Statement by Pieter Stek  
Date of Meeting: November 30, 2000

**Burkina Faso: Country Assistance Strategy**

We welcome the opportunity to discuss the CAS for Burkina Faso and specifically would like to commend the staff for several positive points: a) the close link with the PRSP; b) performance indicators that are in line with indicators proposed by SPA’s Reform of conditionalities and are included in the PRSP; c) the expressed wish to work closely with the Government and donors.

We would like to express concern over the Government's slow progress in the introduction of key reforms, the need for improved cooperation with other donors, and concern over unrealistic growth expectations and benchmarks.

**Analysis of the socio-economic situation and government policy**

In generally we concur with the analysis. But the poverty is not sufficiently explained, neither in the PRSP nor in the CAS. Taking into account the fact that inequality in Burkinese society has grown, there is reason to put more emphasis on Government policies with respect to equitable distribution of income and resources to ensure that Government and donor funds reach the rural poor.

**Proposed strategy**

The CAS follows closely the strategies as laid out in the PRSP. However, we wonder whether the description of the Government's core objectives for 2005 in para 8 is entirely correct -- it appears that some targets have been reset for a later date.

Though in para 10 concern is expressed about the growth rate of more than 7% as projected in the PRSP, the Bank still follows this strategy because without this growth...
rate "the country will not meet the 2015 ODA-OECD targets" (para 20-22). This may be true, but perhaps it is wiser to be realistic. Furthermore, the majority of the population is involved in subsistence agriculture. Has a possible negative trade-off between accelerated growth and food security been taken into account?

**Bank support programme**

Looking into *para 39-45 and the PRSP* one might conclude that unlike the Bank the Government does not view closer integration into the regional economy as the highest priority. It appears that in the longer run the integration process can be beneficial for Burkina Faso, and some direct benefits have already occurred. We would like to hear more on whether there are differences on this issue between the Bank and the Government.

During a recent meeting in Ouagadougou at the invitation of the Minister of Economic Affairs and Finance, doubts were raised by various donors about the proposed withdrawal of the World Bank from the transport sector. Given what is stated in *para 70*, we would like to hear whether there are alternative funding sources for this sector.

With respect to the proposed **HIV/AIDS Disaster Response** (*para 73*), we wonder whether the Bank’s policy is in accordance with the policy of the National Commission for the Struggle against AIDS (CNLS) to implement a multisectoral approach at the district level. Successful implementation of various pilot projects has proven that this strategy is effective. Therefore, we urge staff to co-ordinate closely its HIV/AIDS programs with the CNLS and avoid any parallelism and duplication of efforts.

In *para 74* the Bank’s support to the National Program for Decentralized Rural Development is mentioned (PNDRD). This appears to be a **program, parallel** to the existing Operational Strategic Program (PSO). In this case too we would like to see closer coordination with the existing National Commission for Decentralization (CND), which is already implementing several initiatives.

Given the fact that a proposed growth rate of more than 7% will be very difficult to attain we agree that the **risks** mentioned in *para 93-97* are indeed significant. However, we wonder whether they are as manageable as the risk assessment suggests.

Finally, we are under the impression that the **triggers for the High Case Lending Scenario** (*para 80*) are overoptimistic.

**Ownership**

The relationship between the Bank and Government seems to be good. However, it appears that the **pace of reforms introduced by the Bank** may be too high to assure Government ownership of reform programs. The Mid-Term Expenditure Framework
(MTEF), though accepted in the Council of Ministers, suffers from a lack of structures or staff trained to properly implement it. The PRSP process has seen too little genuine involvement from the technical ministries or civil society during its elaboration.

**Donor coordination**

My Dutch authorities are of the view that more responsibilities should be delegated to the Resident Mission, as this would further enhance the Bank’s good co-operation with the donor community and the Government.

**Burkina Faso/ Community Based Rural Development Project (CBRDP)**

My Dutch authorities were actively involved in consultations for the preparation of the CBRDP (through the Netherlands Embassy in Ouagadougou). However, we would still like to make the following remarks:

The adoption of a “Lettre de Politique de Développement Rural Décentralisé” was a preliminary condition for a second phase of the “Programme National de Gestion des Terroirs (PNGT)”, now absorbed by the CBRDP. Can the long-term objectives of thePNGT be achieved in the proposed, relatively short period of time?

The **Commission Nationale de Décentralisation**, the key Burkinese institution with respect to the decentralization process, seems to have been marginally involved in the elaboration of the CBRDP. Can CND, even if it is not a strong structure, be more involved in the process of designing local structures and the formation of rural communities, as well as in the monitoring of the institutional aspects? Another Burkinese organization, that could be more involved in the implementation of the projects is the **Ministère de Promotion de la Femme**.

It is not entirely clear where the **Project Coordination Unit**, responsible for the implementation of the CBRDP, is situated -- is it an entirely independent structure, or is it institutionally embedded in Government structures? We suggest there should be no parallel structures in the implementation of the project and the Burkinese Government and non-governmental organizations should be in the driver’s seat.

We would like to know the relationship between the HIV/AIDS Disaster Response, proposed in the Country Assistance Strategy, and the activities proposed in the CBRDP, which seem to be much more low key, and carried by the local community itself. The latter approach seems more appropriate than the quick disbursement under the HIV/AIDS Disaster Response.

The Netherlands supports activities on the Regional Program for the Traditional Energy Sector (RPTES), which is still under consideration. It is not clear how this project figures within the CBRDP, since it is not mentioned in the Project Appraisal Document.