiveness to facilitate more robust and inclusive growth; Pillar 3. Reinforcing food security and supporting agricultural development; and Pillar 1. Strengthening the credibility and efficiency of public institutions. Details of the Program policy areas are in Section 2.1.

Policy Area 1: Establishing a competitive and diversified economy for accelerated and inclusive growth (PDES Pillar 4)

- Establishing a competitive and diversified economy for accelerated and inclusive growth
- Reforming tax administration
- Updating the investment code
- Removing obstacles to commerce
- Enhancing efficiency in the energy sector
- Enhancing transparency in the oil sector
- Strengthening the legal framework for technical and vocational education and training (TVET)
- Enhancing social safety nets to protect human capital and asset accumulation by the poor

Policy Area 2: Food security and sustainable agricultural development (PDES Pillar 3)

- Strengthening research and extension services
- Improving the institutional framework for irrigation development
- Creating an efficient system for value addition in the livestock sector
- Enhancing the efficiency of the food security system

Policy Area 3: Enhancing the efficacy of public spending (PDES Pillar 1)

- Modernizing the legal framework for public financial management (PFM)
- Improved budget execution and reporting
- Improved financial oversight and management of parastatal enterprises and institutions
- Strengthening public procurement systems

1.5 Revised Policy Areas

11. The same three main policy areas were pursued throughout the Development Policy Operation (DPO) series.

1.6 Other significant changes

12. There were no significant changes.

2. Key Factors Affecting Implementation and Outcomes

2.1 Program Performance

13. **Niger's growth tends to be volatile, but the average real GDP growth increased to 7.8 percent for the 2012-2014 period, compared to 4.6 percent in the previous ten years.** Table 2 provides a picture of the macroeconomic environment in which the Program was implemented. Real GDP growth per capita increased from 1.3 percent in 2002-2011 to 3.3 percent in 2012-2014. Recent growth has been driven by extractive industries, as well as agriculture, trade and transport. Growth in the agriculture sector, which the Program promoted, has improved with an average of 2.4 percentage points added to annual growth between 2012 and 2014. However, commodity price fluctuations, security issues and droughts caused annual growth in both the extractive sector and agriculture to fluctuate widely.[2] Exports and imports have not yet seen a significant rise in response to improvements in the processing times. Likewise, fiscal deficits fluctuated at a somewhat higher level during the SGC program.

[2] See also *Niger—Policy Note for the Eighth Review under the Extended Credit Facility (ECF) Arrangement*, April 2016.

Table 2. Macroeconomic Indicators

	2011	2012	2013	2014	2015 estimated	2016 projected	2017 projected
Current GDP (CFAF, billions)	3,024.3	3,544.2	3,795.7	4,038.7	4,209.4	4,468.7	4,863.2
Real GDP growth rate - market prices	2.3%	11.8%	4.6%	6.9%	4.2%	5.4%	7.3%
Petroleum production (barrels per day)	1,864	12,719	17,802	16,616	13,808	16,767	28,603
CPI (average annual)	2.9%	0.5%	2.3%	-0.9%	2.0%	2.0%	2.0%
Exports FOB (CFAF, billions)	599.4	736.3	784.6	715.5	624.0	689.0	847.4
Imports FOB (CFAF, billions)	1,034.5	971.4	996.9	1,083.0	1,196.4	1,284.5	1,280.3
Balance of payments (US$, millions)	−28.4	162.7	99.0	181.9	3.0	97.6	136.1
External reserves (months of imports)	2.3	3.5	4.2	5.0	4.7	5.3	5.9
Total government receipts	432.4	538.5	628.5	714.5	784.9	840.9	924.4
Total government expenditure and net borrowing	608.0	799.2	1,030.3	1,157.8	1,366.8	1,381.1	1348.1
Balance	**−175.6**	**−260.7**	**−401.8**	**−443.3**	**−581.9**	**−540.2**	**−423.8**
Primary sector real growth rates	**−3.0%**	**14.9%**	**-0.8%**	**9.0%**	**3.8%**	**4.8%**	**4.0%**
Agriculture	−6.7%	22.3%	-3.0%	11.9%	4.0%	6.0%	3.9%
Livestock, hunting	4.5%	2.6%	4.1%	3.6%	4.8%	2.4%	4.3%
Forestry	2.5%	1.7%	1.7%	2.9%	−1.8%	2.5%	3.0%
Fishing, aquaculture	3.5%	3.0%	3.9%	3.1%	1.5%	2.5%	4.0%
Secondary sector real growth rates	**5.3%**	**49.5%**	**11.9%**	**−0.2%**	**−2.1%**	**11.1%**	**16.6%**
Extractive activities	16.4%	115.2%	11.6%	−1.5%	−7.6%	16.1%	36.3%
Manufacturing	4.1%	45.8%	15.7%	−1.9%	−1.2%	10.1%	5.6%
Production and distribution of electricity, gas, and water	12.1%	5.0%	5.2%	6.0%	6.1%	6.5%	6.7%
Tertiary sector real growth rates	**5.6%**	**3.8%**	**5.7%**	**6.8%**	**5.9%**	**3.4%**	**4.0%**

14. Inflation remained low throughout the Program as Niger's WAEMU membership contributes to well-managed exchange rate policies. Consumer price inflation has been below 3 percent since 2009. In 2014, consumer prices declined by 0.9 percent. Food constitutes 40 percent of the consumer price index basket, and food prices largely drive inflation. Niger's currency, the West African CFA Franc, is pegged to the euro. Monetary policy supports the fixed exchange rate regime, with euro exchange rate changes continuing to influence Niger's trade competitiveness.

15. The prior actions of the three operations are shown in annex 7. All 26 actions were completed.

Policy Area 1: Establishing a competitive and diversified economy for accelerated and inclusive growth

16. SGC 1 focused on strengthening the interface between the public and private sectors through the re-launch of the National Private Investors Council (*Conseil National des Investisseurs Privés*) and the adoption of a legal framework for public-private partnerships (PPPs). SGC 2 supported the development and implementation of an action plan to improve the business environment, as well as to facilitate specific reforms related to tax administration, domestic and international trade, and the adoption of a new labor code. SGC 3 followed through with this program by supporting (a) institutional reforms, including the adoption of a new investment code and measures aimed at strengthening the electricity sector; (b) reforms that simplify international trade procedures; (c) expanded labor market reforms; and (d) measures to improve transparency in the oil sector.

Policy Area 2: Food security and sustainable agricultural development

17. The prior actions for SGC 1–3 addressed a number of agricultural issues, including scarce water resources and insufficient financing for irrigation development and obstacles to commerce and trade both within Niger and across its borders. Reforms to ONAHA are expected to contribute to an increase in the productivity of irrigated areas. The Program also supported the renovation of one animal feed factory, which, although delayed, was about to become fully operational at the time of this ICR. Food-security is expected to be enhanced by consolidating reforms to the Nigerien Food Product Office (*Office des Produits Vivriers du Niger,* OPVN). A 2013 World Bank study on risks to the agricultural sector noted that "OPVN is based on a good model and is reasonably well managed." This positive assessment is partly a reflection of the measures adopted by the OPVN in response to a report from the Court of Accounts issued in 2011 and supported by the SGC series.

Policy Area 3: Enhancing the efficacy of public spending

18. Prior actions in this policy area began with SGC 1's support for the adoption of a new procurement code and the related procurement ethics code. The establishment of the Public Procurement Regulatory Authority (*Autorité de Régulation des Marchés Publics*) was supported as a prior action in SGC 2. SGC 3 completed this process by supporting the adoption of the remaining decrees, including a decree establishing sanctions for public officials, bidders and members of commissions who violated the procurement code. In the area of the supervision of state-owned enterprises (SOEs), SGC 3 advanced a set of reforms that began with the nomination of accountants in the MoF as a prior action for SGC 1, and continued with the establishment of a directorate for the supervision of SOEs as a prior action for SGC 2. SGC 3 supported measures prevent the accumulation of new arrears in four of Niger's important SOEs. The most important aspect of the SOE reforms is not the fiscal risks to PFM, but rather their impact on economic development, because, for example, a well-functioning national electricity company is essential to the business environment and economic growth.

Adjustments to the Program

19. **As the policy dialog proceeded, there were some adjustments to the Program, particularly in the electricity sector**. For example, the electricity reform did require some revisions with some reforms shifted to the next DPO series. The preliminary trigger for electricity included in SGC 2 envisaged the adoption of an action plan for restructuring the Nigerien

Electricity Company (*Société Nigérienne d'Electricité,* NIGELEC) based on an operational and financial audit. This audit was delayed because of financing and coordination problems, but started in December 2013 (Prior Action 3 of SGC 3). The authorities committed to formulating revisions to the Electricity Act to establish an autonomous electricity sector regulator, which is aimed at supporting the modernization of the sector. The trigger and the prior action under SGC 3 were:

Trigger for SGC 3 - The recipient adopts an action plan for the restructuring of NIGELEC and the revision of electricity tariffs based on an operational and financial audit of NIGELEC, a tariff study, and a financial model.	**Prior Action in SGC 3** - The Recipient: (i) has developed a cost model for the electricity sector providing the information needed to undertake a revision of tariffs in the electricity sector; and (ii) has commenced the corporate due diligence and an operational and financial audit of NIGELEC.

20. The establishment of the legal framework for the electricity sector progressed with the passage of the new law on electricity (May 2016, after the Program closed), although delayed, and the necessary implementing decrees have still not been issued. The Public Investment Reform Support Credit (PIRSC 1), which was the first operation in the next DPO series (see section 2.4), continued the electricity reforms with the following prior action: *The Minister of Energy and Petroleum has issued an Executive Order: (i) approving the financial audit of NIGELEC; and (ii) establishing a Standing Committee charged with the monitoring and evaluation of the execution of NIGELEC's Strategic Development Plan* and *The Council of Ministers has adopted and submitted to the National Assembly: (i) a draft Electricity Code; and (i) a draft Law which establishes a regulatory agency for the energy sector.* Thus, while the SGC series did prepare the groundwork for successful implementation of PIRSC 1, there have been delays in electricity reform.

2.2 Major Factors Affecting Implementation:

Adequacy of Government's Commitment

21. **Government commitment to the Program was generally good, but did lag in a few instances**. The Program implementing agency was the MPRCD rather than the MoF (the latter is more common for a DPO). This arrangement affected implementation because it was sometimes difficult for the MPRCD to coordinate with the MoF and line ministries. This issue was partly offset by the close alignment of the Program with GoN priorities which facilitated government commitment. Program preparation began in earnest with the GoN request for a range of diagnostics of the economy to be carried out by the Bank in the form of Sector Notes. Despite the generally good level of GoN commitment (within its capacity limitations), there were some reforms that encountered more resistance than others. For example, GoN buy-in could have been higher in the area of procurement verification. This exercise needs to be carried out regularly rather than just a one-time effort as was the case in the SGC series. The GoN indeed wanted to improve its business rating, but did not demonstrate equal keenness to carry out certain measures such as physical inspections of works carried out under government contracts. In general, stakeholder commitment was built through, consultations with civil society organizations, members of academia, business owners, and representatives from Niger's development partners. The Bank's involvement in the consultative process of formulating the PDES also gave the Bank an opportunity to consult with stakeholders as the SGC series was being designed. The Extended Credit Facility (ECF) of the International Monetary Fund (IMF) was also important to securing

government commitment, particularly in the areas of one-stop-shop for the investment code, establishing a comprehensive procurement plan and clearing domestic arrears, all of which were important elements of the SGC series.

Division between the Ministry of Planning, Regional and Community Development (MPRCD) and the Ministry of Finance (MoF)

22. The lack of coordination between MPRCD and MoF created implementation problems for the SGC series. Prior to 2011, the Ministry of Economy and Finance (MEF) was a single entity. After 2011, the Government split the MEF into two Ministries, (i) the MoF and (ii) the MPRCD, which created problems for coordination of macroeconomic management. For example, there was little coordination in debt management as the MPRCD could sign loans without consulting the MoF. There were also difficulties in identifying and implementing reforms. Lastly, there were coordination issues between the two ministries and sectorial Ministries. To address these issues, the Government created a new institutional framework to strengthen coordination among agencies in charge of operations of budget support under the Office of the Prime Minister. Similarly, a directorate dedicated to the follow-up of the reforms supported by the budget support programs has also been established.

Soundness of the Program's Background Analysis

23. **The analytical basis for the prior actions was sound and well-documented in the Program Documents**. Particularly important to the analytical underpinnings were the 'Notes Sectoriels' that the GoN had requested from the Bank during the preparation of the program. Each prior action was derived from these sector notes and other diagnostics. For example, the prior actions for the new investment code and electricity sector costing and auditing of NIGELEC were based on Sector Notes on Growth and Diversification (2011), and Sector Notes on the Power Sector (2011) and Energy Sector Review (2012), respectively. Export and import processing reforms were based on the Diagnostic Trade Integration Study (2008). The prior action to issue implementation regulations for the procurement code was based on the Sector Policy Note on Public Financial Management (2011) and the Second Public Expenditure Management and Financial Accountability Report (2010). The prior actions were also underpinned by subsequent analytical work carried out during the series, including the Niger: Public Expenditure and Financial Accountability (PEFA) Assessment (2013), as well as by the studies on execution of investment projects (WAEMU Country Report-2013) and on the restructuring of ONAHA (Tayeb, et al, 2013), the Agricultural Sector Risk Assessment in Niger (2013), and the Bank Policy Note on Public Investment (2013).

Assessment of Operation's Design and Program Risks

24. The choice of initiatives and prior actions was appropriate to Niger's longer term development needs. Combining PFM, improvements to the business environment and reforms to promote agricultural productivity was a logical program design strategy that leveraged off the Bank's comparative advantages and ongoing investment projects to address constraints to Niger's long-term development. The downside of the design was that its multi-sector nature sometimes posed a challenge for the Government's capacity and its ability to coordinate and implement

activities. SGC's coordination issues also stemmed from deteriorating relations between the MPRCD and the MoF, particularly during the implementation of SGC 3.

