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REPUBLIC OF NIGER

Fraternity - Work – Progress

MINISTRY OF PLANNING, LAND USE AND COMMUNITY DEVELOPMENT

National Report on the Status of Implementation of the Almaty Programme of Action 2003-2013

June 2014

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1. Introduction

Niger is a huge country (1,267,000 km^2) with a rapidly growing population. A 3.3% demographic growth rate in 2001 rose in the inter-censal period to 3.9% in 2012 (one of the highest in the world). Estimated as a little over 17 million following the most recent General Population and Housing Census (2012), the population is geographically very unevenly spread, because of vast deserts in the North of the country.

Much of the population lives in extreme poverty. The percentage living below the poverty line was 59.5 in 2003 and 48.2 in 2012.

The distances between the country's major cities can be as great as 1,500 km. Niger is a landlocked country and Cotonou, the principal port used for its foreign trade, is located approximately 1,035 km from its capital, Niamey.

This means that the State has to contend with enormous road repair and maintenance challenges in order to link the country's more densely populated areas. Road infrastructure in the interior of the country is in bad shape and the road network needs to be rehabilitated and expanded in order to sustain the country's economic development. The Equipment Ministry's capacity to manage the roads remains limited and is improving too slowly. The country has few funds to invest in the transport sector. Thus, the country relies on assistance from donors and creditors to rehabilitate its road network: a prerequisite for expanding trade, both internally and with the outside world.

In short, the principal challenges Niger faces are:

- Overcoming the country's internal and external isolation and opening up access to and from rural areas, so as to enable the population to access basic social services and facilitate the marketing of its agricultural (including forestry and livestock) output.
- Conserving its heritage;
- Modernizing its transportation industry;
- Improving road safety.

This report takes a look at actions undertaken and progress made thus far following the Ministerial Conference of Almaty (Kazakhstan) in August 2003.

2. The national development planning process and assessment of the key trends in economic, social and environmental development.

Following the Almaty Conference, Niger set about planning numerous actions aimed at implementing the Programme of Action it gave rise to.

The Almaty Programme of Action (APoA) is entirely consistent with the various strategies adopted by Niger. Indeed, the Poverty Reduction Strategy for 2002-2007 and the Strategy for Accelerated Development and Poverty Reduction 2008-2012 (SDRP) accord pride of place to opening up the country and developing both domestic and foreign trade. The same goes for the Plan for Economic and Social Development (PDES) for 2012-2015, currently the only frame of reference for economic and social development for this period, both for the Government and for the Technical and Financial Partners (TFP).

Infrastructure

Here it is a matter of connecting the country to market outlets and bringing government administration and the people closer to basic economic and social infrastructure (schools, health clinics. Production zones, and so on).

A national road building strategy was developed for 2004-2008, envisaging, in particular, equal co-financing by the State, the TFP, and the Communities. This strategy was never adopted by the Government.

The national transport strategy was drawn up and validated in 2004, and updated in January 2011, but nevertheless it was never formally adopted by the Government. However, there is an action plan for developing road infrastructure through to 2025 which establishes the country's priorities in this area.

It was within that framework that the Transport Sector Program Support Project (PAPST) was prepared in 2007-2008, to help the country meet major periodic road network repair and maintenance needs (the actual cost of maintaining Niger's main network is estimated to be US$30 million a year).

Road safety

Road security is a matter of real concern in Niger. Given a surge in road accidents and the economic and social costs associated with them, Niger has decided to take a number of steps to reduce their frequency and seriousness. Thus,

- A database has been installed in the Ministry of Transport and measures have been adopted to reform the system used to issue driving licenses and distribute the Highway Code.
- A more effective technical inspection system for vehicles has been established, as part of a public-private partnership.
- The Highway Code is currently being updated to include regulations governing the obligatory use of helmets for motorcyclists, the use of telephones while driving, safety belt use, and child drivers…
- The intercity passenger transportation subsector has been reorganized to ensure regular and better quality services and a speed limit of 100 km/hour. Driving on intercity highways has also been banned between midnight and 6:00 a.m.
- Information, education and communication campaigns for stakeholders (civil society, transportation companies, the general population, NGOs, government institutions, and so on) have been stepped up.
- Thought is being given to the preparation of a national road safety policy with a multi-sector approach.

At the macroeconomic level, GDP grew 8.2% in 2010, compared with -0.7% in 2009 and 9.6% in 2008. Average annual growth is projected at around 5.3%, when 7% would be needed to have a significant impact on poverty.

Table 1
Changes in macroeconomic indicators 2008-2010

Indicators	*2008*	*2009*	*2010*	*2011*	*2012*	*2013*
Population growth rate (%)	3.3	3.3	3.3	3.3	3.9	3.9
Real GDP growth rate (%)	9.6	-0.7	8.2			0.3
Change in GDP deflator (%)	7.6	5.5	2.5			
Annual inflation (%)	11.3	4.3	0.9		0.5	2.3
Nominal GDP per capita (CFA francs)	170 422	172 421	184 759		199 376	204 360
Real GDP growth per capita (%)	5.9	-4.1	4.6			6.5
Gross domestic savings rate (%)	14.1	9.9	14.6		16	16
Investment rate (%)	32.1	33.2	35.9		34.9	34.3
Tax burden (in %) (Standard>=17%)	10.7	11.5	13.7			

Source: SDRP 2008-2012 Implementation Review; 2013 Annual Report on Implementation of the PDES 2012-2015

The mainly informal primary sector grew 3.2% in 2010, following a 4.1% decline in 2009. This change is to be explained primarily by 33.3% growth in agricultural output, accompanied by a 3.4% dip in livestock and 13.3% growth in forestry and fishing.

