

Senegal: Poverty Reduction Strategy Paper Annual Progress Report

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FORMULATION OF THE ECONOMIC AND SOCIAL POLICY DOCUMENT FOR 2011-2015

PRSP-II Progress Report

[Translated from French]

Final Document

Summary of Group Reports

October 2010

Ministry of Economy and Finance
Economic Policy Monitoring and Coordination Unit - UCSPE

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Acronyms and Abbreviations

ADS	Airports Authority of Senegal
AGS	Accelerated Growth Strategy
ANA	National Aquaculture Agency
ANAMS	National Meteorological Agency of Senegal
ANAT	National Land-Use Planning Agency
ANEJ	National Agency for Youth Employment
ANREVA	Agence Nationale de Retour Vers l'Agriculture (national agency responsible for the plan promoting a return to farming)
ANSD	National Statistics and Demographics Agency
APCD	Acteur Porteur de Dynamique Communautaire
APIX	Agence pour la Promotion des Investissements (Agency for Investment Promotion)
ARMP	Public Procurement Regulatory Agency
ARV	Antiretrovirals
BCE	Business Creation Support Bureau
BCEAO	Central Bank of West African States
BCI	Consolidated Investment Budget
BEP	Brevet d'études professionnelles
BFEM	Brevet de Fin d'Etudes Moyennes (Junior secondary school diploma)
BT	Brevet Technique
BTS	Brevet de Technicien Supérieur
CCAP	Contrôle Citoyen de l'Action Publique (citizen oversight of government action)
CAP	Certificat d'Aptitude Professionnelle
CBR	Cross-border Biosphere Reserves
CDSMT	Medium Term Sectoral Expenditure Framework
CENTIF	National Financial Data Processing Unit
CETUD	Executive Board of Dakar Urban Transport
CFEE	Certificat de Fin d'Etudes Elémentaires (Primary School Leaving Certificate)
CMC	Community Multimedia Centre
CMP	Public Procurement Code
CNAAS	National Agricultural Insurance Company of Senegal
CNDCL	National Council on Local Government Development
CNDS	National Commission for Social Dialogue
CNLCC	National Anti-Corruption Commission
COSAMA	Consortium Sénégalais d'Activités Maritimes
CPI	Presidential Investment Council
CUR	Regional University Center
DCMP	Central Public Procurement Directorate
DEPONAT	National Land-Use Policy Statement
DESPS	Supervised Education and Social Protection Directorate
DGCPT	Directorate-General of Government Accounting and the Treasury
DGID	Directorate-General of Taxes and Government Property
DFS	Decentralized financial systems
DPES	Economic and Social Policy Document
DPPA	Directorate for the Promotion of Agricultural Products
DTA	Food Processing Directorate
EPA	Economic Partnership Agreement
ECOWAS	Economic Community of West African States
EMPs	Environmental Management Plans
EPF	Economic Promotion Fund
ESAM	Senegal Household Survey
ESPS	Senegal Poverty Monitoring Survey
FONDEF	Vocational Training Development Fund
FDD	Decentralization Fund
FECL	Local Government Investment Fund

FERA	Autonomous Road Maintenance Fund
FNR	National Pension Fund
GDP	Gross Domestic Product
GDP	Global domestic product
GER	Gross Enrolment Rate
GIABA	Inter-Governmental Action Group against Money Laundering in West Africa
GIR	Gross Intake Rate
GIRMAC	Integrated management of marine and coastal resources
GOANA	Grande Offensive Agricole pour la Nourriture et l'Abondance (Great Agricultural Offensive for Food and Abundance)
GPEC	Forward planning of jobs and skills
INPS	National Social Protection Initiative for vulnerable groups
ICTs	Information and Communication Technologies
IDR	Import Dependency Ratio
IFMIS	Integrated Financial Management Information System
IMF	International Monetary Fund
IPRES	Retirement Saving Institution of Senegal
IPS	Social Insurance Institutions
IPT	Intermittent Preventive Treatment
ISRA	Senegal Agricultural Research Institute
ITA	Food Technology Institute
LFI	Initial Budget Law
LFR	Supplementary Budget Law
LMD	Licence Master Doctorat (BA, MA, PhD)
LOASP	Law on agriculture, forestry and livestock production
LPG	Liquefied Propane Gas
MDGs	Millennium Development Goals
MEF	Ministry of Economy and Finance
NEP	Nutrition Enhancement Program
NETS	Child-Focused Social Cash Transfer and Nutrition Security
ODS	Ozone Depleting Substances
ONFP	National Vocational Training Office
PAGFM	Action Plan for Public Procurement Training
PAPIL	Local Small-Scale Irrigation Support Project
PATMUR	Transport and Urban Mobility Support Program
PCC	Primary care consultations
PCR	Primary Completion Rate
PDU	Urban Master Plan
PEPAM	Millennium Drinking Water and Sanitation Program
PNDL	National Local Development Program
PNDS	National Health Development Program
PNLS	National Program to Combat AIDS
POR	Regional Operations Plans
PRECOL	Local Authorities Development Program
PRECASEJ	Project to build national capacities for youth employment policy and program monitoring and evaluation
PRI	Industrial Redeployment Policy
PRSE	Power Sector Restructuring Project
PRSP	Poverty Reduction Strategy Paper
PPJ	Youth Promotion Project
PSI	Policy Support Instrument
PSJ	Justice Sector Program
PST	Transport Sector Program
RCCM	Commercial Registry
RDT	Rapid Diagnostic Test
REP	Regional Economic Program
SAP	National Early Warning System
SDAU	Master Plan for Urban Planning and Development
SENELEC	Senegalese Electricity Company
SERPM	Société d'Etude and de Réalisation des Phosphates de Matam

SIGEL	Livestock information management system
SYGMAP	Public Procurement Management System
SMEs	Small and medium-sized enterprises
SMIs	Small and medium-sized industries
SNAT	National Land-Use Strategy
SSR	Food Self-Sufficiency Rate
TGI	Superior Court
TI	Court of First Instance
TOFE	Government flow of funds table
UCP	Project and Program Coordination Unit
UCSPE	Economic Policy Monitoring and Coordination Unit
VAT	Value Added Tax
VDN	Voie de Dégagement Nord (North slip road)
WAEMU	West African Economic and Monetary Union
WHO	World Health Organization
ZAC	Zone d'Aménagement Concertée (joint public-private development zone)

BACKGROUND

Since the middle of the 1990s, and on the basis of an increasingly participatory and inclusive process, the Senegalese government has been implementing integrated policies, strategies, and programs aimed primarily at combating poverty more efficiently and fostering the country's economic emergence. Against that backdrop, in the 2000s, and more specifically from 2003 onwards, the main impetus has come from implementation of the Poverty Reduction Strategy Paper (PRSP), which was updated in 2006 to cover the 2006-2010 period (PRSP-II). The PRSP provided a common frame of reference for pro-growth economic and social policy as well as for poverty reduction in the broader context of continued efforts to achieve the Millennium Development Goals (MDGs).

Over the period, the national economy and public finances were buffeted by a succession of crises, namely the energy, food, and financial crises, which highlighted the economy's vulnerability to shocks, both internal and external. Nonetheless, the significant results attained, particularly in the area of basic social services, served as an encouragement and an invitation to all stakeholders to strengthen their efforts and streamline their actions around shared, targeted objectives.

To make economic emergence a reality and meet the series of targets identified along the road to eliminating poverty, it will be vital to achieve both high levels of sustained, long-lasting growth¹ and better income distribution through the Accelerated Growth Strategy (AGS) and the various social sector policies established. In the face of these challenges, the nature and scope of which are quite well-defined, all stakeholders agreed on the need to develop a five-year national strategy covering the period 2011-2015. The tenor of the strategy is to be both realistic and innovative, based on an inclusive approach from the preparatory stage right through to the implementation phase.

With that in mind, a roadmap was developed outlining the process for reviewing the implementation of the PRSP-II and coming up with new guidelines that take on board the priorities identified and streamline interventions in a participatory and consensus-based manner. To prepare the new document, which is expected to serve as the reference framework for Senegal's economic and social policy over the 2011-2015 period, a technical, ad hoc committee, eleven (11) thematic working groups, and five (5) regional focal points were put in place. This methodology takes into account the input of the thematic groups as well as the findings of specific research studies. The new guidelines will be set out in an overall framework document drawing on sectoral and local actions and objectives.

¹ An average annual growth rate of around 7 to 8 percent over a number of years.

This working document—progress report—presents an overview of the results² obtained and the trends observed in the various sectors and/or areas of the Senegalese economy over the 2006-2009 period.

MACROECONOMIC STABILITY AND POVERTY REDUCTION

Stability of the macroeconomic framework is an important element for economic emergence. It is measured by a low rate of inflation, low exchange rate volatility, a high savings rate, ease of access to credit, including microcredit, trade liberalization, and fiscal sustainability.

In 2006-2009, the macroeconomic framework remained relatively stable, despite the challenging global environment. However, the growth path taken by the Senegalese economy since 2006 (3.2 percent annual average) remained lower than the trend scenario adopted (5.0 percent) for implementation of the PRSP-II, owing essentially to the exogenous shocks that occurred—the steep rise in petroleum product and food prices and the financial crisis—which led, among other things, to a decline in global domestic product, hundreds of millions of job losses around the world, and a slump in trade and investment.

Generally speaking, the adverse effects of the crisis were felt in the national economy through sluggish growth, with a marked slowdown in real GDP (3.2 percent in 2008 and 2.2 percent in 2009) mainly as a result of a contraction of the secondary and tertiary sectors, a decrease in commercial activities, and a slight fall in private investment.

Over the 2006-2009 period, Senegal met most of its commitments to the International Monetary Fund (IMF). Regarding multilateral surveillance of the West African Economic and Monetary Union (WAEMU), most of the eight (8) convergence criteria were respected. After reaching 2.1 percent in 2006, the inflation rate³ has been evaluated at 6.0 percent for 2007 and 2008. However in 2009, a 1 percent decline in general price levels was observed. Total outstanding public debt remained considerably below the community ceiling of 70.0 percent. In the context of budget management, the government kept public spending under control, while safeguarding social expenditure, despite the revenue shortfall caused by the slowdown in economic activity. However, the public deficit⁴, estimated at 2.0 percent of GDP on average between 2001 and 2005, reached 5.7 percent in 2006 and 4.3 percent between 2007 and 2009.