25. **Pursuing reforms in the irrigated sector, for example, offered a high upside**. Niger's acute vulnerability to weather-related shocks and the increasing population pressure on land meant that irrigation was critical to Niger's development, which is reflected in the national food security strategy, 'Nigeriens Nourish Nigeriens'. Improvements in irrigation could mitigate the risk of food insecurity. And, although irrigated agriculture covers only 110,000 ha, which is small compared with the estimated 15 million ha of rainfed land, it supports more than 2 million people or 11 percent of Niger's population. Irrigated land produces nearly a third of agricultural output and accounts for 90 percent of non-livestock agricultural exports. Promotion of irrigation also aligns with benefits from the completion of the Kandadji Dam (currently projected for 2017), which will allow for double-cropping all along the Niger River on an estimated 45,000 ha (compared to 9,000 ha currently). During 2012-2014, the SGC series helped launch the process of improving irrigation management by redefining the mandate and functions of ONAHA.

26. **Improving access to electricity was a design feature that was key to improving the business environment**. Niger's energy consumption was less than one-third of the African average, and only 10 percent of the population had access to electricity. This situation is all despite the fact that Niger is well-endowed with domestic energy sources (oil, coal, solar) that can meet fast growing demand. The SGC series' focus on improving NIGELEC's operations are key to alleviating the constraints to the development of this sector and to carrying through the GoN's investment plans to expand the construction of additional transmission capacity, which would allow the country not only to access additional supply from Nigeria, but also to develop its own energy resources, including renewables, such as solar power.

Risks

27. **The main areas of risk to the expected outcomes of SGC 3 were: (i) security risks; (ii) macroeconomic risks; (iii) political-economy risks; and iv) technical and capacity risks in implementing the program**. **Security risks** remained even though the security situation had improved by the middle of the Program. A terrorist attack on a uranium mine in northern Niger in May 2013 had a depressing effect on economic growth and fiscal revenues. Another attack in June 2013, in the capital of Niamey, increased the demand for security protection and hence the cost of doing business. The security conditions improved in the western and northern parts of the country, but worsened the south in 2014 and 2015, caused by Boko Haram's activities, and negatively affected Niger's fiscal situation. These risks are difficult to mitigate, but the economic diversification supported by the Program was designed to reduce Niger's economic vulnerability to security-related threats to the extractive industries sector. Economic growth also helps fund the GoN's increase in security spending. The GoN has closely cooperated with regional and international partners, and reduced security risk by implementing a plan for development and security in the Sahelo-Saharan zone of the country.

28. In terms of **macroeconomic risks**, Niger is vulnerable to production and price shocks in its most important sectors, extractives and agriculture. Unstable weather conditions, increasing population pressures, and climate shocks are serious threats to agriculture and food security. A decline in uranium prices put pressure on the balance of payments and fiscal revenues. Mitigation

of these risks included actions to: (i) expand agricultural productivity through better irrigation management and measures to mitigate the impact of weather-related shocks on the food supply through the reorganization of the national food-reserve agency (OPVN); (ii) strengthen the allocation of investment incentives and to facilitate external trade, which promotes economic diversification and reduces dependence on commodity exports in general and the natural-resource sector, in particular; and (iii) improve PFM, which facilitates fiscal adjustments in response to potential exogenous shocks.

29. Political obstacles often interfere with the ability of public agencies to focus their attention on the implementation of the PDES. The Program mitigated **political economy risks** by promoting actions that enhanced transparency in decision-making and fiscal policy processes, for example through support for good-practice procedures for procurement and budgeting. Support to improve administrative capacity is delivered through a dedicated capacity-building program involving the MoF and MPRCD, which became effective in 2010, and through a World Bank project to enhance public service delivery, which was approved in FY14.

30. **An active policy dialog built political consensus and, along with capacity building, partly mitigated Program risks, in particular in PFM**. There was broad agreement among the stakeholders that improved sector performance was urgently needed. On the PFM side, institutional capacity risks were significant, the implementation capacity of sector ministries was low and interagency coordination was difficult. The GoN established and applied mechanisms to resolve interagency conflicts as the MoF, the MPRCD, and the Cabinet struggled to coordinate the implementation of PFM reforms. The SGC supported capacity building in the three policy areas supported by the Program. This capacity building was (and continues to be) delivered through a program by the MoF, which began in 2010, and is supported by the Bank's Public Sector Capacity for Service Delivery Project (P145261), approved by the Board in March 2014.

31. **Synergies with investment projects were key to mitigating program implementation risks**. The new investment code, trade measures, and the support for SOE governance contributed to the outcomes targeted by the Competitiveness and Growth Support Project (P127204). This private sector development project helped provide the technical assistance for some of the reforms supported by the SGC series. Policies to improve irrigation, electricity supply, and livestock supported the actions of the Niger Basin Water Resources Program and the Agro-Pastoral Export Promotion Project (P095210). In agricultural research and extension, making the executive secretariat for the National Council for Agricultural research operational was essential to the project because it was the structure that led the implementation of the West African Agricultural Productivity Project (a successful regional project, now in its second phase). The Bank-supported Kandaji hydropower project had synergies with the SGC series by supporting reforms towards a financially sustainable power sector. The legislation for technical and vocational training supported the objectives of the Education Enhancement and Skills Development Project (P132405). For example, the SGC helped this project by supporting a legal and regulatory framework for an apprenticeship system that was a precondition for the investment, which, in turn, led to the dual apprenticeship system. The public procurement measures supported the outcomes targeted by the Reform Management and TA (P108253). An Institutional Development Fund grant was in place to support procurement reforms and the SGC series helped to keep procurement reform on the policy agenda including monitoring annual milestones.

2.3 Monitoring and Evaluation (M&E) Design, Implementation and Utilization

32. **Design**. The results matrix contained indicators that generally aligned with the PDO and the prior actions (see Program Document for SGC 3, Annex 2, pp 27-31). In a few cases, the Program results indicators went beyond the impact that could be fully attributed to the specific prior actions. For example, in Policy Area 2—Food security and sustainable agricultural development, the indicator 'Productivity of areas under irrigation-tons/ha' (also an indicator used in an ongoing investment operation) was a longer-term impact that had a number of contributing factors and which, therefore, was too high a level to measure the results of the related prior actions in the short term.[3] This indicator was used for SGC 1 and 2, but was dropped for SGC 3. SGC 1 and 2 used the same 14 results indicators.

33. Under SGC 3, the results framework added ten new indicators and dropped three (including the irrigation productivity indicator) for a net addition of seven indicators. These indicators were selected to capture the new prior actions under SGC 3, and represented an improvement in the results framework because these indicators were more closely related to the actual short-term impact of the prior actions. For example, 'Share of total schemes (by number) monitored by ONAHA in which performance is rated as satisfactory' was a new indicator that was more closely related prior action (Prior Action 6. The Recipient has revised the legal framework of its Agency for Irrigation Schemes to establish decentralized water management and extension services by villages or private operators.)

34. One rationale given during ICR interviews for using the higher-level indicators was that although the PDO indicators were not directly or fully attributable to the prior actions, the prior actions still were a necessary part of achieving an improvement in that specific indicator, even though a number of other measures were also required. Examples of higher level indicators that were only partially attributable to the prior actions and which continued to be monitored include: number of new [agricultural] technologies released, area cultivated under new technologies, and number of new technologies adopted by agribusinesses. In retrospect, the results framework would have benefited from a few additional indicators that were more intermediate in nature and therefore more closely attributable to the prior actions and measurable with in the Program period.

35. **Implementation**. During implementation, the agencies responsible for each indicator as indicated in the policy matrix carried out their data collection duties, with the exception of the survey needed to measure visits by tax officials. This achievement was aided by the fact that the indicators, with two exceptions (PEFA and visits by tax officials), did not require extensive new surveying efforts, but rather were part of regular ongoing data collection, such as the Doing

[3] The related prior actions for this indicator were (under SGC 1) 'Prior Action 3. The Recipient has made the Executive Secretariat of the National Council for Agricultural Research operational through the recruitment of an executive secretary, deputy executive secretary, an accountant, a monitoring and evaluation specialist, and support staff, and the provision of adequate funding' and (under SGC 2) 'Prior Action 4. The Recipient has established and commenced implementation of mechanisms for the competitive financing of agricultural research and the adaptation of technologies to strengthen the link between agricultural research and the needs of producers.' While these actions will likely contribute to productivity of irrigated land, it will take somewhat longer than the period of the SGC series for the causality to play out.

Business surveys.[4] Actuals were recorded for all other indicators. However, an error was made in recording the actuals for export and import processing times. Supervision for SGC 3 used the new Doing Business 2016 methodology, which was not comparable to the earlier Doing Business methodology which had been used to establish the indicator baseline and target. This error had the effect of making the indicator target appear to be met and exceeded, when, in fact, it was not met. The ICR corrected this error and assessed the Program with the corrected value. Monitoring of progress in fulfilling prior actions was satisfactory. The lack of monitoring of the three indicators that were dropped in SGC 3 was a shortcoming in Bank performance at supervision. However, while these three indicators were relevant to the PDO, they proved to be difficult to measure and attribute to the prior actions. Thus, dropping these indicators did not substantially impair the ability of the results framework to assess achievement of the PDOs.

36. **Utilization**. The M&E data was used in charting progress of the operations and making decisions regarding prior actions and follow-up activities. In instances where Program M&E revealed slow progress, the Bank responded with more intensive supervision efforts, such as in the case of the draft law on electricity and the PFM reforms.

2.4 Expected Next Phase/Follow-up Operation:

37. The PIRSC (P151487) series of three operations follows up on all three SGC areas. The first operation in the series has already been implemented and disbursed. The PIRSC's development objectives are: (i) to improve the quality, reliability and accountability of the country's PFM and public investment management (PIM) systems; (ii) to establish the policy and regulatory framework necessary for a well-functioning public irrigation sector, including a model for the multipurpose operation of the Kandadji Dam; and (iii) to facilitate the reform of the electricity sector. PIRSC I, for example, has directly followed up on SGC 3 electricity reform in the following prior actions: Prior Action 1: *The Council of Ministers has adopted and submitted to the National Assembly (a) a draft Electricity Code and (b) a draft law which establishes a regulatory agency for the energy sector*; and Prior Action 2: *The Minister of Energy and Petroleum has issued an Executive Order (a) approving the financial audit of NIGELEC and (b) establishing a Standing Committee charged with the monitoring and evaluation of the execution of NIGELEC's Strategic Development Plan*.

38. The PIRSC series also focuses on improving the process of selecting and executing public investments. This emphasis reinforces SGC efforts, and promotes SGC Policy Area 1, by promoting electricity sector reforms, Policy Area 2, through reforms in irrigation and Policy Area 3, by enhancing the efficacy of public expenditures.

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[4] DB introduced a new methodology for the export and import indicators in 2015. DB now measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. DB is now measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as 22 × 24 = 528 hours). If customs clearance takes 7.5 hours, the data are recorded as is. If, for example, documents are submitted to a customs agency at 8:00 a.m., are processed overnight and can be picked up at 8:00 a.m. the next day. In this case the time for customs clearance would be recorded as 24 hours because the actual procedure took 24 hours.

3. Assessment of Outcomes

3.1 Relevance of Objectives, Design and Implementation

39. **Objectives: Substantial. The SGC series objectives are directly relevant to current national priorities expressed in the PDES , and is closely aligned with the Niger CPS, approved by the Board on April 30, 2013, as well as with the World Bank's Africa Strategy**. The CPS focuses on: (i) promoting resilient growth; (ii) reducing vulnerability; and (iii) improving governance and expanding public service capacity all of which the SGC series contributed to. These emphases are critical to the current development priorities. For example, Niger continues to face the risk of political fragility and it is essential that government institutions build credibility through improved service delivery and transparency of their operations, which the SGC series promoted. The SGC series' emphasis on improving the business environment also continues to be relevant because it is key to resilient growth that is necessary to overcome decades of stagnating per capita incomes. Budget support also continues to be instrumental to the Bank's efforts to assist the authorities in pursuing the objectives of the PDES. The SGC series is aligned with the World Bank's Africa Strategy's emphasis on enhancing competitiveness, promoting employment, mitigating vulnerability and enhancing resilience. Under this strategy, reforms designed to boost investment by improving the business climate remain key to increasing investment needed to accelerate growth and economic diversification. The continued relevance of the SGC objectives is shown in the new PIRSC series which also supports improved PFM, which is necessary to achieve equitable growth in the context of a boom in extractive industries and an associated rapid rise in public revenues.

40. Better management of public capital assets such as irrigation systems and electricity grids also continue to be necessary to achieve national goals. Improved irrigation sector management is always essential to improving food insecurity and optimizing the use of scarce water resources. The SGC initiatives of improving budget management, expanding access to electricity, and alleviating food insecurity remain at the top of the national agenda. One shortcoming in the overall PDO was that it should also have mentioned food security rather than only improved agricultural productivity because that was clearly the intent of the program.

41. **Design: Substantial.** The policy areas and prior actions are also relevant to national priorities and Bank strategy. The priority to establish a competitive and diversified economy to support accelerated and inclusive growth was supported by SGC Policy Area 1 in the following areas: i) updating the investment code; ii) removing obstacles to commerce; iii) enhancing the financial sustainability of the energy sector; iv) developing a dual-apprenticeship system and v) improving transparency in the oil sector, all of which remain consistent with the PDES strategy for development, particularly the goals of improving the competitiveness of the industrial sector, promoting trade, building capacity, and improving the overall investment climate. All of these actions lead to increased economic growth. The actions under Policy Area 2: Reinforcing food security and promoting sustainable agricultural development, which include i) improving the institutional framework for irrigation development; and ii) Creating an efficient system for value-addition in the livestock sector are key to the PDES strategy for increasing and diversifying primary sector production (pillar 3). For example, Niger continues to face the risk of drought and so irrigated agriculture continues to be critical to food security. Finally, Policy Area 3: Enhancing the efficacy of public spending, which includes i) improving oversight of SOEs and ii)

strengthening public procurement systems, directly support Pillar 1's focus on managing public finances in a transparent manner and in compliance with established laws and regulations.