The secondary sector grew 8.2% in 2010, compared with 11.2% in 2009 and 3.6% in 2008. Manufacturing, electricity, and construction grew 7.3%, 14.2% and 11.5%, respectively. The SDRP had envisaged annual secondary sector growth of 8.9%.

The tertiary sector, which accounts for 35.8% of GDP at factor cost grew in real terms by 0.1% in 2010, compared with 5.6% in 2009 and 3.6% in 2008.

As for the composition of GDP, the informal sector predominates. In 2010, it accounted for 69.6%. The modern sector continues to languish due to weak domestic demand and local industry’s lack of competitiveness. This informalisation of the Nigerien economy has a disastrous effect on tax revenue, as Niger’s tax burden shows (13.7% in 2010).

In real terms, average annual economic growth in 2012-2013 was estimated as 7.4%.[1] That rate exceeded the rate of growth of the population, which was estimated at 3.9% in 2012.

According to National Institute of Statistics estimates, GDP growth in real terms was 3.6% in 2013, compared with an initial forecast of 5.9% and with 11.1% growth in 2012.

Thus the pick-up in economic activity begun in 2012 slowed in 2013, in line with the decline in the growth rate of the agricultural, mining, and petroleum sectors

[1] For the PDES implementation period (2012-2015), the annual average economic growth rate in real terms is projected as 8%.

and the insecurity prevailing in the sub-region (Libya, Nigeria, Mali) which had a dampening effect on economic activity in Niger.[2]

Annual average **inflation** in 2013 was 2.3% (2012: 0.5%).

In nominal terms, Gross Domestic Product grew 6.5%, from CFAF 3,414.3 billion in 2012 to CFAF 3,637.0 billion in 2013.

In per capita terms, nominal GDP was CFAF 204,360 in 2013, up 2.5% compared with the previous year. However, real GDP per capita declined by 0.3% in 2013.

The gross domestic savings rate remained stable from 2012 to 2013, at around 16% of GDP, as a result of a 6.5% increase in nominal GDP and 6.7% growth in final consumption. For its part, the investment rate was 34.3% in 2013, compared with 34.9% in 2012. In addition, the share of investment financed by domestic savings increased from 47.8% in 2012 to 48.2% in 2013.

3. Fundamental transit policy issues

To improve its performance, the Customs Administration resolutely committed to undertaking major reforms by 2014, including

(i) The introduction of electronic transit facilities;

(ii) Pre-clearance of merchandise;

(iii) Upgrading the security of customs control documents;

(iv) Installation of a single server connecting the different offices;

(v) Migration from SYDONIA++ to SYDONIA WORD;

(vi) Boosting administrative assistance with Benin, Togo and Burkina Faso, particularly through interconnection and the designation of customs attachés in the ports.

4. Infrastructure development and maintenance

Institutionally, a number of measures have been adopted to implement the guidelines established in the National Transport Strategy. These should improve the overall environment in the sector. They include:

- Adoption of the Ministerial Order of November 3, 2009, establishing the fundamental principles governing the transportation of passengers and goods. That Order superseded Law N°65-048 of September 1965, which no longer gelled with the trend toward liberalization and only addressed overland and river transport;
- Revision of the Highway Code (already under way);
- Several investment plans and programmes (already in place);

[2] A specific study of the impact of the lack of security on the economy will be undertaken in 2014.

- A rural roads development strategy (drawn up in 2008);
- The reorganization of the Public Works Directorate and its upgrading to a General Directorate of Public Works;
- Establishment of the Autonomous Road Maintenance Financing Fund (CAFER);
- Establishment of the Public Works Equipment Leasing Company (SLMTP);
- Reorganization of the National Public Works Laboratory (LNB/TP)

The finding throughout this period is that:

- The road rehabilitation target was met and even slightly exceeded by 15%;
- The country has made little effort with respect to building new roads (only 6% of the target was met). Indeed, road infrastructure carried out in 2007-2010 amounted to only 14% of the roads built between 2001 and 2010, and was way below the figures recorded in 1970.

One of the biggest handicaps for transport sector development is financing. The transport sector strategic plan (PST) had envisaged 17 works costing CFAF 204 billion.

Unfortunately, according to the diagnostic assessment report of October 2010, only 35% of the new road infrastructure projects could be implemented. This low financing rate is due to both too ambitious projections of the capacity for self-financing and the difficulties of raising external funding.