The pace of reduction of poverty levels saw an upturn over the 2001-2005 period, resulting in the lowering of the percentage of people living below the poverty line from 57.1 percent in 2001 to 50.8 percent in 2005. A significant fall in the percentage of households living below

² The data used in this document, except where expressly stated, are drawn from the interim reports of the groups and from the specific studies conducted in that context.

³ WAEMU maximum community threshold set at 3 percent.

⁴ Senegal's fiscal balance (inc. grants) is structurally negative.

the poverty line, from 48.5 percent in 2002 to 42.6 percent, was also noted in 2005⁵. However, the picture of stagnation in the monetary poverty reduction process that emerges as of 2006 from the estimates⁶ suggests that greater attention needs to be paid to trends in non-monetary poverty: access to basic social services, decent food, unpolluted water, decent housing, and healthy living conditions.

WEALTH CREATION

1. Food Security

Food security is a cross-cutting issue that affects all sectors of the economic fabric of the country and concerns all stakeholders. Over and above ensuring the food security of its population, Senegal's aim is to achieve food sovereignty through the harmonious and sustainable development of the primary sector in particular, and of agriculture as an essential subsector,⁷ for providing food for the population.

The rate of coverage of grain requirements accelerated between 2008 and 2009, up from 39.8 percent to 75.0 percent. In 2009, the average grain Food Self-Sufficiency Rate (SSR) was 55 percent, of which 86.0 percent for millet/sorghum, 75.0 percent for corn, and 39.0 percent for rice. Overall, the SSR of 55.0 percent is satisfactory in light of the 80.0 percent target set for 2015. In 2007, ANREVA, the national agency responsible for the plan promoting a return to farming, effectively started up operations, developing seven (7) modern agricultural farms with a total surface area of 200 hectares (ha) equipped with a drip irrigation network. Six hundred (600) farm producers, including two hundred (200) women, are now working on these farms. The actual crop intensity is at least two crops during the dry season under irrigation followed by a third grain crop in the rainy season (millet, sorghum, corn) for own consumption. In 2010, the seven farms contributed to an increase in fruit and vegetable production of over 5,000 metric tons. Production contracts between private exporters and the REVA farm producers also increased exports by up to 1,098 metric tons in 2009 and 3,500 metric tons⁸ in 2010.

In the area of water management, the Local Small-Scale Irrigation Support Project (PAPIL) is designed to promote small-scale irrigation. It operates in the Fatick, Tambacounda, and Kolda regions in rural communities and production groups, which are both participants in, and beneficiaries of, the Project. In terms of results between 2006 and 2010, the project's achievements include implementation of 207 drinking water and sanitation microprojects

⁵ ESAM - ESPS (Household and Health and Social Protection Surveys), 2005.

⁶ Interim report by the World Bank and the National Statistics and Demographics Agency (ANSD), June 2010.

⁷ The nomenclature of the national accounts is used to make the distinction between sectors and subsectors, with the following exceptions: "formal sector", "informal sector", "public sector", and "private sector".

⁸ 2010 interim data.

(boreholes and wells), rehabilitation of over 2,000 ha of salt-affected land, protection of 6,000 ha of land from encroaching salinity in the Fatick region by building anti-salt dykes, raising the potential of cultivable lands (3,000 ha), increasing rice crop yields from three to six metric tons per hectare, thus making it possible for people to increase their rice self-sufficiency from six to eight months a year, and strengthening market gardening (three crops a year) by making large volumes of stored water available in the beneficiary areas.

Nevertheless, achieving food security remains challenging because of the difficulties faced by the population in accessing foodstuffs of sufficient quality and quantity, instability in meeting food needs, and the absence of an integrated institutional framework for coordination and management of food safety.

2. Agriculture

Agriculture continues to be the main source of employment and revenue for around 60 percent of the population. In 2004, Senegal adopted the Law on agriculture, forestry and livestock production (LOASP). The overarching goal of the agricultural subsector is to provide food security, strengthen the incomes of rural populations, and promote sustainable development. With a view to achieving food self-sufficiency, the Great Agricultural Offensive for Food and Abundance (GOANA) was launched⁹ in 2008.

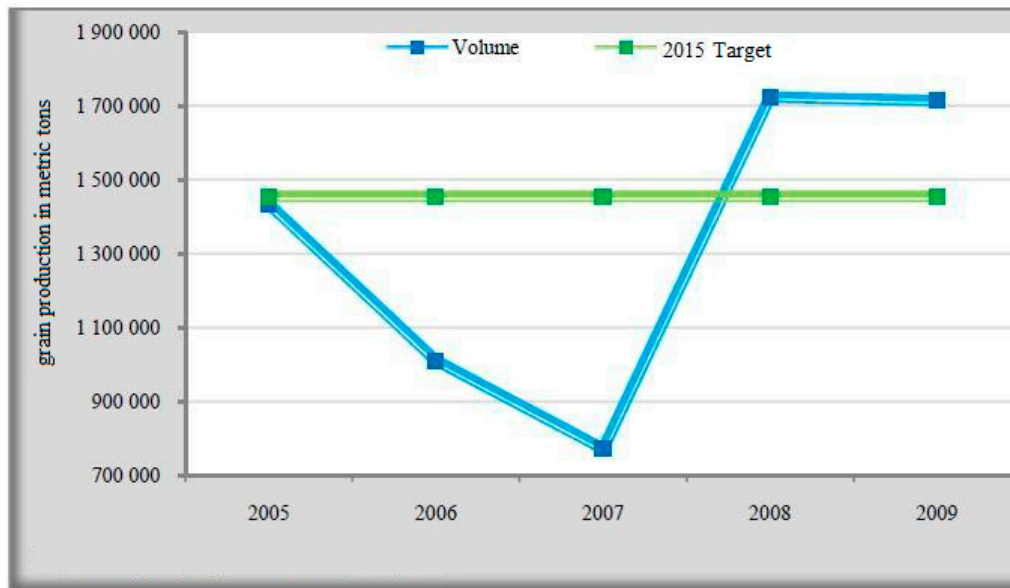
After dropping to 5.2 percent in 2007, from 6.6 percent in 2006, the share of the agriculture subsector in real GDP rose to 7.3 percent in 2008 and continued its rise to 8.0 percent in 2009. It is also noteworthy that, over this same period, whenever agricultural GDP was low so was primary sector GDP. In 2007, a downswing year in the agriculture subsector, primary sector GDP was largely supported by the other sectors.

Grain production increased from 772,239 metric tons in 2007 to 1,722,867 in 2008 and 1,713,455 metric tons in 2009, exceeding the projected target of 1,352,290 metric tons for 2009 and even the 1,454,971 metric tons set as the target for 2015 (see Chart 1). This great performance—the doubling of production in two years—is largely attributable both to good rainfall and to initiatives under the GOANA program.

With regard to cash crops, groundnut production also almost doubled between 2008 and 2009, up from 331,195 to 731,210 metric tons. Cotton production, in turn, totaled 18,500 metric tons for the 2009-2010 crop year, continuing the decline noted since 2007. The 2008-2009 figure for cotton production was 26,256 metric tons. In respect of other crops, between 2008 and 2009, the production of manioc (71.0 percent), cowpea (31.0 percent) and sesame (38.0 percent) decreased, while, in the horticultural crops, fruit and vegetable production went up 11.0 percent and 8.3 percent, respectively.

⁹ An initiative of the Head of State.

Chart 1: Change in the volume of grain production, 2005-2009.



Source: Group 1 and UCSPE Report, July 2010.

Average agricultural income has progressed steadily since the 2007-2008 crop year, rising by 37.5 percent between 2007 and 2008 and 8.1 percent between 2008 and 2009, respectively. In the period under review, the Senegal River Valley accounted for the highest incomes given the high value-added crops grown in the area, such as rice, tomatoes, onions, and other grains (corn and sorghum), on the one hand, and the better spread of agricultural activity throughout the year, on the other. In other regions, agricultural activity continues to be essentially rain fed, with the attendant vulnerability resulting from the concentration of income generation in only one part of the year.

Development of the subsector was supported by policies aimed at enhancing road infrastructure building and improvement, packaging and logistics, and hydraulic facilities (development of public private partnerships for the development of shared agricultural lands (*domaines agricoles partagés*) in the Niayes zones and in Taiba Niassène; development of specialized post-harvest, storage, and logistics infrastructure; extension and rehabilitation of major waterways and farm roads). Agricultural market and private sector activities were also boosted by local product promotion campaigns and the opening up of new product streams.

Despite the positive trends noted, the sector faces a number of problems, including difficulty accessing factors of production, the scarcity of adequate facilities, falling prices, a high dependence on rain fed crops, difficulty accessing credit systems, the unavailability of good quality seeds, difficulty accessing markets, the sluggish pace of new private investments by small and medium-sized enterprises (SMEs) and agro-industries in target streams despite the new opportunities made available by GOANA, low level of product processing, difficulty bringing products in line with export standards, and the ageing of management level technical staff.

3. Livestock farming

In keeping with the guidelines set out in the Law on agriculture, forestry, and livestock production (LOASP), the broad objective assigned to the subsector by the Livestock Development Policy Letter (LPDE) is to increase productivity, contribute to food security, and combat poverty in pastoral farming areas.

The contribution of livestock farming to GDP dipped slightly over the period, edging down from 4.0 percent in 2006 to 3.9 percent in 2008 and then back to 4.0 percent in 2009. The quantities of meat and innards produced in 2009 amounted to an estimated¹⁰ 166,070 metric tons, that is, an execution rate of 99.0 percent, compared to the annual projection, and a progression of 9.0 percent year-on-year. Most of this improvement is attributable to the cattle-meat sector and, more particularly, to the bovine subsector, which accounted for 45 percent of total production. Beef production, in fact, rose 14 percent as a result of a higher slaughter rate and improved average carcass weight. This solid performance is itself owed to the favorable cattle rearing conditions created by the year's good rainy season. Over the 2005-2009 period, the production of meat and innards rose 27.0 percent, that is, an annual average increase of 8,699 metric tons. Production did, however, decline in the poor 2007 season, which saw significant weight declines particularly among ruminants. This situation highlights underlying vulnerability in the subsector resulting from the continued predominance of traditional farming methods despite the modernization efforts deployed.