42. Each of the successive SGC operation built on previous prior actions in the business environment, agriculture and PFM, which aimed at improving sustainability and impact of the program. For example, in the area of PFM the Program began with submission of a new organic public finance law (consistent with WAEMU), and followed it with a prior action to implement WAEMU directives governing public accounting, budget nomenclature, the chart of accounts, and the table for government operations into the national law. One shortcoming in design was that the Program was demanding on Niger's implementation capacity, and, particularly, the Government's ability to coordinate between ministries. This fact was reflected in the design of the follow-up PIRSC series.

43. **Implementation: Modest.** Implementation arrangements and coordination mechanisms created difficulties for implementation and therefore for achievement of the objectives of the Program. The Program improved relevance through adjustments to the results framework to cover additional areas under the new prior actions for SGC 3 and through revisions to triggers/prior actions to reflect the pace of implementation and other factors.

44. The program was substantially relevant in two of the three areas, and the overall relevance rating is Substantial.

3.2 Achievement of Program Development Objectives
Rating: Modest

45. The PDO was to: (i) improve the business environment for investment and trade; (ii) increase agricultural productivity; and (iii) improve public financial management. This section assesses each of these PDOs individually using the program results framework and additional evidence, as available.

Improve the Business Environment for Investment and Trade: Modest

46. **The evidence from the results framework and additional evidence regarding the environment for investment and trade supports a Modest rating**. Five of the nine indicators exceeded (4) or met (1) their targets. At the same time, three indicators did not meet their targets, and one could not be confirmed (Table 3). One indicator was dropped. The time to process imports and exports made progress, falling from 64 days to 61 days (target-58 days) and from 59 days to 56 days (target-50 days), respectively. These indicators measured impact of the SGC 3 prior action, which was to reduce the number of documents required for imports and exports by three and four, respectively. The ICR obtained additional information that qualifies this progress. The DB 2016 reported that Niger also added a pre-inspection requirement on imported goods that increased the time to process imports. In addition the cost of exporting a 15-ton container increased from US$3,545 in 2011 to US$4,475 in 2015. On the positive side, roadblocks, which were a constant annoyance to commercial vehicles, have been nearly cut in half from 3.0 per 100 km to 1.6 per 100 km. Reduction of this impediment should reduce costs of transportation and thus improve the business environment. This achievement was a direct result of the prior action from SGC 2 requiring the issuance of regulations on roadblocks and other controls, defining them

more carefully while also minimizing them so as to avoid abusive practices against merchandise trade.

47. **Another indicator of improved business environment is the registering of 1,800 enterprises per year (compared to a target of 1,500)**. This increase in registrations indicates an increase in market entry which is encouraged by an improved business environment. This improvement is related to several prior actions, including modification of rules for the National Private Investor Council, a new regulatory framework for PPPs, (both from SGC 1), and the submission of a new investment code to the National Assembly (SGC 3). The number of visits by tax officials could not be verified. The necessary survey to support this indicator needs to be carried out because it is an important measure of whether running a business is more or less free from hassles. It also measures the efficiency of the work of tax officials.

48. **The program also began to address a key infrastructure constraint by supporting the establishment of an electricity sector regulatory framework**. This measure would help improve the efficiency of the sector by leading to, among other things, a pricing structure for electricity that would sustain electricity supply needed for business operations. Although there has been progress with Parliamentary approval of the new electricity law (May 2016), the operational framework is still in the process of being established (with support of the follow-on DPO series). Thus, while there has been progress, and the reform is continuing, this indicator is not met.

49. **The GoN identified measures to reinforce the performance of NIGELEC, based on a 2014 report by Ernst & Young**. This legal, operational, organizational, and financial diagnostic of NIGELEC helped GoN to identify measures to improve the functioning of NIGELEC. This includes improving billing and collection activities, optimizing its procurement and power purchases, improving its financial information systems, and restructuring NIGELEC's debt/equity structure of NIGELEC to optimize the needs of working capital and short-term financing. It is important that GoN follow through on this diagnostic, particularly given that Niger still lags behind the Sub-Saharan average in cost and reliability of electricity and ranks 169 out of 189 countries in terms of 'ease of getting electricity' (Doing Business 2016). Thus, there is still substantial work to be done to improve the business environment with respect to electricity supply.

50. **The new investment code supported by the SGC series is expected to improve the predictability of investment incentives in the non-mining sectors, and improve the regulatory framework for PPPs**. The new law is expected to facilitate the registration of new enterprises and PPPs. The indicator for this action exceeded the target as 10 new PPPs were established which is double the target of 5. Finally, the publication of reports on the oil industry has improved transparency of operations in the sector, simply by requiring reports with detailed monitoring and performance data to be made available to the public. A dual-apprenticeship program was launched to build practical skills in the education system. This program also exceeded expectations by enrolling 1,103 out-of-school youth compared with a target of 700. This measure promoted the business environment by raising the skill level of the labor pool, as well as providing a useful activity for idle youth. Box 1 provides additional details of this initiative.

Box 1 SGC Supports Youth and Businesses through Support to the Dual Apprenticeship Program

The SGC series supported the development of a dual-apprenticeship system that combines firm-based training with classroom-based training. The GoN had piloted a similar system in the public sector and has expanded it to the private sector. The new Labor Code, which was promulgated on September 25, 2012, contains provisions that provide the basis for the development of the apprenticeship system (a prior action for SGC 2). In compliance with the prior action for SGC 3, the Council of Ministers adopted a draft law on December 31, 2013, and has since submitted legislation to the National Assembly outlining the basic principles for the TVET system (Prior Action 4). These reforms allowed 1,103 youth, 20 percent of whom are girls, to be registered in dual-apprenticeship programs.

51. **Niger still ranks 160th out of 189 countries in the overall Doing Business Rankings.** While progress in improving the business climate was rapid early in the program, it has since slowed. Another measure from the Doing Business survey is 'trading across borders' in which Niger's ranking fell from 139 to 158 (Doing Business 2016). This drop is mainly due to the fluctuating security situation described earlier, but also has to do with costs of importing. Although, Niger reduced the time to import by expanding and optimizing the use of an electronic data interchange system for customs clearance (Doing Business 2013), Niger later, as indicated above, increased the time and cost for document and border compliance for importing by making a pre-shipment inspection mandatory. These concerns lower the efficacy rating from substantial to modest for this PDO.

Increase Agricultural Productivity: Substantial

52. **The prior action to revise the legal framework of the agency for irrigation schemes to establish decentralized water management and extension services by villages or private operators is expected to lead to improved advisory and oversight services by ONAHA, which would contribute to higher agricultural output**. As a result of the reforms, ONAHA is in a better position to develop public irrigation projects on behalf of the Government to improve conditions for agricultural productivity and to provide technical and organizational support to farmers' cooperatives, enabling them to operate and maintain irrigation schemes. The Program also supported operationalizing the agricultural research secretariat and improving the links between agricultural research and farmers. PDO indicators related to this latter action included new technologies released by Niger Center for Agronomic Research (NOC), area cultivated with new technologies, and number of producers who have adopted the new technologies, and these indicator targets were met or exceeded. Although they were consistent with the PDO, they were at too high a level to be fully attributable to the measures by the time of the ICR. The indicator, 'number of irrigation schemes monitored by ONAHA', was more closely linked to the prior action and also exceeded the target (85 versus 66).

53. Food security was also supported through the strengthening of the OPVN's procurement, management, and distribution capacity. This action helped improve the functioning of Niger's strategic grain reserve. The strategic grain reserve dealt with periods of heightened food insecurity through the sale of subsidized grain. The SGC measures deal with issues raised in a 2010 audit by the Court of Accounts, including weaknesses in the procurement, distribution, and management procedures. The OPVN fully implemented the public procurement code during 2011 and 2012. In addition, a new directorate charged with service delivery was created and staffed and a procedural manual was adopted by the OPVN supervisory board in December 2013. These measures were all aimed at better functioning of the OPVN to better address food insecurity. The indicator for this

measure was the share of public procurement contracts issued by the OPVN that follow public procurement rules, which reached 95 percent against a target of 90 percent and was therefore achieved.

54. The renovation of the animal feed factory will help overcome the primary constraint to the livestock sector which is lack of access to animal feed. This constraint became acute after the government-owned animal feed factories ceased operations. When SGC 2 was presented to the Board, the Government intended to refurbish these factories and resume production; however, these efforts were delayed, while the demand for animal feed increased. Private operators expressed an interest in taking over the management of these factories under concession contracts. The authorities prepared the documentation for the concession of the animal-feed factories and published the terms in Le Sahel newspaper on December 27, 2013, inviting private investors to express their interest in obtaining these concessions. Though delayed, the animal feed factory was indeed renovated, and when the factory is operational, the indicator will have been met.

55. In summary, for the six agriculture PDO indicators, four targets were exceeded, one was met and one was not met (and one dropped). Overall, the evidence for implementation of measures that would lead to improved agricultural productivity and their impacts is assessed as substantial.

Improve Public Financial Management: Modest

56. **SGC prior actions improved PFM by focusing on procurement reforms, but with some weak areas and concerns about sustainability**. Of the six PDO indicators, four were met, one not met, and one could not be measured (plus one dropped indicator). The PDO indicators showed that the percentage of procurement contracts competitively tendered by both number and value increased substantially from 68 percent and 81 percent to 93 percent and 91 percent, respectively. In addition, procurement processes were audited and reports were published for all years leading up to project close. The share of public procurement contracts issued by the OPVN and following public procurement rules reached 95 percent from a base of 40 percent. One indicator that fell short of target was the number of physical inspections of the execution of public procurement contracts with a value higher than CFAF 20,000,000. The target was 10 but only 2 were carried out. This reveals a significant weakness in the program that some of the procurement measures are not being followed through in a sustainable manner. The inspections prior action was met, but has not become part of a regular way of doing business.

57. **Other indicators of PFM achievement are arrears owed to SOEs and PEFA scores, which show a mixed performance**. Arrears owed by the GoN to SOEs fluctuated. Although the target of a decline in 2013–14 was achieved, arrears had risen slightly in 2012–13. In general, arrears have declined but are still high. For electricity the positive development is that since 2014, there is a systematic payment between the National Company of Electricity (NIGELEC) and the Treasury. For water, there is no automatic payment as the supplier is not public (as is NIGELEC). In 2015, the total arrears were about 2.4 billion CFAF against 4.0 billion in 2012. So arrears are decreasing for water, but they remain high. The GoN obtained from the French Agency for Development (AFD) sectoral budget support to pay arrears for water. For telecom, the arrears are also high, but decreased from about CFAF 7 billion in 2012 to around 6 billion in 2015. With respect to the PEFA score, there is no recent data, but there was insignificant progress through the end of 2011. A new PEFA is currently under preparation.

58. In general, Niger made some progress in improving the quality of its PIM, which led to an increase in the number of PEFA indicators rated C or above from 17 in 2008 to 20 in 2012. Improvements were in competitive procurement processes, procurement auditing, budgetary comprehensiveness, multi-year budget planning, investment execution, revenue reporting, and external oversight. The SGC series' support to the legislative framework for PFM included promoting the adoption of WAEMU directives and targeted procurement reforms. By end-2014, Niger completed the adoption of all of WAEMU's legislation, regulations, and technical instructions for PFM. In 2013, the Government completed a study of investment budget execution and adopted an action plan for further reforms. The Bank is currently supporting the Government through TA and investment projects to strengthen Niger's PFM/PIM systems and the external audit (for example, Court of Accounts), as well as to fully operationalize the WAEMU PFM directives.

59. Public administrative capacity still is limited in the areas of long-term strategic planning, sector-specific development policies, stable resource disbursement, timely procurement, efficient service delivery, and monitoring and evaluation. Budget execution is still unpredictable with multiple in-year revisions of the budgets. Budget transparency is improved with both legislated and executed budgets published on the MoF website. Public expenditure efficiency is low, and increases in capital spending have not resulted in improvements in infrastructure and public services. Key challenges include the inadequacy of financial resources to cover planned investments, a lack of prioritization and strategic investment planning, weak interministerial coordination, disbursement delays, and uneven spending over the fiscal year. There remain important disconnects between the Public Investment Plan (*Plan des Investissements Publics*), and the PPPs, which are managed by a separate unit. The follow up PIRSC series is supporting the Government's ongoing efforts to strengthen PFM and PIM. For PFM as a whole, despite the fact that the results framework shows that the targets were generally met, the ICR assesses additional evidence which presents a mixed performance with respect to the PDO and rates this PDO modest.

60. In general, the meeting and exceeding of the targets in the results framework (Table 3) might suggest a higher rating. However, the additional information, combined with issues of attribution in a few cases moderates the outcome rating. Thus, the overall efficacy rating is modest. Note that the individual PDO ratings in table 3 reflect evidence, both positive and negative, beyond that of the results framework as well.

Table 3. Summary of End of Program PDO Results Targets

PDO	Exceeded	Met	Not Met	Dropped	Not measured[a]	PDO Rating
Improve the business environment for investment and trade	4	1	3	1	1	Modest
Improve agricultural productivity	4	1	1	1	0	Substantial
Improve public financial management	0	4	1	1	1	Modest
Total	**8**	**6**	**5**	**3**	**2**	**Modest**

Note: Exceeded means that the actual recorded for the indicator was at least 20 percent higher than the target.
a: One of the indicator actuals for each of these PDOs (visits from tax officials and new PEFA score) could not be determined.

3.3 Justification of Overall Outcome Rating

Ratings: Moderately Unsatisfactory

61. The relevance rating is substantial and PDO achievement is modest. There was progress in trade and electricity forms, but these areas lagged behind expectations. Likewise, PFM achieved progress in some areas, but the significant concerns lower the achievement rating to modest. Therefore, the overall outcome rating is rated as Moderately Unsatisfactory, which represents a downgrade compared with the final Implementation Status and Results Report (ISR) outcome rating. The ISR rating did not consider the additional evidence from the DB reports, and it was based on errors in achievement of two of the outcome indicators.

