

Burkina Faso: Poverty Reduction Strategy Paper Progress Report

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BURKINA FASO
Unity-Progress-Justice

**POVERTY REDUCTION STRATEGY PAPER
PROGRESS REPORT
2000-2002**

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ACRONYMS AND ABBREVIATIONS

AEP	: <i>Adduction d'Eau Potable</i> (Drinking water supply)
AEPS	: <i>Adductions d'Eau Potable Simplifiées</i> (simplified drinking water supply)
AFD	: <i>Agence Française de Développement</i> (French Development Agency)
AMVS	: <i>Autorité de mise en valeur de la vallée du Sourou</i> (Sourou Valley Development Authority)
ARV	: Antiretroviral drugs
BCG	: Calmette Guérin bacillus (tuberculosis vaccine)
BUMIGEB	: Burkina Office of Mines and Geology
BWI	: Bretton Woods Institutions
CAMEG	: Generic Drugs Purchasing Agency
CB	: Cock bacillus
CBC	: <i>Conseil Burkinabè des Chargeurs</i> (Burkina Truckers' Association)
CBMP	: <i>Comptoir Burkinabè des Métaux Précieux</i> (Burkina Precious Metals Exchange)
CCIA	: Chamber of Commerce, Industry and Crafts
CCVA	: Automotive Vehicle Control Center
CEBNF	: Nonformal Basic Education Center
CEFP	: Occupational Evaluation and Training Centers
CENATRIN	: National Information Processing Center
CES	: Economic and Social Council
CET	: Common External Tariff
CFAA	: Country Financial Accountability Assessment
CGP	: <i>Caisse Générale de Péréquation</i> (General Equalization Fund)
CGU	: <i>Centre de Guichets Uniques</i> ("One-stop Shop")
CHN	: National Hospital Center
CHR	: Regional Hospital Center
CIE	: <i>Circuit Intégré de L'Etat</i> ("Integrated Government Circuit")
CIT	: International Transhumance Certificate
CMA	: <i>Centre Médical avec Antenne chirurgicale</i> (Medical center with surgical ward)
CNCC	: National Commission for Competition and Consumers' Affairs
CNDH	: National Human Rights Commission
CNEA	: <i>Centre National d'Équipement Agricole</i> (National Agricultural Supplies Center)
CNLP	: <i>Conseil National de Lutte contre la Pauvreté</i> (National Council on Poverty)
CNLS	: <i>Conseil National de Lutte contre le Sida</i> (National Council on AIDS)
CNS	: <i>Coordination nationale statistique</i> (National statistics coordination office)
CNS	: National Supervision Committee
CNT	: National Transhumance Certificate
COGES	: <i>Comité de Gestion</i> (Management Committee)
CPAF	: Permanent Training and Literacy Centers
CPCE	: <i>Comités provinciaux de concertation et d'échanges</i> (Provincial Coordination and Trade Committees)
CPF	: <i>Centres de Promotion Féminine</i> (Centers for the Advancement of Women)
CPF	: <i>Confédération Paysanne du Faso</i> (National Farmers' Confederation)
CRS	: Regional Supervision Committee
CSPS	: <i>Centre de Santé et de Promotion Sociale</i> (Health and Social Promotion Center)
DEP	: Directorate of Research and Planning
DGHA	: <i>Direction Générale de l'Hydraulique Agricole</i> (General Directorate for Irrigation)
DGPR	: <i>Direction Générale des Pistes Rurales</i> (General Directorate for Rural Roads)
DPASSN	: Provincial Directorate for Social Action and National Solidarity
DRASSN	: Regional Directorate for Social Action and National Solidarity
DRD	: District Distribution Depots
DREBA	: Regional Directorate for Basic Education and Literacy
DRS	: Regional Directorate of Health
DS	: <i>District Sanitaire</i> (Health District)
DTCP	: Diphtheria, Tetanus, Whooping Cough and Poliomyelitis vaccine

ECD : *Equipe Cadre de District* (District Leadership Team)
 ECOWAS : Economic Community of West African States
 EGD : Essential generic drugs
 ENEP : *Ecole Nationale des Enseignants du Primaire* (National Primary Teachers School)
 EPA : *Etablissement Public à caractère Administratif* (Public Administrative Establishment)
 EPI : Expanded Program on Immunization
 ES : *Ecole Satellite* (Satellite School)
 EU : European Union
 FAARF : Support Fund for Remunerative Activities for Women
 FAPE : Employment Promotion Support Fund
 FASI : Informal Sector Support Fund
 FASOPLAST: Société des Plastiques du Faso (national plastics company)
 FCB : *Formation Complémentaire de Base* (supplementary basic training)
 FEB : *Fédération des Eleveurs du Burkina* (Burkina Livestock Federation)
 FEER : Rural Water and Equipment Fund
 FENAFER-B : National Rural Women's Federation of Burkina
 FENOP : National Federation of Farmers' Organizations
 FEPA-B : *Fédération des Professionnels Agricoles du Burkina* (Professional Farmers' Association)
 FNA-B : *Fédération National des Artisans du Burkina* (National Crafts Federation)
 FONAENF : Literacy and Nonformal Education Fund
 FONAPE : *Fonds National pour la Promotion de l'Entreprise* (National Enterprise Promotion Fund)
 FSCP : *Fonds de Soutien à Coûts Partagés* (Shared-Cost Support Fund)
 GDP : Gross domestic product
 GMB : *Grands Moulins du Burkina* (milling company)
 GVF : *Groupement Villageois Féminin* (Women Villagers' Association)
 HIPC : Heavily Indebted Poor Countries Initiative
 HIV/AIDS : Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
 HRSP/AfDB : Health Services Recovery Project/African Development Bank
 IEC : Information –Education -Communication
 IGE : *Inspection Générale d'Etat* (National Inspectorate General)
 IGF : *Inspection Générale des Finances* (Inspectorate General of Finance)
 IMFI : International Monetary Fund
 INSD : National Statistics and Demography Institute
 IsDB : Islamic Development Bank
 IUTS : *Impôts Unique sur les Traitements et les Salaires* (Wages and Salaries Tax)
 JNV : *Journées Nationales de Vaccination* (“National Vaccination Days”)
 KFW : Kreditanstalt für Wiederaufbau (German development cooperation institute)
 MASSN : Ministry of Social Action and National Solidarity
 MEBA : Ministry of Basic Education and Literacy
 MEBF : *Maison de l'Entreprise du Burkina Faso* (BF Enterprise Office)
 MEDIFA : *Société Les Médicaments du Faso* (drug company)
 MESSRS : Ministry of Secondary and Higher Education and Scientific Research
 MOB : *Maîtrise d'Ouvrage de Bagré* (Bagré project supervision office)
 MTEF : Medium-Term Expenditure Framework
 NGO : Nongovernmental organization
 ODA : Official Development Assistance
 OECD : Organisation for Economic Cooperation and Development
 OHADA : Organization for Harmonization of Business Law in Africa
 OIE : Independent Elections Observatory
 ONAP : *Observatoire National de la Presse* (National Press Observatory)
 ONAPAD : National Observatory of Poverty and Sustainable Human Development
 ONATEL : National Telecommunications Office
 ONBAH : National Dams and Irrigation Office
 ONEA : National Water and Sanitation Office
 ONEF : National Office of Employment and Occupational Education
 ONPF : *Office National des Puits et Forages* (National Office of Water Wells)

OP : *Organisation Paysanne* (Farmers' Organization)
 OPA : *Organisation des Producteurs Agricoles* (Agricultural Producers' Organization)
 PA/FR : *Plan d'Actions de la Filière Riz* (Rice Action Plan)
 PAGIFS : Integrated Soil Fertility Action Plan
 PAGPF : Support Project for *Groupements de Promotion Féminines* (women's organizations)
 PAICB/LCP : *Programme d'Appui aux Initiatives Communautaires de Base/Lutte Contre la Pauvreté*
 (Support program for grassroots community initiatives/poverty reduction)
 PANRJ : National Action Plan for Justice Reform
 PAPME : SME (small and medium-size enterprise) support project
 PASEI : Integrated Epidemiological Surveillance Support Project
 PCIME : *Prise en Charge Intégrée de la Maladie de l'Enfant* (comprehensive childhood disease care)
 PDAV : Village Livestock Development Program
 PDDEB : Ten-Year Plan for Basic Education Development
 PGT : *Plan de Gestion des Terroirs* (Land Management Plan)
 PIP : Public Investment Program
 PISB : *Plan d'Intervention pour le Sauvetage du Bétail* (Livestock Rescue Plan)
 PMA : *Paquet Minimum d'Activités* ("Minimum Activities Package")
 PNAF : National Forest Development Plan
 PNAR-TD : Re-employment Program for Redundant Workers
 PNBG : National Plan for Good Governance
 PNDS : *Plan National de Développement Sanitaire* (National Health Development Plan)
 PNDSA II : National Farming and Livestock Services Development Plan, Phase II
 PNGT II : National Land Management Program, Phase II
 PNK : National Karité Project
 PRGB : Budget Management Improvement Program
 PRGE : Support Project for Improved Economic Governance
 PRPC : Poverty Reduction Project at the Commune Level
 PRSP : Poverty Reduction Strategy Paper/Framework
 PSAE/FRC : *Projet de Soutien aux Activités Economiques des Femmes Rurales par le Crédit*
 (Project to support rural women's economic activities with credit)
 PSO : *Plan Stratégique Opérationnel* (Strategic Operations Plan)
 PSSA : Special Program for Food Security
 PTME : Prevention of Mother-to-Child Transmission
 PVVIH : Person living with HIV
 RDP : Public Expenditure Review
 RESINA : *Réseau Inter Administratif* (inter-agency network)
 RGAP : *Réforme Globale de l'Administration Publique* (Overall Reform of Public Administration)
 ROME : Operational Inventory of Trades and Occupations
 ROSC : Report on Observance of Standards and Codes
 SBC-CSLP : *Soutien Budgétaire Conjoint à la mise en œuvre du CSLP*
 (Joint budgetary support for implementing the PRSP)
 SBF : *Société de Briqueterie du Faso* (brick making company)
 SFD : Decentralized Financial System
 SHD : Sustainable Human Development
 SHG : *Société des Hôtels de la Gare* (a hotel chain)
 SIFA : *Société Industrielle du Faso* (Faso Industrial Corporation)
 SIGASPE : Integrated State Personnel Administrative and Salary Management System
 SLM : *Société de Location de Matériels* (equipment rental company)
 SME : Small and medium-sized businesses
 SNIS : National Health Information System
 SN-SOSUCO : *Société Nouvelle Société Sucrière de la Comoé* (sugar company)
 SNTR : National Rural Transportation Strategy
 SOCOGIB : *Société de Construction et de Gestion Immobilière du Burkina*
 (building construction and management corporation)
 SOFITEX : *Société des Fibres Textiles* (textiles company)
 SONABEL : *Société Nationale d'Electricité du Burkina* (national electric utility)

SONABHY : *Société Nationale Burkinabè d'Hydrocarbures* (national oil company)
SONACIB : *Société Nationale de Cinéma du Burkina* (National Cinema Company)
SOPROFA : *Société de Promotion des Filières Agricoles* (Agricultural Industries Promotion Company)
SP/CNLS : Permanent Secretariat, National Council on AIDS
STC-PDES : Technical Secretariat for Coordination of Development Programs
STD : Sexually transmitted disease
TDP : *Taxe Dégressive de Protection* (Declining Protection Tax)
TEMI : *Taux Effectif Marginal d'Imposition* (effective marginal tax rate)
TFP : Technical and financial partners
TOD : *Textes d'Orientation de la Décentralisation* (laws/regulations governing decentralization)
TPA : *Taxe Patronale d'Apprentissage* (training tax on employers)
UCOBAM : *Union des Coopératives Burkinabé Agricoles et Maraîchères*
(Union of Farm and Garden Cooperatives)
UNDP : United Nations Development Program
UNICEF : United Nations Children's Fund
UNJPA-B : National Union of Young Farmers of Burkina
UNPC-B : National Cotton Producers' Union of Burkina
VR : *Valeur de Référence* ("Reference Value" for Customs)
VVV : Volunteer Village Vaccinators
WAEMU : West African Economic and Monetary Union
WB : World Bank
WFP : World Food Program
WHO : World Health Organization
WTO : World Trade Organization

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INTRODUCTION

BACKGROUND ON PREPARATION OF THE PRSP AND INVOLVEMENT OF SECTORAL GROUPS

PREPARATION OF THE PRSP

1. With Burkina Faso's eligibility for the Highly Indebted Poor Countries (HIPC) Initiative, the government, with the support of its development partners, prepared a Poverty Reduction Strategy Paper (PRSP), which was adopted in June 2000.
2. The strategic framework contained in that paper is designed to focus the country's development strategy on achieving greater impact from public policies, to increase purchasing power for the most disadvantaged groups, and to provide a setting more conducive to social development.
3. The iterative approach underlying the preparation and implementation of the national strategy calls for periodic adjustments to take account of lessons learned in carrying out public policies, the results of supplementary studies of the phenomenon of poverty, and the scale of available resources.
4. The first revision, which was officially launched on April 18, 2003, comes after three years of implementing the strategy (2000-2002). It has four essential objectives: (i) to assess the relevance of the strategy's objectives in light of results achieved, and the new measure of the incidence of poverty; (ii) to consider the feasibility of expanding the priority sectors and making adjustments to certain elements of the strategy; (iii) to place the poverty reduction strategy in a regional context; and (iv) to involve the private sector and civil society more closely in the process.
5. This revision is based in part on the outcome from two months of regional consultations (in May and June 2003), and in part on the various reports on PRSP implementation, and in particular the consolidated report for 2000-2002.

Involvement of sectoral and thematic groups

6. The process of preparing the consolidated report was formally launched on February 28, 2003, at a meeting of the Minister of Economy and Development and the general secretaries and presidents of the sectoral and thematic groups.
7. Preparatory work was performed in two stages. The first stage consisted of activities within the groups on macroeconomic framework and budgetary management, health, education, rural development and food security, economic competitiveness, good governance and decentralization, expanded to include technical and financial partners (TFP). The second stage was devoted to further elaboration through regional

consultations, together with a re-examination by the sectoral and thematic groups in the course of reviewing the PRSP.

8. This consolidated report provides an overview of three years of implementation of the poverty reduction strategy, covering 2000-2002, and focuses on four main points:

- A review of the PRSP's strategic guidelines and objectives.
- Implementation status of the PRSP 2000-2002.
- Ownership and monitoring/evaluation structure.
- Lessons learned and outlook.

I. REVIEW OF THE STRATEGIC GUIDELINES AND OBJECTIVES OF THE PRSP

1.1. STRATEGIC GUIDELINES

9. The purpose of the poverty reduction strategy paper is to reconcile the need for structural reforms and economic adjustment with the objectives of raising incomes, particularly for the poorest groups. Aware that available resources are limited, the government has given priority in its poverty strategy to attacking the "social deficit", food insecurity, and drinking water supply for the poor.

10. If the incidence of poverty is to be significantly reduced, economic growth in coming years will have to be consistently stronger than it has been. Accelerated growth will:

- Help to improve living conditions, especially for the poorest.
- Enhance the impact and effectiveness of public policies, notably the social sectors.
- Demand rational and sustainable management of natural resources.
- Require better governance and better coordination of official development assistance.

11. Achieving the objectives of the PRSP will involve four strategic areas: (i) accelerating equity-based growth; (ii) providing basic social services to the poor; (iii) expanding employment opportunities and income-generating activities for the poor; and (iv) promoting good governance.

Strategic Area 1: Accelerate equity-based growth

12. This implies speeding up changes in the various sectors of the economy so that new sources of growth can emerge. From this viewpoint, the private sector has a leading role to play. Given the weakness of domestic savings, government policy seeks to create a favorable climate for private investment. To this end, it will pursue and intensify its policies of liberalizing the economy and creating a secure and stable legal framework for private investment.

13. A determined policy to support rural development is one means of reducing poverty and increasing incomes for small farmers and rural women. Growth with equity demands support for the development of agriculture, livestock raising and the rural economy in general. In the end, achieving growth with equity will depend on: (i) maintaining a stable macroeconomic framework; (ii) enhancing factor productivity and reducing costs; (iii) speeding up rural development; and (iv) providing support for the productive sectors.

Strategic Area 2: Guarantee that the poor have access to basic social services

14. The strategy is based on intensive upgrading of human resources, as a necessary condition for improving living standards among the poorest population groups. This implies controlling demographic growth and stepping up efforts to combat the spread of HIV/AIDS, as well as a vigorous program to provide poor people with greater access to basic social services (health, education, drinking water and proper living conditions).

Strategic Area 3: Increasing employment and income-generating opportunities for the poor

15. Expanding opportunities for the poor will mean establishing the conditions for faster growth in the agricultural sector. Consequently, measures to provide greater economic security for the poorest groups will focus primarily on subsistence farmers, by fostering sustainable rural development based on agricultural intensification and the protection of natural resources, while improving the conditions and factors of operation. To this end, programs will focus on five strategic elements: (i) reducing the vulnerability of agricultural activity; (ii) intensifying and modernizing agricultural practices; (iii) increasing and diversifying rural incomes; (iv) overcoming rural isolation; and (v) expanding occupational opportunities in rural areas.

Strategic Area 4: Promoting good governance

16. Achieving faster growth and improving living conditions will require a social, political and economic framework conducive to good governance, understood in its broadest sense. This requires a government that is strategically oriented and one that can be effective in its role of providing guidance and impetus for socioeconomic development; creating an environment favorable to the emergence of an increasingly professional private sector; and fostering the ability of civil society to influence political and economic decisions and constitute a true social counterweight. This will mean a comprehensive reform of the administration and the justice system, consolidation of the decentralization process, and promotion of the values of thoroughness, probity, transparency and efficiency in the management of public affairs and in combating corruption.

1.2. OBJECTIVES AND PRIORITY SECTORS

17. The government's main quantitative objectives to the year 2015 are: (i) to increase per capita GDP progressively, by at least 3 percent a year, between 2000 and 2002, and by 4 to 5 percent a year after 2003; (ii) to reduce the incidence of poverty from 45 percent to 30 percent or less by 2015; and (iii) to increase life expectancy by at least 10 years. To achieve these development objectives, the government has set targets in various fields which, if realized, will have a significant impact on reducing poverty.

18. **In macroeconomic terms:** increase per capita GDP by at least 3 percent a year between 2000 and 2002. With demographic growth estimated at 2.4 percent, this would require a growth rate of between 5.5 percent and 6 percent per year. Average annual

inflation over this period must not exceed 3 percent and the external current account deficit (excluding grants) must be held to 11.3 percent of GDP.

19. While recognizing the need for action on all fronts, the government is targeting its efforts at four priority sectors: (i) education; (ii) health; (iii) agriculture, livestock and water; and (iv) rural roads. In order to ensure a significant impact on poverty reduction, specific targets have been set for the sectors as follows. **(i) Education:** among other things, increase the gross enrollment rate from 40 percent to 70 percent, and the literacy rate from 22 percent to 40 percent, assuming that can be done at reasonable cost, by the year 2010. **(ii) Health:** improve the coverage of health services through decentralization of service provision and management to the health districts, and guarantee the availability of essential drugs throughout the country at affordable prices, etc. **(iii) Drinking water:** create a potable water supply point for every 500 inhabitants, reduce carrying distance to 500 m, guaranteeing a supply of 20 liters of water a day per inhabitant. **(iv) Agriculture, livestock and rural roads:** expand agricultural output by 5 to 10 percent by 2010; increase the incomes of farmers and breeders by at least 3 percent a year, and improve access to isolated rural areas by building 300 km of rural roads by 2003.

1.3. FINANCING

20. Implementing the poverty strategy will require enormous amounts of financing, and a more successful combination of public and private resources for achieving PRSP objectives. The government's own contribution to public investment, which has averaged CFAF 50 billion since 1998, will have to be at least maintained under the PRSP. If all development partners adopt the PRSP as the main benchmark for their interventions, this will have a positive impact on the level of official assistance for Burkina Faso, as can be appreciated from the following table:

Table 1: Comparative performance of external financing (CFAF billions)

Description	2000		2001		2002		Aggregate	
	Excl. HIPC	Incl. HIPC	Excl. HIPC	Incl. HIPC	Excl. HIPC	Incl. HIPC	Excl. HIPC	Incl. HIPC
Externally financed projects	178	178	178.4	183.3	181.4	188.8	537.8	550.1
Loans	68	68	81.8	81.8	82.1	82.1	231.9	231.9
Grants	110	110	96.6	101.5	99.3	106.7	305.9	318.2

Source: M.E.F – PRSP, Extract from table on Page 67

21. Externally financed public investment during 2000-2003 amounts to CFAF 550.1 billion (including the HIPC initiative), representing a slight improvement of 2.3 percent over financing without the HIPC. Given the constraints on further indebtedness, financing through loans will have to rise very slowly, and any improvement in the level of ODA will have to come from grants.

Table 2: Costs of additional poverty reduction measures for priority sectors and allocation of HIPC resources (CFAF billions)

Priority sectors	2000	2001	2002
Health	5.04	11.89	12.99
Education	6.27	12.52	12.88
Drinking water	0.05	0.05	0.05
Agriculture	0.00	2.75	2.65
Livestock	1.60	1.60	1.60
Rural roads	1.50	3.00	3.00
Total	14.46	31.80	33.17
HIPC resources	11.90	25.10	25.60
Financing gap	2.56	6.70	7.57

Source: M.E.F – PRSP, Extract from table on Page 56

22. Table 2 above summarizes the additional priority actions needed to accelerate the fight against poverty. These actions address the strategic areas defined by the government.

23. For strategic area 1, accelerating equity-based growth, the additional costs from implementing the necessary reforms relate to reducing taxes and to the cost of restructuring public enterprises (privatization or liquidation). For area 2, public services, priority needs relate to basic education, health and drinking water. In the education field, the government has adopted a 10-year development plan for basic education, which is supplemented by a five-year operational plan, the overall cost of which is estimated at CFAF 150.84 billion (see Annex). The availability of additional funding under the HIPC initiative will allow these targets to be reached faster, by expanding the program now underway. In fact, some activities have been deferred for lack of financing. As is apparent in the poverty reduction strategy, basic education is a priority for the government. That is why a substantial portion of HIPC funding will be devoted to the sector (about 50 percent per year), and will represent additional financing. For the health sector, HIPC funding gives the government the opportunity to reinforce its action strategy. Activities allocated to the Ministry of Health in the table, showing figures for priority programs, represent additional unfinanced items that, if implemented, will swiftly expand the coverage of basic health care. When it comes to drinking water, concrete steps will be taken to improve both urban and rural supply. In the cities, water supply efforts will be focused on underserved peripheral neighborhoods that are home to the poorest groups.

24. For strategic area 3, expanding opportunities for income generation and self-employment, priority actions relate to strengthening the decentralized financial systems (SFD), rural roads and economic infrastructure (agricultural water works).

1.4. MONITORING AND EVALUATION STRATEGY FOR THE PRSP

25. For monitoring the PRSP more effectively, it was planned to implement procedures covering all programmed works. This relates in particular to harmonizing and coordinating work on preparation of the PRSP, the medium-term expenditure framework, the annual government budget, program budgets in each sector, and public spending reviews. The schedule of these works will also be harmonized with the institutional calendar.

26. An interministerially prepared action plan for enhancing participation in the PRSP must be prepared so as to:

- Clarify the role of each party in formulating, implementing, monitoring and evaluating the strategy.
- Establish a process for systematic consultation with the poor, through a participatory poverty assessment in 2000-2001.
- Reflect policy priorities more clearly in budgets and program budgets, while adhering to the macroeconomic framework.
- Secure a greater contribution by the central and decentralized administrations. Particular emphasis will be placed on the contribution of ministries responsible for sectoral policies, to ensure that they are consistent and supportive of PRSP objectives and domestic constraints.
- Gradually expand involvement by local governments and other components of civil society in the preparation process. These groups will be invited in light of their representativeness, their degree of organization, and their capacity to contribute to policy preparation and implementation.
- Obtain a more effective contribution from donors, by placing their technical and financial support within a coherent, overall framework. This will also serve to reduce uncertainty as to the amount of financial support expected, and the schedule of disbursements.

27. The government will supplement these measures by attempting to improve the dissemination of economic and social information relating to poverty reduction in Burkina Faso, covering the nature, planning, financing and impact of government programs. The government should also establish a "Poverty Observatory" and develop indicators for monitoring progress in combating poverty.

II. REVIEW OF PRSP IMPLEMENTATION 2000-2002

2.1. OVERVIEW OF DEVELOPMENT FINANCING

28. The year the PRSP was adopted (2000) also produced the Millennium Declaration, with its universal commitment to reduce extreme poverty and hunger over the period to 2015, and to promote essential social services in education and health. That year was marked, in Burkina Faso in particular, by the expectation of reaching the HIPC completion point, implementation of the IMF's Poverty Reduction and Growth Facility (PRGF), to replace the Enhanced Structural Adjustment Facility (ESAF), and completion of the conditionality reform test to enhance necessary donor coordination and ease disbursement procedures.

29. Overall, resources used in 2000-2002 amounted to CFAF 1,306.6 billion, excluding interest and amortization, of which CFAF 34.8 billion was provided under the HIPC initiative and CFAF 159.1 billion through budgetary support. Funding rose by 5.10 percent, from CFAF 401.4 billion in 2000 to CFAF 465.9 billion in 2002. Capital spending absorbed on average 53.2 percent of funding, against 46.8 percent for operating expenses.

Table 3: Official Financing (on a commitment basis, excluding interest and amortization, CFAF billions)

Year	2000	2001	2002	Total 2000-2002
I) Current expenditure	177.7	198.8	235.6	612.1
1. Salaries	88.7	98.2	103	289.9
2. Goods and services	40	40.5	62.5	143
3. Current transfers	49	60.1	70.1	179.2
II) Capital expenditure	223.7	240.5	230.3	694.5
1. Domestically financed	47.5	63.5	86.7	197.7
2. Externally financed	176.2	177.1	143.5	496.8
TOTAL (I + II)	401.4	439.3	465.9	1306.6
<i>Of which HIPC resources</i>	<i>0</i>	<i>6.6</i>	<i>28.2</i>	<i>34.8</i>
<i>Of which budgetary support</i>	<i>22.9</i>	<i>60.3</i>	<i>75.9</i>	<i>159.1</i>

Source: TOFE.

30. Over the period under review, however, current expenditure has risen much more quickly than capital expenditure, at 9.9 percent versus barely 1 percent per year. Current expenditure amounted to CFAF 612.1 billion over this period, composed as follows: expenditure on goods and services (23.4 percent, average annual growth of 16.04 percent); current transfers (29.3 percent, average annual growth of 12.7 percent); and wages and salaries, which were held to an annual growth rate of 5.1 percent, although they still accounted for a high share (47.4 percent) of current expenditure. Capital

expenditure was sustained by ODA contributions from all technical and financial partners, which was mostly of a concessional nature, and predominantly in grants.

31. This external support for the financing of capital projects (heavily concentrated in the social sectors and on rural development as a means of accelerating poverty reduction) stood at CFAF 496.8 billion for the period 2000-2002 (excluding HIPC). While this was CFAF 41 billion lower than the initially expected volume (see Table 1), the shortfall was largely offset by budgetary support (CFAF 159.1 billion). This performance indicates the willingness of partners to make the PRSP the centerpiece for mobilizing resources.

32. In terms of execution, external financing slowed by 6.6 percent a year on average between 2000 and 2002, while the government's effective contribution over that same period rose by 22.2 percent, thanks to HIPC flows and budgetary support. The downward trend in externally financed capital expenditure reflects the economy's weak absorption capacity,¹ the government's difficulties in managing external flows, and the complexity of certain partners' procedures.

2.1.1. HIPC financing

33. Thanks to its becoming eligible for financing under the Heavily Indebted Poor Countries initiative (HIPC) in 1997, substantial resources were available to Burkina Faso for poverty reduction between 2000 and 2002.

34. However, the spending of these HIPC funds began only in 2001, reflecting difficulties with the absorption capacity of beneficiary agencies, and the delay in negotiating bilateral agreements. Nevertheless, CFAF 54.3 billion was mobilized, of which 64.5 percent was spent on the priority sectors identified in the PRSP (education, health, drinking water, agriculture, livestock, rural roads), to which were added activities for the advancement of women, social action, information, employment and occupational training.

Table 4: Use of HIPC resources 2000-2002 (CFAF billions)

Description	2000	2001	2002	2000-2002
Mobilization of HIPC Resources	7.12	26.50	20.67	54.29
HIPC Expenditure (Commitment basis)		6.84	28.16	35.00
Ministry of Employment, Labor and Social Security		0.28	0.995	1.275
Ministry for the Advancement of Women			1.65	1.65
Ministry of Health		1.89	10.00	11.89
Ministries of Social Action and National Solidarity			0.56	0.56
Ministry of Basic Education and Literacy		2.73	8.95	11.68
Ministry of Agriculture			1.74	1.74
Ministry of Livestock Resources		0.06	0.73	0.79
Ministry of Environment and Water Resources			0.16	0.16
Ministry of Infrastructure, Housing and Urban Development		1.88	1.84	3.72
Interministerial expenditure			1.53	1.53

Sources: CID, TOFE, DDP

¹ According to the PIP, the absorption rate for external financing is around 71%.

35. The inclusion of HIPC resources in the budget law as of 2003 will not only improve the consistency of the government budget and the sectoral policies of beneficiary ministries but will also accelerate disbursement as part of budget execution.

2.1.2. Budgetary support

36. Adoption of the Poverty Reduction Strategy Paper has allowed the government and its partners to improve the coordination of development assistance. The government approved a memorandum of understanding on joint budgetary support for the PRSP (SBC-PRSP) in April 2002. That MOU initially covered six donors, including five bilateral donors (Belgium, Denmark, Switzerland, Netherlands and Sweden) and the European Union, with the objective of providing coordinated budgetary support for implementing the PRSP while leaving the government to take the lead in defining and pursuing its poverty reduction strategy. This new initiative in fact continues the current method of working with the Bretton Woods institutions² to allow the government to improve the predictability of external assistance and to achieve sounder programming of its priority expenditure.

37. During this phase of implementing the PRSP, budgetary support has consistently increased, from CFAF 22.9 billion in 2000 to CFAF 75.9 billion in 2002, representing a tripling over three years. In total, such support amounted to CFAF 159.1 billion for those two years, representing 12.2 percent of public funding for the economy. This sharp growth demonstrates the growing interest of the government and its technical and financial partners in this kind of financing.

2.1.3. Major beneficiary sectors

Table 5: Expenditure of budgetary allocations (including HIPC and externally financed investments, on a commitment basis, CFAF billions), by Ministry³

Ministries	2000	2001	2002	2000-2002	Share (%)
Basic Education and Literacy	55.08	44.77	54.95	154.81	12.73
Infrastructure, Housing and Urban Development.	36.50	66.08	38.69	141.27	11.61
Agriculture, Water and Fisheries Resources .	27.47	29.86	73.66	130.99	10.77
Health	40.74	35.68	44.31	120.73	9.93
Inter-ministerial expenditure	30.58	33.60	55.37	119.55	9.83
Secondary and Higher Education and Scientific Research	28.66	40.25	30.53	99.45	8.18
Defense	26.06	27.97	30.12	84.16	6.92
Economy and Finance	26.18	21.94	24.10	72.23	5.94
Environment	35.73	30.54	4.18	70.45	5.79
Energy & Mines	19.15	18.02	9.77	46.94	3.86
Total	326.17	348.72	365.69	1 040.57	85.55
Others	57.88	56.08	61.79	175.75	14.45
Grand Total	384.05	404.80	427.48	1 216.33	100.00

Sources: PIP, TOFE

² The World Bank and the International Monetary Fund (since 1991), and subsequently the European Union, have been providing budgetary assistance to the government under structural adjustment programs.

³ The externally financed component of spending by these ministries is estimated from TOFE data, using the relative share of each ministry in externally financed PIP expenditure (see Annex 2).

38. A functional breakdown of these expenditures shows that four ministries consume the greatest proportion of public allocations. They are, in descending order, Basic Education (12.73 percent), Infrastructure (11.61 percent), Agriculture, Water and Fisheries Resources (10.77 percent), and Health (9.93 percent). This corroborates the government's decision to target interventions in the PRSP priority sectors, and shows that the budgetary process is consistent with those priorities.

39. Reference must be made, however, to the significance of interministerial expenditure (9.83 percent), which rose steadily at an average rate of 21.88 percent a year over the period under review. For greater transparency in the budget process, it would be useful to disaggregate these expenditures by ministry and institution, to identify the shares allocated to priority sectors.

2.2. IMPLEMENTATION OF THE PRSP BY STRATEGIC AREA

40. Between 2000 and 2002, the priority action program accelerated, after some initial difficulties in launching the PRSP occasioned by delay in implementing the HIPC initiative and in instituting the coordination and monitoring instruments. While building upon previous achievements and reforms instituted under various programs, the government has sought to mobilize all its energies for implementing the PRSP, with the support of its technical and financial partners, many of which have been steadily adapting their intervention instruments for this purpose, with special emphasis on budgetary support.