Road maintenance is entirely dependent on the resources of the Autonomous Road Maintenance Financing Fund (CAFER), established in November 1999, whose statute was revised in 2005. CAFER resources come from royalties on petroleum products, road usage tolls, and a number of other sources. They do not suffice to cover all its financing needs: in 2008 they covered 46% and in 2009 75%. The insufficiency of CAFER's funding is a serious barrier to ensuring minimal road maintenance.

The following tables show the various asphalted roads built in 200-2010 and 2011-2014, along with the costs incurred and sources of financing:

Table 2

Construction of asphalted roads, 2000-2010. Average cost = 172.62 million/km

Stretches of road built	*Linear distance (Km)*	*Overall cost millions FCFA*	*Financing*	*2004*	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*
Zinder - Agadez	93	9 665.53	ADF,WADB,ABEDA/ BADEA, IDB, NIG	4832.76	4 832.76					
Ayorou- Mali border	37.5	9 607.87	EDF			3 206.58	6 413.16			
Téra- Burkina Faso border	42.6	8 188.32	ADF,NIGER						5 000.3	3 188.02
Niamey-Ouallam	94	16 281.35	OFID,WADB,FAIR WAEMU, NIG						3 666.33	3 666.33
Tibiri-Dakoro	115	10 998.99	ADF,NIG						5 427.11	5 427.11
Upgrading Madaoua-B- TA	170	17 426.59	ADF,WADB,NIG						4 356.65	4 356.65
Boulevard Mali béro to Niamey	10.8	5 041.90	AFD		5 041.9					
Boulevard Barré M, to Niamey	3.2	2 346.90	NIGER							
Construction of 2nd bridge NY	600ml+1.8 km	21 638.14	CHINA,NIG					5 214.35	9 700.00	6 723.79
Construction of PK83 bridge Say- Tapoa	160ml	1 304.51	NIGER			652.26	652.26			
Say-Tapoa	92	11 543.53	IDB NIGER							5 343.99
TOTALS	660.66	14 043.63		4 832.76	9 874.66	3 858.8421	7 065.42	5 214.348	2 8150.39	28 505.892
No. km/year based on average cost				2 6.811	54.783	21.408	39.198	28.928	156.174	159.256

Source: Directorate of Research and Programming (DEP)/Equipment Ministry, June 2014.

Table 3
Status of asphalted roads from 2011 to February 2014

<table>
<tr><th colspan="2">Project</th><th>Distance in km</th><th>Overall cost of the project in CFAF (000)</th><th>Financing received April 2011 to February 2014 (CFAF 000)</th><th>Execution rate at April 1, 2011</th><th>Execution rate at February 15, 2014</th><th>Expected completion of works or studies</th><th>Observations</th></tr>
<tr><td colspan="9">Works completed</td></tr>
<tr><td colspan="2">Upgrading and asphalting of access roads for the 2nd Niamey bridge, Phase I (2.8 km)</td><td>2.8</td><td>6 510 278</td><td>6 510 278</td><td>0</td><td>100</td><td>Completed</td><td>Works completed. Financed by China and Niger</td></tr>
<tr><td colspan="2">Upgrading and asphalting of the Niamey – Namaro – Farié road (67 km) – (Definite section)
Conditional section</td><td>67
5.8</td><td>17 841 466
5 249 855</td><td>16 120 520
5 092 359</td><td>0
0</td><td>100
97</td><td>Completed</td><td>Financed by WADB and Niger. The main road was inaugurated by the Head of State on 18 December 2012. Financing for the urban works was obtained from the WADB and got under way on 15 June 2013.</td></tr>
<tr><td colspan="2">Upgrading and asphalting of the Niamey-Ouallam road (94km)</td><td>94</td><td>19 546 325</td><td>1 434 100</td><td>100</td><td>100
(additional works)</td><td>Completed</td><td>Financed by WADB-WAEMU-OFID and Niger</td></tr>
<tr><td rowspan="2">Construction of a junction at Niamey (intersection of boulevards Mali Béro and Zarmaganda)</td><td>Studies and supervisory work</td><td>-</td><td>1 102 623</td><td>1 047 491</td><td>0</td><td>100</td><td rowspan="2">September 2013</td><td rowspan="2">Financed by IB and Treasury. Inaugurated in September 2013 by the PRN. Two amendment agreements have been reached for additional related works (upgrading of side lanes, paving of sidewalks, upgrading of 2 traffic circles) and for reinforcing the asphalt coating on the stretch between the intersection and the Gadafawa roundabout.</td></tr>
<tr><td></td><td></td><td>14 218 306</td><td>13 507 390</td><td>0</td><td>100</td></tr>
<tr><td colspan="2">Upgrading and asphalting of the Tibiri-Dakoro highway (115 km)</td><td>115</td><td>11 418 733</td><td>10 829 761</td><td>61</td><td>100</td><td>April 2013</td><td>Financed by AfDB and Niger</td></tr>
<tr><td colspan="2">Subtotal 1</td><td>284.6</td><td>61 669 280</td><td>54 541 899</td><td></td><td></td><td></td><td></td></tr>
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Project		Distance in km	Overall cost of the project in CFAF (000)	Financing received April 2011 to February 2014 (CFAF 000)	Execution rate at April 1, 2011	Execution rate at February 15, 2014	Expected completion of works or studies	Observations
Works under way or about to start								
Rehabilitation of the Bella II-Gaya highway (73.5 km)		73.5	27 212 277	15 510 997	0	57	December 2014	Financed by WADB, EBID, OFID and Niger
Upgrading and asphalting of the Filingué - Tahoua (125 km) highway lot 1	Studies	125	308 884	308 884	0	100	December 2014	Financing obtained (WADB, EBID) for the Lot 1 works: Filingué-Abala-Sanam (125 km), Financing sought from (BADEA, OFID, KFAED, IDB) for the two other lots, namely Lot 2: Sanam-Tébaram (82 km including 25 km of feeder road between Tébaram and Bagaroua) and Lot 3: Tébaram-Tahoua (88 km).
	Supervision		573 750	419 978	0	73		
	Works		30 388 681	14 390 563	0	31		
Upgrading and asphalting of the Moujia-Illéla-Badaguichiri highway	Studies and Works	60	891 819	882 900	0	99	April 2014	100% financed by Treasury IB
	Supervision		19 461 034	10 898 179	0	56		
Rehabilitation of the Tsernaoua-Madaoua highway(70 km)		70	23 478 614	19 956 821	0	90	July 2014	Financed under the 10th EDF
Rehabilitation of the Madaoua – Guidan Roumdji highway (101 km)		101	17 474 991	10 135 494	0	58	September 2014	Financed under the 10th EDF
Rehabilitation of the Zinder-Magaria-Nigerian Border highway (111 km)		111	10 468 500	0	0	0	-	Financed under the 10th EDF (regional funds). Tender for the works launched but annulled because of a procedural defect. International tender expected to be re-launched.
Rehabilitation of the Zinder-Guidimouni highway (60km)		60	6 773 713	2 943 898	0	30	December 2014	Financed under the 10th FED.