Generally speaking, the progress recorded is attributable mostly to the robust performance of beef and poultry production, which accounted for 43.0 percent and 25.0 percent, respectively, of total production over the 2006-2009 period, that is, a combined total of 68.0 percent. However, the share of poultry in national meat production edged down to 24.0 percent in 2009, following a peak of 28.0 percent in 2007. Higher beef production levels was paralleled by lower import levels in 2008 and 2009, highlighting the importance attached to the cattle-meat sector, considered a WAEMU priority sector.

Further, efforts made with regard to cattle identification resulted in 46,000 heads of cattle being registered, that is, a much stronger performance than in 2008. This progress was made possible by the implementation of a partnership with the National Agricultural Insurance Company of Senegal (CNAAS), support from the GOANA special artificial insemination program, and the successful implementation of the trial phase of a new identification system in the department of Kaolack. Having said that, however, these achievements still fall very far short of the target of identification of the total cattle population, estimated at 3.5 million heads.

¹⁰ Production estimates take into account uncontrolled slaughtering done outside of official slaughter houses (for example slaughtering by households).

Regarding vaccination coverage (see Table 1) against pest of small ruminants, African horse sickness, and Newcastle disease, indications are that results fall short of international standards that require a vaccination rate of at least 80 percent of stock to confer group protection. The low rates achieved, particularly with respect of the pest of small ruminants and Newcastle disease can be explained by (i) the insufficiency of funds allocated to animal health, (ii) delays in payments (arrears) under the health authorization/permits (*mandats sanitaire*) issued to private veterinarians, (iii) delays in contract payments for vaccines supplied by the Senegal Agricultural Research Institute (ISRA), and (iv) disruptions in the vaccine supply chain undermining the smooth implementation of vaccination campaigns.

Table 1: Change in vaccination coverage indicators

Vaccination coverage rate (%)	Reference 2005	2006	2007	2008	2009
Pest of small ruminants	20	24	27	22	18
African horse sickness	5	6	46	67	26
Newcastle disease	5	3	2	1	1

Source: Group 1 Report, Livestock Directorate, August 2010.

In 2009, the production of eggs for consumption amounted to 459 million units in volume terms, that is a 62 percent performance rate in relation to the projection and a 27.0 percent drop from 2008. This underperformance is mainly due to bad weather that adversely affected laying, led to relatively high mortality, and the early destocking of layers. Previously, the production of eggs for consumption had been steadily rising with a record level of 631 million units reached in 2008. Thus over the 2005-2008 period, production grew by 81.0 percent, that is an annual increase of 94 million units.

As regards milk, in 2009, the national production volume totaled 166.7 million liters, representing an execution rate 100.0 percent in line with projections and an increase of 20.8 million liters (14.9 percent) as compared to 2008. Over the 2005-2009 period, production rose 44.0 percent, that is, an annual average growth of 12.65 million liters. Despite the dynamic performance of semi-intensive and intensive systems in recent years, with the development of artificial insemination and suburban dairy farms, most dairy production is still accounted for by extensive rearing systems, 149.7 million liters, in 2009, versus 17 million for semi-intensive and intensive systems. Production is restricted by the poor genetic potential of local breeds¹¹ and by competition between milk for human consumption and for suckling calves the share of whose intake has been estimated at 50 percent. Public consumption levels of milk and milk products remains relatively low, with a per capita milk-equivalent consumption of 40 liters in 2009, of which 77.0 percent in the form of powdered milk, while the recommended standard is 91 liters per capita.

¹¹ One to three liters of milk per day, down to 0.5 liter in the dry season, that is, around 400 to 500 liters per year.

With regard to leather and hides, the quantities exported in volume terms amounted to 3,603 metric tons in 2009, versus the projected amount of 11,380 metric tons, that is, an execution rate of 32.0 percent and a huge drop of 5,330 metric tons compared to 2008. The collapse was more pronounced in the leather segment, which fell 76.0 percent versus a 23.0 percent fall for hides. Over the 2005-2009 period, exports averaged 7,776 metric tons a year, down 18.0 percent compared to 2005, with the trend turning downwards starting in 2007. This under performance can be explained by the global economic crisis, which depressed demand, particularly for cattle leather, in importing countries¹². Operators in the sector responded to the situation by shifting to drying leather for sale in countries of the sub-region.

Broadly speaking, there have been no major developments thus far in the area of livestock statistics as there is still no sampling base, no livestock inventory, or regular estimation of livestock economic and health indicators. The main problem hampering the availability of these indicators is the persistent lack of funds for conducting surveys and other statistical work. The livestock unit still does not have a formal, regularly updated database although the Livestock Information Management System (SIGEL) has been established.

Despite the positive results recorded, the subsector faces various constraints, including the extensive and traditional nature of existing production systems, the low production levels of local breeds, inadequate basic physical infrastructure, strong competing land use demands for agriculture and livestock farming, the absence of a legal framework for mandatory cattle identification, the absence of modern animal product collection, processing, and marketing systems (abattoirs, meat cutting plants, and butcher shops), chronic livestock stealing, the absence of a high-performance statistical data collection and processing system for livestock and production, inadequate quality control of inputs (feed, chicks, medicines) and products, outbreaks or emerging and recurring diseases, and a significant lack of human resources.

4. Agricultural water

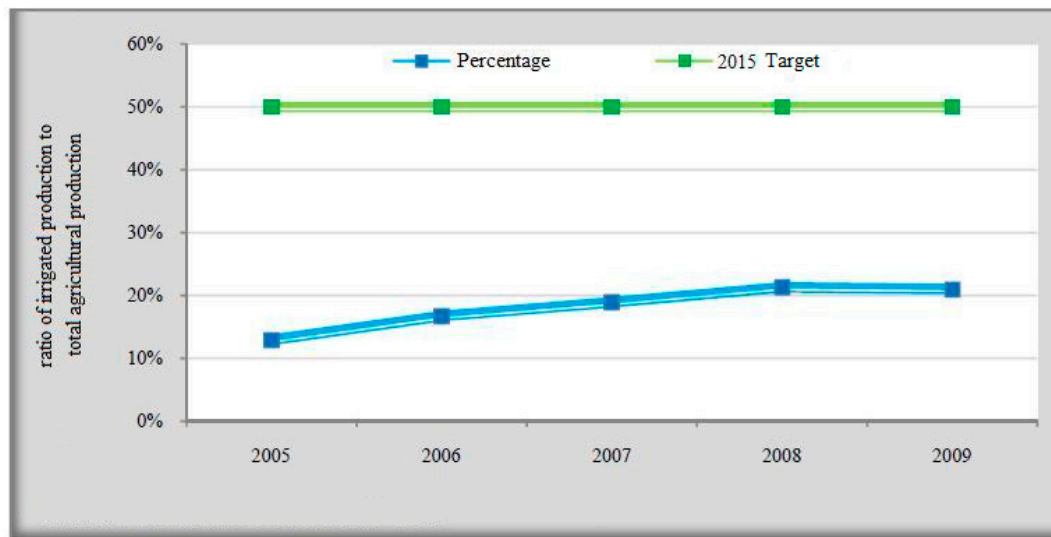
With respect to agricultural water, the main policy focus in 2006-2009 was on the development of small scale irrigation and related activities and integrated land and water resources management with a view to promoting the use of irrigation in the agricultural subsector.

In Senegal, 90 percent of water for irrigation comes from surface water, either through collection or pumping from the river. However in the Niayes zones, underground water is used for very small-scale irrigation principally for market gardening. Surface irrigation is the most commonly-used irrigation technique. Ground water resources are available almost all across the country, however the existing use of wells and boreholes leaves little room for

¹² China, Pakistan, India, France, Portugal, Spain.

irrigation. Priority is given to potable water supplies for human and livestock consumption. Nonetheless, excess supplies do exist, which, if properly harnessed, could be used to set up small-scale irrigated parcels of one to ten hectares without creating conflicts of use or harming the environment. The surface area under irrigated production is more extensive in the north, given the differences in water potential between the north and the south of the country. Investment has, therefore, been uneven, with a large share going to small-scale irrigation infrastructure schemes in the Senegal river valley and the Anambé basin.

Chart 2: Ratio of irrigated production to total agricultural production, 2005-2009.



Source: Group 1 and UCSPE Report, July 2010.

The ratio of irrigated production to total agricultural production increased twofold between 2005 and 2008, up from 12.9 percent in 2005 to 21.3 percent in 2008 (see Chart 2). The apparent decline in this progression, down slightly to 21.0 percent in 2009, in fact masks the offsetting effects of GOANA and the strong increase in rain fed crops, particularly groundnuts, millet, sorghum, and cowpea, thus reducing the share of irrigated production in total production. Further, the change in this indicator also hides various disparities, particularly of a geographical nature, such as the high concentration of irrigated production in the Senegal river valley where surface water potential is higher. Achieving the goal of reducing the vulnerability and raising the productivity of agricultural activity requires the stepping up of efforts to develop irrigated crop farming in other parts of the country where new initiatives need to be taken to harness rain water in a variety of ways as well as to mobilize surface and ground water.

Further, in the context of implementation of the national program for retention basins and artificial lakes, close to 200 retention basins were created. The surface area under irrigation devoted to cash crops such as corn, millet/sorghum, groundnuts, cotton, and vegetable gardening rose from 192 ha in 2006 to 532 ha in 2010. Irrigated rice yields strengthened from

3.5 metric tons per ha in 2006 to 7.3 metric tons per ha in 2010, that is, an increase of 108.0 percent in relative terms.

The major problems surrounding access to water for economic purposes stem essentially from the absence of civil engineering works and infrastructure for water harnessing and distribution as well as from institutional concerns related to plant and facilities maintenance and coordination.

5. Fisheries and aquaculture

Fisheries and aquaculture remain a strategic subsector for the national economy based on their significant contribution to macroeconomic balances—as a source of foreign currency, employment, revenue and value added—and the satisfaction of food needs. This subsector is one of the five clusters of the Accelerated Growth Strategy (AGS). The sectoral policy letter for fisheries and aquaculture (LPS-PA) adopted in 2007 is centered around the vision of the AGS, with the following main objectives: (i) ensure the sustainable management and restoration of fisheries resources on the basis of fisheries development plans and the promotion of a sound conservation policy for aquatic habitats; (ii) processing of fisheries production by improving activities on land and restructuring the fishing industry; (iii) sustainable development of aquaculture.

In 2008, the fisheries and aquaculture subsector accounted for 25.0 percent of the country's total exports, 30.0 percent of the population's protein intake, 15.0 percent of total employment, and 1.6 percent of GDP. However, the data show a decline in some of these aggregates over the 2006-2008 period. From CFAF 148 billion in 2006, export earnings fell sharply to CFAF 95 billion in 2008, followed by a vigorous recovery in 2009, recording a value of CFAF 113 billion.