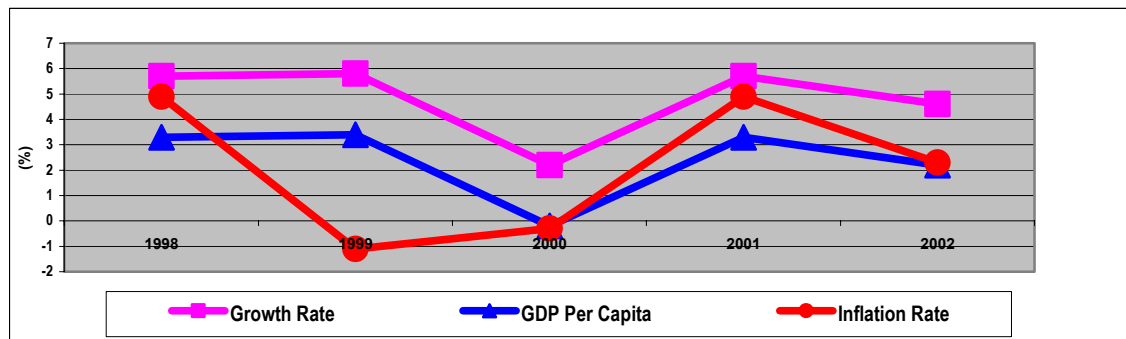
2.2.1. Faster, equity-based growth

2.2.1.1. Macroeconomic stabilization

41. During 2000-2002, the government sought to promote high-quality economic growth that would generate incomes and improve living standards, particularly for rural people, and to base that growth on equity, through redistribution in favor of the social sectors.

42. Economic activity during this time was affected by severe external shocks, including a rising dollar, higher oil prices, unfavorable climatic conditions, lower repatriation of savings, and the massive return of Burkina citizens residing abroad. Growth rates therefore fell disappointingly short of the levels needed to bring about a noticeable improvement in incomes for the poorest groups.

Figure 1: Performance of Macroeconomic Aggregates, 2000-2002



43. Growth between 2000 and 2002 was erratic. In 2000, economic growth slowed to 2.2 percent, compared to 5.8 percent in 1999, reflecting the poor harvest and the resulting food shortage. To address the situation, the government, with the support of its development partners, introduced an emergency plan at an overall cost of CFAF 7.5 billion, of which CFAF 1.5 billion was earmarked for providing free food to people living in extreme poverty. A further CFAF 600 million went into a livestock rescue plan for areas most severely affected by the drought.

44. In 2001, economic recovery was hampered by the delay in absorbing the shocks suffered during 2000, the contraction of household consumption and business investment, and the persistent decline of prices for commodities, including cotton. Thanks to the programs in place, however, the country recorded real GDP growth of 5.6 percent, led by the primary sector (7.5 percent in real terms). In particular, there was a record cotton crop, which increased producer incomes by about 70 percent and led to a noticeable reduction of poverty in the cotton growing areas.

45. In 2002, the domestic economic situation was affected by a difficult start to the 2002/2003 crop year, and by the prevailing political crisis in Côte d'Ivoire after September 19, 2002. This situation slowed economic growth, which nevertheless reached 4.6 percent, supported by improvements in public investment (up 6.9 percent) and private investment (up 4.4 percent), sparking a revival in the secondary sector, which grew by 10.4 percent, compared to 0.7 percent in 2001.

46. Throughout the period under review, the structure of GDP in real terms did not change materially. The main source of growth was the primary sector, followed by the tertiary sector, and lastly the secondary. On average, these three sectors contributed 30.8 percent, 24.8 percent and 18.8 percent respectively.

47. Growth in the primary sector continued to be supported by agriculture (accounting for 20 percent of GDP), despite the climate-induced slowdown in 2000 and 2002. The secondary sector was driven essentially by manufacturing (11.7 percent of GDP). The GDP share of the tertiary sector rose because of commercial activity (about 12 percent of GDP).

48. Recognizing that agriculture has a key role in the economy, employing 90 percent of the population, the government has paid special attention to promoting agricultural exports (fruits and vegetables, cotton etc.), while strengthening food security through small-scale irrigation works to promote off-season crops. Because of the heavy correlation between rainfall and economic growth, water control efforts, through the construction of dams and reservoirs, were reinforced through a rain-induction program known as "Operation SAAGA".

49. Finally, the situation in Côte d'Ivoire has provoked the return of many Burkina citizens since 1999, and it remains a concern: while its impact so far has been limited, the persistence of this crisis demands that government and economic agents seek forward-looking solutions to broaden the geographic scope of imports and exports, with particular attention to finding alternative routes that provide access to the sea.

50. ***Inflationary pressures have for the most part been brought under control.*** Economic activity during the period under review was accompanied by price changes that were on average consistent with the WAEMU community target of 3 percent.

51. Thanks to the good grain harvest in 1999, the average Consumer Price Index for 2002 declined slightly (by 0.3 percent). However, the poor 2000 harvest exerted sharp pressures on grain prices, and together with rising transportation costs led to an increase of 4.9 percent in average inflation for 2001. This inflationary surge faded in 2002, however, to a rate of 2.3 percent, thanks to lower prices for livestock products (reflecting export difficulties during the third quarter) and the relative stability of agricultural products in the wake of the good grain crop in 2001-2002. In this situation, households were able to limit the impact of a decline in their purchasing power.

52. ***Government finances and budgetary reform.*** The government's fiscal situation suffered a revenue shortfall, reflecting the unfavorable economic environment and the greater-than-expected impact of the newly introduced WAEMU common external tariff. Despite these setbacks, current revenue rose from CFAF 219.3 billion in 2000 to CFAF 259.4 billion in 2002, for an average annual increase of nearly 6 percent. The tax ratio increased from 12.4 percent in 2000 to 13.3 percent of GDP, compared to a community standard of 17 percent. It is clear that further efforts are needed to improve revenue collection, particularly through domestic taxation, where the current fiscal structure is overly dependent on border taxes. Burkina Faso should therefore pursue fiscal reforms that will generate revenue to offset those forgone through the application of community measures (the CET). Grants have declined during the same period from CFAF 134.8 billion in 2000 to CFAF 118.6 billion in 2002. Government revenue (including grants) increased from CFAF 354.1 billion in 2000 to CFAF 378.0 billion in 2002, an average annual increase of 2.2 percent. In total, the government mobilized CFAF 1108.4 billion over this time span.

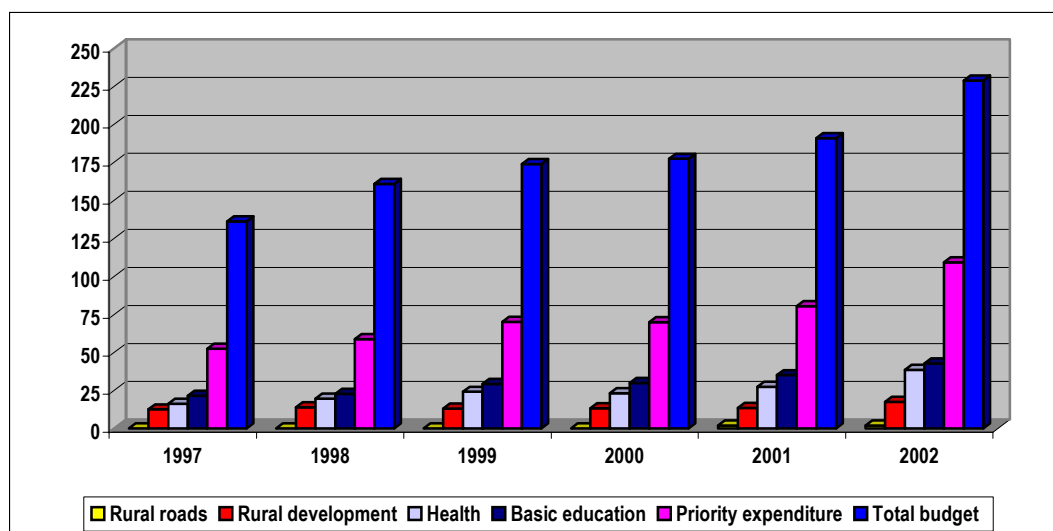
53. In the face of pressing needs, total public spending continued to rise between 2000 and 2002. It increased from CFAF 421.1 billion to CFAF 486.4 billion, an increase of 4.9 percent per year on average. The overall increase was due to current expenditure reflecting the rapid increase of spending on goods and services, while salaries and wages

were largely kept under control, as noted above. Overall, current expenditure reached CFAF 258.9 billion in 2002 against CFAF 194.3 billion in 2000, an increase of more than 10 percent per year.

54. In total, government savings declined over this period, from CFAF 25 billion in 2000 to CFAF 5.5 billion in 2002, with a consequent decline in the government's ability to finance its own investments. For the sake of budgetary management the government therefore adopted expenditure control measures, while protecting the payment of contractual commitments and social spending. Moreover, the availability of additional funding under the HIPC initiative, devoted mainly to economic and social infrastructure, meant a considerable increase in such spending (4.6 percent of GDP in 2002 compared to 3.9 percent of GDP in 2000).

55. The overall budget deficit (on a commitment basis, including grants) worsened over the period (from 1.6 percent of GDP in 2000 to 5.4 percent in 2002).

Figure 2: Expenditure on PRSP priority areas (CFAF billions)



56. The determination to pursue equity in public spending meant that financing was protected for the social sectors, despite the problems in raising funds. Spending on education (including HIPC funding) rose from 16.9 percent of total spending (excluding debt, externally financed investment and interministerial spending) in 2000 to 18.7 percent in 2002, or from 1.8 percent to 2.2 percent of GDP. Funds earmarked for health also rose, from 13.1 percent in 2001 to 16.8 percent in 2002, or from 1.4 percent to 2 percent of GDP.

57. This quest for equity was reinforced through specific measures for vulnerable groups, in particular greater allocations of HIPC funds to the ministries for social action and the advancement of women, and the fund to support remunerative activities for women (FAARF), and through decisions to cover parents' contribution to girls' schooling

and to distribute school supplies and textbooks to students in the 20 provinces with the lowest enrollment rates, as well as to provide free prenatal and infant care.

58. In an continued effort to bring greater transparency to the budgetary process, a number of expenditure reviews were conducted in health, basic education, rural development and road construction, and two studies were carried out on government budget execution by decentralized institutions and on the institutional framework of the public investment program.

59. With respect to budget preparation mechanisms, the medium-term expenditure framework (MTEF) has served to improve budgetary allocation, especially for priority sectors, since its adoption in 2000. A series of exercises were also conducted as part of the effort to improve fiscal management: the Fiscal Management Improvement Program (RGB), on the domestic front, the Report on Observance of Standards and Codes (ROSC), and the CFAA. The recommendations from these exercises served as the basis for a consolidated medium-term action plan for improving budget management (PRGB), and some of these measures have already been implemented, in particular: (i) an action plan for the deconcentration of budgetary expenditure, as part of the decentralization process, for which a pilot experiment was conducted at Bobo-Dioulasso in 2003; (ii) adoption of a new procurement code to improve the transparency and efficiency of government purchasing.

60. As well, in the context of monitoring fiscal performance, the government has conducted regular polls and surveys among beneficiary groups, to assess the effectiveness of its efforts in terms of budgetary execution.

61. **Debt management.** The government's external debt remains a constraining factor, in terms of its sustainability (averaging 61 percent of current GDP), despite efforts to reduce the debt (which declined by 5.1 percent in 2002) through the HIPC initiative.

62. During 2000-2002, debt management efforts allowing Burkina Faso to avoid the accumulation of payment arrears on both the domestic and external fronts. However, unforeseen demands for spending on humanitarian assistance⁴ and security, together with rising current administrative expenses, have exhausted allocations for current spending and added to the domestic debt, through the accumulation of outstanding expenses committed but not authorized, or authorized but not paid.

63. Finally, the government has successfully experimented with raising funds on the WAEMU capital market, as a sounder means of meeting its regular cash requirements, and at the same time helping to deepen and expand the community financial market.

64. **Foreign trade and monetary management.** Burkina Faso's economy still exhibits a high degree of external dependency. Its external accounts, however, showed a significant improvement over the period 2000-2002 in the trade balance and in the non-monetary capital account, although at the same time there was a decline in the net inflow

⁴ Reception centers for returning expatriates, and facilities to help them go back to their home communities.

of unrequited transfers. The structural deficit on the trade balance was reduced from CFAF 222.2 billion in 2000 (14.2 percent of current GDP) to 209.5 billion in 2001 (11.5 percent of current GDP), before rising again to CFAF 217.5 billion in 2002 (10.9 percent of current GDP).

65. This improved performance is attributable to the higher value of exports, thanks to higher volumes of exports of cotton, livestock products and nonmonetary gold, in the face of virtually stagnant imports with the exception of imports of oil products and capital goods. This allowed a gradual reduction in the current account deficit (excluding grants), which declined from 16.8 percent of GDP in 2000 to 13.2 percent in 2001, and then to 12.5 percent in 2002, despite the sharp drop in private transfers induced by the unfavorable subregional economic situation.

66. The situation is still tenuous, because of uncertainties about the world market prices for cotton, and lower sales of livestock products, for which access to the principal market in Côte d'Ivoire has been disrupted, and fluctuations in the price per barrel of oil sparked by the Gulf War.

67. The monetary situation has been closely correlated with economic growth. Net external assets shrank at the beginning of the period: they stood at CFAF 125.8 billion in 2000, 23.1 percent below their level of CFAF 163.5 billion in 1999. In 2001, however, they rose to CFAF 128.1 billion, representing an improvement of 1.8 percent over 2000. This trend continued in 2002, when assets stood at CFAF 140.5 billion, up 9.7 percent from 2001. Prudent monetary policy allowed economic activity to be sustained, through growing credit to the economy (up 17.0 percent in 2000, 13.9 percent in 2001 and 20.2 percent in 2002), thanks to the regular reimbursement of agricultural credit, under the impetus of government efforts to encourage microfinance institutions (cooperatives, credit unions and other local networks).

68. *Economic convergence within the community.* At the community level, the difficult economic and financial situation weighed heavily upon the convergence program.

69. Burkina Faso achieved the following criteria for the period 2000-2002: (i) the debt ratio; (ii) non-accumulation of payments arrears; and (iii) the ratio of self-financed investment to tax revenue.

70. The inflation rate, while it conformed to the community standard in 2000 and 2002, exceeded the mark in 2001. The basic fiscal balance deteriorated over the period and the revenue ratio remained below the 17 percent target, despite steps to improve tax collection. The same is true for the wage bill/tax revenue ratio, which held steady at around 40 percent over the last three years. Despite efforts to reduce the external current account deficit (excluding grants) over the years, its level remains high in comparison with the WAEMU ceiling (5 percent).

Table 6: Progress with WAEMU convergence criteria

Criteria	2000	2001	2002	Standard
Primary criteria				
Basic fiscal balance ⁵ to nominal GDP	-1.6%	-4.4%	-5.4%	Min 0
Average annual inflation rate (HCPI)	-0.3%	4.9%	2.3%	Max 3
Total debt to nominal GDP	60.4%	62.0%	53.8%	Max 70
Non-accumulation of payment arrears (domestic and external)	0	0	0	0
Secondary criteria				
Wage bill to fiscal revenue	40.4%	43.1%	39.7%	Max 35
Domestically financed investment to fiscal revenue	29.5%	27.9%	34.8%	Min 20
External current account deficit to nominal GDP	16.5%	14.7%	12.6%	Max 5
Revenue ratio	12.3%	11.7%	13.3%	Min 17

Sources: CID-TOFE, IAP

71. Overall, the poor performance in the conduct of government finance operations reflects, among other things, the collapse of cotton prices, difficulties in raising external funds, and the economic slowdown attributable to unfavorable climatic conditions. To this must be added the delay in implementing structural reforms, which has meant a lower ratio of revenue to GDP.

2.2.1.2. Economic competitiveness

72. **Economic liberalization.** Efforts to foster competition in Burkina Faso were boosted in December 2001 with a new law empowering the National Commission for Competition and Consumer Affairs (CNCC) to act at its own initiative, and giving consumer associations, economic operators and their professional associations the right to appeal to the Commission. Moreover, the country's increasing external openness and its improved legal and institutional framework are helping to reinforce that liberalization. For example, agreements signed under integration frameworks at the subregional level (WAEMU, ECOWAS), the regional level (OHADA) and the international level (WTO, etc.) with respect to the harmonization of national legislation are being implemented.

73. The ongoing process of dismantling industrial protection, begun in 1996 within WAEMU, has resulted in elimination of the Declining Protection Tax (*Taxe Dégressive de Protection*, TDP), and administratively set customs values (VR) are being reconsidered. The number of VR-applicable products has already been reduced from 39 to 33.

74. Deregulation of the oil and gas distribution market has allowed the entry of new marketers, the establishment of gasoline stations in several provinces, and an improvement in the quality of service.

75. **Improving the business climate.** During 2000-2002, efforts to improve the business climate included activation of the "One-stop Shop" (*Centre des Guichets*

⁵ Commitment basis, including grants.

Uniques, CGU) and the opening of a trade facilitation center (Trade Point). These initiatives have cut processing times for establishing a business from three months to 15 days, and have reduced the number of forms required from 15 to 8. Moreover, economic and commercial information can now be collected, processed and distributed through use of new information technologies, and economic operators can receive guidance and advice on promising activities. At the same time, a restructuring and strengthening of private sector support institutions included the first democratic elections (in December 2001) to the Burkina Faso Chamber of Commerce, Industry and Crafts (CCIA-BF) and the establishment of management bodies for the National Truckers' Council (*Conseil Burkinabé des Chargeurs*, CBC), most members of which represent the private sector. These facilitation moves, together with the provisions of the investment code, have already had a favorable impact on the establishment of new businesses over the period 1999-2001.

76. The institution of annual meetings (May 2001 and July 2002) between the government and the private sector to discuss business concerns has helped to strengthen cooperation and confidence between the two sides. Concrete results have included: (i) a relaxation of the bonded warehouse régime; (ii) creation of a special fund for technical education, continuous occupational training and apprenticeship, for which 20 percent of the employers' training tax has been earmarked; and (iii) a special program to provide industries with computer equipment as part of their modernization effort.

77. The government's determination to make the private sector the engine of growth is reflected in a newly designed project to support competitiveness and business development, which includes privatization and the reform of business development and other public services.

78. With a view to implementing this project, two essential steps have been taken: a policy letter on private sector development was adopted in July 2002, and a competitiveness committee was established. The strategic actions outlined in that letter are part of a consistent framework that sets out clearly the direction that the government intends to take in its policy for private sector development, within the context of combating poverty: (i) improving the legal climate for business; (ii) strengthening business capacities; (iii) strengthening private sector support institutions; (iv) further divestment by the State; (v) developing the country's agro-industrial and livestock potential; (vi) business finance; (vii) infrastructure development; (viii) promoting employment; and (ix) developing the mining sector. Mention should also be made of the Burkina Faso Enterprise Office (*Maison de l'Entreprise du Burkina Faso*, MEBF), created in September 2002, and FASONORM, the purpose of which is to improve the quality of export products. Other actions under way include the establishment of a Shared-Cost Support Fund (FSCP).

79. ***Privatization of public enterprises.*** In this field, the government has set the following objectives: (i) to complete the privatization of selected enterprises and thereby increase the number of privatized enterprises, some of which will be the target of investments and employment creation; and (ii) to conduct a study of the remaining portfolio, in order to prepare a list of enterprises to be privatized in the next round.

80. More than 90 percent of the privatization program underway since 1992 has been successfully executed, resulting in the liberalization of many sectors. This program has led to: (i) the privatization of 26 enterprises, through sale of shares or operating concessions, at end-December 2002; (ii) the liquidation of 12 problem units; and (iii) the removal of three units from the program, two of which have been designated for research purposes.

81. In 2000-2002, the process saw the privatization of six enterprises through the sale of shares (SOCOGIB, SLM), the sale of assets under continued operation (SHG), a capital increase (Air Burkina) and judicial liquidation (SAVANA and Faso Fani).

82. The privatization program is continuing with the search for potential buyers for the remaining enterprises, namely the Burkina National Film Company (SONACIB), the National Telecommunications Office (ONATEL) and the National Agricultural Supplies Center (CNEA) as well as the management component for the airports of Ouagadougou and Bobo-Dioulasso.

83. An initial assessment of privatizations was made in 2000, covering the period from 1991 to 1999. The results, in social, economic and financial terms, were satisfactory overall. Further study will be needed to identify the impact of privatization on employment and investment.

84. The 2000 study of the residual government portfolio covered some 50 enterprises, and it led to the adoption by the National Assembly of Law 015-2001/AN of July 4, 2001, authorizing the privatization of enterprises in which the government holds an equity interest. A further list of 20 enterprises has been prepared on the basis of criteria relating to their prospects for growth in light of the economic and competitive environment. These are: Burkina & Shell, SIFA, FASOPLAST, ZAMA PUBLICITE, SOSUCO, GMB, SONABEL, SONABHY, CBMP, CENATRIN, Hôtel Indépendance, Hôtel Silmandé, ONPF, MEDIFA, CGP, SBF, ONBAH, ONEA, BUMIGEB and CCVA.

85. To ensure the transparency of privatization operations and to encourage people to become shareholders, the government has decided to place its remaining holdings in certain enterprises for sale on the stock exchange.

86. State divestiture has extended to other sectors as well, including agriculture. The cotton reform program has made significant progress, with adoption in December 2001 of two decrees authorizing private operators in the central and eastern zones and abolishing the SOFITEX monopoly. The process of implementing these measures is on schedule. A consulting firm will be hired to appraise the assets to be sold, to propose a regulatory framework, and to prepare the bidding documents.

87. *Specific measures to reduce factor costs.* Making the Burkina Faso economy more competitive will require reducing the costs of factors of production, in particular electricity, telephone service, water and transportation. To this end, the government has launched a broad program to establish or strengthen regulatory bodies for telecommunications, energy, transportation and water.

88. The telecommunications system in Burkina Faso is hampered by the high cost of service and the low density of telephones. Significant reforms have been undertaken to improve public access to telecommunications services. These include the adoption of a regulatory framework, which required the creation of the Telecommunications Regulation Authority (ARTEL), the opening of mobile telephone service in 2000, the connection of mobile telephone networks to the fixed network, and an increase in the number (from 2,393 in 2001 to 3,885 in 2002) and accessibility of public telecenters.

89. The telecommunication rates (international, intercity and local) charged by the historic operator (ONATEL) are for the most part competitive within the region, thanks to adjustments to rates for fixed telephone service over the last two years (charges for intercity calls fell by 8 percent in 2000 and by 40 percent in 2001, and those for international calls were reduced by 27 percent in 2000 and 21 percent in 2001)\

90. Two new private operators have entered the mobile telephone segment, TELECEL FASO and CELTEL BURKINA, increasing the number of subscribers and introducing sharper competition, with a resulting drop in rates. In December 2002, the average rate reductions were as follows:

- 15.94 percent for mobile-to-fixed local calls.
- 5.21 percent for prepaid intercity calls, mobile to fixed.
- 20.23 percent for calls from the ONATEL mobile system to the two other private mobile systems.
- 5.6 percent for prepaid calls within the TELMOB mobile system.
- 13.33 percent and 23.33 percent (peak hours) and 8.33 percent (off-hours) for certain international calls.

91. At the same time, expansion of the fixed network has increased the total number of lines from 49,242 in 2000 to 62,050 in 2002, bringing the telephone density to 0.52 percent or 5.2 telephone lines per thousand inhabitants. With the opening of the mobile telephone segment, overall density was estimated at 1.77 percent at the end of 2002.

92. In the energy sector, regarded as another high-cost factor holding back the economy's competitiveness, reforms were outlined in the Policy Letter on Energy Sector Development (LPDE) adopted in December 2000, which calls for creation or strengthening of government regulatory capacities and the eventual privatization of SONABEL and SONABHY. Diagnostic studies of the electricity and oil and gas subsectors, and a short-term analysis of electricity rates, have been launched and will take account of needed new investments such as in interconnections and standby thermal plants.

93. Electrical interconnection with neighboring countries (Côte d'Ivoire and Ghana) represents a policy to reduce or eliminate reliance on oil and gas (DDO or distillate diesel oil, fuel-oil and gas-oil) for producing electricity. This should translate into lower prices per kilowatt-hour, which have remained stable since 1994 (averaging CFAF 81). In addition to these potential cost savings, the policy has helped increase the country's electrification coverage, from 7 percent in 2000 to 12 percent in 2002. At the same time,

work is continuing on the program of rural electrification using solar-powered photovoltaic cells. Finally, a policy to encourage the rational use of energy and a national action plan for energy conservation now in preparation should produce a significant reduction in electricity consumption by government, industry and households.

94. In the oil and gas sector, the government is continuing its innovations in price-setting policy. In 2000-2002, two pricing methods (monthly and bimonthly) for petroleum products were introduced by decree. The Single Tax on Petroleum Products (TUPP), which was in effect from 1994 to 2000 and which unified all levies going to public and parapublic institutions, succeeded in maintaining consumer prices at levels comparable to other landlocked countries. In 2001, this tax was replaced by the Petroleum Products Tax (TPP). The new price adjustment policy that came into force in February 2001 is designed to reflect the realities of the international oil market in prices at the pump, which can now be adjusted every month in light of changes in the prices quoted in Platt's European Marketscan (PEM), for the reference Mediterranean market, and fluctuations in the dollar.

95. The pricing structure for drinking water was amended in 2002. The rate for utility-supply water rose from CFAF 993 in 2000 to CFAF 998 in 2002, (0.50 percent), after remaining stable in 2001. By contrast, prices for public standpipe water and independent water points, representing at least 50 percent of ONEA's distribution points, were kept at their 2000 level, i.e. CFAF 186 and 93 respectively. As with the energy sector, the water sector will also be opened to competition with the privatization of ONEA.

Table 7: Water prices per cubic meter

Year	2000	2001	2002	2003
Price per m3, before taxes	993	993	998	1 040
Price per m3, including taxes	1 644	1 644	2 178	2 227
VAT	179	179	180	187
Usage charge	472	472	1 000	1 000
Rate of change in price per m3 before	7.48%	0.00%	32.48%	2.28%
Rate of change in price per m3 incl. taxes	7.47%	0.00%	0.50%	4.21%

Source: ONEA

96. Transportation prices declined significantly, especially for passenger transport on the Ouagadougou-Bobo route where competition is keenest. The average fare fell from CFAF 6,000 to 5,000. Freight transport rates in 2002 were as follows: for cement, CFAF 22 per ton/kilometer (domestic) and CFAF 28 (cross-border), and CFAF 26 per ton/kilometer (domestic) and CFAF 30.5 (cross-border) for grains.

97. Competition in the financial sector has given rise to new products, including financial leasing, which are better suited to the financing needs of SMIs/SMEs, in particular. As well, recognizing the difficulties that the private sector faces in financing itself through bank credit (where interest rates are high), the government has introduced special financing arrangements (FAARF, PAPME, FASI, FONAPE, etc.) and continued to support them strongly during the period under review.

98. A review of the activities of some of these facilities (PAPME, FASI, FAPE, PNAR-TD) between 2000 and 2002 shows that the private sector is beginning to appreciate the services they offer. In the case of PAPME, for example, the number of clients rose from 68 to 145, and disbursements increased by CFAF 319 million, or nearly 150 percent. The repayment performance for the facility improved significantly, from 53.46 percent in 2000 to 68.10 percent in 2002. Generally speaking, in 2002 alone, nearly CFAF 1.5 billion was allocated in credits to SMIs/SMEs, supporting 433 projects and creating 1,819 jobs, 108 of them temporary. The government will step up its supervision in this sector, and will prepare a comprehensive strategy for organizing microfinance more effectively. Similarly, the taxation of savings will be reviewed to adapt it to the regional context and encourage the flow of savings for SMI/SME financing.

99. In order to make the taxation system more conducive to competitiveness, the government has adopted an instrument, the Effective Marginal Tax Rate (TEMI), for assessing the impact of taxation on production costs in various sectors of the economy, by measuring the portion of the return on capital that goes to taxes. This instrument could be used to identify a better distribution of the tax burden among sectors.

100. ***Transportation development for productive sectors.*** The transportation program has achieved important results in developing and maintaining the highway system. Between 2000 and 2002, 411 km of paved roads were built, another 261 km were rehabilitated, and maintenance work was conducted on 7,600 km, at a total cost of CFAF 89.66 billion.

101. As regards new roads, the paving and construction of national highways continued, thereby improving land links with neighboring countries. The new 231 km highway linking Pâ, Dano, Diébougou and Gaoua with the Côte d'Ivoire border is under construction, while work on the Ouaga-Léo-Ghana border route is on schedule: 90 percent of the 68 km stretch between Ouaga and Nazinan has been completed, as well as the Saponé ramp. Work began in the second quarter of 2002 on the second stretch of 110 kilometers, between Nazinon, Léo and the Ghanaian border. As to the Bobo-Dédougou and Bobo-Dindéresso routes, the financing deal concluded in 2002 has allowed tenders to be called, and work will begin in 2003.

102. Upgrading of dirt roads has included work on the following routes: Pô-Kombli-Nebou (87 km), Ouahigouya-Séguénéga (56 km), Kaya-Bourzanga (38 km) and Yilou-Bourzanga (80). Regular maintenance of paved roads has included Ouagadougou-Boromo (175 km), Ouagadougou-Koupela (270 km), Ouagadougou-Yako (100 km), Boromo-Bobo-Dioulasso (170 km) and Sakoinsé-Koudougou (45 km).

103. To bolster community solidarity within the WAEMU, Heads of State have established a regional integration fund (FAIR), to be devoted as a matter of priority to integration projects. Burkina Faso has received CFAF 14.95 billion from this fund to finance four road projects over the period 2002-2006: Markoye-border with Mali, Markoye-border with Niger, Batié-Kpéré-border with Côte d'Ivoire and Batié-border with Ghana.

104. In the air transport area, aviation infrastructure is to be brought up to international standards by expanding and rehabilitating passenger and freight terminal facilities in light of traffic volumes. Traffic forecast studies have been conducted for the move of the Ouagadougou International Airport to a new location since it currently poses special safety problems because of its central location within the urban zone.

105. African aviation was severely disrupted during the period 2000-2002 by the collapse of the multinational airline AIR AFRIQUE, which had provided invaluable service to a landlocked country like Burkina Faso in the form of regular air connections. That service was of benefit not only to passengers but also to the movement of perishable export products such as green beans, fruits and vegetables. These industries were hit hard by that collapse. Once again, however, the government has demonstrated its ability to adapt by negotiating open-sky agreements and licenses with several airlines, including CORSAIR, POINT AFRIQUE, NAS AIR, AFRIQUYA, GHANA AIRWAYS, CAMAIR and AIR SENEGAL INTERNATIONAL, which will now operate in addition to the traditional national (AIR BURKINA and FASO AIRWAYS), subregional (AIR IVOIRE) and international (AIR FRANCE) companies.

106. Rail transport saw a rebound in passenger traffic in 2001, both in terms of volume (up 38 percent from 2000) and value (up 81 percent). Freight traffic increased by 11 percent in value, and 21 percent in revenue. Overall, rail transport grew by 32 percent in volume in 2001, with a 29 percent increase in revenue over 2000. Plans were made to build a CFAF 1.8 billion railway station at the border between Burkina Faso and Côte d'Ivoire, which would have cut border crossing times for passengers by about 60 percent.

107. Unfortunately, these plans were blocked by the outbreak of the crisis in Côte d'Ivoire in September 2002, which disrupted all rail links between the two countries, leading to higher transportation costs and a loss of competitiveness for some of Burkina's industries. This experience underlines the need for Burkina Faso to diversify its sources of supply and its export corridors, by reinforcing its international highways network and by considering the possibility of establishing rail links with other neighboring countries.

Box 1: Achievements in Strategic Area 1 in 2002

Macroeconomic stabilization and fiscal management framework

Economic growth. The domestic economic picture was affected by the difficult beginning of the 2002/2003 crop year, and by the social and economic upheavals in Côte d'Ivoire following September 19, 2002. The economic recovery that began in 2001 (with growth of 5.6 percent) continued in 2002, however, when the economy recorded real growth of 4.6 percent, thanks to higher public and private investment (up 6.9 percent and 4.4 percent respectively) and recovery in the secondary sector, where growth reached 10.4 percent in 2002, compared to 0.7 percent in 2001.

While the impact of the Côte d'Ivoire crisis was limited in 2002, the persistence of the crisis will require the government and economic agents to seek ways of broadening the geographic scope of imports and exports, and in particular to find alternative access to the sea.

Inflation. Economic activity was accompanied by price stability. The year-on-year increase in the general price level at the end of 2001 (4.9 percent), reflecting the grain shortfall from the 2000-2001 crop year, gradually dissipated, and inflation stood at 2.3 percent for 2002. This level of inflation is in line with the WAEMU community target (maximum 3 percent), thanks to lower prices for livestock products (reflecting export difficulties during the third quarter) and the relative stability of agricultural prices in the wake of a good grain harvest. In this situation, households were able to limit the impact of a decline in their purchasing power, occasioned by a 2.4 percent fall in per capita incomes, the cessation of transfers from expatriates in Côte d'Ivoire, and increased charges for residents.

Government finance. In 2002, efforts to raise revenue and rationalize public spending continued throughout the year. Current revenue reached CFAF 259.4 billion, and the tax-to-GDP ratio exceeded 13 percent. Tax revenue, however, saw a stagnation in domestic receipts and an increase in the proceeds from border taxes. Steps were taken to address tax collection problems through new oil taxation measures and new collection mechanisms.

On the expenditure side, there was an increase of more than 10 percent, due to sharply higher current expenditure at the expense of capital spending (which declined by three percentage points in comparison to 2001). This produced a deterioration in fiscal savings, which amounted to only CFAF 5.5 billion compared to CFAF 25 billion in 2000. Nevertheless, the budget deficit was brought under better control, at 11.5 percent of GDP versus 12.1 percent in 2000, even if the primary balance showed some deterioration, from -0.6 percent of GDP in 2000 to -4.2 percent of GDP in 2002. During 2002, the government successfully experimented with raising funds on the WAEMU capital market, thereby tapping a sounder mechanism for meeting its regular cash requirements while at the same time helping to deepen and expand the community financial market.