3.4 Overarching Themes, Other Outcomes and Impacts

(a) Poverty Impacts, Gender Aspects, and Social Development

62. The prior actions have not produced any significant negative social effects. The electricity reforms may ultimately result in an increase in electricity tariffs, but the poor consume very little electricity and are not even connected to an electricity supply in most cases. The positive impacts will take longer to measure. Several policy measures are likely to have a positive impact on poverty reduction, because they have aimed at making growth more inclusive. These include: (i) improvements in technical and vocational training and (ii) the restructuring of the national food-reserve agency. A number of other SGC measures are expected to increase economic growth and contribute indirectly to poverty reduction: (i) facilitate commerce and trade; (ii) improve access to reliable electricity; (iii) privatize the management of animal feed factories; (iv) improve transparency in the oil sector; (v) enhance the management of the national irrigation agency; and (vi) finalize the new investment law and prevent the accumulation of new arrears by SOEs.

63. The restructuring of the national irrigation authority (ONAHA) and the strengthening of the national food-reserve agency (OPVN) aimed at increasing agricultural productivity and promoting food security, which is expected to have a positive impacts on women's nutrition and the income-generating capacity of female-headed households. The dual apprentice program has a 20 percent female participation rate. While this percentage could be larger, it is a positive sign in the Nigerien context.

(b) Institutional Change/Strengthening

64. The SGC series strongly emphasized institutional strengthening. In procurement for instance, prior actions included establishment of a procurement code and a new regulatory agency. Establishing the new procurement regulatory authority is expected to produce long-term benefits in the areas of governance and value for money in public finance. The SGC series also supported the drafting of a labor code and an investment code and a regulatory framework for PPPs, which, in the longer term, will support the institutional environment in which private and public sector institutions will operate. Likewise, the SGC series targeted the improvement of institutional capacity in the electricity sector through support to establish electricity tariffs, assistance to NIGELEC to improve its management, and establish a new electricity regulatory authority.

65. Political institutions have become stronger since the return of a constitutional government in 2011. The 2014 Ibrahim Index of African Governance ranks Niger 29th out of 52 countries on

overall governance quality, showing improvement in recent years and moving close to the Sub-Saharan Africa average. In the World Bank's Governance Index, Niger's percentile rank fluctuated over the past ten years in the 26–32 range, without any clear trend.

66. There has also been progress in fiduciary processes indicating that institutions are functioning better, which is partly attributable to the SGC series. For example, progress has been registered in several areas of budgeting: (i) the comprehensiveness of budget documentation has improved, and the budgets are published in a readily accessible manner, both in the *Journal Officiel* and on the MoF website; (ii) the multi-year perspective in budget planning has been strengthened, and investment budget execution moved from 54 percent in 2012–2013 to 78 percent in 2014; and (iii) the March 2013 Decree on a new budgetary nomenclature allows to easily interface between sector and functional classification of project investments included in the PDES. Interconnections between the MoF's departments and sectoral ministries were completed in 2014, which improved the expenditures chain. The level of extra-budgetary expenditure has decreased significantly to about 1.2 percent of the total budget executed in 2014, and the overall budget execution rate has risen to an estimated 82 percent. Fiscal reporting has also improved, with the public accessing information about annual and in-year budget reports. In 2014, the Court of Accounts (established in 2012) has audited the consolidated financial statements covering 2010–2013; those were subsequently adopted by the Council of Ministers. With regard to public procurement, the regulatory and legal framework has been better aligned to WAEMU directives and international standards. The new Procurement Code adopted in December 2013 and implementing texts in 2014 accelerated the public procurement processes. The public procurement institutions have been operationalized.

(c) Other Unintended Outcomes and Impacts

Not applicable.

3.5 Summary of Findings of Beneficiary Survey and/or Stakeholder Workshops

Not applicable.

4. Assessment of Risk to Development Outcome
Ratings: Significant

67. The risk to the development outcome is significant, rather than high, mainly because, while some of the actions require better follow-up than has been evident so far, Niger is generally moving forward in the directions set by the SGC series. Procurement inspections are improving, but have not been fully sustained and electricity reforms had to be scaled back pending development of a functioning regulatory authority. However, the business climate is improving with the new investment code and reduced times for import and export processing. The private sector is growing which is facilitating the implementation of reforms supported by the follow-up operation. The GoN continues to pursue policy reforms in the areas of irrigation, electricity generation and distribution, and PIM.

68. The PEFA assessment (2013) indicated that Niger's PFM systems improved in recent years but nonetheless remain weak. Additional studies and policy notes identified insufficiencies in Niger's PIM which, combined with a weak PFM system keep the efficiency of public investment

outlays low, and undermine public service delivery. For example, the public power utility, NIGELEC, has an investment plan for 2012–2027 of about US$1.4 billion or 18 percent of Niger's GDP in 2014. These public investments require accompanying reforms that strengthen the management and regulatory framework of the irrigation and electricity sectors. As stated earlier, irrigated agriculture generates about 30 percent of agricultural output, is a major factor contributing to the food security and income growth of the rural population, and needs to be efficiently supported, particularly because rainfed agriculture in Niger is subject to frequent droughts, which lead to food crises and keep the rural population in poverty. Niger's economic growth and poverty reduction prospects also depend on its ability to expand access to electricity, which, at 10 percent (slightly over 1.5 million people) is among the lowest in Sub-Saharan Africa. Expansion of both generation and transmission and maintaining the financial viability of the sector will not be possible without strengthening its institutional framework, which is a major area of the follow on PIRSC series. The IMF through the ECF continues to be a strong partner in key SGC areas (clearing arrears, improving procurement and the business environment), which also increases the likelihood that the progress of the Program will be sustained. These factors contribute to an overall risk to development outcome rating of significant.

5. Assessment of Bank and Borrower Performance

5.1 Bank Performance

(a) Bank Performance in Ensuring Quality at Entry
Ratings: Moderately satisfactory

69. The Bank worked collaboratively with the GoN to produce an operation that was responsive to national priorities. The production of Sector Notes and other analytical work was key to the design of the operations and was a challenging effort at a time when Niger was in transition from a military to a civilian government. The Bank also worked well with the European Union and the African Development Bank to develop a harmonized, multi-donor budget support framework. The SGC series and the ECF of the IMF were prepared in close coordination between the IMF and the World Bank teams. The results framework was appropriate to the PDOs. The attribution of the results measured by the results framework would have been better if, in a few cases, intermediate indicators that more closely related to the prior actions had been included. The series also was difficult to implement considering Niger's capacity to coordinate across ministries, particularly in the context of the division of responsibilities between the MPRCD and the MoF and in the context of the expansion of development assistance from other partners (a fourfold increase in only a few years).

(b) Quality of Supervision
Ratings: Moderately Unsatisfactory

70. The Bank teams worked closely with the counterparts with several levels of supervision. The country office, through the leadership of the local economist, was regularly in contact with Nigerien authorities, providing support in implementing the reform program. There were also multiple annual supervision missions led by the SGC task team leader (TTL), usually four per year (although only one ISR was filed per operation). The ISRs for SGC 1 and 2 provided some details, but were rather lean on the more problematic issues and could have gone farther in detailing

remedial actions. The third level of supervision derived from the linkages of the SGC series to Bank-supported investment projects, because supervision missions for these projects also followed up on progress in the SGC implementation in their particular areas. The close supervision helped the Bank respond to implementation issues and modified Program triggers as required in a couple of instances. By SGC 3, the ISR was more detailed, although it was not archived until more than seven months after Program close. Despite the improved level of detail, the ISR for SGC 3 omitted three of the original results indicators and suffered from errors in measuring two of the indicators that led to erroneously indicating that their targets had been met. Supervision also provided no monitoring data in the ISRs for SGC 1 and 2 for these three indicators. The Program would also have benefited by a stronger follow-up and monitoring of some of the actions, particularly procurement inspections, but also monitoring of visits by tax officials. In addition, the management of the series was adversely affected by the turnover of TTLs, with two different TTLs for the three operations. This turnover created problems for supervision, both in maintaining relationships with counterparts and in Program monitoring.

(c) Justification of Rating for Overall Bank Performance
Ratings: Moderately Satisfactory

71. With quality at entry rated Moderately Satisfactory, supervision rated Moderately Unsatisfactory, and outcome rated Moderately Unsatisfactory, the overall rating for Bank performance is Moderately Unsatisfactory.

5.2 Borrower Performance

(a) Government Performance
Rating: Moderately Satisfactory

72. The Government performed reasonably well in working with the Bank to support a broad and ambitious Program in a difficult context. Government commitment was strong in some areas (investment and trade environment and agriculture), but weaker in others (PFM and electricity reform). Overall, the GoN's continued commitment is demonstrated by its support for the new PIRSC series currently under implementation.

(b) Implementing Agency or Agencies Performance
Rating: Moderately Unsatisfactory

73. Overall implementation was led by an interministerial committee co-chaired by the ministers of MPRCD and MoF, while day-to-day oversight was delegated to a technical committee co-chaired by the secretaries general of the MoF and MPRCD. In addition, the Budget and Treasury departments had the main technical responsibility for the implementation of PFM reforms. Sector-specific reforms were implemented by the respective technical departments in the sector ministries, with overall coordination provided by the MPRCD. Line ministries experienced intra-government coordination issues (between MPRCD, the MoF and line ministries) and implementation suffered from line ministry capacity constraints. Still, implementing agencies were able to implement reforms even with the additional challenge of the transition to a civilian government leading up to the Program. In retrospect, it would have been better for the MoF to have been the implementing agency rather than the MPRCD, given the additional coordination

challenges. The follow up PIRSC series has recognized this fact and the implementing agency is the MoF.

(c) Justification of Rating for Overall Borrower Performance
Rating: Moderately Satisfactory

74. With the GoN performance Moderately Satisfactory, the implementing agency's rating Moderately Unsatisfactory and the outcome rating Moderately Unsatisfactory, the overall rating for borrower performance is Moderately Unsatisfactory.

6. Lessons Learned

75. **Lesson 1: It is beneficial to tie a DPO into relevant investment operations to help both operations achieve better outcomes**. TTLs should be cognizant of any related investment operations which could benefit from support from the DPO, especially because DPO policy dialog occurs at higher levels and can facilitate additional political support for investment project objectives. Investment operations may also help DPOs by funding TA to help implement reforms and otherwise building public support for reforms. The SGC series benefited from synergies with a number of Bank-supported projects: the Competitiveness and Growth Support Project (P127204), the Niger Basin Water Resources Program (P1093806), the Agro-Pastoral Export Promotion Project (P095210), the Education Enhancement and Skills Development Project (P132405), and the Reform Management and TA (P108253), each of which was reinforced by an SGC policy area (and vice versa).

76. **Lesson 2: Electricity reform requires the proper institutional setup prior to tariff changes to ensure appropriate rate adjustments and successful implementation**. In SGC 3, the prior action of developing a new electricity tariff formula and audit of NIGELEC required the establishment of a regulatory agency to be effective, especially considering the political nature of such reforms. Additional time may be needed and a follow up DPO series can be instrumental in supporting continued efforts to complete the reform (as is the case with the PIRSC follow up).

77. **Lesson 3: When institutional capacity at sector ministries is limited, it is advisable to concentrate on a limited number of ministries to improve the prospects for Program outcomes**. Such a strategy can reduce coordination disconnects and contribute to better PIM. Note: The PIRSC series is taking up this lesson and limiting the number of sector ministries to two and the number of public agencies to two as well (ONAHA and NIGELEC).

78. **Lesson 4: Procurement verification needs to be more than a one-time effort to be effective**. The SGC design called for one set of inspections for procurements of more than CFAF20 million. In the SGC series, there should have been a more sustained verification effort to ensure that the Government pursues its objective of improving its public management.

79. **Lesson 5: It is also necessary to have sustained follow-up and monitoring if audit functions are to be improved**. In the case of SGC 2, the objective to reduce the number of audit visits to businesses was supported by a decree, but it was not fully validated and may not have been followed through, thus limiting the impact of the prior action. The necessary follow up requires resources to be allocated to surveying clients to ensure successful implementation.

80. **Lesson 6: To be able to better evaluate program results, it is important to have indicators that are closely related to the prior actions**. In the case of the SGC series, most of the indicators were relevant and attributable, which helped to evaluate the program. However, in a few instances, the indicators were only indirectly related to prior actions rendering attribution of results difficult. One or two intermediate indicators capturing some short-term result from each prior action is important for results frameworks to include, to be able to measure results within the time frame of the operations. It is also essential to pay attention to any methodology changes in measuring indicators that might affect the comparability of targets and actuals.

7. Comments on Issues Raised by Borrower/Implementing Agencies/Partners

(a) Borrower/Implementing agencies

81. The borrower's ICR is in basic agreement with the Bank's ICR with so significant issues. The borrower's ICR, however, could have more fully recognized some of the Program's shortcomings.