The public policies—AGS and LPS-PA—currently being implemented are aimed at reversing this unfavorable trend by making more efficient use of the wealth creation potential of fisheries and aquaculture as well as by streamlining the use of the revenues generated from fisheries, evaluated at CFAF 130 billion a year. This will require stricter access controls to fisheries resources, better management of fishing capacities, the introduction of additional fisheries conservation measures, implementation of fishery-specific development plans, and enhanced support for aquaculture development.

Regarding the objective of ensuring the sustainable management and restoration of fisheries resources, actions taken have focused essentially on the revision of the fishing code and its enabling decrees, registration of the pirogue fleet, regulation of access to fisheries resources, the creation of marine protected areas, artificial reef immersion, preparation of fisheries development plans, and enforcement of compliance with the biological rest period.

In respect of the revision of the fishing code and its enabling decrees, the consultation phase involving all parties concerned was launched in 2008 and completed in February 2010. A few outstanding items related to research are being reviewed prior to submission of the text for

adoption. Regarding registration, out of a fleet of 10,000 pirogues inventoried, only 36 percent have actually been registered. In terms of access regulation and control, the main measures implemented were the requirement to hold a permit to engage in artisanal fishing and the introduction of a co-management system in fishing locations. Between 2006 and 2009, the number of permit holders plummeted from 2,858 to 546 nationwide, which reflects the difficulties implementing this measure. With a view to enhancing the control of access to fisheries resources, the government has institutionalized co-management at five fisheries test sites in the context of the GIRMaC program. This step forward is relatively timid, however, as the sites covered thus far do not include any of the major artisanal fish landing sites.

As far as development plans are concerned, of the five initially planned, significant progress has only been made in the case of deep-water shrimp fishing for which the related development plan has been drawn up. Work on the octopus development plan is in the final stages, while the coastal shrimp plan is still in the drafting phase. No plan has reached the implementation phase. Regarding resource conservation and restoration activities, available data show that the planned projects to create new protected marine areas have not been implemented and of the 30 artificial reef immersions scheduled only five have been executed. In turn, the planned extension of the biological rest period for artisanal fishing did not materialize and was only partially applied to industrial fishing, lasting only one month instead of two, as initially intended. Adjustment of maritime fishing capacities, a key measure for the objective of sustainable management of the resource, could not be achieved as the expected ADB financing was not secured.

In terms of utilization of fish production, actions taken focused on bringing the sector up to standard, the construction of fishing docks and processing facilities, installation of cold storage units, and restructuring of the fishing industry.

STABEX financing was used to bring the Mbour and Joal docks up to standard but not all the pilot sites that were supposed to be made compliant were covered. Other achievements noted include construction of the Thiaroye sur Mer and Boudody fishing docks and the Lompoul Fisheries Center, extension of the Hann fishing dock, establishment of fish product processing facilities, and the ongoing installation of 15 cold storage complexes. With regard to the restructuring of the fish industry, the study on the merger of the tuna platform was completed but neither its conclusions nor the proposed restructuring plan have been implemented.

In the area of aquaculture, at around 150 metric tons a year, annual production levels continue to fall short of achieving the objective of increasing production to offset declining wild caught fish production. Encouraging results were, however, noted over the period in the area of infrastructure, utilization of retention basins through fish stocking, training, and installation of basic infrastructure for the development of aquaculture. Thus, in addition to the rehabilitation of the two hatching stations with a total production capacity of three million fry, 12 community aquaculture cage farms, with a total production capacity of 1,030 cubic meters, and six pond farms were established over the period. Further, in 2009,

the National Aquaculture Agency (ANA) launched a vast food production program using agro-industrial byproducts.

Regarding the training of actors, a large-scale training program for ANA employees and grassroots actors was implemented with financing from the Consolidated Investment Budget (BCI) and from multilateral and bilateral cooperation agencies. Initiatives taken in conjunction with the “Products of the Sea and Aquaculture” cluster of the AGS made it possible to build a nationwide coalition of actors—parliamentary, administrative, private sector, civil society, and research institutes—that engaged in advocacy efforts to promote aquaculture development vis-à-vis the public authorities and technical and financial partners. This resulted in two major initiatives, namely, the preparation of a consensus-based National Fish Culture Development Program (PRODEP) submitted to the ADB for financing and the establishment of an aquaculture sub-cluster in the north of Senegal, soon to be followed by an aquaculture sub-cluster for the south of the country.

This mixed result can be explained by the major constraints faced in implementing the planned fisheries and aquaculture policies, programs, and projects. These constraints have to do with (i) the low level of budgetary and financial allocations set aside by the government and technical and financial partners, resulting in the non-implementation of important activities; (ii) technical and management shortcomings noted in the implementation of some fishing projects and programs; (iii) erosion of the institutional capacities of the Fisheries Department owing, in large measure, to the drop in quantity and quality of technical staff as a result of massive retirement levels, amounting to one-third of the staff, between 2006 and 2009; (iv) a lack of basic infrastructure needed to support higher aquaculture production, (v) inadequate budgetary resources allocated to the ANA, a major factor in the Agency’s institutional instability and difficulties meeting its objectives; (vi) the unavailability of the necessary resources and means to undertake the actions outlined in the action plan of the “Products of the Sea and Aquaculture” cluster.

6. Food processing and promotion of agricultural products

The processing of farm, livestock, forestry, and fisheries products to meet food needs is an important objective of the sector policy letter. In the PRSP-II, this component forms part of the sectoral programs implemented by the various ministerial departments responsible for agriculture, livestock farming, fisheries, industry, and SMEs.

The agro-food industry on its own accounted for¹³ 4.7 percent of national GDP, that is, CFAF 251 billion in 2007. In recent years (2006-2008), it has shown a marked progression, accounting for 33.0 percent of total production and turnover, 38.0 percent of value added, and 50.0 percent of employees in the industrial sector. An increasing number of SMEs and large enterprises are becoming involved in the agro-food subsector in Senegal.

¹³ 2008 DAPS (Statistics, Forecasting and Analysis Directorate) data.

Alongside the industrial entities, a large number of small, essentially rural and suburban agro-food units operate in the informal sector, drawing increasingly on advances in agro-food research regarding the processing of local products. The low level of organization of these food processing microenterprises and the multisectoral nature of government interventions have been a major obstacle to accumulating sufficiently detailed information on the subsector.

Despite its significant national agricultural potential, Senegal remains dependent on imports of foodstuffs to meet the needs of its population. As a result, in 2007 and 2008, the country's trade deficit rose to record levels fuelled by spiraling prices particularly of grain products on which it has a high external dependence.

GOANA and the *Rural Revolution* of 2009 undoubtedly had a significant effect on agricultural production. However, if these achievements are to be sustained further improvements will need to be made in the areas of conservation, food processing, and the promotion of agricultural products.

Operators involved in food processing and agricultural product promotion face a number of constraints, notably, access to credit tailored for investment purposes and the constitution of working capital; lack of intersectoral synergies; supply difficulties related to the availability of good quality raw materials; competition from imported products and high production costs (electricity, packaging, storage etc.), all of which hamper the promotion of agricultural products. New structures were created in 2009, such as the Food Processing Directorate (DTA) and the Directorate for the Promotion of Agricultural Products (DPPA) with a view to managing development of the subsector more efficiently.

7. Industry

The objectives outlined in the Industrial Redeployment Policy (PRI) are designed to upgrade industrial plants and boost endogenous industrial development.

The industrial subsector accounted for almost half of secondary sector GDP over the period 2006-2008. However, its contribution to jobs in the secondary sector declined from 38.0 percent in 2006 to 36.0 percent in 2008. This performance reflects poor industrial performance overall, attenuated by advances in the food and chemical industries. A total of 59 enterprises benefitted from the upgrading program over the period, out of the target of 60 beneficiaries set for 2008. The geographical distribution of the beneficiary enterprises confirms the concentration of industrial activities in the Dakar region, where 51 out of the 59 beneficiary enterprises, that is, 86.4 percent of them were located. Further, the change in

status of the office in charge of industrial upgrading and the creation of a fund for the program contributed to improving the institutional framework and financing¹⁴ facilities.

Regarding endogenous industrial development, the number of training sessions delivered went from 61 in 2008 to 36 in 2009. This reduction does not, however, indicate an under performance as the target of 16 sessions set for 2009 was more than doubled.

Senegalese industrial production suffers from low competitiveness. Three main reasons account for the developmental problems facing the sector:

- Capacity deficit of industrial enterprises: (i) poor levels of adaptation to the demands of competition resulting from the liberalization and opening up of the economy; (ii) a lack of technical competencies in support institutions, both public and private negatively impacting the quality of services they provide, as well as in companies, hampering the reorganization of corporate production, and management systems; (iii) weakness of the operational parameters of Senegalese enterprises in relation to compliance with international standards on competitiveness, labor productivity, quality, and environmental protection.
- Thematic and geographical concentration of the industrial fabric: (i) low diversification of industrial units and the need for utilization of agricultural, forestry, livestock, fisheries, mining, and energy resources; (ii) paucity of resources available for industrial restructuring through the creation of endogenous industrial streams, industrial centers, and strengthening the regional dimension of industrial policy;
- Weakness of the system for promoting technological innovation and industrial property rights and poor promotion of standardization: (i) low capacities of SMEs/SMIs to make greater use of industrial property; (ii) unsuitability of the technological watch system for SMEs/SMIs; insufficient promotion of the culture of quality in artisanal and industrial enterprises; (iii) insufficient sharing of experience with quality management between SMEs and large enterprises and creation of synergies with the support and supervisory structures for SMEs;
- Delays in implementing the program of action of the AGS “Textiles and Clothing” cluster.

¹⁴ Signing of decrees: (i) 2007-1489 of December 11, 2007, on the change in institutional status of the office in charge of industrial upgrading (*Bureau de Mise à Niveau-BMN*); and (ii) 2009-1070 of September 29, 2009, on the creation of the fund (*Fonds de Mise à Niveau*).

8. Mines

In 2003, Senegal adopted a mining code that is more attractive to investors. The objectives of the new code are aimed at strengthening the provisions governing environmental management and the rehabilitation of mines and quarries, ensuring that local communities benefit from the financial proceeds generated by the exploitation of subsoil resources, streamlining procedures, and promoting small-scale exploitation for the benefit of local populations. The contribution of mining in the GDP of the secondary sector contracted slightly in 2009, down to 4.6 percent from 5.2 percent in 2006.