Debt management and HIPC funding. The external debt remains a constraining factor (amounting to 7.6 percent of current GDP and 54.3 percent of export receipts), although efforts to address it were more successful than in 2001, while performance under the HIPC initiative was only average, with an execution rate of 54 percent.

Foreign trade and monetary management. Monetary stringency was maintained, with net foreign assets increasing from CFAF 128.1 billion at end-December 2001 to CFAF 136.5 billion at end-December 2002, while the trade deficit improved from 11.4 percent of GDP in 2001 to 10.6 percent in 2002.

Community convergence. In terms of meeting the WAEMU convergence criteria, the country was successful in achieving those for the inflation rate, foreign debt, payment arrears, and domestic refinanced investment. Further effort is needed to meet the other criteria.

Competitiveness of the domestic economy

The year 2002 saw progress in energy (electricity, rural electrification and oil and gas), water, telecommunications, transportation, and microfinance, as well as in privatization and efforts to create a favorable environment for development of the private sector.

The electricity system was expanded, with 15,623 new household connections, including 576 at promotional prices, and the cities of Pô and Léo were electrified from the North Ghanaian grid. Following the electrical interconnection with Côte d'Ivoire (from Ferkessédougou to Bobo-Dioulasso), and in light of the transfer price, estimated at CFAF 35.12 per kilowatt-hour compared to the average domestic price of CFAF 81, a pricing study was commissioned. At the same time, the process of privatizing SONABEL was launched, with an accounting and financial audit.

Significant progress was made in rural electrification, with the mounting of four pilot projects in six villages that will provide input to the rural electrification strategy. Thanks to these efforts, the national electrification rate rose by three percentage points to 12 percent.

The oil and gas sector grew strongly in the wake of the decree regulating the distribution of oil products and derivatives (Decree 2002-146/PRES/PM/MCPEA/MCE of May 3, 2002). That decree is giving a boost to liberalization of the sector, opening the way for negotiating agreements with investor-operators. Seven new marketers were licensed, bringing the total number to 11.

In the telecommunications field, 8,450 fixed telephone lines were established, distributed among six regions. Overall telephone service density (total fixed and mobile lines relative to the population) rose from 0.52 to 1.77 percent. The year 2002 saw a boom in the mobile sector, not only increasing the number of people with telephone access but also reducing telephone service charges by the three licensed operators, through the play of competition.

Under the privatization program procedures began for privatizing nine selected enterprises (SONABEL, SONABHY, CBMP, CENATRIN, Hôtel Indépendance, Hôtel Silmandé, ONPF, MEDIFA and CGP).

In terms of support for productive sectors, 24 businesses have been licensed under the investment code, for investments totaling more than CFAF 53 billion, with the potential to create 893 jobs and value-added in excess of CFAF 139 billion over five years.

Passenger transport fares have declined substantially, particularly on the Ouagadougou-Bobo-Diaoulaso route: the average fare declined from CFAF 6,000 to 5,000. The crisis in Côte d'Ivoire, however, has sparked a hike in freight rates: for cement, they have risen to CFAF 22 per ton/km (domestic) and CFAF 28 (cross-border), and for grains to CFAF 26 per ton/km (domestic) and CFAF 30.5 (cross-border).

In the foreign trade field, 216 business opportunities have been inventoried, processed and offered to users who have access to the web site of the World Trade Point Federation (WTPF).

Financing costs through the various facilities for SMIs/SMEs (PAPME, FASI, FAPE, PNAR-TD and FFARF) vary between 4.5 percent and 12 percent, depending on the sector of activity. These rates are lower than those charged by the banks, which range from 6.75 percent to 18 percent.

2.2.2. Providing basic social services for the poor

2.2.2.1. Changes in the education system

108. ***Increasing budgetary allocations.*** Over the period 2000-2002, the government made efforts to increase funding for basic education and literacy, consistent with PRSP objectives and the recommendations from the public expenditure review for the sector. In absolute terms, education funding rose from about CFAF 30 billion in 2000 to CFAF 34 billion in 2002, representing an average annual increase of 4 percent. Yet these efforts were not sufficiently supported by additional external funding, as called for under the 10-year basic education development plan (PDDEB). Implementation of that plan has therefore been delayed and enrollment objectives have been only partially realized. The structure of spending is heavily weighted towards operating expenses, in particular for personnel. During the period, subappropriations (*crédits délégués*) were established for

funding the deconcentrated regional education offices (DREBA), with a view to achieving more efficient management and sparking economic activity at the local level.

**Table 8: Spending on basic education and literacy
(own resources in CFAF billions)**

Description	2000			2001			2002		
	Allo- cated	Com- mitted	Rate	Allo- cated	Com- mitted	Rate	Alloc- ated	Com- mitted	Rate
Title II	22.36	23.30	104.2%	23.21	24.61	106.1%	22.26	23.76	106.8%
Title III	2.85	2.54	89.0%	3.11	2.99	95.8%	3.44	3.07	89.3%
Title IV	2.30	2.07	90.0%	2.62	2.50	95.6%	2.89	2.58	89.1%
Title VI (domestic funding)	2.44	2.00	81.9%	3.09	3.02	97.8%	4.97	4.25	85.5%
Total MEBA	29.94	29.90	99.8%	32.02	33.12	103.4%	33.56	33.66	100.3%
MEBA Budget/Govt. Budget	15.8%	16.9%		15.3%	17.4%		14.5%	14.7%	
Subappropriations (<i>Crédits délégués</i>) (DREBA)		1.5		2.33	2.32	99.3%	2.75	1.83	66.6%

Sources: CID-TOFE

109. While the theoretical share of the MEBA in the government budget has declined (from 15.8 percent to 14.5 percent in terms of allocations), it remains significant in terms of execution (16.9 percent, 17.4 percent and 14.7 percent, respectively, in 2000, 2001 and 2002). This reflects efforts to protect the education budget, while revealing a weakness in absorption capacity, especially in the year 2002. The intention to decentralize budgetary management to the local level is continuing, but rather hesitantly. In effect, despite the increase in subappropriations over the years, they still account for only 5-8 percent of budgetary allocations to education.

110. In terms of budgetary efficiency, the absorption rate of education funding is high, although there are some shortcomings under Title VI. The overall execution rate for the program is equal to 100 percent over the period (on a commitment basis, which is used for financial control purposes), much higher than the commitment made under the PRSP (85 percent).

111. Wage expenditure constitutes the largest item, and reflects a structural overrun (104 percent to 107 percent), and this affects the overall execution rate. It is difficult to program expenses of this type. The execution rate under other sections of the program (goods and services, transfers and investments) falls between 82 percent and 98 percent, levels that, while satisfactory, betray execution weaknesses within school canteens due to difficulties with their orders and on the level of investment, where cumbersome administrative procedures make it difficult to approve procurement.

112. Allocations of HIPC resources grew substantially between 2000 and 2002. They have served to enhance the financing capacity of the education sector, essentially through

investments in the 20 priority provinces⁶, as part of the overall goal of making education indicators more equitable throughout the country. In this context, financing operations have financed school lunch programs and equipment for schools in those provinces. Some 500,000 children, 38 percent of them girls, have benefited from this funding.

Table 9: HIPC spending on basic education (CFAF billions)

Description	2000			2001			2002		
	Allocated	Committed	Rate	Allocated	Committed	Rate	Allocated	Committed	Rate
Personnel	0.07	0.0001	14%	0.250	0.250	100%	0.764	0.764	100%
Equipment and supplies	0.45	0.45	100%	1.839	1.839	100%	1.923	1.639	85.23%
Construction	2.34	2.34	100%	6.859	6.859	100%	6.023	5.854	97.19%
TOTAL	2.87	2.80	97.5%	8.949	8.949	100%	8.190	7.694	93.9%

Source: DAAF /MEBA, DCCF

113. The government has also taken steps on behalf of the most disadvantaged groups, such as covering association dues in 2001 for the parents of children repatriated from the Côte d'Ivoire, creating and strengthening community facilities, environmental improvement, drafting legislation and promoting IEC (information, education and communication) for persons with disabilities.

114. ***Making education more available.*** The coordinated efforts of the government, its development partners, and social partners have allowed a start to be made at implementing the PDDEB's fundamental components: (i) improving access to basic education; (ii) improving the quality and efficiency of basic education; and (iii) improving management and strengthening the policy-making and management capacities of the MEBA.

115. Improving access to basic education. Under this component, the following activities have been pursued:

116. ***Construction and rehabilitation of primary schools and preschool facilities.*** The government and its partners have pooled their efforts to provide educational and administrative infrastructure and to improve the school environment.

117. Over the last three years, these joint efforts have resulted in the construction of 746 schools, 677 latrines and 1,554 housing units for teachers, thereby helping to guarantee minimum sanitary conditions and improve working conditions for teachers. During the school year 2002/2003, a total of 20,251 classrooms were provided to the MEBA. As a result, access to basic education, in terms of enrollment, rose from 901,291 pupils in 2000 to 1,012,150 (426,577 of them girls) in 2002.

118. Efforts to promote preschool education have continued, particularly in the field of comprehensive training for young children. For example, the creation of cooperative

⁶ Those with the lowest enrollment rates.

community preschool centers, known as “*Bissongos*”, has been underway since 1999. By 2002, 25 such centers had been established in rural areas and equipped with latrines, wash basins, wells and canteens serving 2,032 children aged 3 to 6, of whom 1,096 are girls and 936 are boys.

119. In a similar vein, public daycare centers have multiplied, despite the shortage of financial and human resources available to the Ministry of Social Action and National Solidarity. There are 80 such centers throughout the country, albeit unevenly distributed, providing care for a total of 6,954 children (3,603 boys and 3,351 girls: statistics from the 2001 DEP/MASSN). These efforts have expanded access to preschool education: the rate of preschool enrollment has risen from 0.72 percent in 2000 to 1.44 percent in 2002, a rate that is still too low. The *Bissongo* program has provided training for 75 instructors known to their young pupils as “little daddies/mummies” (“*petits papas/mamans*”). The most important point is that, thanks to these facilities, women and girls in rural areas can free themselves from caring for children and engage in literacy, educational or income-earning activities.

120. Education for girls. The gross admission rate to first-year elementary school for girls rose from 33 percent in 2000/2001 to 45.4 percent in 2002/2003, compared to overall rates of 39 percent and 52.9 percent for those years. Over the same period, the gross enrollment rate for girls rose from 36.2 percent to 41.0 percent, compared to national levels of 42.7 percent (2000/2001) and 47.5 percent (2002/2003).

121. Efforts to raise girls' enrollment rates are still hostage to several factors relating to the availability of education, as well as social, economic and cultural factors that tend to keep demand low. The MEBA and its partners are addressing these constraints through social awareness activities, and efforts to involve families and communities in the education process. An action plan to promote girls' schooling has been prepared, with the emphasis on establishing School Mothers' Associations (AME), designed to enlist the support of mothers for their girls' education. In addition, specific efforts have been made to give girls greater access and to promote gender parity. These include the free provision of school furnishings and textbooks, a decision to exempt parents from paying dues for their daughters, and a tutoring system for girls with learning difficulties.

122. *Literacy and nonformal education.* Period during 2000-2002, steps were taken to bolster the success of the literacy program. These included: (i) adoption of a guided action strategy to enlist literacy associations and NGOs, known as “*faire faire*”; (ii) an inventory of nonformal literacy and education service providers; (iii) a definition of minimum education; (iv) development of a new adult literacy method; (v) better program design; (vi) curriculum reform; (vii) improved training for guidance counselors and supervisors; and (viii) production and distribution of teaching materials revised and adapted for various target groups, together with qualified resource persons.

123. The availability of education facilities was reinforced during the period with the introduction of 30 new satellite schools (ES) and 46 nonformal basic education centers (CEBNF), financed for the most part with external assistance. A hundred teachers and instructors have been recruited and trained to run the centers.

124. In 2002, the country had 2,437 permanent functional literacy centers (CPAF). Only 637 of the centers, or 25.7 percent, are built of durable materials, however, raising a question as to how long most of the centers will last. The situation is of even greater concern in the 20 provinces with the lowest literacy rates, where only 19 percent of the centers are in permanent facilities. Moreover, these centers are so cramped that they cannot offer the best conditions for learning, which explains in part why attendance is dropping. Difficulties in raising funds for literacy and the withdrawal of the World Food Program (WFP) have reinforced this trend.

125. Enrollment data in the CEBNF show an increase from 1,100 in 2001 to 2,062 in 2002. The parity index in the CEBNF has moved in favor of women, from 38.09 percent in 2001 to 58.23 percent in 2002. An overall assessment, however, suggests that attendance is falling short of original forecasts, and that the capacity of the centers exceeds the demand: in fact, at 5,000, that capacity is more than double the current attendance. This situation may reflect: the shortage of teaching materials and equipment; lack of motivation on the part of the instructors; and discouragement on the part of parents, whose expectations have not been met. With respect to the CPAF, there were 106,640 people registered in the first-level literacy course (A1) in 2001-2002, of whom 57 percent were women, and 55 percent were from priority provinces. In supplementary basic training (FCB), 30,778 people were enrolled, of whom 47 percent were women and 46 percent came from the 20 priority provinces.

126. To achieve the target of 40 percent literacy by 2010, the government has adopted what is known as the "*faire faire*" strategy, in which the roles of the state, development partners, and civil society are clearly defined. Local associations and NGOs are expected to conduct the literacy and nonformal education activities, while the State supervises the process and works with its partners to raise additional resources and redistribute them in accordance with negotiated procedures that are effective, equitable, operational and transparent, thanks to a specific and independent tool: the Fund for Literacy and Nonformal Education (FONAEF) created in March 2002.

127. In its initial phase (2002/2003), this fund accepted 91 applications covering 32 provinces and some 30,000 learners, 60 percent of them women, providing about CFAF 700 million in funding. Applications were judged on the following criteria: (i) a priority target group, i.e. youth, women and low-income groups; (ii) attention to quality control; and (iii) decentralization. In concrete terms, 984 initial literacy centers (A1) and 282 supplementary basic training centers (FCB) were opened, and seven post-literacy handouts were published. The fund encountered some difficulties with this financing, because of a delay in the availability of resources, which postponed startup of the campaign. In addition, operators were not familiar with the fund's objectives, new operators emerged, and the DPBA reports on centers financed by the fund were not received.

128. ***Improving the quality and efficiency of basic education.*** The curricula in place since 1989 were modified between 2000 and 2002 as part of implementing the 10-year plan (PDDEB). In March 2001, the government adopted an education policy letter to facilitate transfer of responsibilities under the decentralization framework, the objective

of which was to expand the coverage of basic education and to develop the education system, including the post-primary level. That letter called for:

- Eliminating the automatic link between admission to the ENEP (the national teacher training school) and employment in the public service (decree 2001-143/PM/MEBA on the statutes of the ENEP).
- Establishing a new category of teachers to be recruited locally with a status similar to that of community teachers (see the decree on the status of teaching personnel employed by local governments).
- Extending the program of community schools so that the majority of teachers are recruited at that level.

129. An action plan to improve the effectiveness of basic education was adopted and implemented as of the 2001-2002 school year. Its objectives are: (i) to improve the system for promoting students from one class to the next; (ii) to improve the student success rate; (iii) to reduce the repetition rate; (iv) to introduce measures for improving the quality of instruction and of literacy and nonformal education activities; and (v) to cut the dropout rate.

130. This plan was launched in 2001 with the adoption of regulations to reorganize the primary education cycle into subcycles, increase instruction time (from 600 hours to 800 hours) and improve the assessment system and the curriculum reform then underway.

131. ***Improving management and strengthening the management role of the MEBA.*** Strengthening the MEBA's management capacities began in 2000, with special training for officials in its central and regional offices. Senior officials were in this way able to grasp the new demands posed by the changes to the functional and hierarchical structure of the MEBA, in order to achieve the objectives of the PDDEB. Personnel from the regional offices received training in the preparation of action plans and in use of the geographic information system.

132. To facilitate implementation of the PDDEB, the operating and technical manuals were revised and validated. As well, 45 accountants and accounting assistants, building technicians and computer specialists were recruited in all the provincial offices to help carry out the provincial plans of the PDDEB prepared in 2002.

133. An audit of institutional and personnel changes was conducted for purposes of adapting the staffing ratio for the system's efficient functioning. During the years 2001 and 2002, workshops on institutional and personnel changes within the MEBA were held for all technical advisers, inspectors, central and regional directors, project leaders and district leaders.

134. In addition, the preschool centers, and particularly the "*bissongos*", became focal points for promoting basic education. For some time now, the two ministries (MASSN and MEBA) have had in place a framework for cooperation and joint action for handling the transition from preschool to primary, and this is sure to improve the quality and the effectiveness of basic education, by:

- Increasing the enrollment rate, especially for girls.
- Reducing dropout and repetition rates.
- Increasing the completion rate.

135. ***Effectiveness and equity in the education system.*** Despite the difficulties in implementing the PDDEB, the key indicators showed significant improvement between 2000 and 2002. The gross enrollment rate rose from 42.7 percent in 2000 to 47.5 percent in 2002, representing an increase of almost five percentage points, even if the target of 48 percent was not reached. The gross admission rate increased from 39 percent in 2000 to 52.9 percent in 2002, exceeding the target of 47 percent by some six percentage points. The cost of the "minimum package" of school supplies declined by 13 percent.

136. The trend in the gross enrollment rate for girls, and for the 20 provinces with the lowest enrollment rates, also shows a satisfactory increase, meeting the planned targets. Enrollment numbers in CP1 rose slightly, from 172,162 pupils to 212,874, representing 40,712 new pupils. Applying this figure to the number of first grade classrooms opened during the period gives an average of 61 pupils per class.

137. In absolute terms, the number of persons taught to read and write rose between 2000 (52,440) and 2002 (76,763), for an average annual increase of 13.54 percent. As to the average cost of education, results of the INSD survey show that it declined by 6 percent, from CFAF 4,695 in 2000 to CFAF 4,418 in 2001.

Box 2: 2001 Opinion Poll of Users of MEBA services

The purpose of the survey is to identify the level of use of education services, the willingness of parents to support their children's enrollment in schools, capacity to pay education costs, preferences in terms of type of school, opinions of the users of education services on their quality, perceptions on education, and expectations of users. The survey involved 886 households representing 6,170 individuals.

In terms of user involvement (participation in meetings and supervision of children after school) in education, it was found that only three out of 10 persons surveyed (29.9 percent) were active in the school support structures, 34.6 percent of whom are women. Financial contributions relate essentially to parents' dues and canteen fees.

Regarding parents' dues, the survey found that only one out of five persons does not make the payments. This reflects a clear improvement over 2000, when the proportion was the reverse. 52.5 percent of the parents surveyed contribute to the school canteen. 71.3 percent of the persons surveyed consider these payments affordable. These costs declined approximately 6 percent during the period 2000-2001.

In addition to parents' dues and their contribution to the school canteen, parents must pay for the minimum package of supplies needed for students to attend school. While this cost varies from class to class, in general it has declined by approximately 13 percent as compared with 2000. This variable decline might be attributable in part to the free distribution of textbooks and food to schools located in the 20 provinces with the lowest enrollment ratios, and to the activities of NGOs that provide some schools with free supplies and canteen food, as well as the credit that parents receive for income-generating activities. The decline in the price for the minimum package of school supplies also reflects the fact that textbooks have been excluded since the 2002 survey.

2.2.2.2. Health

138. Three objectives have been set, in the context of the poverty reduction strategy, for providing access to health services for the poor: (i) improve health indicators for the poor; (ii) limit the impact of health care costs on low-income families; and (iii) involve the poorest users and communities in decision-making in the health field. To achieve these objectives, the government has focused its policy on the following areas: increased budgetary allocations; consolidating the supply of health services; improving the quality and equity of the health system; and combating HIV/AIDS.

139. **Increasing budgetary allocations.** The government's policy of supporting priority sectors has translated, in the case of health, into an increase of more than 9 percent in budgetary allocations over the period 2000-2002.

**Table 10: Budgetary spending by the Ministry of Health
(domestically financed, in CFAF billions)**

Description	2000			2001			2002		
	ALLOCATED	COMMITTED	RATE	ALLOCATED	COMMITTED	RATE	ALLOCATED	COMMITTED	RATE
Title II	6.11	7.50	123%	7.97	8.37	105%	9.25	9.88	107%
Title III	3.80	3.52	93%	4.28	3.92	92%	4.69	4.41	94%
Title IV	8.91	8.89	99%	9.83	9.65	98%	10.13	10.01	99%
Title VI (domestic financing)	3.47	2.54	73%	3.81	2.51	66%	4.74	4.15	88%
Total Health	22.29	22.44	101%	25.90	24.45	94%	28.81	28.45	99%
Health Budget /Govt. Budget	12.0%	13.1%		12.7%	13.6%		12.7%	12.4%	
Subappropriations (<i>Crédits délégués</i>) (DRS and DS)	1.63			1.72	1.69	98%	2.04	1.98	97%

Sources: CID-TOFE

140. The overall execution rate (on a commitment basis) has been satisfactory (between 94 percent and 101 percent, 2000-2002) although there are some discrepancies between programs. There are structural overruns in personnel expenditure, essentially because of programming difficulties, while the investment record reflects the delay in subappropriations and the weak absorption of capacity of the units responsible for procurement (73 percent in 2000 and 88 percent in 2002).

141. The budget law allocates funds for each health district in terms of expenditure on goods and services (Title III) for the functioning of the district's supervisory team and health facilities (CMA, CSPS). These subappropriations increased steadily from year to year, representing 43 percent of the total in 2002, compared to 40 percent in 2001. They have been used to pay for vaccines, gas, drugs and vehicle maintenance.

142. Although the HIPC program in the health sector faced startup difficulties in 2000, execution accelerated as of 2001. Generally speaking, execution of the HIPC program for health has been quite satisfactory, thanks to the exceptional procedures that were followed in using these resources.

**Table 11: HIPC spending by the Ministry of Health, 2000-2002
(CFAF billions)**

Description	2000			2001			2002		
	Allocated	Committed	Rate	Allocated ⁷	Committed	Rate	Allocated	Committed	Rate
Personnel	0.102			1.051	1.051	100%	0.821	0.729	89%
Equipment, supplies	2.412	1.611	67%	6.571	6.568	99.9%	6.060	6.212	103%
Construction				1.707	1.702	99.7%	1.558	1.282	82%
TOTAL	2.515	1.611	64%	9.328	9.320	99.9%	8.440	8.223	97%

Sources: CID-TOFE

143. *Consolidating supply/expanding coverage of health services.* The effort to standardize health facilities was pursued in 2000 and 2001, with the construction of 35 dispensaries, 78 maternity clinics, 186 housing units, and 66 essential generic drug (EGD) depots. In addition, 62 health and social promotion centers (CSPS) and 16 medical centers with surgical wards (CMA) were constructed.

144. *Stepping up efforts against communicable and noncommunicable diseases.* The first strategy adopted in this area called for a program to combat disease using a care package embracing eight priority programs.

- *The Expanded Program on Immunization (EPI).* Thanks to annual vaccination campaigns and routine EPI activities, coverage ratios for BCG, DTCP1 and DTCP3 have been generally satisfactory over the last three years. There has however been a slight decline in vaccination coverage for yellow fever, due to a disruption in supply of the antigen. The coverage ratio of BCG rose from 84 percent in 2001 to 90.35 percent in 2002, and that for CTDP3, from 64 percent to 69 percent. Vaccination rates for measles and yellow fever were, respectively, 65 percent and 52 percent in 2001, and 64 percent and 61 percent in 2002.
- *Tuberculosis.* A study conducted in April 2002 revealed that tuberculosis is reemerging as a consequence of HIV/AIDS. The number of reported cases (all forms) in 2002 was 2,463, compared to 2,487 in 2001 and 2,380 in 2000. Because it is a "social" or communicable disease, care and services are administered free. The recovery rate rose from 53 percent in 2000 to 56.83 percent in 2001.
- *Dracontiasis or guinea worm disease.* The number of cases is in substantial decline: 1,956 cases in 2000, 1,031 in 2001, and 592 in 2002. The current eradication phase requires the effective participation of all players, including the political and administrative authorities.

⁷Including carry over from 2001, estimated at CFAF 912 million.

- *Leprosy.* Leprosy is one of the most ancient endemic diseases in the country. Specific care is provided free, and is funded primarily by the WHO and the Raoul Follereau Foundation. Despite the efforts of recent decades, this disease, which once appeared to be on the point of eradication, is now reemerging. There were 943 new cases of leprosy detected in 2002, compared with 908 in 2000 and 836 in 2001.
- *Advancement of women through reproductive health.* The policies, standards and protocols that were developed between 2000 and 2001 were distributed for the first time in 2002. The safe maternity program that was introduced on an experimental basis in selected health districts in 2000 and 2001 was subjected to an evaluation in 2002, which suggested that it should be extended. With the support of partners, action plans were implemented in health districts during 2000-2002, strengthening their management and planning capacities and making PMAs (“minimum packages”) more available at health centers (prenatal consultation, assisted childbirth, child growth monitoring, vaccination, curative care etc.). There has also been progress in promoting health among adolescents and young people. Given the many partners and the diversity of interventions, a situation analysis was conducted in 2002, providing useful information for a review of the national health program for youth in 2003.
- *Promoting child health.* This is addressed through the “comprehensive childhood disease care” program (PCIME) and the "national program to prevent transmission of HIV from mother to child" (PTME/VIH). Established in 2000, the PCIME was tested successfully in the Dandé health district. It will be extended to other districts once the national pool of instructors is in place (planned for 2003). As to the PTME/VIH program, introduced in 2002, it calls for the preparation of standards and protocols for treating women and children infected by HIV; training modules; national directives for implementing the program, management indicators; and a comprehensive communications plan. The results have been encouraging, and tracking experiments at pilot centers in Ouahigouya and Saint Camille resulted in the free administration of antiretroviral drugs (specifically Nevirapine) to a number of HIV-positive pregnant women with a consequent reduction in transmission of the disease to their babies.
- *Combating malaria.* An action plan for 2001-2005 has been introduced. Between 2001 and 2002, various activities were conducted under this plan: training for health personnel (860), public awareness campaigns, microscopes for laboratories (10), and a social marketing program for impregnated mosquito nets, with the creation of additional net treatment sites, launched under the initiative for "pushing back malaria", and observance of "African Malaria Day". All of these efforts are aimed at the overall objective of stepping up the battle against malaria, so as to reduce mortality and morbidity from the disease.
- *Combating epidemics.* In recent years the government has conducted energetic campaigns against meningitis and cholera, through public awareness activities and the free administration of meningitis vaccines, thanks to the contributions of partners and the HIPC funds.

- The second strategy for combating communicable and noncommunicable diseases is based on epidemiological surveillance, which consists in monitoring trends in potentially epidemic diseases. As an integral part of the National Health Information System (SNIS)) it is being conducted in all health districts, with financing from the Integrated Epidemiological Surveillance Support Project (PASEI) for the provision of training and cell phones as part of data management. The government evaluated its epidemiological surveillance system in November 2000, and has prepared a strategic plan (2001-2005) for comprehensive disease surveillance.

145. ***Developing human resources in the health sector.*** Human resource development in the health sector has focused on establishing clear national guidelines and on meeting the needs of the health services.

146. ***National guidelines for human resource development.*** A human resource development plan, covering recruitment, training, and career development for all categories of personnel, will be prepared with the support of PRSS/BAD. The policy document and the development plan will establish guidelines for improving human resource management and the availability of qualified personnel in disadvantaged zones. At the same time, two separate studies are under way to examine the motivation of health personnel, one focused on the Nouna health district, and the other looking at the Health Ministry as a whole.

147. ***Meeting the human resource needs of the health system.*** The government has given priority to meeting personnel needs in rural areas, with the recruitment and assignment of some 3,000 health workers. This has increased the number of CSPS that comply with staffing standards.

Table 12: Status of personnel recruitment

Description	2000	2001	2002	Aggregate	Comments
Number of health workers recruited (all categories)	1 524	776	801	3 101	80% assigned to rural areas
- national budget	745	776	641	2 162	
- HIPC funds	779	nil	160	939	

Source: DRH

148. These health workers have become more effective, with specialization: there are now more than 60 general surgeons, gynecologists, and management experts, etc., thanks to HIPC funding and the support of technical and financial partners. In total, 82 physicians received training in essential surgery between 2000 and 2002, and were assigned to 21 health districts not served by CHRs.

149. ***Institutional strengthening of the Ministry of Health.*** The mission of the Ministry of Health, as an institution, is to prepare and implement a health policy that will protect, restore and promote people's health. To this end, it has taken a number of steps to

facilitate implementation of the National Health Development Plan (PNDS). A steering committee was established for monitoring the PNDS. In November 2002, the government adopted a new organizational structure for the ministry, in keeping with its decentralization policy, together with provisions governing the organization and responsibilities of the regional health offices.

150. In the context of strengthening the ministry's capacities, legal experts were recruited for the General Secretariat and the Minister's Office, and officials in the central, regional and district offices have been provided with training and refresher courses in management and administrative drafting. The Research and Planning Division (DEP), which occupies a key position in implementing and monitoring the PNDS, has received technical support from development partners to prepare a capacity building plan. A framework document governing the activities of NGOs and associations in the health sector is now being prepared with a view to ensuring better coordination of interventions in the health sector.

151. ***Quality and equity of the health system/improving the quality and use of health services.*** Improving the utilization of health services will be measured by increases in the contact rate: the target for 2003 is 0.3 contacts per person. Achieving such a result will require guaranteeing the quality of service, improving the availability and affordability of high-quality essential drugs, and reinforcing health support and promotion activities.

152. To improve the quality of service, health care rules and standards for all levels of the health system were established and distributed in 2001 and 2002. With specific reference to HIV/AIDS, standards for the diagnosis and treatment of opportunistic infections spread from hospitals to the CSPS and to private clinics have been defined and publicized by the Permanent Secretariat of the National AIDS Committee (SP/CNLS). Respect for the rules is growing, especially at the first level of the health system, the CSPS, where the rate of compliance with minimum staffing levels improved from 70 percent in 2000 to 76.6 percent in 2002 (see Annex 3).

153. The availability of EGD has been assured through drug distribution depots that have functioned virtually without interruption for the last three years. There has also been further construction of distribution depots (66 in three years, of 87 planned) and health facilities. Vaccines have been made available at strategically located fixed points through a series of immunization campaigns. The authorities have also moved to reduce the price of essential generic drugs, which should logically encourage people to visit the health centers.

154. ***Making health services affordable.*** The decline in health service utilization indicators is due to people's inability to afford health services, either because the prices are too high or purchasing power is too low (as it is for the majority of the population).

155. To make health care affordable to all social groups, a circular letter was distributed in February 2002 to all regional offices, for immediate application in first-level health facilities, instructing that prenatal and infant care consultations were to be provided free. This applies to syringes, iron supplements, chloroquine and vaccination

booklets. Another circular, harmonizing the prices of medical services, was signed in February 2003 and was to come into effect in March 2003. The social marketing program for treated mosquito nets, launched in 2002, has made these materials available at cost.

156. The circular letter of February 2003, in addition to stipulating that children were entitled to a 50 percent reduction in hospital fees, required that prenatal consultations and infant vaccinations were to be free. In addition, three drugs (amoxicillin, paracetamol and ibuprofen) are subsidized at a rate of 10 percent for children of up to 5 years.

157. In December 2001, the Board of Directors of CAMEG reduced its average markup by 32 percent, with a consequent impact on the price of drugs and supplies. For example, the price of 5 ml of benzyl penicillin declined from CFAF 338.10 to CFAF 193.42, or 42.79 percent; 25 mg of captopril from CFAF 52.31 to CFAF 26.58, or 49 percent; and 100 mg of chloroquine from CFAF 4.22 CFAF 3.73, or 11.27 percent.

Table 13: Cost of selected medical services in the CMA, as surveyed by INSD

Medical service/Year	2000	2001
Dystocic childbirth	10 220	9 298
Cesarean section	46 654	46 496
Intestinal occlusion	41 644	46 635
Hernia	38 250	35 612

Source: INSD

158. When it comes to rationalizing resource management, methods for using these resources have yet to be clearly defined. A contract for a study to analyze the management of essential generic drugs in the district distribution depots (DRD) has been prepared. That study will also address financial management within the CSPS. Guidelines for the preparation of internal regulations for the management committees (COGES) are available.

159. In 2001, some 66 percent of the COGES had at least one member with microplanning experience, according to the evaluation report on COGES financial management.

160. Community-based strategies have been developed in several fields of activity. The most important ones concern communicable diseases such as malaria, HIV/AIDS, dracontiasis, lymphatic filariasis, leprosy, and tuberculosis, as well as malnutrition.

161. For combating malaria, community-based activities are supporting the anti-vector campaign to destroy mosquito breeding sites and to promote the use of treated mosquito nets, as well as the treatment of simple malaria with preconditioned drugs.

162. Voluntary associations are particularly active in combating HIV/AIDS. According to a 2002 study, every province of Burkina Faso has associations engaged in preventing the transmission of this disease. Some of these associations provide counseling, screening, support and medical care services.

163. Community networks are used for the prevention, detection and treatment of lymphatic filariasis, dracontiasis, river blindness and sleeping sickness.

164. Community-based efforts to combat nutritional maladies focus on the prevention and treatment of iron, iodine and vitamin A deficiencies. This activity is stepped up during the National Vaccination Days (JNV). "National Micronutrients Days" were launched on June 25, 2002, at which micronutrient supplements (iron, iodine and vitamin A) are handed out free to children under 5 and to pregnant women. Women's networks and community health workers are recruited to carry out these community-based activities.