Project	*Distance in km*	*Overall cost of the project in CFAF (000)*	*Financing received April 2011 to February 2014 (CFAF 000)*	*Execution rate at April 1, 2011*	*Execution rate at February 15, 2014*	*Expected completion of works or studies*	*Observations*
Rehabilitation of the Goudoumaria-Djajiri highway (39 km)	39	4 792 494	0	72	72	February 2014	Financed by BADEA. Additional financing obtained from this institution in the amount of CFAF 2.5 billion to complete the works. The initial works contract was terminated. Steps are being taken with a view to resuming the works.
Upgrading of the Madaoua-Bouza-Tahoua modern earth road (170 km)	170	18 358 505	16 522 654	52	97	April 2014	Financed by AfDB-BOAD and Niger
Upgrading and asphalting of the Say-Tapoa highway (92 km)	92	13 310 968	9 917 884	43	88	April 2014	Financed by IDB-OFID-NIGER
Upgrading and asphalting of the highway between Diffa-Nguigmi and the Chad Border (185 km) and upgrading of local roads in Maïné Soroa, Diffa and N'Guigmi (15 km)	185	95 000 000	14 250 000	0	30	November 2015	Works officially got under way in July 2012. Financed under the petroleum sharing contract arrangements between Niger and China National Petroleum Corporation (CNPC).
Upgrading and asphalting of the highway between Maradi - Madarounfa – and the borders with Nigeria (Jibiya and Gurbin Bauré):106 km	96 264	30 461 663	9 138 498	0	5	2015	Financed by BOAD and Niger. Disbursement thus far corresponds to the start-up advance.
Upgrading and asphalting of the Goudel - Tondibia – Tondichirey-RN1W- Boulevard Askia Mohamed highway (18km)	18	28 004 561	9 138 498	0	10	2014	Financed by BOAD and Niger. Disbursement thus far corresponds to the start-up advance
Construction works for the Martyrs roundabout junction and its access roads, as well as the Gamkallé cornice and Boulevard KI 87	4.4	27 000 000		0	0	2016	Works launched on 18 February 2014 by the Head of State.

Project	*Distance in km*	*Overall cost of the project in CFAF (000)*	*Financing received April 2011 to February 2014 (CFAF 000)*	*Execution rate at April 1, 2011*	*Execution rate at February 15, 2014*	*Expected completion of works or studies*	*Observations*
Urban road construction and rehabilitation works in Dosso	16.250	5 500 000	0	0	0	2014	About to start
Cross-border road construction works between the MARADI and Tahoua regions in Niger and Sokoto State in Nigeria: - Tsululu- Kuya (15 km) - Ruwawuri-Mani (5.5 km) - Wauru- Kadadi-Rafin Duma-Galmi (36 km)	56.5	N/A	0	0	0	2014	These works are about to begin. Financing and construction work assured by Sokoto State
Rehabilitation works on the Zinder-Bakin Birji highway and construction of a heavy vehicle parking lot and Motel in SORAZ	56	31 251 541	0	0	0		About to get under way. Public-Private Partnership Contract (PPPC) with RAMATA CONSTRUCTION NIG. LTD
Subtotal 2	**1333.914**	**390 711 995**	**134 415 248**				
Studies completed or under way							
Upgrading and asphalting of the highway between Maradi - Madarounfa – Nigerian border (96.264 km)	96.264	340 150	323 143	0	100%	Completed	The study has been completed and works are underway.
Upgrading and asphalting of the access road to Ile de LETE (2 km), including works	2	208 375	208 375	0	100%	Completed	Financed by Treasury IB.
Upgrading and asphalting of the Goudel - Tondibia – Tondichirey-RN1W- Boulevard Askia Mohamed (18km)	18	204 560	204 560	0	100%	Completed	Financed by BOAD and Niger