(b) Cofinanciers

(c) Other partners and stakeholders

Annex 1. Bank Lending and Implementation Support/Supervision Processes

(a) Task Team Members

P125272 - NIGER - Shared Growth Credit I			
Names	**Title**	**Unit**	**Responsibility/ Specialty**
Lending			
Amadou Alassane	Senior Agricultural Specialist	GFA01	Senior Agricultural Specialist
Helene Bertaud	Senior Counsel	LEGSO	Senior Counsel
Abdoulahi Garba	Economist	GMF01	Economist
Beth Wanjeri Mwangi	Resource Management Analyst	BPSGP	Resource Management Analyst
Ibrah Rahamane Sanoussi	Senior Procurement Specialist	GGO07	Senior Procurement Specialist
El Hadj Adama Toure	Lead Agriculture Economist	GFA01	Lead Agriculture Economist
Robert Johann Utz	Program Leader	EACNF	Program Leader
Supervision			

P132757-NE-Second Shared Growth Credit			
Names	**Title**	**Unit**	**Responsibility/ Specialty**
Lending			
Amadou Alassane	Senior Agricultural Specialist	GFA01	Senior Agricultural Specialist
Helene Bertaud	Senior Counsel	LEGSO	Senior Counsel
Abdoulahi Garba	Economist	GMF01	Economist
Beth Wanjeri Mwangi	Resource Management Analyst	BPSGP	Resource Management Analyst
Ibrah Rahamane Sanoussi	Senior Procurement Specialist	GGO07	Senior Procurement Specialist
El Hadj Adama Toure	Lead Agriculture Economist	GFA01	Lead Agriculture Economist
Robert Johann Utz	Program Leader	EACNF	Program Leader
Supervision			

P145251 - Third Shared Growth Credit			
Names	**Title**	**Unit**	**Responsibility/ Specialty**
Lending			
Amadou Alassane	Senior Agricultural Specialist	GFA01	Senior Agricultural Specialist
Helene Bertaud	Senior Counsel	LEGSO	Senior Counsel
Wolfgang M. T. Chadab	Senior Finance Officer	WFALA	Senior Finance Officer
Mariama Daifour Ba	Program Assistant	GTC13	Program Assistant
Maimouna Mbow Fam	Senior Financial Management Specialist	GGO13	Senior Financial Management Specialist
Abdoulahi Garba	Economist	GMF01	Economist
Karima Laouali Ladjo	Program Assistant	GMF07	Program Assistant
Beth Wanjeri Mwangi	Resource Management Analyst	BPSGP	Resource Management Analyst
Korotoumou Ouattara	Senior Financial Economist	GFM06	Senior Financial Economist
Janet M. Owens	Consultant	GEDDR	Consultant
Mahaman Sani	E T Consultant	GTC07	E T Consultant
Ibrah Rahamane Sanoussi	Senior Procurement Specialist	GGO07	Senior Procurement Specialist
El Hadj Adama Toure	Lead Agriculture Economist	GFA01	Lead Agriculture Economist
Robert Johann Utz	Program Leader	EACNF	Program Leader
Supervision			

Luc Razafimandimby	Senior Economist	GMF01	Senior Economist
Abdoulahi Garba	Economist	GMF01	Economist
Richard Carroll	Consultant	GMF01	Consultant
Sona Varma	Lead Economist	GMF01	Lead Economist
Silvia Gulino	Operations Analyst	GMF01	Operations Analyst

(b) Staff Time and Cost

Stage of Project Cycle	Staff Time and Cost (Bank Budget Only)	
	Number of staff weeks	US$, Thousands (including Travel and Consultant Costs)
Lending		
FY12	34.98	183,095.89
FY13	25.93	144,357.29
FY14	40.17	275,022.91
FY15	0.13	692.45
Total:	**101.21**	**603,168.54**
Supervision/ICR		
FY13	3.57	14,567.54
FY14	—	—
FY15	—	—
FY16	0.90	24,787.96
Total:	**4.47**	**39,355.50**

Annex 2. Beneficiary Survey Results

Not applicable

Annex 3. Stakeholder Workshop Report and Results

Not applicable

Annex 4. Summary of Borrower's ICR and/or Comments on Draft ICR

MINITERE DU PLAN
Banque Mondiale: première série de crédit à l'appui à la croissance partagée (SGC)
RAPPORT D'EVALUATION

1.0. INTRODUCTION

Ce rapport présente une évaluation des résultats de la série des mesures mises en œuvre par le gouvernement du Niger au titre de la série d'appuis budgétaires de la Banque Mondiale (CCP 1,2&3) pour la période 2012-2014. Le montant total de la série d'appui budgétaire octroyé au gouvernement est fixé à 1è0 millions de dollars US et comprend: (i) CCP 1 pour un montant de 50 millions de dollars US; (ii) CCP 2 pour un montant de 50 millions de dollars US; (iii) CCP 3 pour un montant de 70 millions de dollars US.

L'objectif de ce rapport est de fournir de façon générale une évaluation des résultats de la série du programme d'appui budgétaire; de façon spécifique, il s'agira d'évaluer l'impact des réformes sur l'économie, de mettre en exergue les difficultés rencontrées et les leçons apprises.

2.0. Secteurs d'intervention du programme de crédit d'appui à la croissance partagée

Le programme de crédit d'appui à la croissance partagée effectué au Niger est une série de trois opérations-programmes à l'appui des politiques de développement. La série de CCP proposée avait pour objectif de soutenir les réformes visant à promouvoir une croissance partagée, avec un accent mis sur l'amélioration du cadre régissant l'activité des entreprises, les infrastructures, et le développement des compétences et l'agriculture. Le crédit a permis également de soutenir les réformes visant à accroître l'efficacité des dépenses publiques, grâce notamment à leur alignement plus rigoureux sur le DSRP et le PDES et au renforcement de la gestion des finances publiques et des systèmes de passation des marchés. Une économie plus diversifiée et un secteur agricole plus solide sont essentiels au renforcement de la résilience du Niger face à de rudes chocs extérieurs.

Le pôle d'intérêt de la nouvelle série de CCP est globalement un prolongement de celui de la série d'opérations à l'appui de la réforme des politiques de croissance, qui comprenait deux crédits, dont le dernier a été approuvé par le Conseil le 23 juin 2011 et entièrement décaissé en octobre 2011**.** Cela dit, la série de CCP comprend également un certain nombre d'innovations importantes. Premièrement, cette nouvelle série d'opérations à l'appui des politiques de développement (OPD) soutient et s'aligne sur le programme du nouveau gouvernement qui a pris ses fonctions en avril 2011. Deuxièmement, si l'accent continue a été mis sur la croissance économique, les nouvelles opérations ont privilégié la réduction de la volatilité de la croissance économique et le renforcement de la résilience face aux chocs économiques, ainsi que la promotion de la croissance solidaire. Troisièmement, le programme de réformes soutenu par la série d'OPD complète et concorde avec une série de projets d'investissement financés par l'IDA dans les domaines de l'agriculuture, de la formation professionnelle ou du secteur privé. qui sont également axés sur la promotion de la croissance partagée.

3.0. Résultats

Durant cette période de mise en œuvre de la série des réformes relatives à cette série d'appui budgétaire, l'économie Nigérienne a connu une croissance fulgurante. En effet, malgré les risques sécuritaires liés à l'instabilité aux frontières avec la Libye, le Mali et le Nigeria, les aléas climatiques et les problèmes de coordination liés à l'instabilité institutionnelle, le taux de croissance du PIB réel sur la période 2012-2014 s'est établi en moyenne à 8,06%. Le maintien d'un environnement macroéconomique stable, d'une bonne gouvernance politique ainsi d'une meilleure mise en œuvre des réformes ont contribué et favorisé la réalisation d'importants infrastructures notamment dans le domaine des routes, de l'agriculture et a permis d'améliorer significativement les indicateurs socio-économiques (santé, éducation, hydraulique, environnement, électricité) au cours de cette période. La croissance économique s'est beaucoup améliorée durant cette période grâce à la contribution du secteur secondaire notamment avec la production du pétrole qui a impacter le secteur industriel et les recettes de l'Etat. On note également un accroissement de la production agricole avec la mise en œuvre du programme de l'initiative 3N et une amélioration des services sociaux de base; ce qui a permis de relever significativement le revenu par tête et d'améliore les conditions des populations et de réduire la pauvreté. Ainsi sur la période sous revue l'indice de la pauvreté est passé de 48% en 2012 contre 60% en 2005.

3.1. Performances Macroéconomiques

En dépit de sa forte vulnérabilité aux aléas climatiques et à la volatilité des prix de ses principales matières premières d'exportation (uranium et pétrole), l'économie nigérienne a enregistré une performance assez remarquable au cours de ces dernières années. En effet, la croissance réelle du PIB est passée de 11,9% en 2012 pour se situer à 5,3% en 2013 et atteindre 7% en 2014. Cette évolution bien qu'erratique du taux de croissance du PIB s'explique par le début, dès 2011, de la production de pétrole et la bonne tenue du secteur agricole qui a été soutenu par la mise en œuvre du Programme de la Renaissance traduite par la déclaration de Politique Générale du Gouvernement (DPG) à travers le Plan de Développement Economique et Social (PDES 2012-2015) et le Plan de l'Initiative 3N. L'activité économique a également bénéficié de la réalisation d'importants investissements publics réalisés entre autres dans le domaine des routes et des infrastructures avec l'appui de la Banque mondiale et des autres partenaires au développement du Niger.

Toutefois, la plongée des prix mondiaux de l'uranium à partir de 2012 suite à l'accident nucléaire de Fukushima et la chute des cours internationaux du pétrole observée depuis juillet 2014 ont eu des répercussions sur certains indicateurs macroéconomiques. En effet, le secteur des activités extractives constituant l'un des moteurs de la croissance a enregistré une décélération en 2013 (12,2% contre 115,2% en 2012) et une chute en 2014 (-5,5%) en lien avec la production uranifère qui après une hausse de 11,9% en 2012 s'est replié de 10,4% et 36,9% respectivement en 2013 et en 2014.

L'activité économique au Niger a également subi les effets des menaces sécuritaires aux frontières avec le Mali, la Libye et le Nigéria cours de la période 2012-2014. Ces effets se sont traduits par

la baisse de certaines activités économiques notamment la pêche et le commerce dans les régions frontalières de ces pays.

3.2 Taux d'inflation

Le niveau général des prix à la consommation a été bien maîtrisé au Niger au cours de la période 2012-2014. En effet, l'inflation est ressortie à 0,5% en 2012 pour passer à 2,3% en 2013 et se situer à -0,9% 2014. Elle est ainsi restée sur toute la période sous-revue en dessous du seuil maximum de 3% retenu dans le cadre des critères de convergence de l'Union Economique et monétaire Ouest Africaine (UEMOA). Cette situation s'expliquerait entre autres grâce aux mesures prises par le Gouvernement pour atténuer la hausse des prix de certains produits de consommation courante notamment avec les ventes des céréales à prix modéré, la distribution gratuite des vivres, la stabilisation des prix des hydrocarbures à la pompe, etc.

3.3. Evolution des finances publiques

La période 2012-2014 a été caractérisée en matière de finances publiques par la mise en œuvre du Programme Économique et Financier (PEF 2012-2015), appuyé par la Facilité Élargie de Crédit (FEC) du FMI, ainsi que par la gestion du contexte sécuritaire régional.

Ainsi, les recettes de l'Etat ont enregistré d'importantes améliorations grâce à l'augmentation des recettes provenant des ressources naturelles notamment le pétrole et la poursuite des efforts de mobilisation des recettes intérieures des régies financières. Ainsi, les recettes totales ont progressé de 16,7% à 13,6% respectivement en 2013 et 2014. Le taux de pression fiscale a été ainsi porté de 14% en 2012 à 15,2% en 2013 et 15,5% en 2014. Ce taux reste largement en dessous du seuil minimum de 20% retenu par la Commission de l'UEMOA dans le cadre de ses critères de convergence.

Toutefois, les recettes ont progressé à un rythme moindre que celui des dépenses totales sur la période. En effet, les dépenses totales ont évolué de en 2012 à 31,6% et 28,9% respectivement en 2013 et 2014. Cette forte croissance des dépenses publiques s'expliqueraient par l'augmentation des dépenses courantes et des dépenses d'équipement réalisées pour soutenir la croissance économique.

Cette situation s'est traduite par une détérioration progressive du solde global dons compris rapporté au PIB qui constitue en le critère clé en matière de convergence de l'UEMOA. En effet, ce solde qui devrait rester supérieure à -3% est passé de -1,8% du PIB en 2012, à -2,1% en 2013 et se situer à -8% en 2014.

Le déficit global qui est ressorti suite à l'évolution des recettes et des dépenses de la période a été en grande partie financé par l'extérieur. En effet, le financement extérieur représente en moyenne par an plus de 80% du déficit. Ainsi, les dons ont connu une évolution moyenne par an de 35% et les prêts de 34,8% témoignant de l'effort consenti par les partenaires au développement pour soutenir le programme du Gouvernement. Ces dons sont composés des appuis budgétaires qui y représentent en moyenne 30,4% et des dons projet avec 69,6% sur la période 2012-2014.

3.4. Evolution du secteur extérieur

Les échanges extérieurs se sont traduits par une amélioration du solde global de la balance des paiements qui est ressorti excédentaire sur toute la période 2012-2014. En effet, le solde global a affiché un excédent de 162,7 milliards de FCFA en 2012 puis de 99 milliards et de 181,4 milliards respectivement en 2013 et 2014. Cette situation résulte de l'amélioration de la balance commerciale en 2012 et 2013 suite à l'exportation du pétrole et du raffermissement du compte de capital et celui des opérations financières en 2014.

Le déficit de la balance courante s'est amélioré en 2012 de 153,8 milliards de FCFA pour s'établir à 521,5 milliards de FCFA en 2012 suite à l'augmentation de 27% des exportations portées par les exportations de pétrole. En 2013 et 2014, ce déficit s'est dégradé en se situant à 568,3 milliards de FCFA en 2013 et à 645,2 milliards de FCFA en 2014. En pourcentage du PIB, ce déficit se situe à 14,7% en 2012 contre 18,1% en 2014 et 15,0% en 2013.

La dégradation du déficit courant en 2013 et 2014 provient respectivement de la décélération (+7%) du rythme de progression des exportations et de sa baisse (-9%) en rapport notamment avec un repli des ventes de l'uranium et des produits pétroliers, et d'une progression des importations de 2,6% et 8,6%.

Les investissements directs connaissent une augmentation (+18,7%) en 2014 en rapport notamment avec les travaux de construction du chemin de fer après un repli en 2012 (+14,1%) et 2013 (-28,7%) suite à l'achèvement de la raffinerie.

3.5. Evolution de la situation monétaire

La politique monétaire du Niger est en conformité avec celle de l'UEMOA. La masse monétaire est en hausse de 33,1% en 2012 ; de 10,4% en 2013 et de 25,6% en 2014. Cette évolution de la masse monétaire s'explique par l'augmentation de ses contreparties. En effet, les avoirs extérieurs nets qui reflètent le solde global des échanges extérieurs représentent 12,2% du PIB en 2012 et 14,1% et 17,5% respectivement en 2013 et 2014. Quant aux crédits intérieurs, ils se sont situés à 13,3% du PIB en 2012 et 12,2% en 2013 et 2014. Ces crédits ont été portés à la fois par la Position Nette du Gouvernement (PNG) et les crédits à l'économie. En effet, la PNG s'est améliorée en ressortant à -26,9 milliards de FCFA en 2012, à -58,4 milliards de FCFA en 2013 et -75,1 milliards de FCFA en 2014 traduisant ainsi que l'Etat a été créditeur nette vis-à-vis du secteur bancaire sur toute la période. En ce qui concerne les crédits à l'économie, ils ont progressé de 23,7% en 2012 puis respectivement de 4% en 2013 et 10,3% en 2014.