165. ***The HIV/AIDS campaign.*** Three national plans to combat HIV/AIDS and STDs were conducted from 1987 to 2001, at a total cost of US\$34.83 million. The Council of Ministers adopted a strategic framework for the period 2001-2005 at its meeting of May 9, 2001. A roundtable with donors was held in June 2001 to consider financing. A program to reduce the transmission of HIV from mother to child has been designed and measures have been taken to ensure the availability of blood and HIV screening tests in the health districts. The quick screening test is available at all transfusion centers.

166. The government demonstrated the importance it attaches to combating this pandemic disease by creating the National AIDS and STDs Council in 2001, with a permanent secretariat attached to the Office of the President. In its search for alternatives to hospitalization, the government established an outpatient clinic in Ouagadougou in September 2000, and another in Bobo in 2002, and is planning to open regional outpatient clinics.

167. In August 2001, following an agreement negotiated with selected laboratories, the price of antiretroviral drugs was cut by between 38 percent and 96 percent. Through partnership arrangements, some associations can provide EGDs for the treatment of opportunistic infections, and some even offer ARVs to persons living with HIV.

168. In terms of medical care, donors have taken initiatives for the treatment of opportunistic infections with EGDs and ARVs, for persons living with HIV. Efforts are currently underway to make ARVs more accessible, financially and geographically, in the CHNs, the CHRs and selected health districts.

169. Counseling and screening services are not yet available at all levels of the health system. However, 375 health workers have been trained in voluntary and confidential screening in order to facilitate counseling, reporting, and diagnosis in health facilities. Associations and NGOs have helped to set up facilities for voluntary screening and counseling and for providing community care to persons living with HIV/AIDS. The availability of voluntary and anonymous screening is improving: 25 sites were listed in 2002.

Table 14: Location of screening centers

Cities	Centers
Bobo-Dioulasso	<ul style="list-style-type: none"> - Centre hospitalier national Sanou SOURO (CHNSS) - CTA (outpatient center) - Centre CADI (anonymous screening and information center)
Kaya	<ul style="list-style-type: none"> - Centre hospitalier régional (CHR)
Ouagadougou	<ul style="list-style-type: none"> - Camp de l'Unité - Centre hospitalier national Yalgado OUEDRAOGO (CHNYO) - PAUL VI - Saint Camille - CTA (outpatient center) - CICDOC (information, counseling and documentation center)
Ouahigouya	<ul style="list-style-type: none"> - Centre hospitalier régional (CHR) - AMMIE (moral, material and intellectual support for children)

Source: DEP/Health

170. In terms of stakeholder involvement, under the multisectoral plan for combating HIV/AIDS, 14 sectoral ministries, eight enterprises, more than 350 NGOs and associations, religious denominations and traditional groups had HIV/AIDS action plans at the end of December 2002.

171. Under the impact of all these efforts, the rate of seroprevalence has declined slightly, from 7.17 percent in 1997 to 6.5 percent in 2002.

172. **Performance of health sector indicators.** Health indicators have for the most part shown some change. Vaccination coverage has been satisfactory, with the exception of yellow fever, where there was a slight decline.

173. The number of new contacts per year per person remained almost unchanged between 1998 and 2001, reflecting perhaps the inaccessibility of health facilities and certain cultural practices. This indicator is likely to change in the wake of measures to provide free care and to reduce the cost of EGDs.

174. Improving this indicator will require some adjustment of services in light of people's health needs, by improving their accessibility and their quality. As to the percentage of CSPS complying with staffing standards, it should be noted that recruitment in 2001 and 2002 succeeded in bringing some CSPS up to standard, raising the compliance rate from 70 percent in 2000 to 76.6 percent in 2002.

175. The shortfall in EGDs was 0.19 percent in 2000 and 2001, but reached 2.90 percent in 2002, because of disruptions in the supply of two products (phenobarbital in 100 mg tablets, and praziquantel in 600 mg tablets), in the wake of the events in Côte d'Ivoire.

Box 3: Survey of deconcentrated units of the Ministry of Health and opinion poll of health service users

The survey of deconcentrated health services aims to identify the participation of these services in budget preparation, the volume of subappropriations, and problems encountered in allocation and execution of budgets by the regional health directorates (DRS) and health districts (DS). For 2001, the results show an improvement in allocated envelopes and in the timing of notifications, with execution rates varying between 97 and 100 percent.

Problems remain, however, in the timely mobilization of resources, administrative delays, cumbersome contracting procedures, and a shortage of local suppliers. Analysis of the distribution of these appropriations indicates that just under 46 percent of the resources are earmarked for the CSPS, and the rest to CMAs and ECDs, at rates of 32.8 percent and 24.7 percent, respectively. Regarding the cost of medical services, there was a slight decline between 2000 and 2001. These costs relate essentially to drug prices and charges for medical services (surgery, hospitalization, and prescription costs), and vary from one CMA to the next. Hospitalization is the lowest component (3.65 percent), while medical prescriptions are the highest (39.59 percent).

Table 10, above, gives an idea of these costs for 2000 and 2001. In terms of human resources, 59.30 percent of the CSPS surveyed meet the personnel standards, as against 53.30 percent in 2000. This is the result of recruitments in 2000 (745) and 2001 (776), more than 80 percent of which were assigned to peripheral facilities. Virtually all CSPS (98.30 percent) have an essential generic drug depot.

The opinion poll of health service users seeks opinions on available services and thus offers some information on the use of health services. Some 90 percent of those surveyed go to health units and 41 percent of this population has done so at least once during the past six months. Thirty percent of those surveyed stated that they had not frequented health facilities because of high costs, 19 percent because the facility was far away, and 18 percent because they lack confidence in modern medicine. 98.9 percent of the persons unable to pay for their prescriptions were covered by COGES funding, which indicates the importance of community involvement in managing health units.

2.2.2.3. Access to drinking water

176. *Increasing government spending on drinking water.* Despite its financial constraints, Burkina Faso, with the help of its partners, has kept up its tremendous efforts to meet the drinking water needs of its citizens. In terms of expenditure, there is a clear upward trend (despite a setback in 2001), thanks to a substantial increase in external funding. Overall, investment in this sector amounted to more than CFAF 77 billion for the period 2000-2002: CFAF 18,284 billion in 2000, CFAF 15,586 billion in 2001, and CFAF 43,168 billion in 2002.

177. *Improving drinking water supply.* The country's sectoral strategy for water is being implemented through a number of significant reforms:

- Decree 2000-514/PRES/PM/MEE of October 2000, reforming the management of rural and semi-urban water supply systems.
- Law 002-2001/AN of February 2001, establishing water management guidelines.
- The action plan for integrated water management (PAGIRE), adopted in March 2003, and its implementation schedule.

178. The national drinking water supply strategy focuses on three separate aspects of water management, depending on the size of communities, and their technical and financial capacities.

179. **Urban water supply.** This program is run by the National Water and Sanitation Office (ONEA), which has increased its supply to urban dwellers, with the number of [commercial] customers rising from 59,249 in 2000 to 68,816 in 2002, for an increase of 16.14 percent. The service rate for private households is 26 percent, covering a population of 647,650, and 52 percent for public standpipes and AEPs (water supply systems), representing 1,293,500 people. Overall, the average urban service rate is 78 percent. Despite major investments in water supply, ONEA faces enormous difficulties in bringing water to the poorest households in areas such as the outskirts of Ouagadougou. Not only is water scarce in those areas, but service is cut off when pressure is low (March through May), causing local water prices to soar.

180. The recently inaugurated Ziga dam will ensure a permanent water supply to Ouagadougou for several years. ONEA has also launched a vast water and sanitation program, with European Union assistance, to install urinals and slabs for latrines in the schools.

181. **Water supply in secondary towns and rural areas.** The strategy is to meet the demand for water in rural areas, i.e. villages with fewer than 2,000 inhabitants, by means of hand pump-equipped boreholes, and to serve the secondary towns (populations between 2,000 and 10,000) with standalone water sources.

182. This water supply policy has focused particularly on involving users in the construction, maintenance and renovation of facilities, and a start has been made at enlisting private suppliers with hand pumps. This has improved households' access to drinking water over the period 2000-2002. The PRSP objectives for new water sources were achieved during the period: 1,034 in 2000, 817 in 2001, and 737 in 2002.

183. At the same time, efforts are being pursued to reduce regional disparities in the AEP program and to overcome the major weakness, which is the lack of sustained management of facilities once they are completed. Various experiments in involving local people in the construction and management of water sources have not always achieved the expected results. Assuring a permanent water supply remains an important concern, therefore, particularly since 25 percent of wells are out of service. The most significant impact of physical investments in water is to improve the coverage of water service, which is an important indicator in terms of public health and poverty reduction.

Table 15: Water supply indicators

Description	2000	2001	2002	2003
	Actual	Actual	Actual	Target
Number of provinces with at least 50% coverage	11	6	4	4
Number of provinces with 50 to 75% coverage	20	20	21	21
Number of provinces with over 75% coverage	14	19	20	20
Serviced secondary centers	5	0	10	30
Rate of hand pumps out of service	25%	25%	20%	20%
Acces to drinking water (creation of new water sources)	1034	817	737	600

Source: DGAEP

184. The indicators in Table 16 above are based on the notion of village water supply, i.e. one water source for every 500 inhabitants, a carrying distance of 500 m, and a consumption rate of 20 l per day per person. These are the criteria established for Burkina Faso under the International Drinking Water and Sanitation Decade (1981-1990).

185. A standard consumption of 50 to 60 l per day per person has been set for the intermediate and larger cities, and 30 l in the secondary centers. To provide better access to drinking water, a neighborhood focus has been adopted, with a view to providing a water source for every 300 residents, and a carrying distance of 300 m. The drinking water coverage rate is 73 percent. Negotiations are under way with partners for financing new projects and programs in order to bring water sources closer to users and ensure the durability of supply.

Box 4: Results achieved under Strategic Area II in 2002

Promoting access to education

In 2002, the funds allocated to the MEBA were estimated at CFAF 42 billion, of which 8 billion came from HIPC funds. This represents a 14.7 percent share of the national budget. While the amount is substantial, it has not achieved all the expected results. The year 2002 marked the formal startup of the PDDEB, although the program's financial partners did not release the external funding expected for this purpose. Nevertheless, activities have been pursued, and the enrollment rate improved by three percentage points over that in 2000.

In terms of access, education continues to reach an ever larger portion of the population, thanks to intensification of building programs (120 schools and 215 housing units for teachers) and teacher recruitment and training, together with the introduction of "effectiveness measures" which have brought the education system as a whole closer to the main indicators.

The gross admission rate was 52.9 percent in 2002, compared with 40.3 percent in 2001 (43.2 percent versus 30 percent in the 20 priority provinces). The number of new entrants in CP1 rose from 184,167 in 2001 to 212,874 in 2002.

The enrollment rate improved, rising from 43.40 percent in 2001 to 47.5 percent in 2002. A similar trend can be seen in the 20 priority provinces, where the gross enrollment rate went from 28.5 percent to 32.9 percent in 2002. In terms of school construction and rehabilitation, during the school year 2002/2003 the primary school system has 20,251 classrooms, some of which are substandard structures (791 classrooms consist of grass huts). There were 21,303 classroom teachers, allowing for a relatively high substitution rate of 4 percent. The number of classrooms handling double shifts and multiple grades was respectively 2,970 and 5,879. Free distribution of books and sale of textbooks at cost helped to meet schools' needs in this regard.

The literacy program has fared poorly, reflecting a system that is apparently inappropriate or ill managed: the student body remains virtually the same each year, and people have no opportunity to practice after they have completed their training. What is worse, of the total of 2,437 CPAFs (Permanent Training and Literacy Centers) listed in 2002, only 637, or 25.7 percent, are built of durable materials, a proportion that falls to 19 percent in the 20 priority provinces. This means that local people have to restore or rebuild these facilities every year. Conditions in most of these substandard buildings (of adobe or grass) are little conducive to learning -- students must often sit on makeshift benches, or even on the dirt floor. The situation is compounded by the lack of funds, which has forced some operators to reduce the number of program centers, and also by withdrawal of the WFP program. All of this has had an impact on the number of learners, which has declined.

Fortunately, data show an increase in the number of registrants in the CEBNFs (1,100 in 2001 and 2,062 in 2002). The parity index is also shifting in favor of women: 58.23 percent in 2002 compared to 38.09 percent in 2001. Because of a late start to the campaign, results of the learning evaluation are not yet available.

System quality. Available data suggest that the system's success reflects the combined efforts of all stakeholders. The national success rate of primary school graduates rose from 62.91 percent to 70.01 percent, although there were significant regional disparities. During the year, many schools received health and nutrition support from NGOs: 1,673 schools were provided with food by the Regional Supervisory Committee's (CRS), and 975 received state subsidies.

The major reforms undertaken in 2002 included promising quality innovations for the bilingual schools that are now being established in the provinces.

In nonformal education, the number of study hours in A1 and in FCB rose from 300 to 350 and from 250 to 300, respectively. New curricula and course requirements for literacy and nonformal education have been prepared and will be submitted to partners for validation. To remedy the shortage of basic materials such as manuals and teaching guides in A1 and FCB, a study is underway on publication policy. Because of a late start to the campaign, results of the learning evaluation are not yet available.

Management capabilities of the MEBA. The technical operating manuals were revised and validated in 2002. Forty-five accountants and assistant accountants, building technicians and computer specialists were recruited in all the provincial offices to help carry out the provincial plans of the PDDEB prepared in 2002.

Promoting health services for the poor

In 2002, domestic financing for the health sector rose to CFAF 37.50 billion, of which 8.50 billion came from HIPC resources. This figure represents about 13 percent of the overall budget. This is a relatively high share compared to other sectors and, together with financial support from partners, allowed significant progress to be made during the year.

The supply of health services has increased. In terms of infrastructure, there were no new projects in 2002. In its determination to invest the use resources effectively, the government focused on completing projects undertaken in 2001, and on rehabilitation and reconstruction of existing facilities. The government also put much effort, with successful results, into combating communicable and noncommunicable diseases, through its strategy of developing a minimum care package for priority programs.

Thanks to the annual vaccination campaigns and routine EPI programs, vaccination rates for BCG, DTCP1 and DTCP3 again showed improvement in 2002. There was a decline in the incidence of dracontiasis (guinea worm), with 592 new cases in 2002, compared with 1033 in 2001. On the other hand, there was a resurgence in leprosy and tuberculosis, with cases rising, respectively, from 836 to 908 and from 2,380 to 2,463 over the two years, reflecting persistent hygiene problems and, in the case of tuberculosis, the relationship with HIV/AIDS. In other fields (reproductive health, child health, combating malaria and epidemics) activities to improve the handling of these diseases, focused on disseminating standards and protocols or on training care personnel.

The human resource development strategy was formally launched through two major motivational studies, one concerning personnel of the health ministry and the other focused on personnel in the Nouna health district.

Efforts to bolster the ranks of health personnel continued with the recruitment of 801 new health workers in all categories, 80 percent of whom were assigned to rural areas. The skills of health workers were also strengthened through training and specialization courses. A steering committee for the PNDS was established in November 2002.

Quality and equity in the health system. Efforts to improve the quality of health services included the preparation and distribution of health care rules and standards at all levels of the health system. EGDs were available at all distribution depots, which were able to function virtually without interruption during 2002. The authorities also reduced prices for essential generic drugs and provided free syringes for the vaccination campaigns, moves that should logically encourage people to visit health facilities. To make health care accessible at all social levels, a circular letter was issued in February 2002 to all regional offices, for immediate application in first-level health facilities, instructing that prenatal and infant care consultations were to be provided free. This applies to syringes, iron supplements, chloroquine and vaccination cards. The social marketing program for treated mosquito nets, launched in 2002, has made these materials available at cost.

Combating HIV/AIDS. The outpatient clinic in Bobo opened its doors in 2002, as part of the program to offer alternatives to hospitalization, and the government is planning to open regional outpatient clinics. Patients' prospects for receiving care were further improved in 2002 when Burkina Faso became eligible for the Global Fund to Fight HIV/AIDS. In terms of stakeholder involvement, under the multisectoral plan for combating HIV/AIDS, 14 sectoral ministries, eight enterprises, more than 350 NGOs and associations, religious denominations and traditional social groups had HIV/AIDS action plans at end-December 2002. Under the impact of all these efforts, the rate of seroprevalence has declined slightly, from 7.17 percent in 1997 to 6.5 percent in 2002.

Health indicators have for the most part shown some change. Vaccination coverage was satisfactory, at 90.4 percent for BCG, 69.1 percent for DTCP3 and 61.3 percent for yellow fever, while the rate for measles fell slightly to 64.1 percent.

Drinking water and sanitation

Drinking water supply. Burkina Faso pursued its efforts during 2002, with the assistance of its development partners, to meet its people's water needs. CFAF 43.17 billion was invested in the sector, and in irrigation systems, with an execution rate of 91.86 percent, exceeding cumulative execution for the two preceding years.

Several projects were undertaken to improve the scope and efficiency of water supply and its management. A workshop on "simplified water supply systems" (AEPS) was held in May 2002, followed in June by another workshop to validate the results of the study for revising water supply criteria and standards. Identification and feasibility studies were also conducted for creating and equipping secondary centers.

Of the country's 45 provinces, 21 have drinking water coverage exceeding 75 percent.

During 2002, the ONEA invested heavily (CFAF 5.738 billion) in bringing water supply to Fada, Dori, Bobo-Dioulasso, Niangoloko and Bérégaougou. To guarantee normal water supply in urban areas, CFAF 2.053 billion was invested in upgrading water facilities, in accordance with the updated plan. As part of the program for reducing urban poverty, 960 promotional connections were made, and water pipelines were extended by 58.2 km.

Sanitation. With European Union support, selected low-income neighborhoods were equipped with VIP (ventilated improved pit) latrines, with the provision of 3,000 pit-cover slabs, 800 doors and 10 water injection pumps. Under this program, 1,690 urinals and VIP latrines were constructed.

2.2.3. Increasing employment and income-generating activities for the poor

2.2.3.1. Reducing the vulnerability of the agricultural sector

186. ***Soil fertility management.*** Despite the availability of cultivable lands, certain regions of Burkina Faso are suffering from accelerated soil degradation that can frustrate farmers' efforts even at times of good rainfall. To reduce their vulnerability, soil fertility must be restored.

187. An operation to construct 50,000 manure pits was launched in June 2001, and today nearly 52,454 manure pits have been built, representing an achievement rate of 115 percent. The operation was highly successful, and during National Farmers Day at N'Dorala on December 14, 2002, farmers agreed to a target of 200,000 manure pits for the 2003/2004 crop year. This operation marked the beginning of implementation of the Integrated Soil Fertility Management Plan (PAGIFS), the overall objective of which is to enhance agricultural productivity on a continuing basis as a means of meeting people's needs.

188. Beyond the achievements of this operation, normal extension work with farmers led to the creation of 71,148 manure pits, zai-hole tilling of 29,793.1 hectares and the mulching of 16,049 hectares.

189. Efforts to protect vegetation continued in 2002, with the creation of 110 wildfire management committees in four pilot regions. Actions for the protection, restoration and

recuperation of degraded lands have helped to increase the cultivable land area and improve soil fertility.

190. Proper management of soil fertility also requires rehabilitation of the vegetation cover. To this end, 117 technicians and 45,555 farmers were given training in various aspects, 19,390,156 plants were produced and planted, 7,273 hectares of heavily degraded land were restored, and 59,231.8 hectares of anti-erosion sites were established in 2000-2001. Over this time, 66,504.8 hectares of perimeter lands were improved or consolidated.

191. **Promoting rural water and irrigation development.** Efforts to make better use of significant water and land resources by promoting private irrigation have involved many projects for drilling wells and building reservoirs and *boulis* (artificial ponds), and laying out irrigation systems in suitable areas (depressions and wetlands, plains, plots on the village perimeter), with the support of the DHGA, the MOB, the AMVS, the FEER and the PNGI.

192. The SAAGA program. To combat drought, and more specifically to reduce the vagaries of rainfall, the government has opted for a program to increase rain artificially through cloud seeding. The necessary high-tech equipment was installed in 2001, and technicians have been trained in using it. It was put into use for the first time in 2002, and succeeded in extending the rainy season until September. Agricultural output was thereby increased by 547,000 tons. Financing for the program was planned at CFAF 600 million, of which 530 million, or 88.33 percent, has been spent.

193. **Improving and securing access to land/upgrading of pastoral zones.** Pastoralists in Burkina Faso practice a very extensive form of livestock raising, which requires a great deal of space. Consequently, the development of traditional livestock raising and the upgrading of areas suitable for grazing has been an important objective over the period 2000-2002. A number of veterinary posts have been opened, water supply points installed, and pasturelands delimited, with cattle trails laid out. 200,000 hectares of pasturelands have been secured in this way, but they are still inadequate to meet seasonal migration needs.

Table 16: Upgrading of pastoral zones

Description	Objectives	Achievements 2000-2001	Achievements 2002	Achievement rate
Veterinary posts	20	15	05	100%
Wells and boreholes	55	22	23	81%
Artificial ponds	11	07	04	100%
Cattle trails (km)	110	0	110	100%
New pastoral zones	15	05	03	53.33%
Pasture zones	30	23	04	90%

Source: DEP/MRA

194. To facilitate the tracking of cattle and maintain cooperative relations with neighboring countries, 3,000 National Transhumance Certificates (CNT) and 2,500

International Transhumance Certificates (CIT) were issued in 2000/2001. For 2002, 700 CNTs and 1500 CITs were issued. The government also adopted Law 34-2002/AN of November 14, 2002, on pastoralism.

195. Activities to promote crop production included the development of more than 2,280 hectares of wetlands for rain-fed rice growing, of which 1,180 hectares are in the regional directorates of Boucle du Mouhoun, Cascades, Hauts-Bassins, Centre-Ouest, Centre-Est and Centre-Sud. Under the HIPC program, 2,909 tons of improved and certified seeds were produced, 2,126 tons of Burkina phosphate, 407 tons of NPK, and 268 tons of urea were distributed to farmers in the 20 poorest provinces. PA/FR activities also identified and developed 11,689 hectares of wetlands and irrigated perimeters for rice growing, resulting in the production of 82,800 tons of rice. On this basis, 400 additional hectares of wetlands were developed in 2002 at an overall cost of more than CFAF 600 million, and rice producers benefited from coaching and material support.

196. Under the land tenure security program, several pilot projects will be conducted under the PNGT-II: the Decentralized and Participatory Rural Development Project in the provinces of Bazéga and Kadiogo (PDRDP/B-K), the Western Local Development Project (PDL-O), and the Local Development Support Program (PADL) in Yatenga, Houet, Kossi, Mouhoun and Tapoa.

197. Animal health and public veterinary health. Despite the extensive nature of pastoral activity, attention is being paid to increasing productivity and ensuring the optimal quality of animal production. The intensity of the campaign against livestock diseases can be seen in the encouraging results shown in the above table. These efforts have been pursued in other fields, such as strengthening veterinary and medical analysis capacities through the purchase of CFAF 50 million of equipment and reagents, financed from HIPC resources, and the introduction of an epidemiological surveillance network.

Table 17: Immunization activity

Description	Objectives 2000/2002	Achievements 2000/2001	Achievements 2002
Contagious bovine pleuropneumonia	35%	30%	35%
Bovine pasteurellosis	15%	0%	15%
Rabies (dogs immunized)	90 000	30 000	90 000
Newcastle disease (poultry)	17%	15%	17%

Source: DEP/MRA

2.2.3.2. Intensification and modernization of agricultural activity

198. **Improving research and its linkages to extension services/crop production.** In terms of research, development and extension services, targets have been adopted for training (for extension agents, specialized technicians and producers), equipping producers with agricultural inputs, and creating manure pits). Extension services were provided to 15 percent of the country's farmers, covering 737,986 producers, 40.38 percent of whom are women. These outreach activities have achieved a 52 percent

adoption rate for new technologies, covering 56 percent of the total crop area, and providing 400 dumper-carts and farming inputs for extremely poor farmers, with CFAF 313,620,000 in HIPC funding.

199. Cotton production is the country's chief source of foreign exchange earnings. Progress has been made on several fronts in terms of improving varieties and defending the interests of cotton growers. At least 10 varieties of high-yield seed cotton were made available to producers between 1980 and 2000, with the emphasis on improving ginning yields. In 10 years, the yield of cotton fiber has risen by five percentage points (37.5 percent to 42.5 percent).

200. Work has continued at research stations and in the field, for improving farming techniques and soil fertility so as to increase farm productivity, especially in cotton. Fertilizer formulas that are deemed economically productive have been constantly improved, as technical progress and the market economy have allowed. This has provided cotton growers with savings of 10 percent in the cost of fertilizer.

201. In its approach to agricultural development, particularly in the cotton sector, the government has consistently attempted to do everything possible to preserve the environment. For example, in its pest control programs it has applied specific techniques for treating seeds and has developed more environmentally friendly methods for combating pests and weeds.

202. Current results in the cotton sector show that the technological packages developed through research are well adapted to the agro-economic conditions of producers and are providing substantially higher yields of cotton seed and fiber. Yields have risen from 15 percent to 19 percent, representing additional output of 360 kg per hectare of seed cotton. In support of this improvement in crop production, research has produced new seeds, of which more than 2.7 tons has been harvested.

203. Grain production. As part of support for production and the distribution of improved seeds, the PA/FR has produced 70 tons of R1 rice seed in order to produce 5,360 tons of certified seeds, and during the 2001/2002 crop year tests were conducted on post-harvest materials such as threshing machines (threshing-stripping-winnowing, simple threshers, ASI threshers) and husking equipment (improved Engelberg hullers, SB-30 mini rice hullers, Colombini mini rice mills).

204. Under the HIPC initiative, the following activities were conducted for intensifying and modernizing agriculture in 2001-2002:

- Purchase and distribution of production factors (378.55 tons NPK, 247 tons urea, and 2072 tons Burkina phosphate), at a cost of CFAF 313,620,000. These inputs were distributed free of charge to nearly 49,540 extremely poor farmers, of whom 43,915 were men and 5,625 were women.
- Purchase and distribution of improved seeds, for CFAF 400 million: millet (80 tons), sorghum (100 tons), corn (278.65 tons), groundnuts (90 tons), and cowpeas

(120 tons). These seeds were distributed to producers selected as recipients of chemical fertilizers and Burkina phosphate.

205. Livestock production. Improving productivity remains a major concern in the current context of extensive livestock raising. Genetic improvement work has been stepped up using artificial insemination, with the production of bovine semen (1,000 doses in 2002), the distribution of more than 150 breeding cattle (azawak zebu) to breeders, and the import of 140 head of Gyr and Gyrolando cattle from Brazil, the opening of the National Livestock and Genetic Improvement Center, and increased support for the practice of fattening cattle and sheep.

206. **Food security: ensuring a sufficient and balanced diet.** The popularization of research results has gone hand-in-hand with the recognized efforts of rural people to increase their output of subsistence crops from one year to the next. Results for the 2002/2003 crop year, obtained using the squared-yields method, amounted to 3,119,100 tons. This was almost identical to output from the previous year (2001/2002), at 3,109,100 tons, because of rainfall vagaries in 2002, but it was up by 22 percent from the average for the previous five crop years.

207. Farmers have certainly enjoyed sufficient rainfall, which may be attributed in part to the SAAGA program that has helped to reduce the pockets of drought and extend the rainy season.

Table 18: Comparative food crop production

Crop year	Millet (T)	Sorghum (T)	Corn (T)	Rice (T)	Fonio (T)	Total (T)
2002/2003	994 700	1 373 300	653 100	89 100	8 900	3 119 100
2001/2002	1 009 000	1 371 300	606 300	109 900	12 300	3 109 100
2000/2001	604 200	847 300	315 800	84 700	10 800	1 844 400
5-year average	851 300	1 142 300	448 600	97 100	13 700	2 553 100
Change 2002-2003-2003/2001-2002	-1%	0%	8%	-19%	-28%	0%
Change 2002-2003 / 5-year average	17%	20%	45%	-8%	-35%	22%

Source: DGPSA/MAHRH

208. Other food crops, such as cowpeas, bambara nuts, yams and potatoes, are widely grown in various regions of the country. Cowpeas and bambara nuts are to be found in all provinces, while yams and potatoes are more localized in a few provinces (Bazéga, Nahouri, Sissili etc.). During the 2002/2003 crop year, the following volumes were produced: cowpeas 330,200 tons, potatoes 37,000 tons, bambara nuts 36,200 tons, and yams 25,200 tons. In every case, output was lower than in the 2001/2002 crop year. These crops play a dual role in meeting people's food needs. On one hand, they are readily marketable and thus earn money for producers, while on the other hand they frequently serve to bridge the gap from one harvest to the next and to diversify the family diet.

209. **Grain production.** The trend over the last six crop years was favorable, except in 1997/1998 and in 2000/2001, when poor rainfall produced a shortfall in grain output, and national production was in surplus by 950,500 tons over the period 2000-2002. Yet these surpluses often mask moderate or severe local shortages, requiring emergency food aid. Such shortages occurred during the 2001/2002 crop year, and were repeated in the past year.

Table 19: National grain output, 1997/98 to 2002/03

Crop year	Grain supplies	Grain needs	Surplus/ shortfall
1997/1998	1,945,600	2,105,100	-159,800
1998/1999	2,463,100	2,118,400	344,700
1999/2000	2,625,800	2,183,300	442,500
2000/2001	2,198,600	2,280,700	-82,000
2001/2002	2,851,800	2,366,300	485,500
2002/2003	3,015,700	2,468,800	547,000

Source: DGPSAMAHRH

210. Moreover, the record shows that grain needs (millet, sorghum, corn and fonio) were fully covered, with a surplus of some 585,400 tons. By contrast, rice and wheat demand was not entirely covered, with deficits of 35,600 tons and 2,700 tons respectively.

211. **Dry season crop production.** The experimental production of grains during the dry season 2001/2002 was very promising, and efforts will be made to build on those results. In this off-season experiment, 1,330 tons of corn and 72 tons of cowpeas were harvested, with yields ranging up to 7 tons per hectare, on a total cultivated area of 678 hectares. In 2002/2003, more than 2,200 hectares were cultivated, representing an increase of 273.4 percent, including 2,137 hectares in corn and 48 hectares in market garden crops. The number of women involved in this new type of off-season corn and cowpea production is estimated at 4,748, or 49 percent of the total. With these results in hand, the government is now committed to introducing a nationwide program.

212. These encouraging results open new prospects for intensifying and diversifying farm output in our country, while helping to overcome food shortages.

213. The recent creation of the Small-Scale Irrigation Promotion Directorate (DPPI) reflects the government's intention to capitalize on the experiments now underway, as an alternative means of securing food production and combating hunger in the face of climatic uncertainties.

214. **Cash crops.** Cash crops are produced essentially for market. The main ones are cotton, groundnuts, sesame and soybeans.

Table 20: Seed cotton production

Year	Estimated area planted (ha 000)	Estimated gross/net output of seed cotton (tons 000)	Estimated cotton fibre output (tons 000)	Estimated seed cotton output (current CFAF millions)	Cotton fiber output (CFAF millions, FOB prices)	Estimated cotton fiber exports by volume (tons 000)	Estimated value of exports (CFAF millions, FOB prices)
1999	240.5	254.2	119	40 277.1	82 933.2	118.5	49 661.3
2000	260	276	109.1	44 017.4	72 219.6	106.8	48 193.6
2001	361.2	378.4	116.4	66 038.1	96 118.3	113.3	93 613.9
2002	406	406	158.4	70 684.6	99 768.1	141.9	89 397

Source: IAP

215. Cotton is one of the best-organized branches of agriculture, and receives particular attention from the government because of its major contribution to improving the country's macroeconomic framework. Thanks to this organization, the industry offers an appropriate setting for applying innovations in terms of seed and cultivation techniques, and is also a solid activity for bank lending. Thus, output has been rising regularly: 406,200 tons of seed cotton was produced in 2002/2003, up 11 percent from the 2001/2002 crop year. Value added for the economy is between 3 percent and 5 percent.

216. The fact that producer prices remained virtually stable in 2002 despite volatile and even falling world prices meant the injection of significant revenue in the producing zones, and helped to counter the vulnerability and poverty of producers. That revenue, which stood at CFAF 44 billion in 2000, amounted to CFAF 70.68 billion in 2002.

217. Groundnut growing has lost some of its former luster, and the industry has fallen into disorganization with the disappearance of SOFIVAR. Yet groundnut output remains important (at 323,600 tons in 2002/2003), and constitutes a source of income for many rural people. Farmers also have a cultural attachment to other oilseed crops, mainly soybeans and sesame, from which they can derive sure income.

218. ***Making agricultural equipment and inputs more accessible.*** Livestock development requires the availability of animal feed. Government extension services under the Livestock Rescue Plan (PISB) have therefore focused on fodder cutting and storage techniques, and sizable stocks of fodder have been built up over the period (50,000 bales in 2000, 75,000 bales in 2001 and 2002). The government has also moved to make agro-industrial byproducts more available with the distribution of 22,000 tons to herders under the emergency program, and more than 500 hectares have been sown every year in fodder crops.

219. Yet further development of the livestock industry will also require improvements to marketing and processing facilities. To provide greater security to livestock producers, a decision has been taken to rehabilitate the refrigerated slaughterhouse at Ouagadougou, which is expected to be back in service in early 2004. The government has undertaken a pre-feasibility study for a similar facility at Bobo-Dioulasso, the building of another at Dédougou, and the construction of three livestock markets at Guélwongo, Niangoloko

and Garango. The intent is to make available quality products for local consumption and for export.