Project	*Distance in km*	*Overall cost of the project in CFAF (000)*	*Financing received April 2011 to February 2014 (CFAF 000)*	*Execution rate at April 1, 2011*	*Execution rate at February 15, 2014*	*Expected completion of works or studies*	*Observations*
Upgrading and asphalting of the access roads to the 2nd Niamey Bridge Phase II and construction of two junctions	11	416 888	416 888	0	100%	Completed	Financed by Treasury IB.
Studies of the RN25-Kao-Tchintabaraden highway (87 km)	87	288 000	172 000	0	70%	March 2014	Studies under way. Provisional bidding documents issued
Periodic maintenance project for 425km of asphalted highways under the 11th EDF arrangement: Tchadoua - Takiéta; Maradi – Dan Issa Zinder-Agadez (PK0 to PK227))	425	722 700	361 350	0	70%	March 2014	Studies under way
Studies for the construction of a bridge over the Niger river at Farié	0.500 and 3 Km of access roads	220 000	220 000	0	100%	April 2013	Studies financed by WAEMU. Financing for works assured by the AfDB
Completion of studies for the Dajiri – Diffa highway (140 km) Studies of the Dajiri – Diffa highway	140	101 000	101 000	60	100%	Completed	Financed by Treasury BI
Rehabilitation project for the Baleyara – Filingué highway (82 Km)	82	164 604	164 604	0	100%	Completed	Financed by EU Security and Development Strategy.
Rehabilitation Project for the Agadez – Abalama highway (105 Km)	105	185 325	185 325	0	100%	Completed	Financed by EU Security and Development Strategy.
Studies for upgrading and asphalting works on the Keita – Tamaské – Kolloma –Tahoua highway	50	308 984	0	0	0		About to get under way
Studies for upgrading and asphalting works on the RN1W Gabou – Ayorou highway	65	N/A	0	0	0		About to get under way
Subtotal 3	**1084.764**	**3 160 586**	**2 357 245**				
TOTAL asphalted roads	**2703.178**	**455 541 861**	**191 314 392**				

Source: Directorate of Research and Programming (DEP /Equipment Ministry, June 2014.

In addition, it is worth noting that in 2000-2010, CFAF 18. 16187 billion were invested in rural roads construction. For the most part these are financed by the European Development Fund (EDF), the World Bank, the French Development Agency, and the West African Development Bank (BOAD).

Between 2011 and February 2014, 54,125 km of rural roads were built for CFAF 1, 424 018 bn, financed by own funds of the Republic of Niger.

Table 4
Rehabilitation of asphalted road, 2000-2010

Rehabilitated stretches	*Distance (Km)*	*Overall cost CFAF millions*	*Financing*	*2001*	*2002*	*2003*	*2004*	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*
Niamey-Torodi-Burkina border	120	11 924.46	FED		5 962.23	5 962.23							
Niamey-Dosso	136.5	13 342.99	FED	6 671.50	6 671.50								
Niamey-Farié	59.4	9 858.21	FED						4 929.1	4 929.11			
Niamey- Balayara	96	8 028.51	FED								4 014.25	4 014.26	
Dosso-Dogondoutchi	135.9	10 228.15	FED						4 371.99	5 856.16			
Dogondoutchi-Konni-Nigéria border	150.7	11 380.94	FED						3 793.65	3 793.65	3 793.65		
Konni-Tsernaoua-Tahoua	129.83	8 602.00	FED							2 867.33	2 867.33	2 867.33	
Takiéta-Zinder	53	3 821.22	FED						1 910.61	1 910.61			
Guidan Roumgi - Tchadaoua	95	6 949.76	BOAD.NIGER			3 474.88	3 474.88						
Guidimouni-Gouré	65	4 888.18	BOAD.NIGER					2 444.09	2 444.09				
Gouré- Lawandi	54.2	6 827.07	BOAD.NIGER						3 413.54	3 413.54			
Lawandi-Goudoumaria	51	7 910.05	BID. NIGER							3 955.02	3 955.03		
Goudoumaria-Djajiri	39	4 262.36	BADEA.NIGER							1 065.59	1 065.59		532.80
TOTALS	**1 185.53**	**108 023.90**		**6 671.5**	**12 633.7**	**9 437.11**	**3 474.88**	**2 444.09**	**20 862.98**	**2 7791.01**	**15 695.85**	**6 881.59**	**532.80**

Rehabilitated stretches	*Distance (Km)*	*Overall cost CFAF millions*	*Financing*	*2001*	*2002*	*2003*	*2004*	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*
No. of km/an based on average cost				73.217	138.649	103.568	38.135	26.823	228.962	304.993	172.255	75.522	5.847
Average cost = 91.12 million/km													

Source: DEP/Equipment Ministry.