Although appropriate tools for better information on mining resources are now available, delays persisted in the processing of mining titles. This under-performance can be explained by the shortage of administrative personnel in charge of handling large mining investment projects such as gold from Sabadola, iron from Falémé, and zircon and titanium from Grande Côte, and gold, copper, chrome, iron, and uranium exploration projects. In 2009, gold production from Sabadola was 4,975 kg. Silver production amounted to 535 kg. The mine generated 600 direct jobs and 1,500 indirect jobs. In 2009, 39 research permits were granted, compared to 49 in 2008, while 56 mining concession permits and other operating authorizations were issued in 2009 compared to 41 in 2008. The exploitation of phosphates at Matam got under way with the setting up of the state-owned entity, *Société d'Etude et de Réalisation des Phosphates de Matam* (SERPM). Regarding environmental management and the rehabilitation of mines and quarries, three (3) committees were set up to oversee environmental monitoring of the Zircon Grande Côte project, Sabadola gold mining, and iron mining with a view to creating a framework for ensuring compliance with environmental standards.

Under the Mining Sector Support Program (PASMI), geological infrastructure was updated with the production of geological and thematic maps through the sedimentary basin and eastern Senegal mapping project as well as aerial geophysical prospecting. Added to that is the creation of the documentation center and the mining registry facilitating both data collection and dissemination and the management of mining permits in the broad sense. The gold panning support project made it possible to draw up an inventory of gold panning sites, conduct an STD awareness campaign, and formalize facilities for access to financing and the design of simple tools and equipment to facilitate traditional gold prospecting and improve yields.

Significant progress was made in the subsector over the period. Challenges remain, however, in areas such as mining administration where there are still constraints related to inadequate human and material resources, and the complexity of requirements for bringing informal artisanal gold miners into the formal sector, given their lack of familiarity with the regulatory texts.

9. Arts and crafts

Arts and crafts play a fundamental role in the development process and are an important source of income for poor population groups in both urban and rural areas.

In the context of efforts to modernize production and marketing channels, a total of eleven (11) dedicated sites were created, between 2006 and 2009. The rate of satisfaction of demand for financing showed steady improvement, climbing from 30.0 percent in 2006 to 43.0 percent in 2009. Exports of arts and crafts posted CFAF 5 billion a year on average. Regarding improvements in the training system, at both basic and advanced level, coverage of training needs rose from 37.0 percent in 2006 to 40.0 percent in 2009. Thus, over the period, 9,825 artisans received training, of which 63.1 percent were women.

Regarding the organization of arts and crafts persons, 35 arts and crafts organizations participated in training initiatives in 2009 versus 45 in 2007 and 50 in 2008. The sessions were aimed at helping organizations improve their service offerings to members in the areas of production techniques, management, and literacy in national languages as well as housing cooperatives.

Over the 2006-2009 period, the subsector experienced both progress and major difficulties. The main hurdle remains the lack of competitiveness of artisanal goods and services as a result of the weak production capacity of artisans and inadequate and inappropriate marketing channels.

10. Trade

Trade is the main business activity of the informal sector as well as the main source of jobs in urban areas, particularly for women and young people. The objectives pursued are to increase the supply of exportable goods and services and improve market access.

The contribution of trade in the GDP of the tertiary sector has remained virtually flat over the period under review, with 34.9 percent in 2006 versus 34.3 percent in 2009. Exports recorded a see-saw performance between 2006 and 2008, posting CFAF 715.7 billion, 702.4 billion, 893.8 billion, and 890.7 billion in value terms, in 2006, 2007, 2008, and 2009, respectively. The rate of coverage of imports by exports went from 40.0 percent in 2006 to 35.0 percent in 2008. In the area of external trade, it should also be noted that the timeframe for the collection of pre-customs clearance documents was reduced by 32.0 percent with the use of ORBUS, computerized customs clearance formalities were introduced, transport and delivery of containers was liberalized, and non-stop unloading operations came on stream.

As regards domestic trade, and more specifically, activities related to trade infrastructure and the gradual roll out of reference stores, execution has been slow. Only a limited number of installations have been put in place for storage of agricultural produce and just 166 reference stores were set up out of the planned 600 installations. The shortage of financial and human resources and the poor competitiveness of local products on international markets are the main constraints facing the trade subsector.

Developmental problems in the trade subsector feed through to under supply of the domestic market coupled with high prices of basic consumer goods and services, while exports growth remains lower-than expected. These problems can be attributed to three major causes as follows:

- Lack of support systems for getting products to market, linked to the insufficiency, or absence, of modern infrastructure in the following areas: processing, storage, conservation, packaging, and shipping of production; use of ITCs in domestic and external trade; control and supervision (reference standard, instruments for measuring linkages to the international system, legal metrology laboratory, etc.); and promotion and trade shows;
- Inadequate quantity and quality of goods and services on offer for both the domestic and export markets, as a result of: weak supply capacities of national operators (production quantity and diversity); poor management of imports (monitoring of supply changes at the source); low level of professional organization of operators (expertise, intra and inter export company organization); and persistence of sub-standard local products (non-compliance with international standards, technical specifications, etc.);
- Congestion of marketing and distribution channels, caused by: a counterproductive multiplicity of intermediaries operating informally; a lack of “trade planning and development” (poor distribution of commercial complexes across the national territory); and low implementation of STRADEX (inadequate attention to export promotion, use of available tool, international trade negotiations, trade fairs, exhibitions, and export promotion funds).

11. Tourism

The tourism subsector is one of the leading suppliers of foreign currency to the national economy. The AGS, in which tourism represents a cluster, and the sector policy both aim to protect and promote Senegal’s tourism potential, revive activity in the subsector, and increase returns for the local economy.

Over the 2006-2009 period, overall performance in the tourism subsector was mixed. Although the target figure (1,350,000) for 2009 was not met, progress was noted over the period, with an annual average growth rate of 2.0 percent in tourist entries. Nonetheless, this overall progression masks a 2.5 percent drop in tourism flows between 2007 and 2009, 874,623 in 2007 and 810,000 in 2009. This failure to meet the target in terms of tourist entries is due, on the one hand, to the low mobilization of resources in relation to the needs expressed by the subsector for promotion and tourist facilities and to the international economic climate, on the other hand. With regard to the aim of high-end tourism promotion, analysis of hotel occupancy shows that 61.7 percent of demand was accounted for by the high-end segment, 4-star and 4-star luxury hotels, in 2007 versus 60.0 percent in 2005.

Tourism development plans were prepared for the north coast (*Grande Côte Nord*) and the Sine Saloum delta area in May 2008 and February 2009, respectively. Registration took place in the Sine Saloum delta area and in the areas around Mbodiène, Pointe Sarène, and Joal-Finio in 2009. Further, the work carried out by the national hotel ratings committee across the country has led to quality improvements in lodging facilities, visibility, and compliance with regulations such as those requiring the closure of businesses that fail to meet the prevailing standards.

The main obstacle to development of the tourism subsector is its lack of visibility. The three major causes of this problem are as follows:

- Lack of structure and presentation of the country's tourism offering, owing essentially to the: (i) absence of an exhaustive list of national tourism potential and resources; and (ii) weakness of the communication system and resources made available for promotion of Senegal as a tourist destination and of the tourism subsector in general;
- Unattractiveness of tourism investments, mainly as a result of the: (i) lack of basic infrastructure at tourist sites (little or no improved land, substandard hotels); (ii) absence of favorable conditions for private sector investment (good quality human resources creating a labor pool, tax, financial and legal facilities);
- Weakness, or absence, of a dynamic multisectoral approach, caused principally by the: (i) poor visibility of interrelations between tourism and the other subsectors (no data on the value added of tourism on the rest of the economy or, more specifically on each of the related subsectors, is available, let alone disseminated); and (ii) lack of mutual and synergistic development of potential by the tourism and related subsectors (in that context, the TICAA cluster, which is an exemplary initiative, is not sufficiently operational to be able to fulfill its role as a model, the bodies
- instituted to stimulate multi-actor tourism activities are not functional and no capacity-building initiatives in tourism promotion have been designed for participants in the subsector).

12. Transportation services

In respect of transportation services, the main objective is to improve the quality of services offered to commuters and enhance the conditions of urban and rural mobility.

In the context of improving urban mobility, the urban transport public enterprises (in particular, PTB S.A. and Dakar Dem Dikk) improved their offering through the acquisition

of reversible trains and buses as well as by putting 505 new minibuses,¹⁵ run in compliance with standardized techniques, and 409 buses¹⁶ into circulation.

With a view to improving the performance of operators in the Dakar urban transport subsector, a few years ago, the Executive Board of Dakar Urban Transport (CETUD) launched a series of training activities making it possible to deliver eleven basic training sessions on behalf of actors involved in the Association for Financing of Professionals of Dakar Urban Transport (AFTU), of which seven sessions of 590 drivers, and 566 ticket collectors and 195 operators. Despite these achievements, on the whole, commercial speeds of public transportation remain below the objectives set as well as below the benchmark conditions. Average commercial speeds in May 2008 on all four of Dakar's strategic axes was 11.81 km/hr, which is below the generally acceptable commercial speed of around 15 to 16 km/hr.

In the maritime sector, the National Agency for Maritime Affairs (ANAM) was created in the context of the implementation of international and national provisions related to the management of vessel safety and security, ports, working conditions of seamen, and prevention of marine pollution. The harbor of Ziguinchor was also rehabilitated.

With regard to rail transport, progress was hampered by the extremely poor performance of the Dakar Bamako railway concessionaire: bad cash flow management, fall in merchandise traffic, delays in implementing the emergency program aimed at rehabilitating the tracks and modernizing the rolling stock.

Road transport continues to face constraints related, among other things, to inadequate urban public transportation supply and underperformance of public transportation companies, inefficient organization of the Senegalese road transport network, weak financial and technical capacity of transport operators, the advanced age of the automobile fleet and rail infrastructure as well as the lack of training of mechanics to handle new electronic vehicles.

Constraints noted in the maritime transport subsector are related to insufficient presence of the maritime administration at sea to perform its control and surveillance missions and the absence of decentralization of maritime authority to the maritime regions, absence of a sizeable, diversified national fleet and of a maritime training and placement system for seamen to raise employment opportunities.