2.2.3.3. *Increasing and diversifying rural incomes*

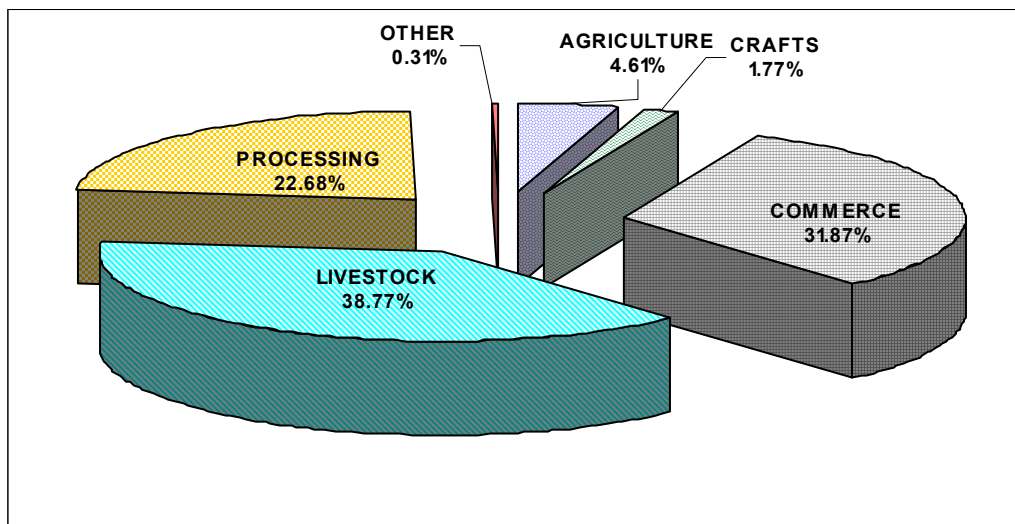
220. **Improving access to credit.** Poverty can only be reduced if rural people are assured a minimum level of income. To this end, the government has given strong encouragement to the provision of credit as a means of improving incomes for farmers.

221. The National Shea Nut Project (PNK), designed for this purpose, has constructed 14 women's advancement centers (CPF), fully equipped, and has provided microcredit to 469 women's association members for a total of CFAF 7,750,000 for the promotion of income-generating activities.

222. The support fund for women's income-generating activities (FAARF) provided CFAF 1,815,154,750 in 2000 and CFAF 2,509,205,780 in 2001 in credit for women in 43 provinces. These funds have been used for education (269 needy mothers received CFAF 7,190,000; school supplies worth CFAF 5,799,695 were distributed to 914 children in the provinces of Yatena, Camoé and Kadiogo; credit-1000 girls trained at Sourou—CFAF 3,135,000 for 26 girls); and for training of all kinds.

223. These credits have been allocated to the following sectors: agriculture 4.61 percent; crafts 1.77 percent; livestock 38.77 percent; processing 22.68 percent; commerce 31.86 percent; other sectors 0.31 percent. On average, credits per GVF ("village women's groups") in 2000 were CFAF 924,668, and CFAF 34,331 per individual beneficiary.

Figure 3: Distribution of FAARF credits by sector



224. As well, the Project to Support Economic Activities of Rural Women (PSAE/FRC) provided credit of more than CFAF 30 million to female farmers in 14

provinces, and 2,034 women have received management training. In 2002, the project granted a total of CFAF 163,508,990 to 340 village women's groups (GVF).

225. In total, some CFAF 4 billion was provided during 2002 through various financing sources (FAARF, PASE/FRC, HIPC, PRPC, the fund for Côte d'Ivoire repatriates, etc.). As well, 5,364 credit applications were processed and CFAF 3.12 billion was provided to 90,824 recipients.

226. ***Monetizing production.*** The government has been seeking ways to help farmers and pastoralists realize value from their work. With the support of its development partners, it launched a program known as "Small-Scale Village Irrigation" designed to increase agricultural output and reduce grain shortfalls, as well as to create employment in the dry season. It promotes small-scale production with simple, low-cost tools (pedal pumps) for drawing surface and groundwater. At the same time, it is continuing to steer producers towards new and more remunerative forms of operation. During 2000-2002 action plans were prepared for areas of activity identified in the PSO, with a view to capitalizing on their productive potential.

227. Recent years have seen sharp growth in the output of fruits and vegetables. From 460,000 tons in 1999, production rose to 610,000 tons in 2001, up 32.6 percent. Yet most of this output is exported in raw form, thereby reducing its contribution to value added in the economy. The domestic market is shared by perhaps 10 operators, and most of the output is sold locally. The main processors are: UCOBAM for preserves, NOOMDE (a private company) for fruit juice, syrup and preserves for the local market, the GLOSAD Company for the import and export of fruits with Europe. There are about 20 gas-fired drying units in operation, using locally crafted equipment.

228. ***Livestock production.*** To increase and diversify rural incomes, more than 100 livestock feeding projects have been financed by the Grassroots Community Initiatives Program/Poverty Reduction Program (PAICB/LCP) in five regions (Center, Center-North, Center-so, Center-East, and Sahel).

229. As part of the development program for small-scale livestock and poultry operations, support has been provided to modern and traditional poultry producers, in the form of more than 100,000 started pullets, more than 800,000 laying hens, and the production of more than 4,000 tons of feed, the startup of activities in a day-old chicks unit with a capacity of 16,800 chicks per month in Ouagadougou, 14 microprojects benefiting 262 members of women's groups under the PSSA program, strengthening the operational capacities of the Village Livestock Development Program (PDAV), the construction of new sub-branches in Fada N'Gourma and Tenkodogo, and the training of more than 500 "volunteer village vaccinators" (VVV).

230. In 2001-2002, the output of livestock products amounted to 600 tons, from which more than CFAF 180 million was distributed to producers and about CFAF 120 million to promoters.

231. The 2002 HIPC program for the livestock sector put more than CFAF 180 million into stock fattening projects, and helped to train producers (male and female), to purchase animal feed, and to rehabilitate and equip a building for raising cane rats at Banfora. It also provided technical support for leather and hide crafts (CFAF 10 million) and dairy construction (at Kongoussi, Nouna and Bagandé), a store and an enclosure at the Zango dairy, a milk stand at Hamdalaye, materials and training worth a total of CFAF 50 million, and business development support for 40 mini-dairies throughout the country, run primarily by women. One dairy producing 3,000 l a day is now operating at Fada N’Gourma.

232. **Fish production.** As part of the development program for fisheries and fish farming, the quantity and quality of fish production has been constantly improved. The program has resulted in the production of 750,000 fry and marketable fish, the stocking of 150 ponds, organizational support and management training for 450 fishermen, training in fish product technology for 100 women, and creation of a fisheries input distribution center. The industry employs about 11,000 people directly and produces 8,500 tons of fish a year valued at CFAF 5 billion. Fisheries development offers a new local source of protein-rich nutrition.

233. **Forestry and wildlife.** Forestry and wildlife activity has been reorganized so that people and the government can derive greater advantage from it. To this end, 320,000 hectares of forest have been improved for the benefit of local residents and 870,667 hectares are now being developed for firewood supply. This activity has helped to create other sources of income, through the exploitation of lumber and non-wood products such as honey, shea nuts, and African locust bean (*nééré*) seeds.

234. In 2000-2001, these improved woodlots produced 228,840 steres of marketable lumber and allow the construction of 3,651 new and better-quality dwellings. Firewood production in 2002 is estimated at 283,213 steres or 87,796 m³, producing income of CFAF 1,982,491,000 that was distributed between the government (CFAF 84,963,900), local people (CFAF 538,110,700) and the private sector (CFAF 1,359,422,000).

235. The management of wildlife and its habitat is intended, among other things, to improve nutrition, create employment and generate incomes in rural areas. Thirty-two new hunting associations have been established, wildlife management committees have been formed and trained in villages near the hunting reserves, 1,580 km of roads have been maintained in 11 hunting reserves, 1,000 km of new roads have been opened in four hunting reserves, eight wells have been drilled in three reserves, 12 ponds have been cleaned up in three reserves, 98 salt marshes have been improved in 11 hunting reserves, 91 village wildlife management committees have been formed, and 27 village hunting zones have been created. As well, 27 wildlife areas have been established, 24 of which have been let under concession to private parties or associations and NGOs, and divided into 12 conservation units covering an area of 1,687,925 hectares. As a result of reforms undertaken in the last few years, the wildlife sector in 2001/2002 generated revenue of CFAF 250,967,200 for the government, CFAF 772,557,757 for private partners, and CFAF 25,501,955 for local people. Those reforms have also produced 160 tons of game meat a year, worth CFAF 160 million.

236. *Promoting self-employment and income generating activities.* Subsistence farming received a boost with creation of the Agricultural Industries Promotion Corporation (SOPROFA), the objective of which is to provide extension services and marketing support for producers. The government moreover has consistently supported producers (development services, collection and storage of output) through the National Security Stocks Management Corporation (SONAGESS).

237. Measures to increase farmers' incomes have included the following activities:

- Nearly all rural development projects and programs have included financing for income generation and diversification. Microcredit facilities and local investment funds are being supported by several local development projects now underway, such as the National Land Development Program, the Decentralized and Participatory Rural Development Project in the Provinces of Bazégo and Kagiogo (PDRDP-B/K), and the Local Development Program for the West (PDL-O).
- Pursuit of three action plans already prepared (for rural finance, farmers' organizations, and the rice industry).
- Continued activities in support of various crops (grains, cotton, oilseeds, fruits and vegetables).
- Provision by SOPROFA during the 2002/2003 crop year of some CFAF 13 billion, with which small-scale farmers have produced 25,000 tons of paddy rice, 8,000 tons of sesame, and 12,000 tons of tomatoes, mangoes and green beans.

238. A produce handling terminal was opened at Bobo on November 25, 2002, as part of the effort to improve the marketing and packaging of agricultural products, particularly fruits and vegetables. This plant will be supplemented by the rehabilitation of cold storage facilities at Ouagadougou International Airport, with financing from development partners.

239. To help reduce endemic poverty among rural women, the National Shea Nut Project (PNK) gives women the possibility of earning supplementary incomes through the exploitation of shea nut products. A similar concern underlay the project to support women's advancement groups (PAGPF), launched by the PNK in April 1999. The Shea Nut Project first helped women to organize themselves in associations, and then provided them with instruction in production and processing techniques. Between 2000 and 2002, 1,340 women's associations were established, 18,590 women received training in how to produce high-quality nuts, 2,500 women were introduced to the technique of producing high-quality shea butter, and 23 instructors are training thousands of women every year in how to use shea butter for soap making.

240. To help these groups with their production activities, appropriate technologies have been developed and made available: shea presses (IRSAT and the latest-model SRC), mixed mills, husking machines, soap-making machines, market-gardening

equipment (motorized pumps, chicken wire, hoses, buckets, rakes, wheelbarrows, pickaxes etc.).

2.2.3.4. Supporting producers' organizations and community infrastructure

241. Participants in the various branches of agriculture need to be properly organized in order to draw maximum advantage from their activities. Since 2000, producers have formed a number of umbrella organizations, including UNJPA-B, FEPA-B, UNPC-B, FENOP, FENAFER-B, FEB, and FNA-B. More than 18,175 farmer's organizations, 45 cooperatives, 254 unions and six national federations have been set up, in addition to institutions representing farmer's organizations: 45 provincial coordination and trade committees (CPCE), five regional supervisory committees (CRS), and one national supervisory committee (CNS). A coordination body for these umbrella organizations, the Faso Farming Confederation (CAF), was created in 2001 and made operational on November 27, 2002, to make the OPAs more representative and to address major national and international issues.

242. The government has also supported the process through a series of OPA action plans (18,175 OPAs, including six legally recognized umbrella organizations), a study of producers' organization at the regional level, and a decree (December 2001) creating Regional Chambers of Agriculture. Information is now being prepared on the provisions of these laws, and elections to the 13 regional chambers are to be held.

243. Support for farmers and their organizations during the 2000/2001 crop year was guided by the objectives of the action plans under the priority programs of the strategic operations plan for the sector.

244. In the livestock sector, more than 17,000 producers (40 percent of them women) were trained during 2001 in the cutting and storage of fodder, and in 2002, 120,000 male and female producers received training in a variety of topics. The poultry center's activities in the areas around Ouagadougou and Bobo-Dioulasso were reinforced; the hog farming center of Bobo-Dioulasso was created; and the national coordinating body for the promotion of animal resources became more active.

245. Under the new National Forests Development Program (PNAF), some 40 forestry management groups have been established across the country.

246. Finally, the restructuring of rural development activities was pursued, with the redirecting of activities under the PNDSA II in the wake of the midterm review of June 2001, and those of the PNGT, through phase II. This latter program (PNGT II) assisted rural people in setting up more than 600 Village Land Management Committees (CVGT). Between 2000 and 2002, a CVGT was created in 623 villages, and a Land Management Plan (PGT) was introduced in 565 villages. Funding for these initiatives amounted to CFAF 911,770,120, of which CFAF 394,865,620 at the village level and CFAF 516,904,500 at the provincial level.

2.2.3.5. National solidarity and promotion of women

247. The government's willingness to take into account the most disadvantaged and marginalized groups in the fight against poverty was reflected by the expansion in 2001 of the purview of the Ministry of Social Action to cover national solidarity issues. The primary intention was to promote the spirit of national solidarity and to propose various mechanisms whereby the state, the development partners, and civil society can play complementary roles. To accompany this process, the *caisse de solidarité nationale* was converted into a *fonds de solidarité nationale* [national solidarity fund], now designed to support the execution of projects and programs to benefit disadvantaged groups and those in urgent circumstances.

248. In 2001 and 2002, this fund made it possible to finance community meals for families in need and street children in the city of Ouagadougou, to provide grants of school supplies to disadvantaged children, grants of food and medicine to a variety of remand centers throughout Burkina Faso, and to support microprojects to benefit disadvantaged groups.

249. As is true for women, children are among the most vulnerable sectors of the population. Efforts to promote counseling and protection for children and adolescents have accordingly been included as urgent tasks to be executed. The government undertook preparation of a national integrated development policy for early childhood, and to establish counseling and supervision centers for children 3-6 years of age. A national program to fight trafficking in children is now being executed in 28 provinces and 10 regions. This program has led to the interception of 200 children, who are now being placed in apprenticeships at occupational training centers.

250. The action strategy for education in open environments (AEMO), which targets street children, has made it possible to census and counsel 2,146 children with a view to reintegration into their respective families. Where the closed environment education program is concerned, the two re-education and training centers (Gampéla and Orodara) accommodated and trained youths with behavior problems for a three-year period. A strategy was developed in the area of care for orphans and other vulnerable children. Moreover, in the area of poverty reduction for disadvantaged and marginalized young people, a new five-year project was recently introduced in the provinces of Houet and Tuy. The main objectives of the project are confidence building for 1,200 disadvantaged and marginalized young people, support for access to subsistence for 300 young people in difficulty and 100 disadvantaged parents, and strengthening of civil society and other local units with a view to sustainable institutional support for young people in difficulty.

251. In the area of promoting national solidarity and social protection of specific groups, initiatives were developed to stimulate the values of solidarity and to promote activities to fight poverty within specific groups. In this connection, the solidarity fund annually makes CFAF 15 million available to purchase school supplies for 4,000 students in need. Other disadvantaged groups (handicapped persons, elderly persons without support, prisoners, and needy families) benefit each year from a variety of support in the form of food, clothing, blankets, technical assistance, counseling and support, and

mobility and autonomy assistance, particularly for the handicapped, with the provision of tricycles, wheelchairs, crutches, chairs, toilet facilities, etc.

252. Social awareness and mobilization activities were organized to promote real integration and acceptance of handicapped persons. Two types of activities were also organized to benefit repatriated populations: (i) accommodation and care for 486 Burkinabè citizens from Libya, 122 persons repatriated from Gabon, and 5,884 persons repatriated from Côte d'Ivoire; and (ii) microprojects for socioeconomic reintegration of returnees from Côte d'Ivoire (Tabou) and Libya. Last, functional infrastructures were provided for marginalized groups (blind, sight impaired, and handicapped persons) and productive boreholes were drilled in a number of provinces.

253. In connection with the promotion of women, the government undertook a series of efforts targeting the female population, particularly in the 20 most disadvantaged provinces, to improve the social climate in rural areas. To that end, implementation of additional financial allocations with HIPC resources has made it possible to establish many socioeconomic infrastructures to benefit women (construction of women's centers, acquisition of mills, shea nut presses, grain hulling machines, motorized pumps, sewing machines, wheelbarrows, handcarts, renovation and equipment of several women's centers with furnishings and borehole wells), and to organize training sessions targeting women.

254. Two key activities were conducted to promote socioeconomic reintegration of girls who have dropped out of school: (i) 120 girls were trained and placed as housekeepers with families for a minimum monthly wage of CFAF 10,000; (ii) training of 1,500 girls in income generating activities (associated with modules on education for family life), and support to become established.

255. With regard to social protection for women, an important effort was made to fight female genital mutilation. Through training, awareness, and even enforcement activities, the practice of excision is now clearly on the decline, although the rate of prevalence exceeds 50 percent in Burkina Faso. Committees to fight excision have been established in all provinces and a law banning the practice was approved as the result of an effectively targeted campaign.

256. Ongoing campaigns have led to an increased proportion of women empowered, although their level of institutional representation still remains low.

Table 21: Political and administrative representation of women

	June 1997			June 2000			May 2002		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Administration	10,000	33,000	43,000	11,206	33,110	44,316			
Parliament	10	91	101	9	102	111	11	100	111
Gouvernement	3	26	29	3	35	38	4	30	34
Accredited ambassadors				3	17	20			
House of representatives				21	152	173			
Economic and social council				17	76	93			
Heads of institutions				1	4	5	2	8	10

Source: Directorate of Research and Planning/Ministry of Planning and Finance (DEP/MPF)

2.2.3.6. Employment and occupational training

257. The national occupational training system is comprised of training centers and schools under the education system, technical ministries, modern formal sector, and informal craft sector. The occupational training system has an insufficient capacity to accommodate demand. Further, the state of disrepair of the infrastructure, obsolescence, and poor performance of the equipment of these centers impede the delivery of effective training and the true transfer of skills to the participants.

258. Training essentially targets the modern sector, and particularly the tertiary sector, at the expense of the unstructured sectors, and training paths lack diversification. Training programs are inadequate in most training centers to address the real national economic situation. We note an absence of regulation in the occupational training sector, and insufficient qualified human resources and financial resources. This situation has a negative impact on the performance of the occupational training system, which cannot produce the quantity or quality of skills expected by the national economy in a timely manner.

259. Overall, the training system is still affected by problems of relevance, efficacy, efficiency, and social equity. For this reason, the government prepared a strategy framework paper on promotion of employment and occupational training adopted under Decree 2001-474/PRES/PM/METSS of September 18, 2001. A draft law on orientation of employment and occupational training was also prepared and its adoption will make it possible to establish an institutional and legal environment suitable to promote productive employment.

260. Activities have been undertaken, however, to enhance performance of the existing structures. This effort involves investments made in 2001 and 2002 to rehabilitate and increase the capacity to accommodate and provide follow-up education and teaching for the occupational assessment and training centers (CEFP) of Ouagadougou, Bobo-Dioulasso, Ouahigouya, Dédougou, Tougan, Banfora, Kaya, and Fada N’Gourma. With financing from the IsDB/EMCO project, the CEFP of Ouagadougou and its regional satellite units were equipped with teaching materials. These investments aim to strengthen the CEFPs and their satellite units in terms of increasing capacity to accommodate trainees and to improve the quality of the training that they provide. This capacity building for the CEFPs will enable them to train more than 600 young people every year in the following specializations: automotive mechanics, electricity, ironwork, masonry, and leather work.

261. Occupational training for young people gives them mechanisms for socioprofessional integration by applying for skilled employment or establishing their own enterprises. To enhance the legal framework for occupational training and apprenticeship, draft regulatory texts have been prepared on the organization and operation of occupational training institutions and structures, as well as on the establishment of a support fund for occupational training and apprenticeship (FAFPA).

262. The capacities of financing structures (fund to support promotion of employment—FAPE and fund to support the informal sector—FASI) were enhanced to improve access to financing for promoters of micro and small scale enterprises, through HIPC resources, the state budget, and certain technical and financial partners. Between 2000 and 2002, several promising projects were financed by FAPE, enabling the creation of 1,327 new jobs. During the same period, FASI operations generated 8,453 jobs, including 3,765 new jobs and 4,688 consolidated ones. In connection with buffering the effects of job losses following the liquidation or restructuring of certain public, parapublic, and private enterprises, microprojects targeting the socioprofessional reintegration of laid-off workers were financed through the national program for reintegration of laid-off workers (PNAR-TD) with subsidies provided by the state.

263. To establish visibility on the labor and employment market, an employment and occupational training observatory was established in 2001. In light of problems in maintaining statistical information on employment and occupational training, the National Employment and Occupational Training Observatory (ONEF) in 2002 conducted an audit of the information system with producers and users of information on employment and occupational training. The study highlighted the strengths and weaknesses of different producers and identified users' requirements. As a result of this study, indicators to monitor poverty and policies to promote employment and occupational training were identified and validated. An analysis of these indicators is in progress.

2.2.3.7. Overcoming isolation

264. ***Rural roads:*** The policy on overcoming isolation adopted in 1991 focused primarily on the formal road system. The rural system, and particularly rural tracks, was overlooked. Beginning in 1999, mindful of the importance of the development of the rural road system and its impact on improving agricultural activities and living conditions of the rural populations, the government undertook to identify the roads that could be included in the tertiary rural road system. This operation led to the development of the general directory of rural roads (RGPR) with approximately 46,000 linear kilometers of roads to be developed throughout Burkina Faso.

265. The development of rural roads inventoried in this connection aims to promote access for the rural populations to basic social services (schools, health centers, etc.), product storage and outlets, transportation, and the emergence of dynamic markets and centers of development capable of diversifying opportunities for economic activity.

266. To provide true impetus for the rural road subsector, the Ministry of Infrastructure, Transportation, and Housing created its own General Directorate for Rural Roads (DGPR) in 2001, which is specifically responsible for defining and implementing policy in respect of rural roads.

267. Similarly, a national rural transportation strategy (SNTR) was recently adopted (March 2003). This strategy, which places important emphasis on the development of

rural roads, aims, *inter alia*, to accompany the process of decentralization with greater involvement of local units of government in infrastructure management.

268. Approximately 80 percent of Burkina Faso's population relies on the rural sector for subsistence. This sector, however, has not fully contributed to promote sound economic growth. This situation has led to low rural revenue levels and an alarming rate of urban flight. The absence and/or poor quality of rural services, particularly transportation, is one of the main constraints to development in the sector. The government therefore decided to allocate standing resources to rural roads through the execution of an overall program to construct 6,000 kilometers of roads by 2004. A further program supported by HIPC resources was developed to devote CFAF 3 billion per year from debt relief to the construction of rural roads. For the period 2000-2002, a total of 787 km of rural roads were completed, along with technical studies on the execution of 818 km of roads financed largely with HIPC resources, in the amount of CFAF 5,958,362,439.

Table 22: Construction of rural roads with HIPC resources

Designation	Amounts committed (CFAF)	Provinces covered	Roads completed (km)	Roads for which technical studies were carried out (km)
HIPC 2000	1,772,961,704	04	266	447
HIPC 2001	2,062,110,149	07	246	471
HIPC 2002	1,675,934,732	12	275
TOTAL	5,511,006,585	23	787	818

Source: General Directorate for Rural Roads (DGPR).

269. Contributions from external partners to the implementation of this rural road program involved 2,335 km of roads, including 420 km completed with the focus on labor intensive technologies and 1,915 km under study. These activities involved seven provinces financed by the German cooperation authorities, four provinces financed by the Islamic Development Bank (IsDB), and cotton areas financed by the Agence Française de Développement (AFD).

Table 23: Other financing for rural roads

Item	Amount allocated (CFAF)	Roadwork (km)		Provinces covered
		Completed	Studies	
State budget	100,000,000	300		
German cooperation authorities	585,000,000	120		07
IsDB	5,000,000,000		1,000	04
AFD	90,000,000		915	
TOTAL	5,775,000,000	420	1,915	

Source: DGPR.

270. In addition, the cotton company, SOFITEX, made an important contribution to the implementation of this strategy to relieve rural isolation through the implementation of a maintenance program for 448 km of new roads in nine provinces, thereby improving access to the new cotton areas of central eastern and southwestern Burkina Faso, and Cascades, as well as rural transportation in these areas.

271. **Rural electrification:** As in the area of roads, energy is a key factor in the development of rural areas as its availability induces the development of many different economic activities. This outlook is consistent with the objectives of the national electrification plan now under revision. On this basis, nine secondary centers were electrified in 2000 and 125 departmental capitals have been experimenting since 2000 and 2001 with the use of renewable energy sources through the installation of solar panels at certain sites that are of interest for strategic (prefecture, schools, health and social promotion center—CSPS, and state technical units, economic units (markets), cultural units (youth center) and public lighting purposes. In addition, the cities of Pô and Léo were connected to the network of northern Ghana.

Box 5: Results under Strategic Area 3: 2002

During 2002, the objectives for the transformation of rural areas were pursued in support of economic growth. All production and production support sectors contributed to the effort.

Reduce vulnerability in agricultural activity

To reduce the vulnerability in agricultural activity, the interventions of the government and its partners focused on judicious exploitation of cultivable land with emphasis on regeneration of arable land through fertilization and conservation activities.

In this connection, activities to maintain soil fertility continued through the operation involving 50,000 manure pits. This operation was quite successful and producers decided to establish 200,000 manure pits for the 2003/2004 crop season.

In connection with this effort to restore soil fertility, production of plant seeds was increased with the supply of more than 2.7 tons of seed making it possible for private nurseries to produce more than 6 million standing plants. In addition, more than 5,000 hectares of degraded land were reclaimed and upgraded to increase rural agro-forest-pastoral production.

In the context of the action plan for the rice sector (PA/FR), an inventory of developed wasteland was conducted and a total of 11,689 hectares (wetlands and irrigated perimeters) was identified. In light of the importance of production for this land (82,800 tons of paddy rice), new development tracts (400 hectares of wetland) were developed at a total cost of more than CFAF 600 million. Additional financing sources made it possible to develop a further 1,180 hectares.

To support agricultural activity in general, the policy to promote rural water systems was strengthened with the transformation of the cloud seeding program known as SAAGA into a water resource improvement program. This approach would appear to be an accurate reflection of the state's concern for accelerating the process of achieving food security. Actual spending under the program amounted to CFAF 530 million as against a projected CFAF 600 million, equivalent to an execution rate of 88.33 percent.

Livestock breeding activity, which is Burkina Faso's number two source of revenue after cotton, received new impetus with the development of traditional breeding activities and upgrading of pastoral areas. Five veterinary stations, 23 boreholes, four artificial ponds [*boulis*], and 110 kilometers of livestock paths were created, and three new pastoral areas and four pasture areas were designated. We also observe the issue of 700 national transhumance certificates (CNT), 1,500 international transhumance certificates (CIT), and the adoption of Law 034-2002/AN of November 14, 2002 on pastoralism.

To protect livestock against disease, an intensive campaign was conducted to improve animal health, yielding the following results: 35 percent of cattle were immunized against contagious bovine pneumonia, 15 percent against bovine pasteurellosis, approximately 90,000 head against rabies, and 17 percent of poultry were protected against Newcastle disease. In the area of genetic improvement, the village livestock development program (PDAV) was strengthened and short cycle breeding operations were promoted.

In connection with the HIPC initiative, 31 productive boreholes and four artificial ponds were completed, and studies for six small ponds were conducted at a total cost of over CFAF 500 million; support was provided in the form of technical materials for leather and hide craftsmen in the amount of CFAF 10 million; and CFAF 50 million was provided for the construction of dairies (Kongoussi, Nouna, and Bogandé), a store and enclosure for the Zango dairy, a dairy stand at Hamdalaye, and provision of materials and training.

Intensification and modernization of agricultural activity

The government also continued its effort to intensify and modernize agricultural activity. In this connection, it undertook to strengthen the increase in livestock productivity through artificial insemination activities. Accordingly, more than 1,000 doses of cattle semen were administered, 140 Gyr and Gyrolandos cattle were imported from Brazil, and 120 Azawak cattle were imported from Niger for cross breeding. These higher-yield species were distributed to breeders (400 azawak zebu cattle and improved “large White” pig species) in 2001 and 2002. The National Breeding and Genetic Improvement Center was created to that end.

To improve livestock feed security in connection with this intensification effort, support and advisory services have made it possible for breeders to become familiar with harvesting techniques (establishment of 75,000 tons of fodder) supported by the exploitation of more than 500 hectares of fodder crops. In this connection, nearly 3,000 tons of agroindustrial byproducts were made available to them.

The intensification and modernization process was supported with greater extension of research outputs. Accordingly, 737,986 producers, of which 40.38 percent were women, benefited from advisory services with more elaborate and appropriate topical applications. The delivery rate for advisory services to producers in this connection amounted to 15 percent in 2002, with a 52 percent complete adoption rate for technical issues. In addition, 56 percent of the total land area planted by trained producers involved the application of new technologies.

A new approach to extension made it possible for producers to develop 232 microprojects in the amount of CFAF 204 million, financed 80 percent by the national program to develop agro-pastoral services II (PNDSAIL) in 26 provinces of 13 agricultural regions. Four hundred tipcarts were purchased with HIPC funds and made available to producers in all agricultural regions.

The major impacts of these combined activities of soil and plant cover restoration and the intensification and modernization of the sector have created a relatively good food situation for the population.

Production of grains (millet, maize, sorghum, rice, and fonio) amounted to 3,119,100 tons during the 2002/2003 crop season. Although it remains substantially identical to the level of 3,109,100 tons from the previous year, i.e., an increase of only 0.03 percent, national grain production is up 22 percent as against the average for the last five crop seasons.

The national grain balance registered a surplus of 547,000 tons in 2002, equivalent to 24 percent of consumption requirements. Monitoring of the food situation, however, led to the identification in October 2002 of high risk areas in the northern, central northern, Sahel, and central plateau areas of Burkina Faso. Twelve of the country's 45 provinces were affected by meager rainfall—eight provinces were severely affected and four others were moderately affected. Food aid intervention proved necessary for vulnerable populations to limit the effects of food risks.

During the dry 2002/2003 crop season, more than 2,200 hectares were planted, an increase of 273.4 percent, including approximately 2,137 hectares of maize and 48 hectares in combination with market garden crops. The number of women involved in this new type of production (maize and cow peas in the off-season) is assessed at 4,748—49 percent of the producers involved. In light of these results attained in the field, the government has undertaken to implement a program at the national scale.

Increase and diversification of rural income

To increase and diversify income of agricultural sector stakeholders, more than 100 feeding projects were financed by the program to support grassroots community initiatives and fight poverty (PAICB/LCP) in the five regions of its intervention zone (central, central-northern, central-southern, central-eastern, and Sahel areas).

Modern and traditional poultry farmers received support through hatching of more than 100,000 pullets, monitoring of more than 800,000 laying hens, production of more than 4,000 tons of feed, startup of activity of a one day-old chick production facility having a capacity of 16,800 chicks per month in Ouagadougou, and implementation of 14 microprojects to benefit 262 members of women's groups in connection with the special program for food security (PSSA), operational capacity building for the village livestock development program (PDAV) with equipment and construction of new satellite units in Fada N'Gourma and Tenkodogo, and training of more than 500 voluntary village immunization workers (VVV).

In connection with the HIPC program, the breeding sector benefited from support for fattening activities amounting to more than CFAF 180 million, for the training of male and female producers, purchase of livestock feed, and renovation and outfitting of an Aulacaude breeding facility in Banfora.

In the area of national dairy production, we should note implementation, advisory services, and follow-up for approximately 40 small-scale dairies, most of which are managed by women, throughout the country. Specifically, in Fada-N'Gourma a dairy that produces 3,000 liters per day is operational. We also note in the cities of Ouagadougou and Bobo Dioulasso six principal facilities to convert milk into yogurt.

Fish farming activity received new impetus with the establishment of the General Directorate for Fisheries Resources. Activities to produce restocking fish and commercial fish, to increase technical capacities, organize the stakeholders, stock bodies of water, and improve geographic availability of fishing inputs were carried out. Fish production amounted to 8,500 tons in 2002.

While implementation of small scale village irrigation targets food security, it also induces increased revenue for the rural populations, as most operations are intended for sale. During the 2002/2003 dry season crop year, exploited land areas exceeded 2,200 hectares, including approximately 2,137 hectares of maize and 48 hectares in combination with market gardening crops.

The policy to develop natural forests has also been strengthened with the current development of 870,667 hectares to promote the supply of firewood for the populations. For this year (2002), firewood production is estimated at 283,213 steres, equivalent to 87,796 cubic meters. This corresponds, in terms of monetary revenue, to approximately CFAF 1,982,491,000 distributed as follows: state taxes (CFAF 84,963,900), population (CFAF 538,110,700), and private (CFAF 1,359,422,000).

Implementation of the wildlife sector reform during recent years generated the following revenue for the 2001-2002 growing season: CFAF 250,967,200 for the state, CFAF 772,557,757 for the private partners, and CFAF 25,501,955 for the people.

Women play an important role in production and marketing functions, particularly in the operation of hydro-agricultural developments. For production of maize and cow peas during the 2002 dry season, an estimated 4,748 women, equivalent to 49 percent of the producers, were involved. These women have developed parcels on which they grow rain-fed rice, and particularly off-season crops that can be freely marketed.

Consistent with the aim of diversifying sources of income for women, approximately CFAF 4 billion was mobilized during 2002 by the fund to support income generating activity for women (FAARF) with several sources of financing (FAARF, project to support economic activity for rural women through credit—PSAE/FRC, HIPC, poverty reduction project at the community level—PRPC, fund for repatriates from Côte d'Ivoire, etc.). Accordingly, 5,362 credit applications were processed and CFAF 3,115,965,115 was granted to 90,761 beneficiaries.