New information and communication technologies (NICTs)

The development of communication infrastructure constitutes an effective way boosting access to a number of social services and economic opportunities. Communications are a powerful stimulant of change in the behaviour of economic agents and expedite growth. That is why Niger is bent on (1) improving the rate of penetration of NICTs; (ii) increasing radio and TV coverage ; and (iii) extending the use of NICTS to all levels of society (private sector, public administration, citizens, and so on).

These guidelines of the Poverty Reduction Strategy Paper (PRSP) form part of the priorities set in a number of sectoral policy and strategy papers:

- The Telecommunication Sector Policy Statement (DPST) of 1999;
- The National Policy on Communication for Development (PNCD) of February 2003 ;
- The National Communication and Information Technology Development Plan (NICI) of January 2004 ;
- The strategy for universal access to communication and information in rural and peri-urban areas of 2007 and certain sector strategies (Health Development Plan, Rural Development Strategy, and so on) have ICT components.

Telecommunications

During this period, progress was mixed for fixed telephony and GSM networks. Although the number of fixed telephone subscriptions has grown sharply since2001 and practically doubled between 2007 and 2010 (from 41 436 to 83 592), it remains true that in terms of density progress has been extremely slow. The density rate in 2010 was just 0.55%. In other words, current efforts would be needed to be redoubled to achieve 5% density by 2012.

The population of Niger is passionate about GSM networks. The number of subscribers rose from 1500 in 2001 to 3 805 592 in 2010. The 10% penetration rate target set for 2012 had already been met by 2008. In 2010, it was 24.48%. This progress was the result of liberalizing the sector. The country has four mobile service providers with coverage ranging from 38% to 85.5% . Notably, a major effort has been made to lower the cost of communication devices: in the case of mobile phones, the unit cost fell by half between 2007 and 2010, while for fixed telephony is has remained the same.

Information Technology –Internet

Some progress is evident with regard to Niger's Internet, with half a dozen service providers, in addition to SONITEL. Mobile telephony has greatly eased access to the Internet for a large number of people. In 2010, the number of subscribers to all providers combined was estimated at 1 068 36, which is certainly progress, albeit less marked than that recorded in neighbouring countries.

Efforts have also clearly been made to improve interconnection to information highways via satellite and fibre optics.

Nevertheless shortcomings persist, given the goal of establishing sustainable and effective services for economic and social development. Frequently mentioned constraints are:

- Lack of both domestic and external financing;
- Insufficient and/or restrictive fiscal measures;
- The tax/financial burden on the sector (regulation costs, scant resource royalties, universal access fee, etc.)

The importance of telecommunication for international, social, and cultural relations has led Niger to join several international organizations governing the sector as well as adopt African and subregional polices for the sector. In the period under review, Niger participated in the process of preparing and adopting a number of regulatory instruments, particularly

- African Union: The Reference Framework for Harmonization of Telecommunication and ICT Policies and Regulation in Africa (2008) et the January 2010 Declaration of the Assembly of the African Union on Information and Communication Technologies in Africa: Challenges and Prospects for Development.
- ECOWAS: Supplementary Acts to the Declaration of the Information Society (adopted in 2007) on electronic transactions and personal data protection of January 2010.

5. Foreign trade and trade facilitation

In the area of trade, Niger’s main export products are: uranium, gold, oil and gas, livestock products, and other miscellaneous products.

Total exports amounted to CFAF 116,054 billion in 2003, 306,840 billion in 2009 and 541,542 in 2003: in other words, they increased 467% between 2003 and 2012.

The following table provides a breakdown of exports by product and geographic area (destination)

Table 5
Structure of Niger’s exports, 2003 – 2012

		2003	*2009*	*2012*
Volume of exports (in CFAF billions)	**TOTAL**	**116 054**	**306 840**	**541 542**
	Uranium	65 520	195 136	338 250
	Gold		22 864	45 330
	Oil and gas			108 791
	Livestock products	26 701	62 989	18 040
	Agricultural products	16 353	19 320	16 881
	Other products	7 480	6 531	14 250
Structure of exports (destination)	Europe	42.5%	45.0%	64%
	Africa	41.5%	30.3%	27.30%
	America	0.2%	14.2%	5.30%
	Asia	15.7%	10.5%	3.40%
	Oceania	0,%	0%	0%
	Unspecified countries	0%	%	%

Sources: “Annuaire statistique des cinquante ans d’indépendance du Niger [Statistical Yearbook marking 50 years of independence of Niger], INS [National Institute of Statistics], November 2010”and “Le Niger en chiffres” [Niger in Numbers], INS, November 2013.

Niger has embarked on a major effort to diversify its exports, by exploiting its extensive mining (oil) and agricultural/forestry potential. This has translated into the granting of several mining exploration permits and the adoption in November 2003 and implementation of a Rural Development Strategy (RDS) through 2011. Recently, the authorities of the 7th Republic have introduced the “3Ns” Initiative (Nigeriens Nourishing Nigeriens) which aims, among other goals, at limiting food imports and guaranteeing food security.