Constraints in the air transport subsector are attributable to tardiness in the signing into law of texts to regulate the extension of powers of the High Authority of the Léopold Sédar Senghor Airport (HAALSS) to secondary aerodromes and in bringing said structure up to standard consistent with the framework law on agencies as well as to the absence of a regulatory text governing the distribution of the airport security fee.

¹⁵ Source : AFTU.

¹⁶ Source : Dakar Dem Dik.

13. Culture

The government has taken various policy actions consistent with the guidelines laid out in the Universal Declaration on Cultural Diversity and is committed to the protection and promotion of the diversity of cultural expressions.

In the context of the promotion of cultural entrepreneurs, actors, and agents, the annual rate of recovery of proprietary rights (*droits maîtrisés*) improved from 53.1 percent in 2008 to 63.0 percent in 2009, while financing in support of actors amounted to CFAF 333.5 million in 2007 and CFAF 237.5 million in 2008. Regarding the promotion of the diversity of cultural expressions, 219 shows were sponsored in 2009, absorbing total financing of CFAF 330.4 million, versus 315 events in 2007 at a cost of CFAF 328.1 million.

Constraints in this subsector include the lack of visibility of cultural activity and its importance in the economic development of the country, the informal nature of the activity, the deterioration of cultural production, the absence of a co-coordinating structure, the inadequate allocation of resources, and administrative red tape for mobilizing resources.

14. Sports and recreation

The sectoral policy letter, prepared in 2007, is aimed at promoting exceptional wealth creation on the basis of a program involving high-quality infrastructure, job creation in sports, and sports-related activities, streamlining of the material and financial management of sporting facilities, and greater levels of decentralization.

The number of sports facilities built remained unchanged over the period, as construction of the national wrestling arena, which was the only facility included in the program in 2008, did not get off the ground. Professionalization of football, at the local level, kicked off in 2009. The amount earmarked in the Consolidated Investment Budget (BCI) for investment in sports infrastructure stands at CFAF 1.5 billion. Projects implemented facilitated the hosting of national sporting events as well as international competitions in Dakar and Thiès. In broad terms, the biggest hurdle facing the sector is inadequate resources. This results in poor maintenance of existing infrastructure, thus exacerbating the infrastructure deficit.

15. Information and communication technologies

The development of Information and Communication Technologies (ICTs) is ranked among the priorities identified with regard to the promotion of services. The main objective is to accelerate the development of teleservices.

Senegal positions itself as a leading player in Africa. Over the 2006-2010 period, the country has gradually been able to reduce the digital divide through its fully digitized network, solid penetration of mobile telephony (50.9 percent in 2008 and 56.7 percent in 2009), extension of coverage of the national territory by the various telecommunications networks, and a steady decline in the price of admission to the telecommunications business (*ticket d'entrée*)

accompanied by regular promotional campaigns by the various operators. The entry of a third operator and the transition of the numbering system from seven to nine digits also contributed to the positive results recorded in 2009. Senegal's dynamic ITC environment boasts a range of value-added services and high growth in Internet traffic that supported the installation of a bandwidth of 2.3 Gigabits per second (Gbps) in February 2008 and of 4.2 Gbps in 2010, the creation of 30,000 indirect jobs through private tele-centers, cyber cafes, card distributors, teleservices companies, and strengthening the country's strategic position as a sub-regional telecommunications hub through its participation in major infrastructure projects.

The contribution of the *post and telecommunications* subsector to GDP stands at 6.5 percent in 2006 and 6.9 percent in 2009. Investment grew at a robust pace over the 2005–2007 period with an average annual growth rate of close to 26.0 percent and the advent of new technologies making it possible to accelerate the coverage of rural areas. Some 2,350 villages were served by wired technology and 11,952 villages were served by CDMA technology in March 2008. Nonetheless, the target for rural coverage was not met, owing, in particular, to delays in the publication of the decree on telecom services for all and the effective establishment of the management bodies, resulting in the late start of programs aimed at providing service to the rural regions targeted. The installation of 24 Community Multimedia Centers (CMCs) in rural areas, between 2004 and 2007, provided beneficiary groups with access to community radio, the Internet, and training.

The government made enormous efforts to complete the extension of the governmental Intranet to the administrative Intranet with an additional investment of CFAF 20 billion. This infrastructure will make it possible to increase the security and fluidity of information flows and enable the government to reduce its communications costs substantially. Private investment also rose significantly, up from CFAF 120 billion to CFAF 135.3 billion between 2008 and 2009, facilitating the emergence of numerous high value-added services in 2009.

However, ICT companies have not yet been able to reap the expected added-value benefits in the services area as the environment remains unfavorable to competition with delays in unbundling, number portability, open access to short numbers and the opening up of international data access. The ICT business incubator project, launched in 2010 and intended to facilitate the incubation of at least 30 companies a year, will provide support for young enterprises with development potential to help them grow into competitive enterprises.

The main obstacles in this subsector are the absence of a single strategic governance framework for the sector based on a national ICT development strategy, the low level of education and equipment of households and enterprises, and the high cost of access to telecommunications/ICT services and equipment. The subsector is also affected by low ICT utilization rates in the socio-economic arena (education, health, civil status, trade) and by insufficient production of local content suited to the needs of the population.

16. Transport infrastructure

Transport infrastructure plays a central role in supporting growth by providing a set of positive externalities that create a strong foundation for sustained wealth creation, conducive to economic emergence. As a continuation of the efforts made in the 1990s, Senegal is engaged in various reforms, in the context of the Transport Sector Program (PST-2), to modernize infrastructure and ensure proper maintenance of the road network.

In 2010, AGEROUTE was established to replace the AATR. In addition to the traditional missions of the former agency, its responsibilities include management of the classified road network. A new reform led to the creation of the Autonomous Road Maintenance Fund (FERA). In addition to budgetary allocations from the government, the reform introduced a parafiscal levy collected in the form of a users' fee based on the user pays principle.

The road network development plan and the road infrastructure program form part of a balanced land-use development policy for the 2006-2009 period. FERA was, therefore, boosted from CFAF 15 billion francs in 2006 to CFAF 37 billion in 2009. Indeed, the number of kilometers of classified unpaved road recovered per year rose from 356 in 2006 to 1,106 in 2009. Over the same period, the number of kilometers of classified paved road recovered per year jumped from 500 to 689. According to the findings of village surveys carried out in 2000 and 2009, access to roads improved significantly in the decade of the 2000s. Thus, the percentage of the population living within less than five kilometers of a road passable in all seasons rose from 42.0 percent to 50.3 percent, for paved roads, and from 39.7 percent to 52.0 percent for unpaved roads. However, the number of kilometers of access roads built in rural areas a year plummeted from 640 in 2006 to 209 in 2009.

The major works carried out to modernize road infrastructure have considerably eased urban mobility constraints, particularly in Dakar. Works include widening of the Malick Sy-Patte d'Oie highway, the Patte d'Oie-Pikine highway, the North slip road (VDN) and the West coastal road. On top of the regular work programs, road, real estate, and hotel infrastructure projects created an additional 6,700 jobs. However, despite the efforts made, road network density remains low and maintenance coverage of the network is still largely unsatisfactory owing to the lack of financial resources.

Most road projects and programs experienced delays and in some cases, stoppages. The many causes of these delays relate essentially to: noncompliance with donor procedures; trying to find and locate quarries for building materials, and the unavailability of government counterpart funds. Regarding the road infrastructure objectives set for the 2006-2010 period, financing seems to have been the major obstacle to reaching targets in two or three instances, namely, improving mobility and accessibility in rural areas and infrastructure development.

In respect of air transport, the overarching aim is to develop an ambitious air transport policy, in conjunction with the land-use development policy, to link the country to Africa and the rest of the world. A new airline (Senegal Airlines) has been created. In terms of air safety and security, strict compliance with international navigation standards is ensured. Further, with a view to making Dakar an air transport hub, Senegal has launched the construction of a new

modern airport with an estimated traffic capacity of three (3) million passengers a year. This new airport infrastructure should solve the urgent problem of saturation of the Léopold Sédar Senghor International Airport.

In the area of maritime transport, on average, 8,500,000 freight metric tons of merchandise are landed annually at the Port of Dakar, while 2,200,000 metric tons are loaded for a total of 11,000 ship stops per year at the port since 2007 and a slightly upward trend. Further, in the context of economic and social development initiatives and implementation of the policy to develop the southern regions and connect them more closely to the rest of the country, the government set up the *Consortium Sénégalais d'Activités Maritimes* (COSAMA). For 2009, COSAMA figures show 181 round trips carried out, 141,851 passengers transported, and 16,477 metric tons of merchandise shipped via the *Aline Sitôe Diatta* ferry plying the Dakar-Ziguinchor sea link.

In addition, in the context of the modern infrastructure investment program underway, under the container terminal concession contract, the Port of Dakar is being equipped to receive third-generation large container ships and to position itself as a major hub port for West Africa with a potential capacity of 1,500,000 containers.

In the area of rail transport, the following projects included in the PST-2—construction of a third railway line, renovation of suburban train stations, and construction of a protective wall for the railway tracks—are in the final stages of implementation. There is also an acknowledged need to boost rail transport by giving the concession the necessary means to provide intermodal rail-truck services along the Dakar-Bamako corridor. Such complementarity between the various modes of transport is vital for increasing the competitiveness of the ship-rail-truck multimodal system and improving the accessibility of Mali.

Generally speaking, the main obstacles to the development of the transport sector are the obsolescence of port facilities and regulations. Other constraints are related to the absence of a road master plan, draft limitations at secondary ports, the absence of a sizeable, diversified national fleet (national, international, pleasure), the upward spiral of freight rates, the growing shortage of skilled officers and crew members, the absence of a policy and development plan for local and sub-regional rail networks in tandem with the identification of potential areas of growth.