Support for producers' organizations and collective infrastructures

Enhanced professionalism of stakeholders involved and support for producers' organizations are driving forces in the development of the rural sector. In this connection, the government took the initiative to implement regional agricultural chambers (CRA) in December 2001, to be managed by the producers themselves. The process of making these chambers operational continues, and they could be established by 2003. Studies have concurrently been instituted to harmonize the process of implementing these chambers with capacity building for agricultural producers' organizations through umbrella organizations [*organisations faitières*].

Subsistence farming received new impetus with the implementation of an integrated exploitation mechanism for certain operations with support from institutional operators. During the 2002/2003 crop season, the society to promote agricultural sectors (SOPROFA) injected approximately CFAF 13 billion to benefit rural people, to support advisory services and the marketing of their products. Where breeding centers are concerned, a number of stakeholders (approximately 120,000 male and female producers) received training on about 10 topics. This effort was accompanied with the strengthening of activities of the poultry breeding center near the cities of Ouagadougou and Bobo, implementation of the Bobo hog breeding center, and new impetus for the national framework for coordination to promote livestock resources.

National solidarity and advancement of women

During 2002, social integration of adolescents in difficulty was an ongoing activity of the government, which surveyed 1,556 street children, with a view to reuniting them with their respective families. Where child trafficking is concerned, as this problem is becoming increasingly regional, a cooperation agreement is now being prepared with Côte d'Ivoire to strengthen cross border surveillance. Further, the pilot project to fight child trafficking that initially covered six provinces was extended to 28 provinces thanks to support from the United Nations Children's Fund (UNICEF), the national project to fight trafficking of children (LUTRENA) project, and the international program for the elimination of child labor (IPEC).

In addition, during 2002, Ministry of Social Action and National Solidarity (MASSN) staff recorded 4,867 students (social cases) seeking, as a minimum, the wherewithal to continue their education. A series of grant activities to provide school supplies was initiated, and made it possible to support needy students and parents at a cost of approximately CFAF 14 million.

In advocacy for children's rights, better follow-up of the national action plan for childhood continued through information, awareness, and training activities in connection with the relevant convention. Training sessions were held for 240 managers of administrative and judicial units at the central and provincial levels. Information and awareness activities in connection with lectures were provided to trainees at occupational schools (National School of Administration And Magistrature—ENAM, National School for Primary Teachers—ENEP, INJPS, and the National Gendarmerie School).

To promote national solidarity, the following efforts were registered during the course of 2002: (i) financing of microprojects for associations and groups in the amount of CFAF 15 million; (ii) support for 16 provinces to grant school supplies for 3,200 disadvantaged children; (iii) provision of 28 electric mobiles to handicapped persons; (iv) supply of essential items for certain units working to assist disadvantaged groups (baby nurseries for abandoned children and orphans; and solidarity courses). In addition, welcome and attention activities and microprojects have been carried out to assist repatriates from Côte d'Ivoire and Gabon in their socioeconomic reintegration.

In connection with emergency assistance and rehabilitation, interventions in connection with emergency food aid in 2002 consisted of providing 4,061 tons of grain to 157,428 persons in the 12 provinces identified as having been affected.

To contribute to the socioeconomic development of girls and to strengthen activities undertaken to fight poverty, 500 rural girls were recruited in connection with the third promotion of the production and training center for girls in Sourou. These girls are being trained in income generating activities (weaving, market gardening, dyeing, breeding, etc.). Following these training activities, the girls will receive support to become established. In addition, 508 girls from promotions I and II received recycling training and supplementary kits.

In the fight against excision, competence building activities for the field participants continued as follows: (i) 800 resource persons were trained in information, education, and communication (IEC) in 10 provinces; (ii) 101 persons from the Regional Directorate of Social Action and National Solidarity—DRASSN, and the Provincial Directorate of Social Action and National Solidarity—DPASSN received target based planning training; and (iii) 30 members of provincial committees to fight excision received training in gender and development. In addition, more than 277,000 persons were reached through awareness activities with audiovisual resources, which contributed to a substantial decline in the problem—although the prevalence rate still exceeds 50 percent.

2.2.4. Promotion of good governance

272. During the first phase of PRSP implementation, the efforts focused, at the political level, on strengthening democracy and the state subject to the rule of law, and, in the economic area, on mechanisms to ensure transparency, accountability, and required reporting of budget management.

273. During this period, substantial progress was made under the national plan on good governance (PNBG) adopted in September 1998, with the implementation of the monitoring mechanism (implementation of the executive secretariat for good governance and sectoral committees in June 2001, and establishment of the national coordination unit on good governance in September 2002). A round table for donors is now being organized. During 2002, the first statutory session on national coordination unit for good governance, the decision-making body, was held.

274. Through the PNBG, which is now the reference framework in the area of governance, the Burkinabè authorities acknowledged that the fight against poverty also involves implementation of activities to ensure that political authority and liberties are fully exercised, to guarantee citizens' participation, efficiency and transparency in public management, and access to justice. The promotion of good governance therefore essentially involves democratic good governance, economic good governance, and local good governance.

2.2.4.1. Democratic governance

275. Where democratic governance is concerned, numerous advances have been made in the consolidation of democratic progress, strengthening the political and social dialog, justice reform, and promotion of human rights.

276. *Consolidation of democratic progress.* The democratic process has been strengthened with the holding of new municipal elections in 2000. The search for a transparent electoral mechanism led to a revision of the electoral code in 2001, strengthening of the prerogatives of the national independent electoral committee that

now is responsible for the entire process, and adoption of a charter for political parties and statutes for the opposition.

277. The third legislative elections since the democratic process was undertaken in 1991 were held in May 2002. The success of these consultations is in part attributable to the substantial involvement of civil society. The center for democratic governance (CGD) and independent elections observatory (OIE) established within civil society have made it possible to monitor these elections, that were characterized by the introduction of the single ballot and the introduction of the quota method for the distribution of seats. The results of this election, in which a pluralist national assembly with the presence of 13 political parties was voted in, are irrefutable proof of the strengthening of the democratic culture in Burkina Faso.

278. The ever-broadening freedoms have enabled the national press in French and in national languages to establish several new newspapers throughout Burkina Faso. The audiovisual media now include a total of more than 60 private radio stations and two new television networks, SMTV and Canal 3, which are helping to expand the information space for the public. The substantial number of associations in this sector is also noteworthy (there are more than 10 associations in the information sector, including the national press observatory—ONAP, the press editors' association—SEP, and the national union for free audiovisual in Faso—UNALFA)—evidence of vitality, creativity, and freedom of expression.

279. To reflect these numerous new entrants into the media, 2002 was marked by the start of the revision of the Information Code to rehabilitate and strengthen the legal framework governing these media. This code not only strengthens children's rights, consolidates free enterprise in the sector, and confirms the rights of rectification and response; it also innovates by creating the parliamentary opposition's right of rebuttal to the national statements of the government and parliamentary majority.

280. Further, parliament adopted in October 2001 Law °25-2001/AN of October 25, 2001 establishing the advertising code in Burkina Faso. This law fills a legal void by rehabilitating advertising practices and giving new impetus to private operators in the sector.

281. In November 2001, the government adopted the national communication policy paper for development, which aims to promote grassroots communication involving all stakeholders in the public and private sectors in the implementation of their development projects, programs, and activities. This paper will be submitted to donors during a round table now being organized.

282. The major obstacle, however, to the reflection of the role of the media in the expansion of democracy is the absence of specifications and missions for the public media. A true regulation on information that ensures free access for all sociopolitical components to the public media cannot be affirmed without this regulatory framework derived from the government's initiative. This framework should codify the mechanisms through which the rights of reply, rebuttal, and rectification can be exercised.

283. ***Strengthening the political and social dialog.*** Prior to implementation of the PRSP during the period 2000-2002, the social and political context was acknowledged to be fairly strained, in particular, with protest movements conducted by groups against the impunity that followed the tragic disappearance of journalist Norbert ZONGO. The various activities conducted in this connection made it possible to establish a certain level of social cohesion essential in any development activity, thanks to the combined efforts of different human rights organizations, civil society, the private sector, and government. During the period 2000-2002, Burkina Faso made substantial progress at the institutional and social levels, as well as in terms of concrete action to protect human rights. Further large-scale initiatives at the political level were taken during this period, including the organization of national day of forgiveness [*Journée nationale de pardon*].

284. To guarantee and consolidate peace and social cohesion, actions were taken to accompany this national day of forgiveness with the implementation of measures relating to indemnification of victims of political violence. The government agreed to release CFAF 6 billion in March 2002 from a fund established in this connection to indemnify victims, and to date more than CFAF 2.3 billion has been paid to more than 100 victims or their families.

285. Substantial progress has also been made for democracy through public financing for political parties and the private press.

286. The revision of the constitution, the adoption of a new organic law on the economic and social council (CES), adoption of a decree on distribution of quotas for councilors by activity sector, and the establishment of an economic and social observatory are making it possible to envisage a better balance in the political area and a more effective exercise of the consultative function of the CES. This institution also adopted a resolution to create a fund to fight poverty during its session for 2002.

287. As social dialog is the cardinal principle for the government's action in the labor area, the framework of cooperation between the government and unions has been maintained with its institutionalization. Examination of the record of workers' grievances for 2002 indicates a decline in the single tax on wages and salaries (IUTS) in the range of 19-31 percent for all workers—contributions, however small, to improve the well being of the workers. In addition, regular coordination efforts have taken place between the state and social partners, helping to resolve collective labor conflicts and promoting social peace that is required for any development.

288. ***Justice reform.*** To ensure independent grassroots justice and to enhance its efficacy, an action plan for justice reform (PANRJ) was adopted in April 2000, followed by the preparation of an investment program. In this connection, a round table of donors was organized in June 2001, and in 2002 the activities included in the PANRJ were expanded. This document now serves as the guide for the government's activities in the area of justice, and it aims to strengthen the position of the judicial branch within the state and society to make it the cornerstone of the state subject to the rule of law, an essential and indispensable player in the effort of democratic construction. This action

plan is organized on the basis of three major focuses relating to the national legal framework, access to, and efficacy of justice.

289. ***Improvement of the national legal framework.*** The legislative and regulatory framework has been strengthened. To upgrade the image of the magistracy. Decree 2002-246/PRES/PM/MFB/MFRE/MJ adopted on July 10, 2002 marks the beginning of the effort to rehabilitate the judicial branch within the institutions. In addition, the revision of texts on the organization and operation of the auxiliary justice professions has been pursued with the adoption of a decree on fees for the services of bailiffs and experts that more effectively organizes the operation of the bailiff function.

290. The strengthening of the conventional framework that follows the progressive conformity of national law with the treaty of the organization for harmonization of business law in Africa (OHADA) and its uniform acts helps strengthen the legal framework for business with an improved environment for investment and the establishment of conditions favorable to healthy competition among economic transactors.

291. The government also made progress in establishing and implementing new superior jurisdictions in 2002 (constitutional council, audit office, council of state, and court of cassation).

292. New magistracy statutes were adopted in 2001 aiming to reflect the concern in connection with the depolitization of justice according to the conclusions of the national forum on justice and regional workshops organized in 2001 in connection with the PRSP assessment.

293. ***Greater access to the justice system.*** Access to the justice system remains one of the priorities of the consolidation of the state subject to rule of law and specific actions were presented in this connection, in particular, with the promotion of information and communication in the judicial area. To that end, a welcome and information office was established with the high court of Ouagadougou and a seminar on communication in the judicial area was organized for journalists, followed by provision of press kits.

294. In addition, awareness campaigns were organized during which fliers on legal and judiciary issues were prepared and distributed and relevant articles were published in newspapers.

295. To enable all sectors of society to benefit from judiciary services, the bar association of Burkina Faso organized judiciary assistance for indigent persons.

296. Last, at the level of infrastructures, the premises of the high court of Ouahigouya and Koudougou were rehabilitated and improved to provide local justice system services. Similarly, with a view to building new infrastructures for judiciary services, architectural studies were carried out in connection with construction projects for higher jurisdictions.

297. In general, significant progress has been made in the reform of the judiciary system. The advent of local administration of justice, however, still remains an objective

owing to insufficient lower jurisdictions and the inefficiency of the departmental courts, which are in urgent need of capacity building.

298. ***More effective justice system.*** In this connection, efforts have been made to promote social justice. Measures have been taken to make penitentiary units into centers to promote development. To that end, a text on promoting alternative sentences is under review. Actions are planned in the near future to make prisons more humane and prepare a national policy on social re-integration.

299. As capacity building is one of the conditions for effective administration of justice, we note that the increase and strengthening of human resources have been pursued with the recruitment and training of magistrates, clerks of the court, and support staff.

300. In addition, the equipment of several judiciary services with microcomputers and the functionality of the criminal system of the Ouagadougou courthouse are clearly appropriate to support the goal of efficacy in justice.

301. ***Human rights promotion and protection.*** To respond to increasingly pressing social demands for the protection of citizens, in 2000, a secretariat of state in charge of human rights promotion was established under the Ministry of Justice. In November 2001, the government implemented a national human rights commission (CNDH). During the same year, a document stating the policy, action plan, and guidelines for the promotion and protection of human rights in Burkina Faso was adopted. This document reaffirms the major role of the state in this connection and establishes six focuses for priority action required to lay the groundwork for effective protection of individual and collective human rights: human rights education; strengthening of the legal framework; adaptation of national legislation to international treaties; strengthening of civil and political rights; consolidation and promotion of economic, social, and cultural rights; and consolidation and promotion of certain categories (rights for women, children, etc.). The June 2002 establishment of a full ministry responsible specifically for promoting human rights reflects the willingness of the national authorities to include the promotion and protection of human rights in national priorities. In this area, the department is broadly vested with the organization of national forums and seminars on human rights, information and awareness activities on human rights, preparation of a bilingual glossary on human rights in national languages, conflict mediation, establishment of human rights information and documentation centers, and preparation of national reports on implementation of human rights treaties, thus contributing substantially to increase the national awareness of the importance of human rights and strengthening the state subject to the rule of law.

302. Civil society has played a leading role in this area with the emergence of movements within it to promote human rights and specific demands, and particularly, the Burkina Faso Human Rights Movement (MBDHP), Burkina League of Consumers (LCB), etc.

303. ***Combating insecurity.*** In the specific case of protection of persons and property, the government in October 2001 adopted a plan to fight insecurity. Programmed for the short, medium, and long terms, this plan provides, in particular, for an increased mobility and intervention capacity of the security forces and enhanced security coverage rates to upgrade security in rural and urban areas. In this connection, to enhance control of firearms circulation, a high authority for the control of weapons imports and use was established in January 2001, and a national commission to fight proliferation of light weapons was established in April 2001.

304. ***Strengthening of civil society.*** The government remains convinced that civil society can only participate effectively in the implementation of the PRSP as an internally organized entity with a command of the PRSP process.

305. Accordingly, implementation of the initial PRSP program during 2000-2002 is characterized by increasing visibility—first of civil society itself, with regard to its definition that of its components, and subsequently of the role of civil society organizations (SCOs) as checks and balances for state economic management. There is now a consensus on the definition of civil society and its 11 components have been clearly identified.⁸

306. In terms of accomplishments, a partnership between the government, technical and financial partners, and civil society organized a workshop in November 2001 to validate the study on capacity building for civil society organizations in Burkina Faso. This workshop defined the concept of civil society in Burkina Faso and its components, and took stock of their strengths and weaknesses. Its output was used to develop the reference framework paper on capacity building for civil society organizations adopted by the government in February 2002.

307. Civil society, however, had been invited to organize further to better influence the preparation, implementation, and follow-up of development policies, and the state and technical and financial partners deemed support for its capacity building in this connection to be essential. In this framework, in November 2002, civil society held a national workshop on the topic of civil society organizations and development, to promote internalization of the concept of sustainable human development (SHD) and to improve the participation of civil society organizations in the fight against poverty.

308. In this connection, a national forum on civil society was organized in December 2002 that enabled civil society to validate the results of the study on the competence and potential of SCOs. In connection with this forum, a draft declaration of NGOs was prepared to stress the willingness of SCOs to play their full role as partners of the public authorities in the design, implementation, and follow-up of development programs, the role of oversight and checks and balances that SCOs intend to play in the

⁸ (1) Women's organizations; (2) research institutes; (3) labor organizations; (4) religious organizations; (5) human rights organizations and those with specific demands; (6) private media; (7) NGOs and development associations; (8) youth movements; (9) marginalized persons; (10) farmers' organizations; and (11) cultural and artistic organizations.

context of good governance, and the commitment of SCOs to defend the interests of the people, particularly the poorest sectors, in their operations.

309. The SCOs emphasized the importance of partnerships with other institutions such as the national assembly, the economic and social council, etc., and the need to implement a monitoring committee for the millennium objectives.

2.2.4.2. Economic governance

310. Attainment of growth and equity objectives requires a sound, well managed economy with a strategist state, as well as the private sector and civil society serving as true stakeholders in development. Economic governance requires steering and leadership for development, operational and routine economic management, and promotion of the private sector.

311. ***Strategic economic steering and leadership for development.*** Strategic steering and leadership for development, which require the existence of an autonomous forward-looking vision of the profile of the society to be achieved, have been in progress since June 1999 through the forward-looking study entitled “Burkina 2025.” Phase one of the study, which was delayed for institutional and financing reasons, nevertheless produced five important outputs (retrospective studies, survey on national aspirations, reflection of the spatial dimension, documentary review, and survey of variables in the “Burkina Faso system”). Phase two, which is now in progress, entails plans for the forthcoming installation of the national forward-looking and strategic planning council, in which all components of society will participate.

312. Retrospective studies provided an overview of the architecture of political, economic, and social affairs, and have made it possible to conduct diagnostics of unfavorable trends, the strengths and weaknesses involved, and to identify outlooks and clarify opportunities, threats, and sources of change. Similarly, surveys on national aspirations have produced recommendations to remove constraints on effective application and monitoring of policies and programs to fight poverty. Accordingly, it was discovered that, while poverty is a growing problem, the future outlook is optimistic. According to these studies, the major causes of poverty are job shortages, inadequate adaptation between training and employment, lack of private sector stimulation, corruption and racketeering, etc.

313. The establishment of the national observatory on poverty and sustainable human development (ONAPAD) and the observatory on employment has enabled noteworthy progress to be made toward a more effective monitoring of poverty. In this connection, ONAPAD prepared and validated a set of indicators (40 first tier, 60 second tier, and 7 third tier) to be used in PRSP monitoring and assessment.

314. ***Improved transparency in management of public resources.*** In routine economic management, stringency, rationality, and transparency in the conduct of fiscal affairs have led to the implementation of instruments and mechanisms pursued through the computerized expenditure system, program budget, medium term expenditure

framework, budget support, budget management strengthening program (PRGB) exercise, requirements on accountability in fiscal management and accounting practices in the private sector (CFAA); review of public expenditure; and revision of procurement procedures. The integrated revenue system project has also made substantial progress with the finalization and adoption of terms of reference during 2002. Last, the finalization of software for the integrated state accounting system (CIE) and its extension to the peripheral treasuries, and implementation of a mechanism to monitor payment delays will provide a better understanding of state accounting operations.

315. The government has begun an internal assessment to take stock of reforms undertaken in the fiscal area since the launch of the structural adjustment program in 1991. This study led to the implementation in May 2001 of the project to support economic governance (PRGE), which includes activities involving support for constructing the 2025 forward-looking national study, economic steering, and aid coordination.

316. The members of the Audit office have been installed and it has been operational since July 2002. Steps have been taken to review the organic law to convert it into a superior financial jurisdiction. To ensure that parliamentary control is exercised over budget execution and to strengthen public resource management, during phase one of PRSP implementation, the government submitted draft laws on budget execution for the fiscal years 1995-2000 to the Audit office.

317. Efforts have been made to decentralize budgets and to establish subappropriations in the social ministries, as well as in programming of procurement activities. The overhaul of the regulations on government contracting adopted in this connection aims to establish greater transparency in public procurement procedures. Accordingly, to guarantee transparency and healthy competition between bidders in government contracting, it was decided that the results of calls for bids should be published in a procurement review established for that purpose.

318. An analysis of the cases processed by the arbitration and conciliation committee shows an increase in the number of referrals between 2000 and 2002, demonstrating that parties to contracts have a more advanced knowledge of the provisions governing government contracting. At the same time, the number of cancellations declined by nearly 24 percent between 2000 and 2002, reflecting efforts to ensure that government contracting operates smoothly, even if there may be hidden tort, for which the parties to the contract share the cost.

319. The regular holding of the general assembly of state enterprises (state enterprises and administrative public institutions—EPA), effective application of the decree appointing project heads, and gradual internalization by authorities at all levels of the reporting requirements for their management activities constitute significant progress in the establishment of economic good economic governance in Burkina Faso, even if there is scope for further effort to enhance the dynamism and efficacy in the operation of state enterprises.

320. ***Strengthening the fight against corruption.*** The establishment in May 2001 by the government of the national ethics committee, whose responsibilities include fighting corruption, and the emergence of a national anti-corruption network, at the initiative of civil society should be emphasized. The activities of the national anti-corruption network (RENLAC), which serves as an anti-corruption reference in Burkina Faso, are intended to support the authorities in combating this serious problem.

321. Further, important decisions have been taken to strengthen the institutional mechanism to combat fraud and corruption with the creation of the high authority to coordinate the fight against corruption. We observe that this high authority may receive and study any reports or undertake any investigation that may be useful, at its own initiative. Two decrees issued in September 2002, respectively, on the appointment of the president and members of the institution, have enabled it to become operational. The institution is working on establishing a program of activities for 2003, including the important matter of completing regulatory and administrative formalities on administration of the oath and official installation of its members.

322. ***Strengthening the mechanisms for operational economic management.*** Since the Kaya workshop (March 2002) on budget management instruments, efforts have continued in budget programming and efficacy of public expenditure in the present context of the fight against poverty. The exercise to integrate sectoral and state budget policies in the medium term and to improve the impact of public expenditure has been pursued since 2000 and is becoming increasingly generalized (health, education, justice, decentralization, transportation, security, environment, agriculture, etc.).

323. The preparation of the medium term expenditure framework (METF) each year on the basis of sectoral policy papers, operational action plans, and program budgets has led to more effective preparation of preliminary draft budgets. METF ceilings have been incorporated into the budget circular since 2002. A plan to improve the process, however, should be established and implemented on an integrated basis with a review of the process of implementing the program budget in all ministerial departments. Similarly, the program budget exercise should be expanded, particularly in the area of its linkages with the administrative budget.

324. Despite the various accomplishments discussed above, implementation of the program to strengthen budget management that accompanies all of these routine and operational economic management mechanisms suffers from the absence of any revision on implementation of recommendations from public expenditure reviews (education, health, public investment program—PIP, budget devolvement, rural affairs, and infrastructure), and nonintegration of external financing into the CID, which represents a major handicap in monitoring budget execution. There is also scope for effort to improve control of the budget exercise, particularly in the area of observing deadlines for commitment and settlement operations, as this would facilitate the linkage of results with PRSP implementation for a given period.

325. ***Strengthening management of general government.*** Following the adoption of the overall reform of general government (RGAP), progress has been made since 2000

with the introduction of the new merit based assessment system, expected to take effect from 2001; application of the new contractual regulations; and definition of jobs in different activity sectors.

326. In 2001, we also noted the application of the merit based staff promotion system and implementation of programming tools for activities of administrative units: assignment letters, contracts specifying objectives, activity programs, management indicators, activity reports, etc.

327. Implementation of human resource directorates and deconcentration of case management for staff members using the integrated administrative management and wage system for state employees (SIGASPE) now being deployed through the inter-administrative network (RESINA) also constitute substantial accomplishments, even though scope for effort remains in the proper training of stakeholders to ensure that these new instruments are effectively used in all administrative units.

328. During 2001, training was organized for just under 3,000 managers of ministerial units, on reform issues and the use of different staff assessment and management tools. Efforts, however, remain to be made to train more staff as the training of 12,000 managers had been envisaged in this connection. Greater emphasis must be placed on this training to ensure that these new instruments are effectively applied in all administrative units.

329. At the level of government, the reform required adoption of approximately 20 laws and decrees, although further legislation remains to be adopted on the modalities for dealing with accidents and illness in the civil service. Payouts to staff in the new grid are 98 percent effective, and the ministerial departments have been contacted regarding the list of officers yet to receive such payments.

330. For future activities, the government's efforts will focus first on proper operation of the system at the central level with the gradual connection of human resource departments to SIGASPE and more effective reflection of the process at the level of the deconcentrated units.

2.2.4.3. Local governance

331. Decentralization is a real process in Burkina Faso, and the activities conducted during the period 2000-2002 consisted in its expansion and the consolidation of the local political and economic architecture. Local development, however, is still impeded by insufficient transfer of authority and resources from the state to local units of government and delegation of authority to the deconcentrated technical units according to the law programming implementation of decentralization.

332. ***Expansion of the decentralization process.*** The legal guidelines for decentralization (TOD) adopted in 1998 confirm decentralization as a fundamental focus for the initiative to support the development of democracy. Following adoption of these guidelines, mechanisms to promote internalization of the TODs and for giving more responsibility to the local and central stakeholders were developed throughout 2000 to

ensure that all participants operate effectively in the decentralization scheme, and that they consistently bear responsibility for its implementation.

333. In 2001, the institutional scheme of decentralization was supplemented with the creation of 13 administrative regions. In 2002, during the course of normal operations it was found that the TODs needed to be reviewed, with a view to extending the decentralization process to the entire country, as it now only involves 18 percent of Burkinabè citizens. In accordance with Law 43-98/AN of August 6, 1998, emphasis should be placed on programming decentralization, extending the process to rural areas to create a new environment for the poverty reduction strategy paper, thus providing a broader coherent framework for the latter to conduct activities aimed at reducing regional disparities.

334. Accordingly, the government undertook a process during the 2000-2002 stage of expanding the decentralization and deconcentration effort, which together should create an unbroken chain covering the entire national territory, which would relay mobilization efforts to people at the sites of development activity.

335. In this connection, the institutional reorganization of the Ministry of Territorial Administration and Decentralization (MATD) was undertaken to reflect the new institutional landscape of decentralization. This restructuring can be expected to enable all components to serve as technical instruments to support effective application of the TODs.

336. In connection with this process, General Directorate for Coordination of Territorial Affairs and a General Directorate for Local Units of Government were established to replace the former General Directorate for Territorial Administration and General Directorate for Decentralization (DGD). Further, the national committee on decentralization reports to the office of the minister. Its forecasting role and independent status in connection with assessment activities, however, were retained.

337. Against this backdrop, intervention by the instruments of technical and financial support (fund for development of local units of government and agency to support management and development of local units of government) is no longer limited to the communes, but extends to all local units of government.

338. In addition, the conversion of the Directorate of Territorial Development into a General Directorate with a local and regional development component within the Ministry of Economy and Development is an important accomplishment to be noted as it supports the advancement of the decentralization process.

339. The local shifting of authority for staff recruitment and budget positions in health and basic education in the process of decentralization has also been one of the government's priorities. Although little progress was made in the local shifting of health staff recruitment, it was confirmed that this will be accomplished based on the progress made by the Ministry of Basic Education and Literacy.

340. ***Consolidation of the local economic and political architecture.*** Decentralization requires expansion and consolidation of the political and economic capacities of the regions and local units of government. The establishment of the regions and the new environment in connection with the decentralized rural development strategy adopted by the government to serve as a federative framework for the various programs and projects targeting development of grassroots rural communities give the PRSP a foundation to conduct activities aimed at reducing regional disparities.

341. Significant progress has been made in the process of decentralization, and, in particular: (i) implementation of instruments for institutional, technical, and financial support for the communes; (ii) operational management capacity building for local elected officials and communal officers; (iii) strengthening of the public infrastructures and equipment of the communes; (iv) consolidation of and increase in financial and fiscal resources for most communes; (v) renewal of more than 80 percent of the municipal staff combined with an increased proportion of women elected councilors from 12 to 21 percent following the 2000 municipal elections.

342. The number of communes in full operation increased to 49, including the 33 first-generation communes whose leaders are now serving their second term since the latest municipal elections held in November 2000.

343. Last, to accompany the process of decentralization, economic and financial administration authorities have taken actions to organize the deconcentration of payment order issuance, and a pilot experiment will be undertaken in this connection beginning in 2003, in Bobo-Dioulasso.

344. Steps have been taken for the effective, expeditious transfer of competence and resources to local units of government. Education and health are the priority sectors. Gradual transfers will be made to other areas depending on the capacity of the communes to implement them.

345. To optimize opportunities in connection with decentralized cooperation, Burkina Faso in December 2002 welcomed the second Franco-Burkinabè decentralized cooperation event. This forum served as a framework to bring new impetus to the nearly 150 pairing and cooperation arrangements and outlined new prospects for extending decentralized cooperation through the involvement of additional nations from Europe and the Americas, and contributions from multilateral partners.

Box 6: Results in the area of good governance: 2002

Democratic governance

In terms of consolidating democratic progress, we observe the holding in May 2002 of legislative elections and the presence of five parliamentary groups in the national assembly. In addition, we observe the adoption of the charter of political parties, status for the opposition, and preparation of the framework paper on capacity building of civil society organizations to reflect their role in providing checks and balances for state management. In July 2002, a ministry responsible for promotion of human rights was established to help strengthen and consolidate the state under rule of law in Burkina Faso. In addition, two new television networks effectively started operation and the review of the Information Code was launched to rehabilitate and strengthen the legal framework for the media and to reflect numerous entries into the media area.

To strengthen the political and social dialog, pursuit of cooperation between the government and unions led to a reduction in the single tax on wages and salaries and the adoption of a resolution on the forthcoming establishment of a poverty reduction fund by the economic and social council. Further, compensation for the victims of political violence was started following the national day of forgiveness, involving payments of more than CFAF 2 billion from the fund of CFAF 6 billion.

In the area of justice reform, a decree adopted in July 2002 marks the beginning of the effort to rehabilitate the judiciary and a text now being examined on promotion of alternative sentences will help promote social justice. In addition, in support of access to justice, a reception desk and information office was established in the high court of Ouagadougou, and the rooms of the high court of Ouahigouya and Koudougou were renovated and refitted.

Economic governance

Improving transparency in public resource management. The Audit Office, whose members have been installed, has been operational since July 2002. It has already issued decisions and has prepared the report on settlement laws for 1995-2000. Stringency, rationality, and transparency in fiscal management have also been pursued (CID, program budget, medium term expenditure framework, and integration since 2002 of ceilings from this expenditure framework into the budget circular, budget support, program to strengthen budget management and required reporting in fiscal management and private sector accounting practices, and public expenditure review), and TORs of the integrated revenue system were finalized and adopted. Last, the adoption in July 2002 of the action plan to strengthen budget management consolidates all of these activities.

The strengthening of the institutional system to fight fraud and corruption has continued with the adoption of two decrees in September 2002 in respect of the appointment of the president and members of the high authority to coordinate the fight against corruption, whose task is to prepare a program of activities for 2003.

Local governance

In the area of local governance, 2002 is marked by the pursuit of the process of decentralization. High points include the institutional reorganization of the Ministry of Territorial Administration and Decentralization (MATD) and the review of legal guidelines on decentralization to reflect the new organizational system for decentralization supplemented in 2001 with the establishment of regions.

Accordingly, the Ministry of Territorial Administration and Decentralization in 2002 restructured this unit to make all components into technical instruments to support effective application of the TODs.

To consolidate the local political and economic architecture, the interventions of the support instruments are no longer limited to the communes alone—they also extend to all local units of government, and now report to the General Secretariat of the MATD.

2.3. INSTITUTIONAL MECHANISM FOR PRSP MONITORING AND ASSESSMENT

2.3.1. Internalization challenges

346. The challenges associated with PRSP ownership entail ensuring that the all stakeholders in the process have a good knowledge of the basic document, its content, scope, and purpose. In addition, these stakeholders must be totally involved in the process. The stakeholders are primarily players from general government, the private sector, civil society, technical and financial partners, as well as the populations targeted in the implementation of the various initiatives involved.

347. Internalization therefore first involves a participative approach to the process of preparing the PRSP. Next, the various stakeholders require sufficient qualitative information. The information process may be supported with the preparation of a communication plan in connection with the PRSP.

348. *Participation.* While preparation of the PRSP in 2000 met the requirements in terms of participative consultations existing in Burkina Faso, the timetable for these consultations did not permit all stakeholders to be sufficiently involved—particularly those from civil society and the private sector, and in some cases even the administration. This situation was reflected specifically by restrictive perceptions of the federative dimension of the PRSP and concerns that limited its scope to the sectors covered by HIPC resources.

349. At the level of administration, these concerns and perceptions did not facilitate coherent, harmonious linkages between sectoral policies and the overall poverty reduction strategy.

350. The private sector has not always clearly understood or taken ownership of its leading role, particularly in the implementation of strategic areas 1 (accelerate equity-based growth) and 3 (increase employment and income-generating opportunities for the poor) of the PRSP.

351. Owing to insufficient information and its lack of organizational capacity, civil society has not served effectively as a “proposing force.” The national workshop held during November 25-28, 2002 in Bobo-Dioulasso on sustainable human development and civil society organizations, however, provided an opportunity to learn more about the PRSP, the existing system, and indicators developed for its monitoring and assessment.

352. *Information process.* Since its development and implementation in 2000, the PRSP has certainly been disseminated in terms of public opinion, and at the level of all partners. Several seminars on feedback organized on the PRSP add to the many meetings held in this connection. During this period, the organization of regional workshops on the PRSP has also provided substantial opportunities to sensitize and inform the populations and the different stakeholders involved in the process.