4. Progrès accomplis dans le domaine des réformes structurelles

La série de crédits d'appui à la croissance partagée a permis daméloirer la gouvernance en mettant l'accent sur le développement du secteur privé, le développement des compétences à l'appui de la croissance économique, l'augmentation de l'efficacité et de la transparence des dépenses publiques et sur la réforme des institutions dans les secteurs de l'agriculture et des infrastructures.

4.1 Développement du secteur privé

Le secteur privé au Niger est essentiellement composée de micro de moyennes et de petites entreprises qui interviennent surtout dans le secteur informel. Le développement du secteur privé est entravé par l'environnement peu favorable aux investissements en raison des difficultés d'accès au financement, des coûts de facteurs élevés liés à l'insuffisance des infrastructures, de la main d'œuvre qualifiée et, de l'énergie.

C'est pourquoi, le Gouvernement a fait du secteur privé un instrument de la croissance économique. A cet effet, il s'est engagé à tout mettre en œuvre pour améliorer le climat des affaires. Dans ce sens le Gouvernement a en place des groupes thématiques en vue d'élaborer un plan d'actions en 2012 de l'amélioration du climat des affaires.

Des échanges réguliers entre les opérateurs privés et les pouvoirs publics ont été organisés pour réduire les obstacles et les contraintes au développement du secteur privé. C'est pourquoi, dès 2007, le Niger a créé le Conseil National des Investisseurs privés (CNIP), principal outil du dialogue entre le Gouvernent et le secteur privé.

Le Gouvernement a redynamisé ce cadre d'échanges par l'adoption d'un nouveau texte du CNIP dont la première réunion s'est tenue le samedi 05 mai 2012.

Le Gouvernement fait de l'amélioration de la performance des régies financières une de ses priorités en vue notamment, de la mobilisation des ressources nécessaires au financement de son programme de développement. On note une légère amélioration du taux de pression fiscale qui a passé de 12 à 14%. L'Assemblée Nationale a adopté en 2012 le nouveau Code Général des Impôts qui a amélioré davantage la transparence du système. Les services fiscaux ont mis en œuvre de mesures de rationalisation des contrôles fiscaux.

Par ailleurs, pour renforcer l'attractivité du Niger, le Gouvernement a adopté un nouveau code des investissements en Décembre 2013 et soumis à l'approbation de l'Assemblée Nationale. Le nouveau Code d'investissement a permis d'améliorer en particulier la transparence et la prévisibilité des incitations à l'investissement dans les secteurs productifs. Une large vulgarisation de ce code a été entreprise au cours de l'année 2014.

En dépit de la politique de libéralisation du commerce intervenue depuis les années 1980, le commerce international continue à être confronté à des contraintes. L'insuffisance des infrastructures de liaison et la persistance des mesures administratives n'ont pas permis de réduire les longs délais constatés dans le mouvement des marchandises.

Aussi, pour améliorer la fluidité des échanges commerciaux, le Gouvernement a adopté un arrêté interministériel du Ministre chargé des Finances et du Ministre chargé du Commerce qui a ramené le nombre de documents nécessaires pour l'exportation à 4 et pour l'importation à 6. A terme le temps de transaction pour les importations et les exportations sera réduit car le Gouvernement est en train de prendre des dispositions pour mettre en place un guichet unique des douanes. Les bons résultats du Niger dans le rapport Doing Business ont montrent l'impact du Niger en matière d'amélioration du climat des affaires (+4 points en 2015).

Face à l'insuffisance des ressources internes et externes pour couvrir les besoins de financement de plus en plus croissants, le Gouvernement s'est engagé à développer les partenariats publics privés pour la réalisation des infrastructures. Dans ce sens, une ordonnance définissant le cadre général des PPP a été prise dès septembres 2011. Le cadre règlementaire a également été créé par l'adoption d'une loi et la mise en place d'une cellule d'appui aux PPP qui est présentement opérationnelle.

Les fréquentes suspensions de la fourniture d'énergie électrique constituent une contrainte majeure pour les activités économiques au Niger. En outre, le faible taux d'accès à l'électricité ne permet pas d'initier des activités non agricoles dans les zones rurales où vivent la majorité de la population.

Pour y remédier et en même temps réduire la dépendance vis-à-vis du Nigeria pour l'approvisionnent en énergie électrique, le Gouvernement a construit à court terme d'une centrale thermique de 100 MW à Niamey, lieu de concentration de l'essentiel du tissu industriel. A moyen et long terme, il est prévu la construction d'une centrale de 200 MW à charbon et d'une centrale hydroélectrique au niveau du barrage de Kandadji.

En plus, les autorités entendent améliorer la viabilité financière de la NIGELEC, société qui a la responsabilité de la production, du transport et de la distribution de l'électricité. Plusieurs mesures sont envisagées dont la restructuration de la NIGELEC, l'adoption récente du code de l'électricité, la création d'une agence de régulation du secteur de l'énergie.

4.2 Développement des compétences à l'appui de la croissance économique

L'insuffisance des compétences constitue une contrainte majeure pour la croissance économique, le développement du secteur privé et la création d'emploi. Aussi, est-il important de mettre l'accent sur l'éducation et le développement des compétences.

Le Gouvernement s'est engagé à développer la formation professionnelle par un plus grand accès des jeunes aux centres de formation, un renforcement des capacités des formateurs et une plus grande concertation avec les entreprises pour favoriser les stages et les apprentissages. En outre, le Gouvernement, à travers la création d'un ministère spécifique dédié à la formation et professionnelle et l'emploi, améliorer la coordination entre les divers ministères, partenaires et institutions pour une plus grande cohérence dans les actions de formation professionnelle. Un partenariat étroit est développé avec les entreprises pour le choix des filières et les apprentissages. Aussi, le nouveau Code de Travail, entré en vigueur le 25 septembre 2012, compte des dispositions qui servent de base à la mise en œuvre d'un système d'apprentissage par alternance.

En outre, l'absence d'un système de filet de social au Niger impose des coûts économiques substantiels. De nombreux Nigériens sont très vulnérables aux imprévisibles grands chocs exogènes que sont les sécheresses et les inondations. L'absence de programmes de protection sociale efficaces peut conduire à une perte permanente de capital physique et humain. Le PDES prévoit un cadre de protection sociale qui protège ces groupes vulnérables.

Dans ce cadre, le gouvernement adopté une Stratégie Nationale de Protection Nationale qui met l'accent sur l'amélioration de l'efficacité, de la portée et de la coordination des programmes en la matière. Un comité interministériel assure le suivi, la coordination et la mise en œuvre de cette stratégie.

Depuis novembre 2011, le Niger est devenu producteur de pétrole et a cessé d'être importateur de produits pétroliers. Face à certaines difficultés constatées, l'Etat a pris des dispositions pour améliorer le fonctionnement et la viabilité des industries et de l'exploitation des ressources pétrolières.

Ainsi, l'Etat a réalisé un audit de la Société de raffinerie de Zinder et un plan d'actions a été mise en œuvre.

En outre, les autorités publient trimestriellement les informations sur la production du pétrole brut et des ventes des produits raffinés dans le journal ``*Le Sahel*``.Depuis janvier 2014, dans le cadre d'une plus grande transparence des informations relatives au secteur du pétrole et de l'énergie, le Gouvernement a créé un bulletin mensuel dénommé « L'étincelle » qui diffuse toutes les données statistiques relevant des secteurs. En plus, les données sur la production et la vente des produits pétroliers sont publiées au niveau des statistiques nationales à travers l'Institut National de la Statistique.

4.3. Développement agricole et rural

Le secteur rural en raison de son poids dans l'économie tant par sa contribution qui est de l'ordre de 40% au PIB et par l'importance de la population concernée (80%) est au cœur de la stratégie du développement du Gouvernement. Cependant, ce secteur reste confronté à de nombreux problèmes tels que la faible productivité, les aléas climatiques, le faible niveau d'encadrement des paysans, l'insuffisance de la recherche et de la vulgarisation, la faible superficie des terres irriguées.

Le Gouvernement a élaboré une stratégie cohérente de développement de la production agricole et de sécurité alimentaire, intitulée, Programme « Initiative 3N », « les Nigériens Nourrissent les Nigériens ». Ce programme vise l'augmentation de la production grâce entre autres à une meilleure utilisation des résultats de la recherche, le renforcement de la résilience aux changements climatiques par notamment le développement de l'irrigation. Dans ce cadre, le gouvernement a mis en place une stratégie dont les composantes portent sur:

- Le renforcement de services de recherche et de vulgarisation
- L'Amélioration du cadre réglementaire pour le développement de l'irrigation
- La Création d'un système efficace de valeur ajoutée dans le secteur de l'élevage.

Ainsi, le développement de l'irrigation a permis de réduire la vulnérabilité à l'insuffisance de la pluviométrie et d'augmenter la production agricole. Toutefois, le développement de l'irrigation a été entravé par, entre autres, l'insuffisance d'investissements et la gestion inefficiente des infrastructures d'irrigation.

Dans ce cadre les cultures de contre saison ont été privilégiées comme facteur d'intensification de production agricole et d'activités génératrices de revenus pour les femmes.

Le Gouvernement a pris des mesures pour améliorer le cadre institutionnel de l'irrigation notamment par la restructuration de l'Office National des Aménagements Hydro Agricoles (ONAHA) sur la base des conclusions d'une étude. Une ordonnance signée le 3 janvier 2014 a consacré cette réforme de l'ONAHA. Cette ordonnance met l'accent sur le rôle complémentaire des organismes agricoles privés communautaires conformément au plan d'actions de la mise œuvre de l'Initiative 3 N.

L'amélioration de la sécurité alimentaire passe outre par le développement de la production, mais aussi, par l'amélioration de la gestion de l'Office des produits vivriers du Niger (OPVN), chargé de la gestion de la réserve stratégique. Le Gouvernement a mis en œuvre des réformes de l'OPVN concernant le système d'approvisionnement, de suivi et de gestion des stocks alimentaires de sécurité sur la base des recommandations faites par la Cour des Comptes et de l'étude sur les risques agricoles. Ainsi, l'OPVN a élaboré un plan d'action de mise en des recommandations de la Cour des Comptes durant 2013. Les actions de ce plan concernant l'aspect de ``passation des marchés`` ont été adoptées par le Conseil d'Administration de l'OPVN du 26 décembre 2013. De même, un audit de menée par l'Inspection Générale des Finances a constaté que les manquements relatifs à l'application des règles de passation de marchés publics en vigueur ne se sont pas reproduits.

Par ailleurs, les produits de l'élevage constituent près du quart des exportations du Niger hors mines et a un fort potentiel de développement. Le développement de l'élevage est, toutefois, confronté à des problèmes d'organisation de la filière et d'absence de valeur ajoutée pour les exportations.

Le Gouvernement a adopté et mis en œuvre des mesures pour améliorer la production d'aliment de bétail et la gestion des abattoirs sur la base d'une étude qui a évalué, entre autres, le rôle du secteur public et du secteur privé dans leur gestion. C'est ainsi qu'il a mis en concession les deux usines aliments de bétail du pays.

4.4. Amélioration de l'efficacité de la dépense publique

L'amélioration de l'efficacité de la dépense publique constitue une préoccupation pour le Gouvernement. A cet effet, les mesures ci-après sont mises en œuvre.

Le gouvernement a intensifié les réformes en matière de gestion des finances publiques par la mise en place d'un programme global de réformes gestion des finances publiques pour la période 2013-2015. Ce plan indique les réformes à mener notamment en matière de recouvrement des recettes fiscales, de la préparation et de l'exécution du budget, d'établissement des comptes financiers, de contrôles et de transparence, de la gestion de trésorerie, de la dette et de la passation des marchés publics.

Dans le cadre de la mise en œuvre de ce Plan, plusieurs actions et mesures ont été déjà prises. Il s'agit, notamment de l'adoption d'une nouvelle loi de finances organique conforme aux directives

de l'UEMOA, de la nomination des receveurs au sein des administrations de la Direction Générale des Impôts (DGI) et de la Direction Générale des Douanes (DGD) en tant que comptables spéciaux relevant du réseau comptable du Trésor, et de l'élaboration du rapport des contrôles physiques inopinés des marchés soumis à appel d'offres.

Dans le souci d'un meilleur contrôle des entreprises publiques, le Gouvernement a créé une d'une direction dédiée à cette tache au sein du ministère chargé des finances.

L'efficience de l'utilisation des ressources publiques repose entre autres, sur un système de passation de marchés basé sur un respect strict des règles de concurrence. Poursuivant les réformes entreprises dans ce domaine, le Gouvernement a adopté de nouveaux textes en matière de passation de marchés publics dont notamment: (a) la mise à jour du Code des marchés publics en ce qui concerne les forces de défense et de sécurité; (b) la liste des documents à fournir par les soumissionnaires/candidats à un appel d'offres pour être éligibles; (c) les délais de la procédure de passation des marchés; (d) les sanctions en matière de passation des marchés s'appliquant aux agents publics, aux soumissionnaires et aux membres des commissions; (e) le manuel de procédures de passation des marchés du Code des marchés publics; (f) les procédures de passation des marchés des collectivités territoriales; et (g) le manuel de procédures de passation des marchés des entreprises publiques. D'autres actions telles que la surveillance des entreprises publiques ont été prises par la création d'une direction dédiée au sein du ministère chargé des finances. Cela devrait permettre au Gouvernement d'avoir une maitrise de la situation des entreprises publiques, apurer les arriérés et d'éviter l'accumulation de nouveaux.

Aussi, elle a procédé aux audits des marchés publics pour les années 2007, 2008, 2009, 2010, 2011 et 2012 afin de résorber le retard accusé dans la production de ces audits. Les rapports de ces audits sont régulièrement publiés sur son site Web et les synthèses dans le quotidien Le Sahel.