17. Energy

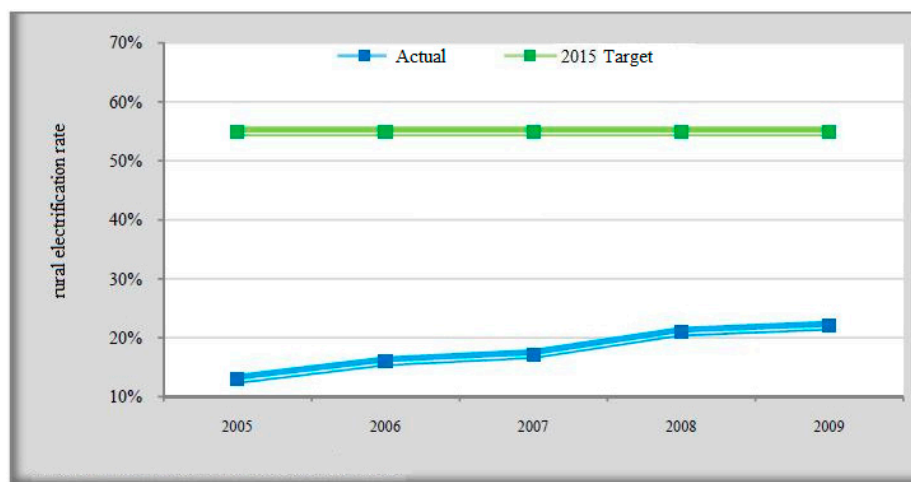
The new energy policy, which is based on an analysis of the national context as well as of international developments, has three main objectives, namely to (i) supply the country with energy in sufficient quantity, under the best conditions of quality and sustainability, and at least cost, (ii) broaden the populations' access to modern energy services, and (iii) reduce the country's vulnerability to exogenous volatility, particularly that of the global oil market.

In the context of the Power Sector Restructuring Project (PRSE), the National Electricity Company (SENELEC) implemented its capital equipment program aimed at strengthening

production capacity. This resulted in an increase in the usable capacity of the installations from 562.5 MW in 2005 to 684.5 MW in 2009, that is, a relative increase of close to 22.0 percent, with capacity peaking at 698.5 MW in 2008. Over the entire 2006-2009 period, annual projected targets failed to be met.

Over the period, the electrical power generation system suffered from disruptions in electricity supply to households as a result of recurrent breakdowns in the fuel supply chain, the unavailability of certain SENELEC and GTI generators, and network incidents that led to load shedding. Unsupplied power resulting from electricity supply disruptions was 91 GWh in 2007, 104.3 GWh in 2008 and 89.0 GWh in 2009. Disruptions in electricity distribution were, consequently, frequent and the persistent load shedding not only lowered the level of satisfaction of household demand, but also adversely affected the productivity of business enterprises overall. This situation virtually nullified perception of the effects of the significant efforts made in terms of investment to increase generating capacity by 200 MW (C6 power plant in 2006, Kounoune in 2007, and Kahone in 2008), so as to offset the power generation deficit.

Chart 3: Change in the rural electrification rate, 2005-2009.



Source: Group 3 and UCSPE Report, July 2010

Regarding access to electricity in rural areas, the 2007-2009 period marked the start-up of implementation of concessions and of the Emergency Program (2008-2012), with an increase in solar power of close to 200 kilowatts peak (kWp). The 123 villages already electrified in 2009 or currently being electrified by connection to the medium voltage network or by generator supplying a mini low-voltage network were selected on the basis of the 441 formal requests received between 2008 and 2009. These measures brought electricity to over 1,500,000 people living in rural areas. Through these combined initiatives, the 22 percent rural electrification rate set as the target for 2009 was met. Nonetheless, the pace of rural electrification needs to be stepped up if the objective for 2015, which stands at 55 percent, is to be met (see Chart 3).

In the hydrocarbon subsector, the timetable for improving product specifications was largely met. However, no work has begun on the development of an independent storage system and the construction of a testing laboratory for petroleum products for quality control of the products marketed. In 2009, natural gas production was estimated at 17,064,154 Nm³, versus 6,687,812 Nm³ in 2008, that is, more than double.

For domestic fuels, household consumption of traditional fuels (wood and charcoal) as a share of the energy balance shrank from 92.0 percent in 1994 to a little under 75.0 percent in 2004, and around 41.0 percent in 2009, in favor of modern energy sources such as Liquefied Propane Gas (LPG), electricity, and kerosene. The share of LPG tripled, up from 5.0 percent to 15.0 percent of energy consumption¹⁷, over the 2005-2009 period. Nevertheless, household energy consumption continues to be dominated by wood fuels. The harvesting of wood, to meet energy needs in the form of charcoal for urban populations, in particular, is a significant factor in the degradation and disappearance of forest resources. To offer investors an attractive legislative and regulatory framework conducive to the development of renewable energies, framework laws on renewable energies and biofuels were prepared in 2009.

Despite the increase in production capacity, dysfunctionalities were noted in electricity supply, resulting in the underperformance of some sectors of the economy. Constraints in the subsector are essentially related to the virtual total dependence on oil imports and the absence of appropriate mechanisms to cushion exogenous shocks, low storage capacity, the outdated reception and unloading logistics at the Port of Dakar, obsolete electrical infrastructure, lack of information and awareness on rational energy utilization, the technical failings of private operators, in particular, GTI and, to a lesser extent, Kounoune, and SENELEC's cash flow difficulties.

18. Science and technology research

Senegal's scientific research policy seeks to facilitate a closer relationship between research and business as well as to promote technological innovation.

In that context, the Cheikh Anta Diop University of Dakar, one of the leading¹⁸ universities in French-speaking Africa, has taken the initiative to set up a business incubator. The Gaston Berger University is developing a university model based on integration into the economy of the host region. The three newly established universities are also expected to link their growth prospects to that of the surrounding regions.

Research has produced results in several areas. These findings are translated into scientific production and small-scale products or prototypes. There are more scientific publications

¹⁷ World Bank - ANSD Report, June 2010.

¹⁸ Shanghai world university rankings for 2008.

than patents or prototypes. In the area of food technologies, the Food Technology Institute (ITA) has capitalized on many of its findings for the processing and conservation of local foods, while ISRA has been successfully involved in the selection of high-yield varieties and the production of pre-base seeds adapted to low rainfall conditions and the short crop cycle.

The scientific research sector faces recurring problems associated with poor equipment, lack of investment, weak commitment to research and development by the private sector and the business community, nonexistence of an innovation market or industrial property rights, and the absence of incentives to encourage and nurture creativity and innovation.

19. Employment

Employment and wealth creation is, in fact, the barometer of the success of the growth and poverty reduction policies put in place. Senegal's policy focus in this area is, therefore, to strengthen productive employment and boost nonagricultural rural employment in the context of a stable macroeconomic framework.

The overall labor force participation rate was estimated at 49.3 percent in 2009¹⁹. Between 2006 and 2009, participation rates by gender and place of residence increased, with an average growth rate of 4.7 percent. In total, over the period, a degree of erosion of the participation rate was noted. Down from 50.7 percent in 2005 to 49.3 percent in 2009, the rate was in effect lower by one and half points. The rate of underemployment²⁰ edged up from 22.5 percent in 2006 to 23.0 percent in 2009 and has been on an almost constant upward slope since 2002.

Unemployment rose slightly between 2002 and 2006 according to the Senegal Household Survey (ESAM II²¹) and the Senegal Poverty Monitoring Survey (ESPS), with figures showing 9.7 percent in 2002 and 10.0 percent in 2006. The rise in unemployment is concentrated essentially in the cities and, more specifically, in greater Dakar. Job creation has been higher in the informal sector than in the modern sector²². The formal sector employed 214,700 people in 2006, that is, around 6.0 percent of the total number of jobs, versus 3,422,700 people in the informal sector. The latter sector offers many more possibilities for labor absorption than the modern sector and, therefore, makes a greater contribution to the fight against poverty. Further, the size of the job pool in the modern sector has virtually stagnated over the past fifteen years or so, with the informal sector demonstrating a great capacity to absorb those excluded from the modern sector. In the modern sector, close to 30,000 employment contracts are recorded each year by the labor statistics unit.

¹⁹ Calculated on the basis of maintenance of the same trend from 2002 (ESAM-II) to 2006 (ESPS).

²⁰ According to ESAM-II, 2002, underemployment is measured in terms of the gap between the job and professional qualifications, on the one hand, and between the job and income, on the other.

²¹ ESAM-II, 2002. ESPS, 2006.

²² World Bank Report, No.40344-SN, September 2007, "Senegal Looking for Work - The Road to Prosperity."

Concerning youth employment, in 2006, Senegal adopted a national action plan for youth employment (PANEJ). The Project and Program Coordination Unit (UCP) was put in place in May 2008 and tasked with strengthening the efficiency of project and program execution, including that of the Project to build national capacities for youth employment policy and program monitoring and evaluation (PRECASEJ). In addition to providing training in monitoring and evaluation for staff in decentralized agencies, the PRECASEJ put in place a computerized youth employment management system making it possible to have real-time data on job seekers and job offers and has also established indicators and is monitoring youth employment. It has also put a process in train for evaluation of the FNPJ, which is expected to start at end-2010.

Added to the above achievements in the area of youth employment are those of the National Agency for Youth Employment (ANEJ) through the “Saint-Louis school building” project aimed at creating five new workshop-schools and providing job training and placement for 500 youths from Saint-Louis over the 2008-2011 period. The current status of execution of the project is as follows: five schools opened and functioning, 300 young people recruited into training, one agricultural farm in operation, and the Rognât Sud building rehabilitated. In addition, with a view to contributing to the fight against poverty and rural exodus through the placement of young people in agriculture, among other things, the “young people in agricultural farms” project is the continuation of an initiative under implementation since 2007. This extension is intended to consolidate and enhance a process that has already produced significant results. Indeed, the first phase under execution has resulted in the installation of 23 farms, the emergence of 460 agricultural entrepreneurs, and the creation of 1,000 jobs in rural areas in the agriculture subsector.

The number of young people trained in the sense of increased employability stood at 11,233 in 2008 versus 11,039 in 2007. In the context of the agreement between the government and employers, the number of youths placed in jobs fell significantly between 2007 and 2008, down from 375 to 148, that is, a drop of almost 40 percent.

Overall, underemployment and unemployment rates remain high. The constraints noted include dispersion and poor communication among structures, mismatch between employment, vocational training and the self-employment support policy, the multiplicity of funds with similar missions, the lack of transparency in the job market accentuated by delays in establishing the employment observatory and an operational directory of jobs and careers.

20. Microfinance promotion

The objectives of microfinance promotion are to foster access to viable, sustainable financial services for a majority of low-income households and micro-entrepreneurs and to strengthen the capacities of participants in the microfinance subsector.