353. The process, however, did not have the benefit of a special communication plan, and some time was required for many stakeholders to learn about the PRSP in terms of its

content, scope, and purpose. This situation was partially corrected by the July 1 and 2, 2002 national assemblies on the PRSP, which enabled senior managers from the administration, private sector, and civil society to gain a more thorough understanding of the PRSP.

2.3.2. Institutional system for monitoring and assessment

354. *Absence of synergy.* The strategy for PRSP monitoring and assessment adopted in 2000 is based on the consolidation of existing assessment systems, updating of monitoring indicators in the priority sectors, and implementation of a mechanism to monitor implementation and conduct of activities to prepare the next PRSP.

355. The institutional framework for PRSP monitoring established by a decree of the council of ministers of April 4, 2001 includes three levels

356. *Decision-making level.* The ministerial supervision committee, chaired by the prime minister, is responsible for assessing overall PRSP execution and solving problems in this connection.

357. *Technical level.* the interministerial monitoring committee, chaired by the secretary general of the Ministry of Economy and Finance, is responsible for monitoring and coordinating implementation of sectoral action plans under the PRSP, harmonization of actions taken, preparation of quarterly reports on PRSP implementation, and preparation of reports on meetings of the ministerial supervision committee.

358. *Operational level.* Six sectoral working groups (health, education, rural development and food security, competitiveness and promotion of the private sector, macroeconomic framework and budget management, and good governance, and decentralization) are designed to stimulate implementation of the action plans and sectoral reforms. These sectoral groups are chaired by the secretaries general of the ministerial departments, and they prepare quarterly reports on PRSP implementation.

359. During implementation, it was found that the sectoral groups did not function optimally. The system suffered, in particular, from an absence of synergy owing to compartmentalized operation of the sectoral groups, an absence of specifications and mobility of staff responsible for coordination, and leadership at the sectoral level.

360. *A more operational system reflecting the regional dimension.* During the assemblies on the PRSP organized in July 2002, it was recommended that the monitoring system should be reviewed to correct certain bottlenecks preventing their operation, failure to sufficiently reflect dimensions of gender and space, and insufficient involvement of the highest authorities from the ministerial departments. A draft institutional mechanism was prepared to reflect the concern for ensuring more effective participation among the partners (technical and financial partners, private sector, and civil society) and a greater impact of operations emphasizing sectoral and thematic committees rather than sectoral groups. The new institutional framework will also include regional, provincial, and local concerns to set the stage for greater involvement of the grassroots communities.

2.3.3. Monitoring indicators

361. *The important role of the national observatory on poverty and sustainable human development (ONAPAD).* With regard to monitoring indicators in priority sectors, the authorities decided to use the conclusions and recommendations of the test on conditionality of development aid to improve the methods for preparation and monitoring of future PRSPs. The indicators produced as a result of this test, however, were found not to be comprehensive and in some cases proved unsuitable for monitoring results of the PRSP process.

362. In the framework of cooperation with the United Nations Development Program (UNDP), the government therefore implemented, within the National Council on Coordination of the Statistical System of the National Institute of Statistics and Demographics, a National Poverty and Sustainable Human Development Observatory (ONAPAD) and an Employment and Occupational Training Observatory (ONEF) intended to be its monitoring systems for the poverty reduction activities.

363. ONAPAD has now identified more than 100 indicators in seven areas: household living conditions and conditions for sustainable human development; health and nutrition; education (primary, secondary, and higher education); agriculture, livestock breeding and fisheries; drinking water and sanitation; environment, sustainable management of natural resources and energy; and macroeconomics and fiscal affairs.

364. These indicators are ranked as follows. First level: composite indicators for assessment of overall trends: 42; Second level: indicators to analyze and research explanatory factors: 60; Third level: specific indicators for very detailed analyses, diagnostics, and indicators to be covered by the statistical system in the short or medium term: 7.

365. Various workshops were held in 2001 and 2002 to improve these indicators and to produce a minimum list of indicators, in particular, for results. These workshops included the participation of units of general government, the private sector, civil society, and bilateral and multilateral cooperation organizations.

366. *An assessment system with scope for strengthening.* In matters concerning the consolidation of existing assessment systems, the activities conducted made it possible to improve production of information through enhanced capacity to produce statistics and to conduct regular surveys—particularly test surveys on new conditionalities, and collection and availability of information derived from routine management of administrations. The major concerns in connection with the PRSP were to:

- Ensure that the identified indicators are available and reliable;
- Prepare new indicators required to expand monitoring and assessment of results to all strategic areas.

367. In addition, two successive assessments (2000 and 2001) on implementation emphasized the insufficiency of relevant and consensus-based indicators appended to the PRSP for monitoring purposes. In this connection, the context of PRSP preparation did

not enable the government to take the steps required to fill this gap in a timely manner. The existing statistical information from administrative sources, particularly in the areas of health, education, agriculture, and in other economic sectors, supplemented with results of test surveys on new conditionalities, have permitted close, albeit insufficient, monitoring of PRSP implementation.

III. OUTLOOK FOR 2003-2004

3.1 ECONOMIC PERSPECTIVES FOR 2003

1. Following substantial growth of 6.1 percent in real terms registered in 2001, the Burkinabè economy registered a decline in 2002 of 4.9 percent owing to poor rainfall levels and very unfavorable international and subregional climates. In 2003, in light of the relatively good reaction of various production units and a good start of the growing season, the level of growth in GDP can be expected to be slightly higher than its 2002 level, i.e. 5.4 percent in real terms. This apparently noninflationary growth will be driven mainly by the primary sector in light of the increase in cereal production, and above all, by the substantial possibility of achieving the target of 500,000 tons in cotton output. The contributions of the secondary and tertiary sectors will also be quite significant.

2. These new economic dynamics should guarantee Burkina Faso a better outlook for stronger growth to enable the government to fight poverty. The government has reaffirmed its willingness, despite disappointing results, to make the poverty reduction strategy paper the key reference in conducting its economic and social policy, and accordingly, the key framework for mobilizing domestic and external resources (official development assistance). As during the three preceding years, the Burkinabè government will organize its efforts during 2003 to address the substantial social deficit, provide conditions for food security, and guarantee access to drinking water for the poor while strengthening its sectoral practices and capacity to mobilize financial resources to implement the various programs focusing on the four strategic areas of the PRSP.

3.2. PRIORITY ACTIONS TO BE IMPLEMENTED IN 2003

3. *Strategic area 1: Accelerate equity-based growth:* The government will pursue the following efforts:

Fiscal affairs

- Harmonization of the financial texts with the five directives of the West African Economic and Monetary Union (WAEMU). The new organic law in respect of budget laws will be referred to the national assembly for adoption while the government will work on adoption of the new budget classification to be applied during the course of the 2004 budget process;
- Improved budget management. Instructions will be adopted on the roles of CID participants for capital expenditure based on external financing, and public

expenditure reviews (RDP) will begin in the secondary and higher education and justice sectors;

- Enhanced revenue management. A steering committee will be implemented for the project to prepare the integrated revenue system, and prepare a timetable for implementing these activities and a computerized system to manage fees and taxes in the medium and large enterprise divisions of the regional tax directorates of central (Ouagadougou) and western (Bobo-Dioulasso) Burkina Faso;
- Acceleration of the process of deconcentration in budget execution. The pilot experiment at the level of Bobo Dioulasso should begin and the action plan to extend the CID to other regional seats should be finalized; and
- Improvement in monitoring of state wealth through the adoption of an action plan to establish a materials accounting system.

Private sector development

- Preparation of a strategy to structure the electricity and hydrocarbon subsectors;
- Finalization of the study on regulation of the energy sector.
- Pursuit of implementation of the privatization program for enterprises with participation of public funds.

4. *Strategic area 2: Guarantee that the poor have access to basic social services.*

Measures will be taken in the following areas:

Education

- Finalization of the transfer of recruitment and assignments at the level of the regional directorates for basic education and literacy (DREBA);
- Pursuit of the school subsidization policy in the 20 provinces registering the lowest school enrollment rates (distribution of school supplies and textbooks, and food supplies for canteens);
- Effective application of the measure on exemption of parents of girls from dues for parents' associations contribution;
- Application of administrative measures to implement the subcycle system beginning with the 2003/2004 school year;
- Preparation of a draft medium term expenditure framework for the education sector;
- Financing for the 10-year development plan for basic education at the level of the 2004 budget;
- Preparation of an action plan in respect of literacy and training for women.

Health

- Definition of measures to be taken to continue free distribution of vitamin A and implementation of these measures;
- Applicability of the new price structure for essential generic drugs;

- Assignment of new graduates of the ENSP to health districts and health and social promotion centers;
- Preparation of an action plan on application of the recommendations of studies on staff incentives;
- Sub-appropriation increases of at least 10 percent in the 2004 budget;
- Preparation of a draft medium term expenditure framework for the health sector;
- Semiannual review of the national health development plan.

Drinking water

- Preparation and adoption of an action plan to reach the millennium development goals;
- Implementation of the action plan to reduce charges to the public administration.

5. *Strategic area 3. Increase employment and income-generating opportunities for the poor.* The government intends to pursue the:

- Completion of the opening of the cotton sector through the conclusion of negotiations;
- Finalization of the study on the fruit and vegetable sector;
- Continuation of the effort to construct rural roads and to rehabilitate some roads;
- Strengthening of the small-scale irrigation program;
- Effective implementation of regional agriculture chambers;
- Preparation of a framework program for sustainable development of the agricultural sector.

6. *Strategic area 4. Promote good governance.* Measures will include the following:

Democratic governance

- Adoption of a new national plan for good governance and an investment program;
- Implementation of the communication plan of the executive secretariat for good governance for effective implementation of the national good governance plan;
- Continued implementation of the action plan on justice reform through the strengthening of institutions that support the operation of justice, expanded access to justice, and strengthened efficacy of justice;
- Adoption of operational programs for implementation of action plans and orientation for promotion and protection of human rights;
- Implementation of national policy on domestic security;
- Completion of the effort to harmonize the SIGASPE database;
- Definition of a strategy to implement the national policy on reform of the state.

Economic governance

- Completion of a study on the national policy to fight corruption by the high authority for the coordination of the fight against corruption;

- Assessment by the general finance inspectorate of the application of new regulations using a sample of contracts;
- Strengthening of the control function through the adoption of new bylaws governing agents of the general inspectorate of the state and general finance inspectorate and strengthening of other control services;
- Adoption of a text establishing the conditions for the issue and withdrawal of authorizations for public works contracts;
- Design of a computer application to establish a database and application to monitor government contracting that is compatible with the existing applications (CID);
- Adoption of the budget execution law for the 2002 fiscal year;
- Production of account balances for the treasury;
- Preparation of general and thematic scenarios for the forward-looking study “Burkina 2025;”
- Implementation of a steering mechanism for the program to strengthen budget management.

Local governance

- Adoption of texts on implementation of the revised TODs;
- Implementation of regions as decentralized units by making the governorships operational;
- Finalization of the strategic framework on implementation of the decentralization and study on assessment of costs and resources in connection with the powers to be transferred to the communes.

3.3. FINANCIAL PROGRAMMING

7. The financing sources identified in the poverty reduction strategy paper will continue to be used for the period 2003-2004.

8. ***Budget.*** The state budget as the key instrument for implementation of national social and economic policy will remain the principal source of PRSP financing for 2003-2004. Projected social expenditure (not including HIPC) with own resources will amount to approximately CFAF 101 billion for 2003 and can be expected to increase in 2004 by just under 9 percent to CFAF 109 billion. These recourses will continue to be devoted primarily to finance priority sectors through better programming reflected in the medium term expenditure frameworks. In 2003, growth in expenditure on priority sectors of just under 23 percent over the outturn level in 2002 is expected, devoted largely to investments (just under 20 percent. This budget effort in favor of priority sectors should be pursued in 2004 with projected increases of 5.6 percent over 2003.

9. During the period 2003-2004, most debt relief resources will continue to be allocated to the priority sectors of basic education, health, agriculture and animal resources, drinking water, and rural roads; and will be expanded to other social sectors. The gradual implementation of bilateral agreements with partners engaged in the

initiative will make it possible to mobilize a greater volume of HIPC resources, which will amount to approximately CFAF 28 billion. Credit carryovers will be added to these funds to double the level of these resources in 2003 compared with 2002 outturn. Projections for 2004 amount to CFAF 26 billion.

Table 24: Developments in social expenditure (CFAF billions)

Description	Outturn 2002			Projected 2003			Projected 2004		
	Budget	HIPC	Total	Budget	HIPC	Total	Budget	HIPC	Total
Priority sectors	77.11	23.43	100.54	94.69	44.89	100.54	100.04	26.20	126.23
Health	28.45	10.01	38.46	32.01	16.32	38.46	34.16	8.85	43.01
Education	33.76	8.95	42.71	43.09	17.41	42.71	45.24	8.85	54.09
Infrastructure	-	1.84	1.84	-	4.68	1.84	4.22	3.19	7.41
Agriculture, water systems	10.24	1.74	11.98	14.37	3.83	11.98	10.46	3.54	14.00
Livestock resources	1.99	0.73	2.72	2.32	2.39	2.72	2.85	1.77	4.62
Environment and living conditions	2.67	0.16	2.82	2.90	0.26	2.82	3.10	-	3.10
Other social sectors	3.94	3.21	7.15	5.38	4.58	7.15	8.05	4.25	12.29
Employment and labor	1.28	1.00	2.27	1.75	1.90	2.27	1.82	1.06	2.89
Advancement of women	0.28	1.65	1.94	0.32	1.12	1.94	0.40	1.06	1.47
Social action	2.38	0.56	2.94	3.31	1.12	2.94	2.87	1.77	4.64
Information	-	-	-	-	0.44	-	2.95	0.35	3.30
DCIM	-	1.53	1.53	-	3.21	1.53	-	3.01	3.01
TOTAL	81.05	28.16	109.21	100.07	52.68	109.21	108.08	33.46	141.54

Sources: CID, METF

10. **External financing:** Burkina Faso will continue its policy to mobilize official development assistance, which has consistently covered a substantial portion (approximately 80 percent) of public investment financing. In this framework, for 2003 the authorities expect almost CFAF 187 billion to finance the fight against poverty. Owing to borrowing constraints, there should be little change in financing through loans, and the increase in the level of official development assistance should come from an expected CFAF 102.3 in grants, equivalent to 55 percent of total financing.

Table 25: Comparative developments in external financing (CFAF billions)

Description	2002		2003	
	Non-HIPC	Incl.- HIPC	Non-HIPC	Incl. HIPC
Externally financed projects	181.4	188.8	186.8	194.5
- Loans	82.1	82.1	84.6	84.6
- Grants	99.3	106.7	102.3	109.9

Sources: MEF – PRSP, excerpt from the table on page 67.

11. In addition to this program/project financing, the government will continue to benefit from budget aid from the technical and financial partners, which may be supplemented when additional countries join the budget support program in connection with PRSP implementation (SBC-PRSP).

3.4. NEW INSTITUTIONAL SYSTEM FOR PRSP MONITORING

12. Implementation of this revised PRSP will be accompanied by a new institutional system and a consensus-based matrix of monitoring indicators. This institutional system should reflect the government's effective leadership while creating the conditions for greater synergy among activities and a dynamic partnership with the donors, private sector, and civil society in the context of the decentralization and deconcentration of the government state. It should be a decision making mechanism established by the government in a framework of steering, implementation, monitoring, and assessment of the national poverty reduction strategy, and in particular, it will be responsible for:

- Assessing the directives and timetable for formulation and adjustment of the national poverty reduction strategy;
- Examining the results of the work on preparation and adjustment of the national poverty reduction strategy;
- Examining and validating the periodic reports on implementation;
- Recommending general or specialized studies required to enhance policy components;
- Examining and validating the system for monitoring and assessment of the national poverty reduction strategy;
- Proposing objective based contracts with civil society and the private sector.

13. This system will primarily include: (1) a ministerial steering and monitoring committee; (2) sectoral and thematic committees; (3) a framework for coordination with the development partners; and (4) decentralized structures at the regional level.

14. The ministerial steering and monitoring committee's task will be to contribute in general to the effort to solve the problems inherent in implementation, negotiate tradeoffs, and define appropriate measures to remove constraints encountered in implementation of the strategy.

15. The sectoral and thematic committees will be responsible for assessing sectoral policies and the monitoring and assessment system and taking stock of implementation of different policies, programs, and projects. They will also serve as a forum for expanding private sector initiative and promotion measures.

16. The framework for coordination with the partners will be instituted to assess and propose measures intended to improve coordination and dialog between the government and its partners. In this connection, it provides the government with suggestions to enhance performance in the area of poverty reduction. It constitutes a framework for assessing results obtained and mobilization of resources.

17. Decentralized structures will serve as local relays for the national system. As poverty in Burkina Faso is primarily rural, its systematic monitoring at the territorial level is key as it will provide specific information by region to enable policy makers to develop informed reactions. These structures may be organized in accordance or in combination with the institutional system envisaged in the decentralization process.

3.5. MONITORING AND ASSESSMENT SYSTEM

18. *Assessment system.* Assessment of PRSP implementation in 2003 will be covered by sectoral and thematic committees that will produce a report for that purpose. The report will be used as a source for the annual review under which all stakeholders will assess the results achieved in connection with the fight against poverty. The review will provide an opportunity to examine implementation of the measures adopted for 2003.

19. *Matrix of indicators to be appended to the PRSP.* The revised version of the PRSP will be appended with a matrix of indicators derived from the overall set of indicators prepared by ONAPAD and/or by the ministerial departments. The process of preparing indicators should, however, be pursued with the implementation of those derived from the areas of governance, environment, and gender, to supplement those already identified in the sectors of rural development, private sector and competitiveness, employment, and occupational training.

20. A workshop was held in Tenkodogo in June 2003, at which a consensus was reached on approximately 30 substantially representative, relevant indicators that could be reported by the different stakeholders in the PRSP process. The matrix was refined in connection with a complementary study. The indicators to be adopted definitively for use in PRSP monitoring must be agreed to on the basis of this round of indicators.

IV. CONCLUSION

1. National wealth formation and trends were dampened during the period 2000-2002, despite the government's full commitment. Progress toward growth objectives suffered from exogenous shocks, and primarily irregular rainfall, the effects of the Ivorian crisis in the area of foreign trade and accommodation of repatriates, fluctuation of cotton and oil prices, and insufficient capacity for effective use of investment.

2. The state budget was the main source of financing for the PRSP as it is above all the government's key economic and social policy implementation mechanism. More than CFAF 809.8 billion in own resources were injected into the economy essentially to benefit priority sectors through more effective budgeting since the adoption of the medium term expenditure framework in 2000.

3. Financing of the national poverty reduction strategy received substantial support from the technical and financial partners, which entailed a steady increase in official development assistance. Their contribution is particularly measurable in terms of the volume of debt relief resources (CFAF 35 billion) and budgetary assistance (CFAF 159 billion). The efficacy of investments, however, has remained low in terms of the rate at

which the impact on economic growth is being absorbed, attributable to delayed mobilization and capacity problems in the administrations.

4. In the area of competitiveness, there is scope for further effort to improve access for national output to the domestic and international markets. If there is no upstream problem of financing for certain production units (rice production of Sourou, Bagré, etc.), there is a true downstream problem of finding outlets, for two essential reasons: the high cost of factors of production and insufficient knowledge of the products of these different units owing to a deficit of commercial communication.

392. In general, however, there are real reasons for satisfaction after three years of implementation, with a substantial improvement observed in certain social indicators, particularly in the health and education sectors. The basic indicators (infant and maternal mortality, immunization coverage, access to family planning, HIV prevalence, school enrollment rate, etc.) improved slightly during the period thanks to joint efforts of the government and its development partners, which joined forces in implementing vigorous reforms at the institutional, budgetary, legislative, and regulatory levels. Gender inequalities, however, persist and regional disparities are still quite pronounced.

393. The poverty reduction strategy paper is reputed to be a framework for convergence of all interventions in Burkina Faso. This paper is unfortunately still not well known to most stakeholders, even in the administration, and as a result it is not optimally used as a reference framework for policy dialog.

394. Conceptually speaking, the poverty reduction strategy paper is quite coherent. Some insufficiencies, however, do remain in connection to the incompleteness of the iterative approach in determining growth objectives and the failure to reflect recent adjustments to certain sectoral policies. The regional dimension and gender issues still require further refinement.

395. While making the poverty reduction strategy paper operational through sectoral programs and policies is a relevant approach, an operational program is still required to support a more effective assessment of PRSP implementation during the year.

396. The PRSP has proven to be a valuable instrument for harmonizing programs on cooperation and coordination of official development assistance. These problems of coordination, however, are still an essential issue that must be accompanied with the timely availability of aid. The government should also concurrently make further improvements to the mechanism used to keep partners abreast of execution status.

397. Experience in PRSP implementation during the period under review has indicated that the priority program should be extended to sectors such as sanitation, environment, the fight against desertification, rural electrification, promotion of small scale mining, and promotion of small and medium scale industries and enterprises, which will have a clear impact on poverty.

398. Last, the institutional system established in March 2001 suffered prematurely from malfunctions resulting from:

- Insufficient involvement of ministerial department heads;

- Absence of regulatory provisions formalizing and specifying the role of working groups;
- Absence of effective working procedures and methods;
- Failure to clarify the roles of the partners in the process.

399. In the coming years, to enhance coherence and the chances for successful implementation of the PRSP, it is important to emphasize the formulation of sectoral policies and to implement a national capacity building plan for the central, decentralized, and deconcentrated administrations, as well as civil society.

ANNEXES

ANNEX I: MACROECONOMIC AND BUDGET INDICATORS

	1999		2000		2001		2002		2003	
	Actual		Actual		Obj.	Actual	Obj.	Actual	Obj.	Actual
1. Macroeconomic indicators										
Nominal GDP	1518	1661	1843	1950						
Real GDP growth	6.3%	2.2%	6.2%	5.6%	6.2%	5.7%	4.6%	6.5%		
Cumulative change in net bank credit to the government			-18.7							
Average annual inflation rate	-1.1%	-0.3%	<3.0%	4.9%	<3.0%	2.3%	<3.0%			
Tax revenue/GDP	14.5%	12.3%	14.0%	11.7%	14.0%	12.9%	13.3%	13.3%		
Current expenditure (commitment basis)/GDP	11.9%	11.8%	12.8%	12.0%	12.8%	13.0%	12.5%	12.2%		
Overall balance (commitment basis, including grants)/GDP	-0.7%	-1.6%	-2.9%	-4.4%	-2.9%	-4.3%	-3.3%	-5.0%		
Primary balance/GDP	0.2%	-0.6%	-2.0%	-2.8%	-2.0%	-3.6%	-4.2%	-2.5%		
2. Budget efficiency indicators (commitment basis)										
State budget execution rate (excluding debt and investment from external sources and excluding HIPC)	97.3%	95.1%		90.6%		>85%	93%			>85%
Operating expenditure (Titles II, III, and IV)	99.2%	99.5%		96.6%			95.0%			
Capital expenditure with own resources				73.8%			81.2%			
Average time from validation to payment	33 days	56 days		57 days		50 days	42 days			90 days*
Average differential between prices under public procurement and a list of standard prices of common products			Favorable trend	Unfavorable trend	Favorable trend	Favorable trend				Favorable trend

* Reference value is the regular delay for commercial contracts of 90 days.

Sources: IAP/FRPC/TOFE

ANNEX 2: EDUCATION INDICATORS

Areas	Indicators	1998/99		1999/2000		2000/2001		2001/2002		2002/2003		2003/2004	
		Actual	Obj.	Actual	Obj.	Actual	Obj.	Actual	Obj.	Actual	Obj.	Actual	Obj.
Budget indicators	1. Share of budget devoted to the Ministry of Basic Education and Literacy (MEBA), of which, from own resources	9.98%		12.08%				11.00%		11.19%	14.46%	14.7%	14%
	2. MEBA budget execution rate												
	- Overall			98.98%		99.76%		96.38%		96.38%	100%	107%	>85%
	- Decentralized structures			93.88%		89.63%		99.29%		99.29%	100%	66.6%	>85%
	3. Gross admission rate, CPI:												
	- Overall	36.1 (42.1)		36.8 (42.8)		39 (44.9)	42	40.3 (46.9)	47	52.9	49		
	- Girls	30.2 (35.0)		31.1 (36.0)		33 (38.1)	36.2	34.7 (40.2)	38	45.4	46		
	- 20 provinces with lowest enrollment rates	24.8 (30.0)		26.8 (32.2)		28 (32.5)	32	30 (35.5)	33	43.2	42		
	Of which girls	20.2 (23.5)		21.6 (25.7)		23 (26.7)	27	25 (29.0)	29	35.7	39		
	4. New entrants, CPI (number)	153,984		160,256		172,162	191,630	184,670	214,855	212,874	234,292		
Access to the education system	5. Gross enrollment rate												
	- Overall	40.5 (42.2)		41.3 (43.0)	46.78	42.7 (44.4)	45	43.4 (45.1)	48	47.5	53		
	- Girls	30.2 (34.9)		31.1 (35.9)		36.2 (35.5)	38	37.2 (38.6)	41	41.0	46		
	- 20 provinces with lowest enrollment rates	24.8 (25.3)		26.8 (27.2)		28 (28.6)	31	28.5 (29.9)	33	32.9	38		
	Of which, girls	17.98 (18.8)		19.7 (20.7)		23 (22.3)	26	22.7 (23.8)	29	26.7	34		
	6. Repeater rate												
	Primary (CP)							13	11	12.7	9	9.7	7
	Elementary (CE)							17	14	16.9	12	14.3	10
	Intermediate I (CMI)							19	16	27.9	14	16	12
	Efficacy of the education system	7. Compliance with ratio of one book per two students											
- Math		0.28		0.29		0.4	0.5	0.45	0.7	0.24	0.8		
- French		0.59		0.61		0.6	0.7	0.49	0.8	0.44	0.9		
8. Literacy													
- Newly literate persons		43,993		44,347		52,440	56,635	64,373	61,166	76,763	66,059		
- 20 provinces with lowest school enrollment rates		23,162		22,120		26,300	28,930	34,645	31,823	41,859	35,005		
Of which, women		10,064		9,681		12,194	14,632	16,974	17,559	20,487	21,071		
- Literacy rate		26.95		27.94		28.96	30.01	31.11	31.11				
9. Average cost of school enrollment, primary				4,603		4,695		4,418					
10. Increase in number of classes		17,648		18,810		19,322		20,251					
Infrastructure													

Sources: DEP/MEBA Remark: The figures in brackets have been calculated with revised 1996 school population figures comparable with those applied from 2002/03.

ANNEX 3: HEALTH INDICATORS

Description	1999	2000		2001		2002		2003
	Actual	Obj.	Actual	Obj.	Actual	Obj.	Actual	Obj.
1. Rate of immunization coverage (percent)								
BCG	60	70	80	80	84	83	90.35	90.5
DTCP3	42	50	57	60	64	65	69.10	70
Measles	53	55	59	60	65	65	64.10	70
Yellow fever	50	55	56	60	52	65	61.34	70
2. Number of new contacts per person and per year in the first level structures (Health and Social Promotion centers—CSPS, and medical centers with surgical wards—CMA)	0.22	0.24	0.21	0.22	0.22	0.23	0.27	0.3
Number of CSPSs meeting personnel standards		60	70	75	74.4	80	76.6	78
3. Out-of-stock rates for essential generic drugs (in percent, at the generic drug procurement agency, for the basket of 45 priority items)	2.13	< 8	0.19	< 8	0.19	< 5	2.90	< 5

Source: DEP/Health

ANNEX 4: MATRIX OF MEASURES FOR THE PERIOD 2003-2004

AREAS/OBJECTIVES	2003	2004
I- Accelerate equity-based growth		
1.1. Stabilize the macroeconomic framework		
1.1.1. Enhance and accelerate formulation of sectoral policies	-Launch of survey of sectoral policies and quantified three year sectoral action plans in existence	-Completion of the survey of sectoral policies and quantified three year action plans in existence
		-Sectoral analyses of recurrent costs of sectoral investment programs
		-Organization of training seminars for staff of the DEP and DAF on formulation of sectoral policies and quantified three-year plans, as well as investment programming and budgeting
1.1.2. Harmonize financial texts with the five relevant WAEMU directives	- Adoption by the national assembly of the new organic law on budget laws	
	- Adoption by the government of the new budget classification applicable to the 2004 budget	- Application of the new budget classification
1.1.3. Budget management	-Preparation of a draft budget law in accordance with the PRSP and MTEF	
	-Adoption of instructions on the roles of CID participants in externally financed capital expenditure	-Execution of the project to develop the integrated revenue system
	-Preparation of terms of reference for public expenditure reviews for the Ministry of Secondary and Higher Education and Scientific Research and the Ministry of Justice, and selection of consultants	
	-Finalization of public expenditure reviews	
1.1.4. Enhance revenue management	-Finalization of terms of reference and study on development of the integrated revenue system	
	-Implementation of a steering committee for the project to develop the integrated revenue system and preparation of a timetable for carrying out the work	

	-Implementation of an information system to manage taxes in the medium and large enterprise divisions, regional tax directorates of central (Ouagadougou) and western (Bobo-Dioulasso) Burkina Faso	
1.1.5. Accelerate the process of devolvement in budget execution	-Extension of the CID and start of operations of the Bobo Dioulasso pilot site on authorization of budget expenditure at the devolved level	
	- Integration of expenditure from HIPC funds into the 2003 budget law	
	-Preparation of an action plan on extension of the CID	
	-Selection of four additional regional capital for extension of the CID	
	-Training of computerized expenditure system users	
	-Implementation of the payment order issuance procedures in four regional capitals	
1.1.6. Improve the government contracting system	- Filing of a request with the Inspectorate-General of Finance (IGF) on an assessment of the application of new regulations through a sample of contracts for the second half of 2003	-Integration of externally financed capital expenditure into the budget process and CID
	-Preparation of a draft decree regulating concessions and contracting arrangements based on international practices	
	-Adoption of a decree establishing the conditions for the issue and withdrawal of authorizations for public works contracting	
	-Design of a computer application to constitute a database and an application to monitor government contracting that is consistent with the existing applications (CID)	
1.1.7. Improve monitoring of the state's assets	-Inventorying of all of government assets	-Completion of the inventory of assets and establish the goods accounting system with appropriate software
	-Preparation of monthly balance sheets for 2003	
	-Strict application of the timetable for closing of budget operations for 2003	-Submission of the budget execution law for 2002 to the national assembly

	-Preparation of an action plan on implementation of the public property accounting system	
	-Adoption of new bylaws for agents of the National Inspectorate General (IGE) and IGF and other control services	
	-Undertaking of the inventory of all of the state's assets	
1.2. COMPETITIVENESS AND COST OF FACTORS		
Accelerate liberalization		Preparation of a national strategy on export promotion
1.2.1. Pursue state divestiture from productive and competitive sectors	Implementation of the program to privatize enterprises with participation of public funds	Continued implementation of the program to privatize enterprises with participation of public funds
1.2.2. Reduce costs per kilowatt hour	-Launching of the process to interconnect the line between Bobo-Dioulasso and Ouagadougou	-Continuation of work on the electrical interconnection of Bobo-Dioulasso and Ouagadougou
1.2.3. Accelerate energy sector reform	-Implementation of special electricity rates for industrial units	
	-Implementation of a regulatory agency for the energy sector	Operational start of the regulatory agency for the energy sector
	-Acceleration of the process of opening SONABHY to private capital	-Acceleration of the process of opening capital in SONABHY to the private sector
	-Acceleration of the process for privatizing SONABEL	-Acceleration of the process of privatizing SONABEL
	- Adoption of a strategy on rural electrification and an action plan for its implementation	-Implementation of the rural electrification strategy and plan
	- Establishment of a rural electrification fund	-Implementation of rural electrification
II- Guarantee that the poor have access to basic social services		
2.1. Access for the poor to education services	-Pursuit of the policy of school subsidies in the 20 provinces having the lowest enrollment rates (distribution of textbooks, school supplies, and food for canteens)	-Implementation of the action plan for social mobilization and new impetus for parents' organizations APEA and AME;
	-Exemption of parents from paying parents' association fees for girls	-Improvement in working conditions for teachers with the construction of housing units and refurbishment of defective ones, continuing education for teachers, and local training facilities

	-Free provision of a minimum package of school supplies for all newly enrolled pupils in CP1	-Improvement of study conditions for students with a more effective organization of the system for distributing textbooks
	-Finalization of the transfer of responsibilities for recruitment and assignment of teachers to Regional Directorates of Basic Education and Literacy (DREBA)	-Gradual extension of convincing innovations in teaching
	-Implementation of administrative measures for the application of the subcycle system beginning with the 2003/2004 school year	
	-First draft MTEF for the education sector	
	-Confirmation of financing for the PDDEB in the 2004 budget	
2.2. Access for the poor to literacy and non-formal education services	-Preparation of an action plan on literacy and training for women	-Preparation of a technical execution manual
	-Definition of a clear, appropriate, and effective strategy on production and distribution of textbooks and guides with AENF publishing policy	-Design of a guide for follow-up and supervision of Permanent Training and Literacy Centers (CPAF) and CNBF
	-Preparation of a post literacy strategy	-Finalization and dissemination of specifications for operators and new curricula for CPAFs and CNBFs
	-Preparation and implementation of a communication strategy in connection with the "faire, faire" strategy	- Implementation of AMEs in CBNF
2.3. Access for the poor to health services	-Definition of measures to be taken to continue free distribution of vitamin A	-Normalization of incomplete infrastructures
	-Verification that the new price system or essential generic drugs is applied	-Construction of new infrastructures and/or rehabilitation of existing ones
	Assignment of new National Public Health School (ENSP) graduates to health districts and Health and Social Promotion Centers (CSPS)	-Application of technical equipment standards to all levels of health care
	-Adoption of monitoring indicators for the National Health Development Plan (PNDS)	-Making at least 50% of the health districts operational
	-Normalization of incomplete infrastructures	-Preparation and implementation of a communication plan for the media strategy
	-Construction of new infrastructures and/or rehabilitation of existing ones	-Training and supervision of SBC staff involved in implementation of certain programs