In the case of the Rural Development Strategy, it has put forward in its Action Plan and other documents, a programme for strengthening professional associations and structuring branches of activity. This gave rise to the Project to Promote Agropastoral Exports (PPEAP), which has identified five priority lines in agricultural and forestry: onions, cowpea, sesame, souchet and Acacia gum (gum arabic). The arguments in favour of those priorities still hold and should be the focus of Government support. Onion exports are worth US$84 million, roughly half the export value of these five crops. Cowpea brings in US$68 million (30-40%). The three other lines are less important, but the potential for expanding them is significant (especially sesame).

Onion and cowpea also show the best potential for export revenue and income growth. The export potential for onions over the next 10 years is estimated at US$264 million (cowpea: US$136 million).

Niger’s trade with its partners shows a structural trade balance of deficit, with a seesaw trend. That deficit increased from CFAF (-) 171.2 billion in 2003 to (-) 454.7 billion in 2009, falling again to (-) 250.6 billion in 2012.

The trade balance coverage rate (import capacity of exports) was 40.4% in 2003, 35.5% in 2009 and 68.4% in 2012.

Niger’s chief challenge in terms of regional integration is implementing a strategy to ensure greater flexibility and transparency in its trade with Nigeria. For instance, there are major hurdles to exporting meat from slaughterhouses in Niger to Nigeria.

A second major challenge, related to the first, is effectively implementing the ECOWAS free trade arrangements, which affords Niger its best chance of opening up markets in Nigeria.

A third significant challenge relates to the Economic Partnership Agreement (APE) with the European Union. That challenge will involve not just trade with Europe but, indirectly, regional trade as well.

6. International support measures

Changes in Official Development Assistance (ODA) between 2003 and 2012:

Table 6
Changes in ODA, 2003-2012

Year	*2003*	*2004*	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*	*2011*	*2012*
Aid disbursements (US$ millions)	458.96	567.76	525.73	1 864.09	510.75	592.96	468.33	739.47	669.25	914.04

Source: OECD statistics.

The following table shows disbursements from abroad in 2009-2012.

Table: Aid disbursements
(US$ million)

Types of assistance	*2009*	*2010*	*2011*	*2012*
Budget support	13.91	73.70	152.00	253.66
Program aid	5.57	119.6	32.58	32.58
Project aid	227.13	478.57	440.23	478.57
Technical assistance	9.24	30.27	26.47	21.58
Stock exchange	6.57	25.17	5.27	4.93
Debt relief	9.76	8.8	8.62	7.72
Administrative cost and other outlays	4.57	1.95	3.996	4.6
Type unknown	191.8	1.36		
GRAND TOTAL	**468.33**	**739.47**	**669.24**	**914.00**

Source: OECD statistics.

The breakdown of ODA for 2011 and 2012 is as follows:

Table
Changes in ODA disbursements by type of financing (000)

Type	*2011*	*2012*	*2011-2012*
LOANS	28 820 848	73 505 182	102 326 030
ANR (GRANTS)	63 494 944	100 453 492	163 948 436
HIPC	6 164 590	5 153 664	11 318 254
TOTAL	**98 480 382**	**179 112 338**	**277 592 720**

Source: OECD statistics.

Debt management

With respect to the strengthening of the debt management mechanism and improvement of mechanisms for monitoring budgetary support, it is important to recall here that the foreign loans that allow Niger to finance its development policy should continue to maintain a certain level of concessionality, as this is needed to ensure viable and more sustainable indebtedness over the medium and long term.

Here, it is to be noted that the Government has committed to transparent and effective management of the public debt by making information available and data transmission is taking place in coordination with all the ministries and departments concerned. In addition, steps are being taken to improve coordination within the Government, especially as regards loan agreements.[3] To that end, a Decree issued

[3] In this matter, the Government has installed a Technical Committee, comprising representatives of the Office of the President of the Republic, the Prime Minister's Office, the Ministry of Finance, and the Planning Ministry, to examine and approve all new loan agreements before they are signed. It has also been decided that any new loan agreement must be jointly signed by the Minister of Finance and the Minister of Planning. These measures should in turn facilitate observance of the criterion regarding non-concessionary loans.

by the Prime Minister on December 17, 2003 established rules regarding non-concessionary loans and loans negotiated with non-traditional partners; that Decree also established the mechanism to be followed for informing partners, including the IMF. Also worth noting, in connection with the strengthening of the debt management mechanism, are the preparation of a 2014 National Indebtedness Strategy, the preparation of a Reforms and Actions Plan for Managing Niger's Public Debt, the preparation of a draft Decree on the Establishment, Mandate and Organization of the National Public Debt Management Committee (CNGDP), and the establishment of a National Government Portfolio Directorate, reporting to the Finance Minister's office.

The debt-to-GDP ratio is 24.8%, which indicates that there is significant room for manoeuvre for taking out new loans, as WAEMU rules (the primary criterion) and ECOWAS rules (the second criterion) puts the indebtedness ceiling at 70% of GDP. Nevertheless, the Government remains determined to conduct a prudent indebtedness policy, allowing for effective financing of public investment plans while ensuring that the public debt remains viable.