5. Impact global

De façon globale les réformes entreprises dans le cadre des programmes d'appuis budgétaires soutenu par la Banque Mondiale et les autres partenaires au développement ont contribué significativement à maintenir un cadre macroéconomique viable et stable sur la période 2012-2014. En effet, le taux de croissance économique s'est révélé l'un des taux les plus élevés sur les 10 années antérieures en dépit des chocs exogènes liés aux cours des principales matières premières exportés par le Niger et du climat d'insécurité qui règne aux frontières du pays. En plus, les allocations budgétaires ont contribué à protéger les dépenses sociales dans ce contexte où une grande partie des ressources sont allouées à la prise en charge des problèmes de sécurité au Sahel. Les réformes structurelles entreprises dans le secteur de l'irrigation, de l'énergie et des finances ont permis d'améliorer de rehausser le niveau du revenu par tête, de réduire l'incidence de la pauvreté par l'amélioration des conditions de vie d'une frange importante de la population.

6. Leçons apprises

Les enseignements tirés de la mise en œuvre de la série d'appui budgétaire sur la période 2012-2014 peuvent être résumées comme suit :

- on note un plus grand impact lorsque des OPD multisectorielles sont menées parallèlement à des opérations sectorielles, créant ainsi des synergies importantes. Cela est d'autant plus vrai dans les domaines où les réformes sont difficiles à mener et appellent un engagement et des actions soutenus de la part du gouvernement
- pour un pays comme le Niger, l'appui budgétaire contribue à soutenir le fonctionnement de l'État : un appui budgétaire prévisible et soutenu joue un rôle plus important au Niger que dans des pays ayant une assiette de revenus plus large et soumis à moins de stress externe. Une approche-programme des OPD est cruciale pour maintenir le programme de réformes sur les rails et mobiliser le gouvernement sur des questions transversales dans un contexte marqué par l'instabilité et des chocs externes fréquents.
- au niveau institutionnel : afin de renforcer une meilleure coordination des structures en charge des opérations d'appuis budgétaires le gouvernement a créé un comité interministériel placé sous l'égide de la primature. De même, une Direction dédiée au suivi des réformes appuyées par les programmes d'appuis budgétaires a également été institutionnalisée.
- En matière de suivi évaluation : les prochaines opérations du programme d'appuis budgétaires doivent prendre en compte la source de donnés pour renseigner les indicateurs. En effet, les évaluations non régulières comme PEFA ou les enquêtes lourdes qui prennent beaucoup de temps de moyen ne doivent pas considérées comme des sources de données. Par exemple, en l'absence d'une évaluation PEFA retenue dans le cadre du résultat du programme, on ne peut s'entendre sur les progrès en matière des finances publiques.

(In-house English Translation of Government Comments)

MINISTRY OF PLANNING

EVALUATION REPORT

1. Introduction

This report presents an assessment of the results of the series of measures implemented by the GoN regarding the World Bank series of budget support (SGC 1, 2, and 3) for the period 2012–2014. The total amount of the series of budget support to the Government is US$170 million and includes: (a) for SGC 1 an amount of US$50 million; (b) for SGC 2 an amount of US$50 million; and (c) for SGC 3 an amount of US$70 million.

The objective of this report is to provide a general evaluation of the results of the series of budget support programs; specifically, it will assess the impact of reforms on the economy, to highlight the difficulties encountered and the lessons learned.

2. Sectors of intervention of the support credit program for shared growth

The program consists of a series of three operations support reforms aimed at promoting inclusive growth/shared growth, with a focus on improving the framework for corporate activity, infrastructure, and skills development and agriculture. The program also provided support for increasing public spending efficiency, including better alignment with the national development strategy, and improved PFM and procurement systems. A more diversified economy and a stronger agricultural sector is essential to strengthening Niger's resilience to severe external shocks. The SGC built on a series of operations approved by the Board on June 23, 2011, and fully disbursed in October 2011.

3. Results

During the implementation period of the reform program, the Nigerien economy has experienced high growth despite as security risks in neighboring countries (Libya, Mali, and Nigeria), weather shocks, and coordination issues related to institutional instability. Growth over the period 2012–2014 has averaged 8.06 percent. A stable macroeconomic environment and a better implementation of the reforms have contributed and helped fund major infrastructure and has allowed significant improvement of socioeconomic indicators (health, education, water, environment, and electricity).

Economic growth has improved significantly during this period due to the contribution of the secondary sector, especially oil. Agriculture improved with the implementation of the 3N initiative, which helped increase per capita income and reduce poverty. During the period under review, poverty decreased to 48 percent in 2012 from 60 percent in 2005.

3.1. Macroeconomic performance

The Nigerien economy has registered a remarkable performance in recent years despite recurrent weather shocks and price volatility of its main export commodities (oil and uranium). Real GDP

growth declined from 11.9 percent in 2012 to 5.3 percent in 2013 and reached 7 percent in 2014. These erratic changes in the GDP growth rate are due to the start, in 2011, of oil production and the good performance of the agricultural sector, which was supported by 3N Initiative. The economy also benefited from the implementation of important public investment in infrastructure. However, the fall of uranium prices in the international market in 2012 following the Fukushima nuclear accident and the fall observed in international oil prices since July 2014 had an impact on some macroeconomic indicators. Economic activities in Niger also suffered from the effects of security threats on the borders with Mali, Libya, and Nigeria during the period 2012–2014.

3.2. Inflation

The level of consumer prices was under control during 2012–2014. Inflation stood at 0.5 percent in 2012, 2.3 percent in 2013, and 0.9 percent in 2014 and remained below t 3 percent convergence criteria of the Economic and Monetary Union of West Africa (WAEMU). This can be explained partly by the measures taken by the Government to mitigate the increase in prices of some consumer goods, in particular, with sales of cereals at moderate prices, the free distribution of food, stabilization of oil prices at the fuel pumps.

3.3. Public finances

During 2012–2014, Niger was under the IMF the Economic and Financial Program (2012–2015). Public revenue recorded significant improvement through increased revenues from natural resources. Tax revenue also increased from 14 percent in 2012 to 15.2 percent in 2013 and 15.5 percent in of GDP 2014. However, this rate remains well below the minimum threshold of 20 percent retained by the UEMOA Commission as part of its 20 percent retained for its convergence criteria.

However, revenues grew at a slower pace than total expenditure. This situation has led to a progressive deterioration of the fiscal balance, including grants to GDP, that constitutes the key criterion for convergence of the UEMOA, which rose from -1.8 percent of GDP in 2012 to -2.1 percent in 2013 and -8 percent of GDP in 2014. Fiscal deficit was largely financed by external funding, which accounted s on average for over 80 percent of the deficit per year, reflecting the effort made by the development partners to support the Government's program.

3.4 External sector

External trade resulted in an improvement of the overall balance of the balance of payments over the 2012–2014 period, posting a surplus of CFAF 162.7 billion in 2012, then 99 billion and 181.4 billion, respectively, in 2013 and 2014. This is the result of the improvement of the trade balance in 2012 and 2013 due to the export of oil and the strengthening of the capital account and financial operations in 2014.

The current account deficit improved an increase of 27 percent of exports supported by oil exports. In 2013 and 2014, it has deteriorated to CFAF 568.3 billion and CFAF 645.2 billion respectively or 14.7 percent in 2012, 15.0 percent of GDP in 2013 against 18.1 percent in 2014 as a result of lower sales of uranium and petroleum products and an increase in imports by 2.6 percent and 8.6 percent. Foreign direct investment increased (+18.7 percent) in 2014 in connection with the construction of the railway the investment on the oil refinery in 2013.

3.5 Monetary sector

The monetary policy of Niger is in accordance with UEMOA's rules. Money supply increased during 2012-2014 as a result of net external assets, reflecting the overall trade balance. Domestic credit also increased. With regard to credit to the economy, it has increased by 23.7 percent in 2012 and then 4 percent in 2013 and 10.3 percent in 2014.

4. Structural reforms

The program has allowed for improving governance through the support for the development of the private sector, the increase in the efficiency and transparency of public expenditure, and the reform of the institutions in the sectors of agriculture and infrastructure.

4.1. Development of the private sector

The private sector in Niger is essentially composed of micro, medium, and small firms involved primarily in the informal sector. The development of the private sector is hampered by the unattractive environment for investment due to difficulties for accessing funding, high costs of factors related to the lack of infrastructure, skilled labor, and energy.

Therefore, the Government has committed to improving business environment. Regular exchanges between private operators and public authorities have been organized to reduce the barriers and constraints to the development of the private sector. In 2007, Niger has created the National Council of Private Investors, the main tool of dialogue between the Government and the private sector. The Government has strengthened this framework under the operation.

In 2012, the National Assembly adopted the new tax code that has further improved the transparency of the system. Tax services have implemented measures of rationalization of fiscal controls. Furthermore, to enhance the attractiveness of Niger, the Government adopted a new code of investment in December 2013, which is subject to the approval of the National Assembly. The new investment code has allowed improvement of, in particular, the transparency and predictability of incentives for investment in the productive sectors. A wide dissemination of this code had been undertaken through 2014.

Despite the policy of trade liberalization since the 1980s, international trade continues to be faced with constraints. The inadequacy of infrastructure of binding and the persistence of administrative measures have failed to reduce delays in the movement of goods. To improve the fluidity of trade, the Government has adopted an interministerial decree of the minister of finance and the minister of trade, which brought the number of documents necessary for export to four and for import to six. The time of transactions for imports and exports was reduced as a result of a one-stop shop in customs. The results of Niger in the Doing Business report showed the impact of Niger to improve the climate of business (+4 points in 2015).

Facing the lack of internal and external resources to cover financing needs for its ambitious growth program, the Government developed public private partnerships for infrastructures. An framework was established in September 2011. The regulatory framework was also established by the adoption of legislation and the establishment of a support to the PPP Unit which is currently operational.

Frequent suspensions of power supply are a major constraint for economic activities in Niger and access to electricity is extremely low in rural areas where the majority of the population live. The authorities improved the financial viability of NIGELEC, which is responsible for the production, transport, and distribution of electricity. Several measures were planned, including the restructuring of NIGELEC, the recent adoption of the electrical code, and the creation of an agency for regulating the sector of energy.

4.2 Skills development

The lack of skills is a major constraint to economic growth, private sector development, and job creation. The government committed to developing vocational training by providing greater access of the youth to training centers, strengthening the capacity of trainers, facilitating greater consultation with businesses to promote internships. In addition, through the creation of a specific ministry dedicated to training and professional development and employment, the Government had planned to improve the coordination between the various government departments, partners, and institutions for greater coherence in the actions of more flexible learning for adults.

The absence of a system of social network in Niger imposes substantial economic costs. Many Nigeriens are very vulnerable to the unpredictable major exogenous shocks of droughts and floods. The absence of effective social protection programs may lead to a permanent loss of physical and human capital. The PDES/SEOP provided a framework of social protection which protects these vulnerable groups. To address these, the Government adopted a national strategy of national protection, which aimed to improve the effectiveness, scope, and coordination of programs. An interdepartmental committee was in charge of follow-up, coordination, and implementation of this strategy.

Since November 2011, Niger has become a producer of oil and has ceased to be an importer of petroleum products. The Government has undertaken an audit of the society of refinery in Zinder followed by an action plan which has been implemented.

In addition, the authorities has published quarterly information on the production of crude oil and sales of refined products in the journal 'Le Sahel'. Since January 2014, the Government has created a monthly newsletter called ‘L’étincelle’ which broadcasts all statistical data in the oil sector. In addition, the data on the production and sale of petroleum products are published at the National Institute of Statistics.

4.3. Agricultural and rural development

The rural sector whose share is 40 percent of GDP, and which employs the majority of the population (80 percent) is at the heart of the development strategy of the Government. However, the sector is still confronted with many problems such as low productivity, poor extension services and the small area of irrigated land.

The Government has developed a coherent strategy for the development of agricultural production and food security, the "3N Initiative", ‘the Nigeriens feed the Nigeriens’. This program aims to increase the production, among other things, by better use of the results of the research and the strengthening of the resilience to climate change through the development of irrigation. In this framework, the Government has formulated a strategy whose components relate to:

- the strengthening of research and extension services
- the improvement of the regulatory framework for the development of irrigation
- the creation of an effective system of value added in the livestock sector

The development of irrigation has helped reduce the vulnerability to inadequate rainfall. However, it has been hampered by lack of investment and the inefficient management of irrigation infrastructures.

The Government has taken measures to improve the institutional framework of irrigation in particular by the restructuring of ONAHA. An "*Arrete*" signed on January 3, 2014, has started this reform of ONAHA. This order puts emphasis on the complementary role of the community of private agricultural agencies in accordance with the planned actions under the 3N initiative.

The improvement of food security depends not only on the development of production, but also on the improvement of the management of the OPVN, responsible for the management of the strategic reserve. The Government has implemented reforms of the OPVN related to the supply system, management, and tracking of food stocks on the basis of the recommendations made by the Court of Auditors and the study on the risks of farming. Based on the same study, the OPVN has developed and implemented an action plan of action for implementation of the recommendations of the Court of Auditors during 2013.

Livestock products constitute nearly a quarter of the exports of Niger and have a strong potential for development. The development of the livestock is, however, facing problems of organization of the sector and of the absence of value added for exports. The Government has adopted and implemented measures to improve the production of food and livestock and the management of slaughterhouses on the basis of a study that evaluated, among other things, the role of the public sector and the private sector in their management.

4.4. Improvement of the efficiency of public expenditure

The improvement of the efficiency of public expenditure is a concern for the Government. The Government has strengthened reforms in PFM by the establishment of a comprehensive program of reform management of public finances for the period 2013–2015. This plan indentified the reforms to be made, in particular, in tax revenues, the preparation and execution of the budget, and the establishment of financial accounts, controls and transparency, cash management, debt, and public procurement. The Government also created a directorate dedicated to the control of state-owned companies.