	-Application of standards for technical equipment to all levels of health care	-Provision of technical support and community initiatives aimed at promoting health activities
	-Preparation of a national social mobilization strategy	- Training of management committee (COGES) members in management of health facility activities
	-Training and advisory services for SBC staff involved in implementation of certain programs	
	-Provision of technical support and community initiatives aimed at promoting health activities -Training of COGES members in management of health facility activities	
2.4. Access to drinking water		
Contribute to the implementation of integrated management (for Burkina Faso's water resources) adapted to the national context in accordance with the guidelines defined by the Burkinabè government and in keeping with the internationally recognized principles on sustainable and ecologically rational management of water resources	-Preparation of subsectoral international water resource management (GIRE) policies	-Preparation and enactment of implementing legislation
	-Assessment of the profitability of induced rainfall	-Creation of an environment favorable to the private sector
	-Adoption of drinking water standards	-Implementation of the information system on water
	-Information of users on GIRE.	-Monitoring and assessment of policies and strategies
		-Continuation of research and development;
		-Implementation of a human resource policy
		-Continuation of the campaign in this connection
	-Implementation of the institutional framework	
III- Expand opportunities in the area of employment and income generation for the poor		
3.1. Support for the productive sectors	-Acceleration of the effort to implement sector action plans	
	-Pursuit of the effort to harness and mobilize water	
	-Improvement in access for producers to credit	
	-Continued promotion of diversification in agricultural production through development of irrigated crops	
3.2. Study on the cotton sector	-Completion of the effort to open the cotton sector through the:	Make new areas operational

	Opening of technical bids for eastern and central Burkina Faso (August 2003)	
	Submission of financial bids by prequalified companies (September 2003)	
	Assessment of bids and invitation of successful companies to negotiations (October 2003)	
	Conclusion of negotiations (December 2003)	
	-Preparation of terms of reference for a study of options in connection with the development of the sector	Finalization of the study on the cotton sector
	Start of the study	Dissemination of the results of the study for exploitation
	-Finalization of the study on the fruit and vegetable sector	Exploitation of the results of studies on soil fertility and diversification
	-Dissemination of the results of studies on soil fertility and diversification	Start of implementation for action plans for cow peas and grains
3.3. Institutional studies	Start of the study on the institutional overhaul of the Ministry of Livestock Resources (MRA) (terms of reference have now been submitted to the World Bank for comments)	Finalization of the study on the institutional reform
3.4. Coordination of agricultural sector policies	Review of the sectoral policy and strategy documents for agriculture in progress	-Finalization of the agricultural strategy and policy documents for agriculture in progress
	-Preparation of an operational strategy reflecting the department's three activity sectors (agriculture, water, and fisheries)	
	-Formulation of a framework program for sustainable agricultural development	-Finalization of the framework program for sustainable agricultural development
3.5. Agricultural sector in particular	-Review of the framework agreement between the state and partners on management of the national security stock	
	-Continuation of effective implementation of regional agriculture chambers	-Completion of regional agriculture chamber implementation
	-Strengthening of the special food security program through extension and diversification of activities	
3.6. Fisheries sector	-Launch of a program to improve participation of fishing communities in management of fisheries resources	

	-Implementation of three priority programs: development of fisheries activity in the zones of Lake Ziga, promotion of village fish farming, and strengthening of the fish farming component of the Niéna Djonkélé plain.	
	-Drafting of legislation on management of fisheries of Bagré and Kompienga	-Adoption of an application decree for these texts
3.7. Reduce vulnerability in agricultural activity	-Implementation of emergency aid for 191,300 persons in 58 departments of the northern, Sahel, central northern, and central plateau areas exposed to food difficulties in 2003 as the result of serious patches of drought affecting these areas	
	-Support and supervision for producers to construct 200,000 manure pits in accordance with their commitment in connection with the seventh national day of the farmer	
	-Support of producers for production of 150,000-200,000 tons of maize and cowpeas on an area of 20,000 hectares during the dry season 2002/2003 through the small scale village irrigation program	
3.8. Promote relief from isolation (mobility and trade) and access for rural people to basic social services	-Creation of new rural roads	-Creation of new rural roads
	-Rehabilitation of infrastructures	-Rehabilitation of infrastructures
	-Maintenance and preservation of existing roads	-Maintenance and preservation of existing roads
	-Management and involvement of beneficiaries	-Management and involvement of beneficiaries
	-Promotion of intermediate transportation mechanisms	-Promotion of intermediate transportation mechanisms
IV- Promote good governance		
4.0. Overall level	- Adoption of a new national plan and investment program on good governance	
	- Execution of the communication plan of the executive secretariat for good governance	
4.1. Democratic governance	-Implementation of the economic and social observatory and operational start of the poverty reduction fund by the end of 2003 at the level of the Economic and Social Council;	

	-Adoption and implementation of the law on domestic security	
	-Pursuit of Action Plan for Justice System Reform implementation through:	
	- Improved access to justice through increased investment to enhance the coverage rate in terms of jurisdictions (Ziniaré, Ouagadougou, etc.) and an awareness campaign on access to the law with a media group	
	- Pursuit of efficacy in the judiciary system through improved working conditions, initial and continuing education for magistrates, clerks of the court, secretaries of the clerk of the court and public prosecutors offices, etc.	
	- Adoption of operational programs on implementation of the action and orientation plan to promote and protect human rights	- Launch of operational programs on implementation of action and orientation plans to promote and protect human rights
4.2. Economic governance	-Adoption of the draft law on settlement for the 2002 fiscal year	-Strengthening of the human resource capacity of local units of government (conditions for transfers and social security system)
	-Production of balance sheets for the treasury's accounts	-Implementation of a system for prevention and processing of contentious matters of the state (surveys, draft texts to create a substantial structure responsible for prevention and processing of government disputes)
	-Preparation and implementation of a plan on execution of public contracts	
	-Definition of a strategy on implementation of the national policy on reform of the state	
	-Consolidation of the operational start of the Overall Reform of Public Administration (RGAP), with, in particular, establishment of credibility for the administrative and payroll management database, and transfer of routine management power to the ministries	
	-Normalization of central and devolved structures	
	-Completion of financial compensation for rehabilitated persons	
4.3. Local governance	-Enactment of implementing texts for TODs according to the programming law	-Implementation of the institutional framework for decentralization in rural areas

	-Provision of broad training on decentralization to at least 60% of the stakeholders	-Provision of broad training on decentralization to at least 60% of the stakeholders
	-Experimentation on the process of local economic rehabilitation	-Implementation of an observatory on decentralization
	-Contribution to the definition and implementation of a relevant policy for financing investments in local communities	- Experimentation on the process of local economic rehabilitation
		-Contribution to the definition and implementation of a relevant policy to finance investments in local communities
		-Beginning of implementation of volunteer fire brigades in the urban communes and civil defense training for volunteers.
V- Monitoring and assessment of poverty		
5.1. Implementation of the new system for monitoring PRSP implementation	<ul style="list-style-type: none"> - Finalization of the text establishing the system - Adoption of the system by the council of ministers 	
5.2. Operation of the system for monitoring poverty	<ul style="list-style-type: none"> - Establishment of specialized groups (sectoral and thematic committees) - Preparation of terms of reference to formalize and specify the role and operation of specialized groups - Preparation of indicative plans and timetables for the work of specialized groups 	-Start of operation of specialized groups concurrently with PRSP implementation (periodic meetings and preparation of sectoral, thematic, and summary reports on implementation)
5.3. Preparation and implementation of the PRSP monitoring matrix	- Conduct of the process of identifying a matrix of relevant indicators to be appended to the revised PRSP at the national and regional levels	<ul style="list-style-type: none"> - Start of operation of the PRSP monitoring database (monitoring of indicators with the pre-established periodicity and level of detail) - Follow-up of specific studies and surveys on the impact of public policies on poverty
5.4. Capacity building to monitor and assess the PRSP	<ul style="list-style-type: none"> - Preparation of a priority action plan to strengthen PRSP monitoring and assessment capacities - Planning of a project to strengthen PRSP monitoring and assessment capacities - Specific training on reflecting gender in PRSP preparation, implementation, and assessment 	<ul style="list-style-type: none"> - Preparation of a plan to strengthen PRSP monitoring and assessment capacities - Implementation of the project to strengthen PRSP monitoring and assessment - Specialized training on reflecting gender in PRSP preparation, implementation, and assessment

**ANNEX 5: CONSOLIDATED BUDGET EXECUTION BY MINISTRY INCLUDING HIPC
AND EXTERNALLY FINANCED INVESTMENT**

	2000			2001			2002			2000 - 2002			
	Nat. Res.	Ext. Fin.	TOTAL	Nat. Res.	Ext. Fin.	TOTAL	Nat. Res.	Ext. Fin.	TOTAL	Nat. Res.	Ext. Fin.	TOTAL	Part (%)
Min. of Basic Education and Literacy	29.90	25.19	55.08	35.07	9.70	44.77	40.50	14.45	54.95	105.46	49.35	154.81	12.73
Min. of Infrastructure, Housing, and Urban Devt.	9.01	27.49	36.50	10.78	55.30	66.08	12.37	26.32	38.69	32.15	109.12	141.27	11.61
Min. of Agriculture, Water, and Fisheries Resources	6.18	21.29	27.47	6.60	23.26	29.86	11.98	61.68	73.66	24.76	106.24	130.99	10.77
Min. of Health	23.26	17.47	40.74	27.30	8.39	35.68	38.45	5.86	44.31	89.01	31.72	120.73	9.93
Joint inter-ministerial expenditure	30.58	-	30.58	33.60	-	33.60	55.37	-	55.37	119.55	-	119.55	9.83
Min. of Secondary and Higher Education and Scientific Research	19.42	9.24	28.66	23.56	16.69	40.25	24.11	6.42	30.53	67.10	32.35	99.45	8.18
Min. of Defense	26.06	-	26.06	27.00	0.97	27.97	29.57	0.55	30.12	82.63	1.52	84.16	6.92
Min. of Economy and Finance	9.27	16.92	26.18	9.48	12.47	21.94	10.29	13.81	24.10	29.03	43.20	72.23	5.94
Min. of Environment and Living Conditions	5.34	30.39	35.73	4.85	25.68	30.54	2.71	1.47	4.18	12.91	57.54	70.45	5.79
Min. of Energy and Mines	0.78	18.37	19.15	1.05	16.97	18.02	1.14	8.63	9.77	2.97	43.97	46.94	3.86
Min. of Foreign Affairs	9.60	-	9.60	10.12	-	10.12	10.72	-	10.72	30.45	-	30.45	2.50
Parliament	7.01	-	7.01	8.51	-	8.51	7.96	-	7.96	23.48	-	23.48	1.93
Min. of Territorial Administration and Security	9.37	-	9.37	3.38	-	3.38	3.59	-	3.59	16.34	-	16.34	1.34
Min. of Livestock Resources	1.98	0.20	2.18	2.03	2.12	4.15	2.72	2.78	5.51	6.73	5.10	11.84	0.97
Min. of Social Action and Family	1.88	1.04	2.92	1.87	2.67	4.54	2.70	0.96	3.66	6.45	4.67	11.12	0.91
Office of the President, Faso	3.59	-	3.59	4.07	-	4.07	3.44	-	3.44	11.10	-	11.10	0.91
Min. of Security	-	-	-	5.00	0.19	5.19	5.76	-	5.76	10.76	0.19	10.95	0.90
Prime Min.	0.59	3.89	4.48	1.14	1.22	2.36	2.00	-	2.00	3.73	5.11	8.84	0.73
Min. of Communication and Culture	2.64	-	2.64	1.67	-	1.67	1.40	-	1.40	5.71	-	5.71	0.47
Min. of Commerce, Industry, and Crafts	1.65	0.46	2.10	1.37	0.52	1.89	1.45	0.37	1.82	4.47	1.35	5.82	0.48
Ministry of Youth and Sports	2.02	-	2.02	1.92	-	1.92	1.77	-	1.77	5.71	-	5.71	0.47
Min. of Justice	1.53	0.06	1.59	1.44	0.11	1.55	1.89	0.20	2.09	4.86	0.37	5.22	0.43
Transportation and Tourism	1.03	2.90	3.93	0.83	-	0.83	0.37	-	0.37	2.23	2.90	5.13	0.42
Min. of Labor and Employment	1.28	-	1.28	1.13	-	1.13	2.27	-	2.27	4.68	-	4.68	0.38

**ANNEX 6: ENTERPRISES THAT HAVE BEEN SUBJECT TO
PRIVATIZATION OR LIQUIDATION**

Enterprise	Activity sector	Type of transfer	Date of transfer
I. Period 1991-1999			
SOBBRA	Brewery	Merger/acquisition	1992
BRAKINA	Brewery	Transfer of shares	May 21, 1992
SBMC	Tannery	Transfer of shares	June 5, 1992
SBCP	Leather and hides	Transfer of shares	June 5, 1992
SIFA	Motorcycles	Transfer of shares	March 9, 1993
SOBCA	Automobile loans	Increase in capital	March 29, 1993
SONAR	Insurance	Transfer of shares	September 9, 1993
ZAMA-PUBLICITE	Advertising	Transfer of shares	September 30, 1993
FASO-PLAST	Plastics	Transfer of shares	November 2, 1993
GMB	Flour mill	Transfer of shares	November 26, 1993
CIMAT	Cement works	Transfer of shares	December 28, 1993
SONAPHARM	Pharmaceuticals	Transfer of shares	August 10, 1994
SCFB	Rail transportation	Operating concession	December 12, 1995
FLEX FASO	Fruit	Transfer of shares	March 25, 1995
SHSB-CITEC	Oil and soap production	Lease to sell	June 30, 1996
BURKINA & SHELL	Oil and gas	Transfer of shares	December 31, 1996
CSPPA	Local products	Liquidation	1996
FASO YAAR	General trade	Liquidation	1996
RNTC-X9	Urban transportation	Operating concession	June 30, 1996
FASO-TOURS	Passenger transportation	Transfer of shares	July 23, 1996
SINAC	Footwear	Liquidation	1997
SOFIVAR	Agroindustry (groundnuts)	Liquidation	1998
SOBEMA	Enamel works	Liquidation	1998
ONAVET	Veterinary products	Liquidation	1998
CNA	Agricultural equipment	Liquidation	1998
SOSUCO	Refined sugar	Transfer of shares	July 31, 1998
SOPAL	Distillery (alcohol)	Transfer of shares	July 31, 1998
FEED-LOT	Cattle feeding	Transferred to MESSRS	--
FRUICEMA	Fruit and vegetables	Idem	--
MACEHOU	Fruit and vegetables	Restituted to owner	--
SNTB	Freight forwarding	Transfer of shares	March 2, 1999
INB	Printing	Transfer of shares	August 10, 1999
SONACOR	Rice hulling	Liquidation	June 1999
COMIKI	Mining	Liquidation	June 1999
SONACAB	Tiling	Liquidation	1999
TOTAL Enterprises privatized		22	
TOTAL Enterprises liquidated		10	
TOTAL Enterprises withdrawn		3	
II. 2000 -2002			
SAVANA	Fruit juice	Liquidation	February 2000
SLM	Equipment leasing	Transfer of shares	July 2000
SOCOGIB	Real estate	Transfer of shares	December 2001
AIR BURKINA	Aviation	Increase in capital	December 2000
SHG	Aviation	Increase in capital	January 2002
TOTAL Enterprises privatized		4	
TOTAL Enterprises liquidated		1	

Enterprise	Activity sector	Type of transfer	Date of transfer
III. Enterprises in privatization			
SONACIB	Film	Liquidation in progress	--
FASO FANI	Textiles	Liquidation in progress	--
CNEA	Agricultural equipment	Liquidation in progress	--
ONATEL	Telecommunications	In privatization	--
AEROPORTS	Airports	In privatization	--
TOTAL		5	
TOTAL (I+ II + III + IV)		45	
IV. 2002 and after			
ONEA	Water		
CBMP	Gold		
CGP	Rice price stabilization 3/		
MEDIFA	Pharmacy		
ONBAH	Dams/hydroagriculture		
ONPF	Wells and boreholes		
BUMIGEB	Mining		
CCVA	Auto mechanics		
CENATRIN	Computer services		
HOTEL INDEPENDANCE	Hospitality		
HOTEL SILMANDE	Hospitality		
SBF			
SONABEL	Electricity		
SONABHY	Petroleum products		
TOTAL		14	
GRAND TOTAL		59	

**ANNEX 7: STATUS OF THE PRIVATIZATION PROGRAM FOR
EACH ENTERPRISE AT END-MARCH 2003**

Company	Status
SONABEL	Signing of contract with the consulting firm responsible for assisting the Privatization Commission in the study of the accounting and financial audit. The provisional report is expected by May 2003.
SONABHY	Signing of contract with the consulting firm responsible for assisting the Privatization Commission in the study of the accounting and financial audit. The provisional report is expected for mid-April 2003.
CBMP	The Privatization Commission has selected the consulting firm responsible for assisting in the liquidation. A report is now being prepared, to be submitted to the Council of Ministers for approval.
CENATRIN	Preparation of terms of reference for the recruitment of a consulting firm responsible for assisting the Privatization Commission in conducting studies on assessment and definition of the privatization strategy.
Hôtel Indépendance	A call for bids was issued to recruit a consulting firm to assist the Privatization Commission in conducting studies on the assessment, definition, and implementation of the privatization strategy in March 2003.
Hôtel Silmandé	A call for bids was issued to recruit a consulting firm to assist the Privatization Commission in conducting studies on the assessment, definition, and implementation of the privatization strategy in March 2003.
ONPF	Preparation of terms of reference for the recruitment of a consulting firm responsible for assisting the Privatization Commission in conducting studies on assessment and definition of the privatization strategy.
MEDIFA	The consulting firm was recruited and its provisional report on the study on the assessment and definition of the privatization strategy was examined by the Privatization Commission in March 2003.
CGP	The Privatization Commission has selected the consulting firm responsible for assisting in the liquidation. A report is now being prepared, to be submitted to the Council of Ministers for approval.

**ANNEX 8: DEVELOPMENTS IN SELECTED
COMPETITIVENESS INDICATORS**

INDICATORS	2000		2001		2002	
	Obj.	Actual	Obj.	Actual	Obj.	Actual
<u>Private sector</u>						
▪ Number of enterprises authorized under the investment code		25		24	30	
▪ Declared investments (CFAF billions)		17		163	75	
▪ Number of declared jobs		823		963	1000	
▪ New industrial plants noted		16	20	10	15	
▪ Declared investments (CFAF billions)		12		5	20	
▪ Number of declared jobs		439		256		
<u>Competitiveness</u>						
▪ Formalities on establishment of enterprises (number)		15	8	8	5	8
▪ Changes in electricity prices (high tension)						
- Peak times (CFAF/kW)						
- Off-peak times (CFAF/kW)		110		110		110
▪ Change in water prices		51		51		51
▪ Change in average telecommunication prices		12		20		20
- Local calls (CFAF/minute)		260		150		150
- Long distance calls (CFAF/minute)		870		810		810
- International calls (CFAF/min)						
<u>Telecommunications</u>						
▪ Number of telecenters						
▪ Number of cyber cafés		49 242		58 036		62 050
▪ Number of fixed telephone lines		0,50 %		0,52%		0,52%
▪ Overall teledensity						
<u>Oil and Gas</u>						
▪ Average price of DDO sold to SONABEL (price c.a.f.)		146		146		146
<u>Electricity</u>						
▪ Changes in electrification rates		7		9		10
▪ Number of secondary centers electrified		-		-		-

Source: Ministry of Commerce, Promotion of Enterprise, and Crafts

ANNEX 9: DISTRIBUTION OF FAARF LOANS BY PROVINCE

PROVINCE	APPROVED LOAN AMOUNT			NUMBER OF APPLICATIONS			NUMBER OF BENEFICIARIES		
	2000	2001	2002	2000	2001	2002	2000	2001	2002
BALE	12 600 000	38 950 000	53 096 200	10	38	49	350	933	1 327
BAM	77 745 000	151 532 500	179 398 925	80	171	201	3 454	5 814	8 504
BANWA	15 446 250	42 144 900	33 594 650	21	57	49	723	1 843	1 392
BAZEGA	24 005 000	24 602 350	33 201 000	30	32	40	1 162	1 346	1 401
BOUGOURIBA	21 017 000	10 828 800	12 904 340	29	15	21	627	350	381
BOULGOU	29 680 000	25 390 000	33 120 750	24	31	40	696	631	1 023
BOULKIEMDE	96 040 000	131 327 600	197 881 050	81	147	229	2 750	5 026	7 557
COMOE	17 530 000	29 209 920	30 633 125	18	37	34	761	1 388	1 021
GANZOURGOU	37 267 500	146 175 000	166 381 000	49	223	202	1 608	4 367	4 127
GNAGNA	95 840 000	170 975 000	221 311 940	86	128	136	3 354	4 812	5 048
GOURMA	8 875 000	12 245 000	30 657 250	6	14	27	145	310	532
HOUET	295 680 000	398 032 175	251 394 675	217	328	201	7 963	9 505	6 341
IOBA	7 955 500	10 715 000	26 582 200	17	22	44	475	517	1 151
KADIOGO	228 830 000	254 087 500	260 690 575	2 302	3 001	2 276	4 350	4 518	4 769
KENEDOUGOU	56 775 000	57 908 025	103 411 900	56	61	95	1 364	1 494	2 210
KOMONDJARI		-	790 000		-	1		-	30
KOMPIENGA	12 220 000	12 810 000	43 144 050	13	11	38	352	360	970
KOSSI	28 796 500	24 424 000	72 077 600	34	31	87	992	865	1 834
KOULPELGO		39 605 000	33 543 250		47	39		1 036	891
KOURITENGA	127 052 500	146 245 000	97 299 935	115	120	80	3 048	2 931	1 650
KOURWEOGO	6 305 000	15 675 000	36 499 525	8	15	49	314	624	1 631
LERABA		27 814 750	41 182 000		33	50		1 678	1 668
LORUM		-	144 119 675		-	201		-	5 372
MOUHOUN	26 280 000	43 632 500	63 710 000	23	50	61	843	1 164	1 716
NAHOURI	58 385 000	-	7 431 725	59	-	12	1 847	-	473
NAMENTENGA	45 535 000	56 365 000	83 584 385	33	56	77	1 263	1 349	2 029
NAYALA	4 400 000	14 070 000	10 800 000	8	17	14	353	727	451
NOUMBIEL	1 800 000	14 113 810	10 173 200	1	20	10	44	361	209
OUBRITENGA	7 245 000	40 834 950	45 805 750	7	47	51	281	1 997	2 145
OUDALAN	38 600 000	33 325 000	32 505 000	38	30	27	1 246	775	795
PASSORE	35 120 000	45 690 000	58 852 000	54	69	82	1 560	1 760	2 077
PONI	21 680 000	21 462 500	34 405 600	19	27	51	600	614	1 015
SANGUIE	42 665 000	64 666 000	58 223 875	52	95	95	1 441	2 144	1 998
SANMATENGA	100 730 000	79 241 500	136 233 740	91	72	120	3 865	2 581	4 065
SENO	29 950 000	26 175 000	31 360 000	29	27	33	656	638	713
SISSILI	5 700 000	12 717 500	17 703 500	6	16	22	203	519	685
SOUM	3 450 000	7 145 000	100 000	4	10	1	116	192	1
SOUROU	18 150 000	29 970 000	46 885 000	31	43	79	973	1 209	1 728
TAPOA	8 105 000	71 890 000	127 618 250	15	95	142	206	1 452	2 353

PROVINCE	APPROVED LOAN AMOUNT			NUMBER OF APPLICATIONS			NUMBER OF BENEFICIARIES		
	2000	2001	2002	2000	2001	2002	2000	2001	2002
TUY	21 355 000	29 430 000	29 140 000	17	30	28	509	697	581
YAGHA	15 680 000	7 055 000	4 600 000	18	8	5	339	170	92
YATENGA	63 875 000	76 600 000	132 194 400	71	71	148	2 090	2 082	4 236
ZIRO	16 969 500	13 352 500	23 702 100	21	22	31	630	470	734
ZONDOMA	24 680 000	37 733 000	57 791 150	29	58	85	765	1 318	1 885
ZOUNDWEOGO	25 140 000	13 039 000	83 475	31	27	1	651	596	13
TOTAL	1 815 154 750	2 509 205 780	3 115 818 765	3 853	5 452	5 364	54 969	73 163	90 824

ANNEX 10: SHARE OF FAARF LOANS BY ACTIVITY SECTOR

ACTIVITY	GROUP LOANS			INDIVIDUAL LOANS		TOTAL	
	Number	Beneficiaries	Amount	Beneficiaries	Amount	Beneficiaries	Amount
AGRICULTURE	263	11 896	142 561 925	7	945 200	11 903	143 507 125
CRAFTS	45	1 387	40 772 850	196	14 300 000	1 583	55 072 850
COMMERCE	884	22 807	884 993 400	1 443	107 868 500	24 250	992 861 900
LIVESTOCK	1 136	31 487	1 206 211 000	16	1 750 000	31 503	1 207 961 000
PROCESSING	827	20 907	670 980 890	523	35 685 000	21 430	706 665 890
OTHER	7	138	8 150 000	17	1 600 000	155	9 750 000
TOTAL	3 162	88 622	2 953 670 065	2 202	162 148 700	90 824	3 115 818 765

Source: FAARF

**ANNEX 11: PHYSICAL EDUCATION INFRASTRUCTURES COMPLETED
DURING THE PERIOD 2000-2002**

Item	State budget				HIPC resources				NGOs				External financing*				Cumulative total
	2000	2001	2002	Total	2000	2001	2002	Total	2000	2001	2002	Total	2000	2001	2002	Total	
Primary inspectorates	7	10	-	17	-	10	-	10	-	-	-	-	-	-	-	-	-
Schools	25	02	-	27	33	140	100	273	-	1	-	1	326	99	20	445	746
Housing	84	126	-	210	102	140	155	397	-	11	-	11	104	772	60	936	1554
Boreholes	35	35	-	70	55	140	-	195	-	-	-	-	-	343	60	403	668
Latrines	55	63	-	118	130	140	-	270	-	-	-	-	157	72	60	289	677
CPAF	-	00	-	00	-	100	60	160	-	-	-	-	-	60	30	90	250
Renovation	-	06	-	06	-	40	60	100	-	-	-	-	-	386	-	386	492
CEBNF	-	00	-	00	-	00	-	00	-	-	-	-	40	06	-	46	46
DREBA	7	02	-	09	-	00	-	00	-	-	-	-	-	03	-	03	12
Bilingual schools	-	-	-	00	-	-	-	00	-	40	-	40	-	-	-	-	40

Source: **MEBA/ DAF-DEP**

NB: European Union, Switzerland, AFD, IsDB, FAD Netherlands, Japan, UNICEF.

NB: All constructions financed with HIPC resources were executed in the 20 priority provinces.

ANNEX 12: STATUS OF INFRASTRUCTURES IN 2000 AND 2001 FINANCED WITH THE NATIONAL BUDGET, HIPC FUNDS, AND EXTERNAL FINANCING

Item	2000 Review		Total 2000	2001		Total 2001	2002		Total 2000-2002
	Title VI	Nat. budget		Title VI	HIPC			HIPC	
Hospital rehabilitation center	01(Dori) rehabilitation	-	01	-	-	-			01
Medical center with surgery ward	15	-	15	01	-	01		1	17
CSPS	56	-	56	06	-	06		3	65
Clinics	14	09	23	05	07	12		30	65
Maternity clinics	11	07	18	21	39	60		10	88
Housing	57	47	104	26	56	82		15	201
Essential generic drug depots	08	08	16	14	36	50		10	76
Regional maintenance center *	05	-	05	-	-	-			05
Latrines	94	-	94	-	40	40		20	154
Kitchens	83	-	83	-	-	-			83
Boreholes	-	-	-	-	25	25		10	35
Outpatient treatment centers**	01	-	01	-	-	-			01
Documentation centers	-	-	-	01	-	01			01
Radiology unit	-	-	-	-	04	04			04

Source: DEP/Health

* CRM

**CTA

ANNEX 13: GRAIN OUTPUT FOR THE 2002/2003 CROP SEASON WITH AN ASSUMPTION OF 125,000 NATIONALS RETURNING FROM CÔTE D'IVOIRE

ITEM	VOLUME
National available output (1)	2,624,400
Initial stocks (1)	154,800
Commercial imports and food aid (2)	236,500
TOTAL AVAILABLE	3,015,700
Human consumption requirements not including nationals returning from Côte d'Ivoire	2,281,700
Human consumption requirements including 125,000 nationals returning from Côte d'Ivoire	2,305,450
Final stocks (3)	142,400
Projected exports (4)	44,600
Total requirements not including returning nationals	2,468,700
Total requirements including returning nationals	2 492 450
Net surplus not including returning nationals	547,000
Net surplus including returning nationals	523,200

Source: MAHRH

ANNEX 14: ACTIVITIES OF HYDROAGRICULTURAL FACILITIES

Bagré project management (MOB)		
Activities	Completed 2000-2002	Costs
Development on the banks of the Nakambé river	1,885 hectares	
New boreholes	24	
Rehabilitation of boreholes	02	
Development of wetlands [<i>champs pluviaux</i>]	2235 hectares	
Development of Sourou valleys (AMVS)		
Development of perimeters	610 hectares	
Consolidation of developed perimeters	925 hectares	
Water and rural equipment fund (FEER)		
Boreholes	63	CFAF 389,500,000
Anti-erosion sites	1158 hectares	CFAF 104,844,250
Large diameter boreholes	76	CFAF 11,800,000
New artificial ponds	05	CFAF 100,000,000
Small water reservoirs	01	CFAF 10,000,000
Manure pits	146	CFAF 2,263,000
Market garden wells	09	CFAF 9,900,00
Treatment of ravines	03 units	CFAF 6,000,000

Source: MAHRH

ANNEX 15: OUTPUT AND SURFACE AREA PLANTED BY REGION IN CONNECTION WITH SMALL-SCALE IRRIGATION

Unit	Area (hectares)						Estimated output (tons)						Number of sites		Number of village groups/producers	
	Maize		Cowpeas		Total		Maize		Cowpeas		Total		2001	2002	2001	2002
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Boucle Mouhoun [Regional Agriculture Directorate ?]	6.5	445	2	62.5	8.5	507.5	9.9	0.2				8		46		
Central DRA	12.3	39.4	0.4	0.2	12.6	39.7	24.5	0.6				18		537		
Central-eastern DRA	5.5	59.7	5.1	12.7	10.6	72.4	11.1	5.1				25		115		
Central-northern DRA	3.8	74.0	3.7	1.0	7.6	75.0	6.9	3.4				12		-		
Central-western DRA	16.0	10.0	7.8	3.2	23.9	13.2	16.0	3.9				13		554		
Central-southern DRA	42.5	83.6	7.2	13.7	49.7	97.3	85	7.2				23		335		
Cascade DRA	204.1	605.8	-	0	204.1	605.8	1020.6	-				16		21 VG		
Eastern DRA	40.4	75.2	46.9	41.0	87.2	116.1	100.9	46.9				10		678		
Hauts-Bassins DRA	163.5	677.5	-	0	163.5	677.5	654	-				10		366		
Northern DRA	3.3	36.1	8.7	29.5	12.0	65.6	4.9	8.7				-		-		
Sahel DRA	13.9	17.9	18.4	33.9	32.3	51.8	11.2	13.0				-		-		
Southwest DRA	13.0	13.2	0.5	1.25	13.5	14.5	39.1	0.5				-		-		
TOTAL	525.0	2 137.5	100.8	161.4	625.8	2 336.7	1 984.2	89.6				163		21 VG + 2 631		

Source: MAHRH

VG = Village groups

ANNEX 16: ASSESSMENT OF PROGRESS IN IMPLEMENTATION OF THE RURAL ROAD PROGRAM DURING THE PERIOD 2000-2003

Item	Funds allocated (CEAF)	Funds committed (CEAF)	Commitment rate	Physical execution rate	Number of provinces covered	Number of kilometers of roads completed or to be completed	Number of kilometers of roads for which technical studies are completed or to be completed	Comments
Total HIPC financing 2000-2002	5,958,362,485	5,511,006,585				787	818	
HIPC.2000	1,796,146,439	1,772,961,704 at 09/30/2001	98.71%	100% at 12/31/2003	04	266	447	
HIPC.2001	2,062,216,046	2,062,110,149 at 09/30/2002	99.99%	85% at 02/24/2003	07	246	471	
HIPC.2002	2,100,000,000	1,675,934,732 at 02/24/2003	79.80%	None	12	275	a) Amount of contracts CFAP 2.098.917.473 b) Studies completed c) Work start in progress
HIPC.2003	2,459,000,000					131.5	a) 2,626 km in 39 provinces b) Maintenance and rehabilitation of 360 km of roads	Launch of call for bids in progress
Total other financing	5,775,000,000					2,035	300	
State budget (2003 fiscal year)	100,000,000						300	
KFW	585,000,000				07	120		
IsDB	5,000,000,000				04	1,000		
AFD	90,000,000,000					915		

Source: MITH