To conclude the component involving improved cash flow management, the key measure has to do with adopting the robust measures taken in 2013 to regularize the financial position of government enterprises, by clearing their payments arrears and establishing conditions conducive to preventing their re-accumulation.

According to the PDES guidelines, the improvement of budget execution mechanisms will require standardization of the process for deregulating budget appropriations and of expenditure chain operations. The improvement of cash flow and debt management is to be achieved by:

(i) Improving treasury cash flows;

(ii) Establishing a single treasury account (CUT); and

(iii) Strengthening the public debt management system..

It should be noted that the overall volume of investments financed with funds from abroad varies from one year to another. It totalled CFAF 132.7 billion in 2003, 146.2 billion in 2009, and 195.6 billion in 2012.

The outstanding foreign debt at the start of the year totalled CFAF 1,103 billion in 2003 and 394 billion in 2009.

The following steps have been taken to improve the predictability of external resources:

- Stepped-up policy dialogue with the Technical and Financial Partners (TFP), by regularly holding the statutory meetings of the Government/TFP Committee;
- The establishment of a map of TFP interventions;
- Improved management of the information regarding aid, by boosting the operational capacity of the (electronic) Aid Management Platform (PGA);
- Preparation of a Concept Note on the advisability of formulating a National Aid Policy (PNA) in Niger;

- Adoption by the Government, through Council of Ministers resolutions in December 2013, of the recommendations of the study on the ratio of consumption of public investment appropriations in Niger[4] to the amounts approved in July 2013. This important study was conducted in order to identify the bottlenecks which cause such a low consumption of public investment appropriations ratio in Niger. Indeed, that ratio is an important indicator for programming Government investments and, hence, for the predictability of external resources;
- The adoption of a new Investment Code, aimed at boosting the development of economic activity by encouraging investment in the Republic of Niger. In particular, this Code establishes a One-Stop facility for working with the Investment Code of the Republic of Niger; introduces degressivity measures to facilitate the operation of an enterprise under the investment code regime; and deals better with exemptions.

7. Monitoring of implementation and review

It is important to point out here that a real plan for monitoring implementation of the Almaty Programme of Action has not yet been put in place. It is nevertheless easy to ascertain that most difficulties stem from the non-existence of a railway, the almost total absence of navigable waterways, and the only incipient development of domestic and regional air transport, which mean that in Niger roads provide almost the only means of transportation. Almost all the country's imports and exports use this infrastructure for generally overloaded trucks that quickly damage the road network.

Thus, even though the national road grid has grown considerably since Independence, the dearth of funds earmarked for maintaining it precludes good servicing, which in turn leads to degradation of the country's road network capital. This has a negative impact both on domestic trade and trade with Niger's partners.

Furthermore, relations with Nigeria are hampered by the exchange rate regime.

While the CFAF franc is convertible and pegged to the Euro, Nigeria's naira is not convertible and fluctuates freely. Thus, since 2006, the CFAF has had a tendency to appreciate vis-à-vis the naira. Banking transactions are very difficult, a parallel market for foreign currency has sprung up, and most trade is still informal. Any banking sector innovation aimed at facilitating formal transactions between the two countries should be encouraged.

Considering today's informal exports of livestock and cowpea, to take just two products as an example, there is good reason to believe that Nigeria is Niger's most important customer, and one that offers both the most opportunities and the biggest headaches.

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[4] A review of the public investment cycle in Niger points to major shortcomings in the design, formulation, and implementation of programming, budgeting, and management tools; a lack of skills and training among the players involved, limited capacity of the national private sector to provide quality goods and services, long approval, stamping and signature times, and, above all, coordination and oversight flaws, and little commitment to correcting the weaknesses in the public investment cycle.

8. Emerging issues

It is worth noting here that, in the course of this period, two major projects have emerged that could facilitate trade, particularly by lowering transportation costs. These are, on the one hand, the construction of a dry port in the region closest to the port of Cotonou (Dosso), and, on the other, the railway construction projects, in connection with the rail loop linking several West African capitals.

9. The way to go

The still worrying need for Niger to take better advantage of its export products and to promote domestic trade, suggest that the following recommendations are apt:

– Continue to open up the hinterland, including areas with strong agricultural or mining potential;

– Adapt desired investment programmes to match the funding that the country can raise;

– Increase private sector involvement in key infrastructure and communication investments;

– Choose non-reimbursable aid or low-cost loans to finance the investments selected;

– Include environmental constraints in road project assessments;

– Establish a reliable system for financing road maintenance, including other means of communication;

– Free the State from its role as the executor of road maintenance works;

– Promote improved road maintenance;

– Establish and form a fabric of SMEs capable of doing road maintenance;

– Expedite regulations to govern the market for construction/maintenance work;

– Ensure that training is provided for improved management of the road network;

– Provide for regular monitoring and analyse trade flows and policies, as well as the revamping of the Joint Nigerien-Nigerian Cooperation Commission.

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