The efficiency of the use of public resources is based among other things, on a procurement system, based on strict adherence to the rules of competition. Continuing the reforms undertaken in this area, the Government has adopted new texts for public procurement including: (a) an update of public contracts Code with regard to the defense and security forces; (b) the list of documents to be provided by the bidders/candidates to a call for tenders, to be eligible; (c) the time limits for the procurement procedure; (d) the sanctions on procurement applying to public officials, to bidders, and to the members of commissions; (e) the manual of procedures for the award of the markets of the Public Contracts Code; (f) the procurement procedures of territorial communities; and (g) the manual of procurement procedures of public enterprises.

5. Global impact

In a comprehensive manner, the reforms undertaken in the framework of the programs of budget support supported by the World Bank and other development partners have contributed significantly to maintain a sound macroeconomic framework over the period 2012–2014. Growth has proved to be the highest rates in the 10 previous years in spite of exogenous shocks and insecurity, and despite this, social spending has been protected. The structural reforms undertaken in the irrigation and energy have helped to improve the level of income and to reduce the incidence of poverty by improving the conditions of life of a large segment of the population.

6. Lessons learned

The lessons learned from the implementation of the series of budget support in the 2012–2014 period can be summarized as follows:

- There is a greater impact when multisectoral OPD is conducted simultaneously with sector operations, creating significant synergies. This is especially true in areas where reforms are difficult to conduct and require a commitment and sustained action by the government.

- For a country like Niger, budget support helps to support the functioning of the state: a predictable and sustained budget support plays a more important role in Niger than in countries with a broader revenue base and subject to less of external stress. PBAs OPD is crucial to maintain the reform program on track and engage the government in cross-cutting issues in a context marked by instability and frequent external shocks.

- At the institutional level, to strengthen a better coordination of the structures in charge of operations of budget support the government has created an interdepartmental committee under the auspices of the Office of the Prime Minister. Similarly, a directorate dedicated to the follow-up of the reforms supported by the programs of budget support has also been institutionalized.

- The next operations may take into account the source of data to populate the indicators. Irregular evaluations such as the PEFA, which take a lot of time, must not be considered as sources of data.

Annex 5. Comments of Cofinanciers and Other Partners/Stakeholders

Not applicable

Annex 6. List of Supporting Documents

Country Partnership Strategy for the Republic of Niger for the Period FY13–16, March 29, 2013.

Doing Business 2016, Measuring Regulatory Quality and Efficiency—Economy Profile 2016, Niger, Comparing Business Regulation for Domestic Firms in 189 Countries, World Bank Group, 2016.

Financing Agreement, (First Shared Growth Credit) between Republic of Niger and the International Development Association, Dated July 5, 2012.

Financing Agreement, (Second Shared Growth Credit) between Republic of Niger and the International Development Association, Dated 2013.

Financing Agreement, (Third Shared Growth Credit) between Republic of Niger and the International Development Association, Dated April 11, 2014.

Niger—"Notes de Politique Sectorielle" (Sector Policy Notes), World Bank, 2011 (various diagnostics on economic sectors in Niger).

Niger—*Policy Note for the Eighth Review Under the Extended Credit Facility (ECF) Arrangement*, April 2016.

Program Document for a Proposed Development Policy Credit in the Amount of Euro 71.4 Million (US$80 Million Equivalent) to the Republic of Niger for a First Public Investment Reform Credit, November 4, 2015.

Program Document for a Proposed First Shared Growth Credit (SGC-1) in the Amount of SDR 33.1 Million (US$50 Million Equivalent) to the Republic of Niger, May 31, 2012.

Program Document for a Proposed Second Shared Growth Credit (SGC-2) in the Amount of SDR 33.1 Million (US$50 Million Equivalent) to the Republic of Niger, April 2, 2013

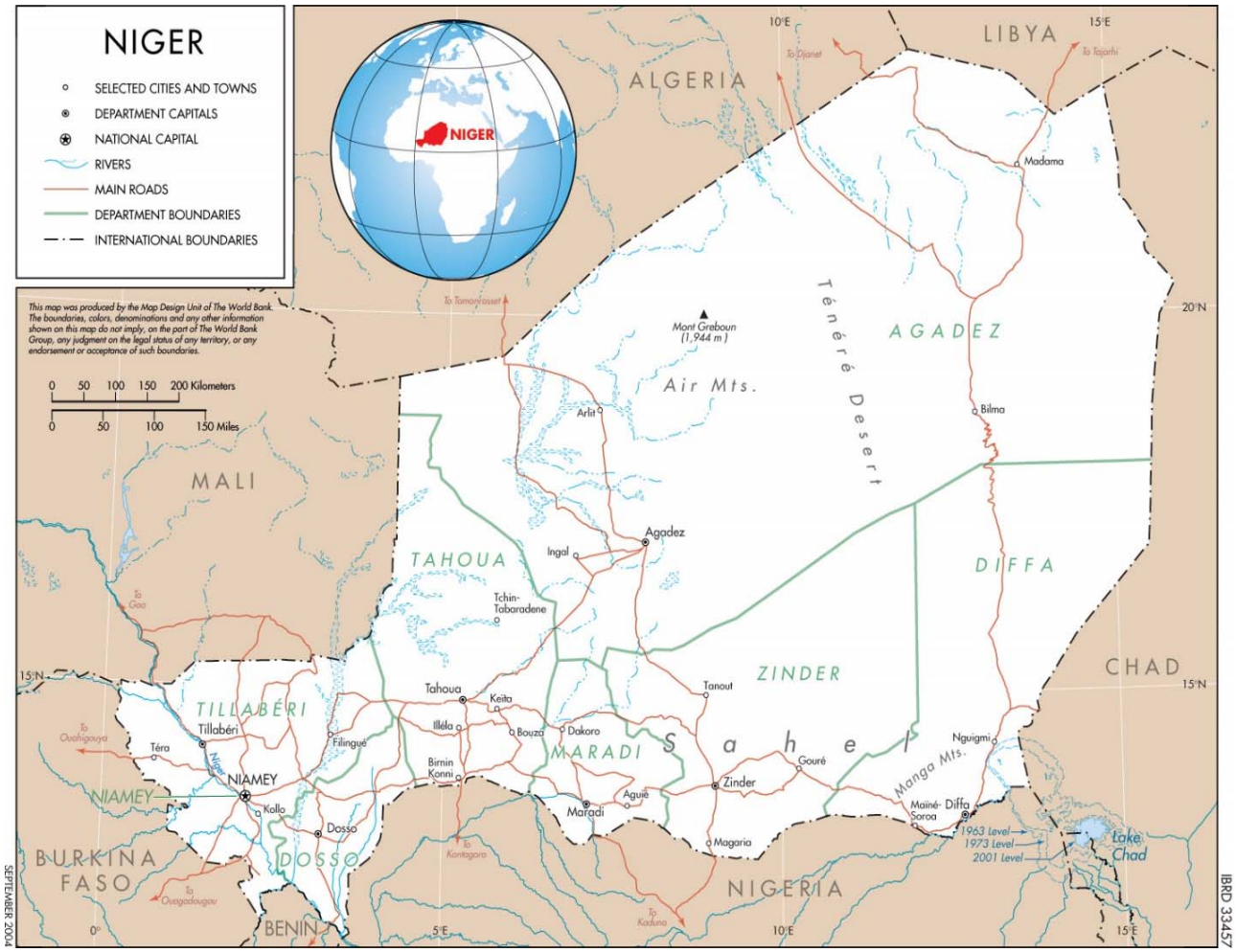
Program Document for a Proposed Third Shared Growth Credit (SGC-3) in the Amount of SDR 45.71 Million (US$50 Million Equivalent) to the Republic of Niger, March 17, 2014.

Annex 7. SGC 1, 2, and 3 Prior Actions and Status

SGC 1 Prior Actions	Status
1. The Recipient has issued a decree to modify the rules governing the National Private Investor Council and convened and held a first meeting of the National Private Investor Council's members since 2007.	Done
2. The Recipient has adopted a regulatory framework for public-private \partnerships which facilitates and creates greater flexibility for public-private collaboration, and includes the general regime for public-private partnership contracts with the regulations for its application and the establishment of a public-private partnership support unit.	Done
3. The Recipient has made the Executive Secretariat of the National Council for Agricultural Research operational through the recruitment of an executive secretary, deputy executive secretary, an accountant, a monitoring and evaluation specialist and support staff, and the provision of adequate funding.	Done
4. The Recipient has submitted to its National Assembly a new organic public finance law as the basis for modernizing the Recipient's public financial management system in a manner consistent with WAEMU directives.	Done
5. The Recipient has nominated public accountants in the directorates of its Ministry of Finance responsible for tax and customs, respectively, as special accountants members of the network of Treasury accountants.	Done
6. The Recipient has carried out physical inspections of the execution of at least two hundred (200) public procurement contracts of an individual value of more than CFAF 20,000,000 (and thus subject to competitive bidding) awarded in 2011 and has issued a report reflecting findings and containing recommendations in order to ensure value for money in public procurement.	Done
7. The Recipient has issued by decree the new Procurement Code and the Procurement Ethics Code.	Done
8. The 2007 and 2008 independent audits of the Recipient's Public Procurement Regulatory Agency have been completed and the Recipient has published: (i) the audit reports on its web site; and (ii) a summary of the auditors' findings in the Le Sahel newspaper.	Done
SGG-2 Prior Actions	
1. The Recipient has issued instructions for the selection and execution of tax audits and inspections, containing provisions to reduce multiple firm visits as well as a coherent procedure for the selection of cases that will be examined.	Done
2. The Recipient has issued regulations concerning road blocks and controls, defining the type of controls, location of road blocks, and recourse mechanisms, in order to minimize the risk of abusive practices for merchandise transport in the Recipient's territory.	Done
3. The Recipient has adopted a new Labor Code, which describes the legal framework for dual apprenticeships.	Done
4. The Recipient has established and commenced implementation of mechanisms for the competitive financing of agricultural research and the adaptation of technologies to strengthen the link between agricultural research and the needs of producers.	Done
5. The Recipient has transposed the WAEMU directives with respect to the general regulations governing public accounting, budget nomenclature, government accounting, the chart of accounts and the table for government operations into its national law.	Done
6. The Recipient's ministry responsible for finance has created a directorate to supervise state-owned enterprises.	Done

7. The Recipient has issued regulations for the implementation of the new Procurement Code, including on: (i) the creation, responsibilities and organization of regional representations of the Public Procurement Regulatory Agency; (ii) the creation, responsibilities, composition, and functioning of ad hoc commissions for bid opening and evaluation of parastatal enterprises and organizations; (iii) the creation, responsibilities, composition, and functioning of ad hoc commissions for bid opening and evaluation of local authorities; (iv) procurement thresholds; (v) responsibilities of procurement units; (vi) the creation, responsibilities, composition, and functioning of ad hoc commissions for bid opening and evaluation of the central government; and (vii) procurement deadlines.	Done
8. Independent audits of public procurement in 2009 and 2010 have been completed and the Recipient has published: (i) the audit reports on its web site, and (ii) a summary of the auditors' findings in the Le Sahel newspaper.	Done
SGG-3 Prior Actions	
1. The Recipient's Council of Ministers has adopted and submitted to the National Assembly a new investment code.	Done
2. The Recipient, through the Ministry of Economy and Commerce and the Ministry of Finance, has reduced the number of documents required for imports by 3 and the number of documents required for exports by 4.	Done
3. The Recipient: (i) has developed a cost model for the electricity sector providing the information needed to undertake a revision of tariffs in electricity sector; and (ii) has commenced the corporate due diligence and an operational and financial audit of NIGELEC.	Done
4. The Recipient has adopted and submitted to the National Assembly a bill designed to provide a comprehensive legal framework for technical and vocational education and training.	Done
5. The Recipient has published, starting with December 2013, on quarterly basis information on production of crude-oil and refinery products in Le Sahel newspaper.	Done
6. The Recipient has revised the legal framework of its Agency for Irrigation Schemes to establish decentralized water management and extension services by villages or private operators.	Done
7. The Recipient has strengthened the National Food Product Office's procurement, management and distribution capacity.	Done
8. The Recipient has launched the procedure for the concession of the two animal-feed factories.	Done
9. The Recipient has adopted measures to prevent the accumulation of new arrears by four state-owned enterprises: Société Nigérienne d'Electricité, Société d'Exploitation des Eaux du Niger, Société Nigérienne des Télécommunications and Société de Patrimoine des Eaux du Niger.	Done
10. The Recipient has issued implementation regulations for the new Procurement Code, including on: (a) the update of the Procurement Code with respect to the defense and security forces; (b) the list of documents to be provided by bidders/candidates in order to be eligible; (c) procurement process deadlines; (d) procurement sanctions for public officials, bidders and members of commissions; (e) procurement procedure manual for the Procurement Code; (f) procurement procedures for local authorities; and (g) procurement procedure manual for public enterprises.	Done

MAP


NIGER
SELECTED CITIES AND TOWNS
DEPARTMENT CAPITALS
NATIONAL CAPITAL
RIVERS
MAIN ROADS
DEPARTMENT BOUNDARIES
INTERNATIONAL BOUNDARIES
This map was produced by the Map Design Unit of The World Bank. The boundaries, colors, denominations and any other information shown on this map do not imply, on the part of The World Bank Group, any judgment on the legal status of any territory, or any endorsement or acceptance of such boundaries.
0 50 100 150 200 Kilometers
0 50 100 150 Miles
ALGERIA
LIBYA
MALI
CHAD
NIGERIA
BENIN
BURKINA FASO
AGADEZ
DIFFA
TAHOUA
ZINDER
TILLABÉRI
MARADI
DOSSO
NIAMEY
Sahel
Ténéré Desert
Air Mts.
Manga Mts.
Lake Chad
Mont Greboun (1,944 m)
Madama
Bilma
Arlit
Agadez
Ingal
Tchin-Tabaradene
Tahoua
Keita
Illéla
Bouza
Dakoro
Tanout
Nguigmi
Gouré
Zinder
Maradi
Aguié
Magaria
Mainé-Soroa
Diffa
Birnin Konni
Filingué
Tillabéri
Téra
Kollo
Dosso
1963 Level
1973 Level
2001 Level
To Djanet
To Tajarhi
To Tamanrasset
To Gao
To Ouahigouya
To Ouagadougou
To Kantagora
To Kaduna
10°E
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SEPTEMBER 2004
IBRD 33457