The network of Decentralized Financial Systems (DFS) became considerably denser over the 2006-2009 period. Penetration rates as measured by percent of total population rose from 7.0 percent in 2006 to almost 10.2 percent in 2009 (See Table 2), with the highest penetration rates noted in the Dakar, Ziguinchor, Thiès, Louga, Saint-Louis, and Kaolack regions. In

turn, the number of members/customers almost doubled over the same period, up from 803,517 in 2006 to 1,207,095 in 2009. Women accounted for 43.7 percent of the membership in 2009, versus 38.0 percent in 2006. This performance is a reflection of the increase in the number of DFSs and the establishment of DFSs in new areas, particularly rural and suburban areas.

Table 2: Change in selected microfinance indicators, 2005-2009.

Indicators	2005	2006	2007	2008	2009
Penetration rate - % of total population	6%	7%	8%	9.47 %	10.15%
Number of members – customers	682,949	803,517	943,595	1,093,838	1,207,095
Proportion of female members/ customers (*)	41%	38%	44%	44.21%	39%
Number of active borrowers	115,711	166,871	214,483	254,016	281,679
Stock of member deposits (billion)	62,438	74	91	102.84	119
Proportion of Term Deposits	13%	12%	14.80%	26	22%
Number of savers (**)	-	-	-	-	845,064
Outstanding loans (billion)	81,163	90	111	132.5	140.53
Total Assets (billion)	94,673	123,375	168.7	184.76	257.75
Operational Self Sufficiency	123%	129%	125%	121.24%	108.40%
Capitalization ratio	N	NA	27%	28.63%	23.50%

NA: Not available; (*) Indicator newly introduced
 (**) Not taking account of female members of legal entities
 Source: Microfinance Directorate, (June 2010), *Surveys of a sample of DFSs*

Outstanding loans rose by 56.1 percent between 2006 and 2007, from CFAF 90 billion to CFAF 163 billion. Much of this increase is owed to the development of new financial services by some of the larger networks, including financing services for small and medium-sized enterprises (SMEs). In fact, the networks account for 82.0 percent of outstanding loans in the sector. Further, capitalizing on the increased saving levels of its membership, the DFSs help meet the demand for credit by the general public. The stock of member deposits increased from CFAF 74 billion to CFAF 141.7 billion over the period.

Despite the very significant advances made, the subsector continues to face numerous constraints of which the main ones are as follows: lack of supervisory resources and deterioration of the loan portfolio; unreliability of the information reported by some DFSs; absence of mechanisms allowing for the setting up of a deposit guarantee fund and a security or solidarity fund; the existence of highly-subsidized external refinancing lines that act as a disincentive to the DFSs to develop strategies to mobilize more savings and strengthen linkages with the banks; insufficient knowledge and understanding within the DFSs of the cycles and characteristics of existing agricultural streams and their attendant value chains; the absence of a savings culture and lack of capacity of people in rural subsistence farming areas to articulate their needs.

21. Small and medium-sized enterprises

Restructuring the industrial fabric and making it denser, strengthening the capacities of SMEs, and promoting endogenous industrial development are the main policy objectives for this subsector. Small and medium-sized enterprises are today recognized as important actors for economic growth. They play an essential role in staving off fragility, unemployment, and

underemployment. The sectoral policy letter on SMEs with an accompanying action plan known as *Programme Croissance PME* was validated in May 2009.

Requests for support services were down from 560 in 2008 to 489 in 2009. Implementation, in turn, went from 400 to 306 over the same period, with 300 set as the target for 2009. The number of processed SME start-up projects rose markedly, from 20 in 2008 to 30 in 2009. With the support of its partners, the government launched a process of preparing a strategic framework for providing support to SMEs, which, in May 2009, resulted in the adoption of a sectoral policy letter on SMEs with an accompanying action plan known as *Programme Croissance PME* or the growth program for SMEs. Despite encouraging results, the contribution of SMEs to GDP and job creation is still quite low.

In line with its commitment to develop female entrepreneurship, the government of Senegal initiated a number of innovative strategies. Of the total number of projects financed in 2009, 44.2 percent were women's projects. However, the absence of reference data for previous years makes it difficult to put this performance into perspective. The number²³ of women entrepreneurs who received financing went from 200 in 2006 to 33 in 2009, with a peak of 445 in 2007. This marked progression was, however, interrupted as of 2008 because of the unavailability of expected funds. The volume of women enterprises brought into the formal sector rose 21.0 percent, from 86 to 104 units between 2008 and 2009 and 1,091 women received entrepreneurship training in 2009.

Constraints relate to delays in the implementation of the enabling degrees of the framework law on the promotion and development of SMEs, the aim of which is to create a favorable climate for the development of SMEs.

22. Regional integration

Since its independence, Senegal has been firmly committed to regional integration. Progress was noted in the context of the deepening of regional integration. Indeed, the total number of texts implemented within the required timeframe in relation to the number of texts adopted stands at 50 out of 60, broken down as follows: 43 out of 53 with regard to texts from the Economic Community of West African States (ECOWAS), and 7 out of 7 for WAEMU texts.

Between 2008 and 2009, licenses issued within WAEMU and ECOWAS were predominantly for enterprises and products in the agro-food subsector, followed by enterprises and products in the chemical and construction materials industries, respectively. Compared to 2008, there was a large increase, from 18 to 29, in the number of enterprises licensed. On the other hand, the number of products licensed was down from 71 to 42. This is linked to the fact that many

²³ These figures relate exclusively to the *Fonds National de Promotion de l'Entreprenariat Féminin* (National Fund for the Promotion of Female Entrepreneurship).

of the enterprises licensed in 2009 were EIGs (economic interest groups) engaged in the production of a single product, namely, salt. The share of exports to WAEMU remained virtually flat (28.0 percent) between 2006 and 2009, while imports trended downward, hovering at around 3.3 percent.

In the context of freedom of movement, only a national ID card is required of citizens from the sub-region. This easing of immigration conditions presents advantages, notably trade facilitation in border areas and increased mobility of intellectual resources. However, it entails, in parallel, some risks and constraints in the area of public safety and security.

In the context of implementation of the WAEMU Regional Economic Program (REP), since 2008, the government has been committed to road improvement and transport facilitation along the Bamako-Dakar corridor via the south. At September 30, 2009, 65 percent of the associated works in Senegal, related to implementing mitigation measures and improving the living conditions of local populations, had been executed. Nevertheless, despite its unquestionable potential to create opportunity, regional integration faces major challenges such as the negotiation of Economic Partnership Agreements (EPAs).

The main constraints affecting regional integration are, *inter alia*, the lack of harmonization and coordination of national development policies.

23. Private sector

In the context of the implementation of the PRSP-II, through the multiplication of opportunities for wealth creation, one of the specific objectives has been to make the private sector the engine of economic growth.

Based on the national register of identification numbers for enterprises and associations (NINEA), the number of enterprises created rose from 8,615 a year in 2005 to 24,399 in 2009, that is an almost threefold increase. This performance must be somewhat nuanced, however, by the low survival rate of new enterprises. In addition, 13 percent of enterprises had access to financing and two zones were earmarked as development sites and/or centers in 2009.

Policies aimed at restructuring the business environment focus a lot of attention on strengthening existing support mechanisms and on sustaining standardization efforts underway in Senegal since 2007. In 2009, coverage of training needs of company heads was 362 requests satisfied out of a projected 369 requests.

Important reforms were carried out over the period, particularly in 2009 when institutional, organizational, and technical reforms were conducted under the business upgrading program (*Programme de Mise à Niveau des Entreprises*) to strengthen the efficiency of the support mechanisms in place. The government and other actors in the sector have made continuous efforts to improve the environment and efficiency of the sector, through the creation of support bodies and implementation of structural reforms (creation: APIX, DASP/MEF, the SME bank; implementation: SCA, ADEPME, and preparation of a new national employment policy over the 2011-2015 period).

Among the various constraints in the sector, one could mention the presence of sectors with low contribution to export capacity and low levels of private investment, particularly in the informal sector. Other problems include, difficulty accessing financing and land, a business environment that is not very conducive to private investment, the lack of decent jobs in some sectors, the low visibility of guild chambers, and the prevalence of enterprises (family-owned businesses) whose legal form hinders expansion.

24. International migration and Senegalese abroad

The number of Senegalese living abroad is estimated at close to two million. Migrants between the ages of 18 and 35 years old represent around 68 percent of the total, while the 35-54 year old age group accounts for 26 percent. A new trend of migration of skills has been noted. The registration rate of emigrants is 33 percent, that is, one in three migrants.

According to the Central Bank of West African States (BCEAO, 2008), remittances²⁴ from Senegalese abroad rose from CFAF 442 billion in 2006 to CFAF 544 billion in 2007 and CFAF 635 billion in 2008, that is, an average growth rate of 19.9 percent between 2006 and 2008. Remittances account for close to 14.0 percent of GDP.

Among the numerous constraints, one could highlight the little attention paid to the crosscutting nature of migration in the PRSP-II; the absence of concerted, critical analysis as well as of a clearly articulated strategic framework for intervention; nonexistence of a reliable management system for monitoring the Senegalese population living abroad; the lack of in-depth information on the socioeconomic characteristics of émigrés and opportunities for synergy; and the shortage of information available to Senegalese abroad on structures, procedures, and business opportunities in the home country.

²⁴ 2009 data are still being processed.

ACCESS TO BASIC SOCIAL SERVICES

25. Education and training

As part of the educational reforms emerging from the 1981 conference on education (*États généraux de l'éducation*), Senegal formulated a new General Policy Letter for the Education/Training Sector for 2000-2015, which defines the development policies options and implementation strategies for the formal and informal subsectors.

The current education policy focuses on improving basic education, technical education, and professional training. In this context, universal primary education is the principal objective.

The results from 2006-2009 indicate that Senegal is well on its way to meeting the challenge of education for all. The gross intake rate (GIR) for the first grade rose steadily from 103.2 percent to 117.5 percent. The target of 110.3 percent by 2015 has already been achieved for both girls and boys. This effort will need to be maintained while increasing the number of classrooms constructed and ensuring timely delivery in order to replace temporary structures and improve the learning environment. The gross enrollment rate (GER) for all elementary grades rose from 83.4 percent to 92.5 percent from 2006 to 2009 against the target of 105.0 percent by 2015, consistent with the MDGs (see Chart 4). The policy also aims to step up outreach on school enrollment and retention (particularly for girls), increase the coverage of school meal programs (56.5 percent in 2009 compared to 39.6 percent in 2007), build new classrooms, replace temporary structures, and upgrade Franco-Arabic schools.

Chart 4: Change in primary school GIR, 2005-2009.

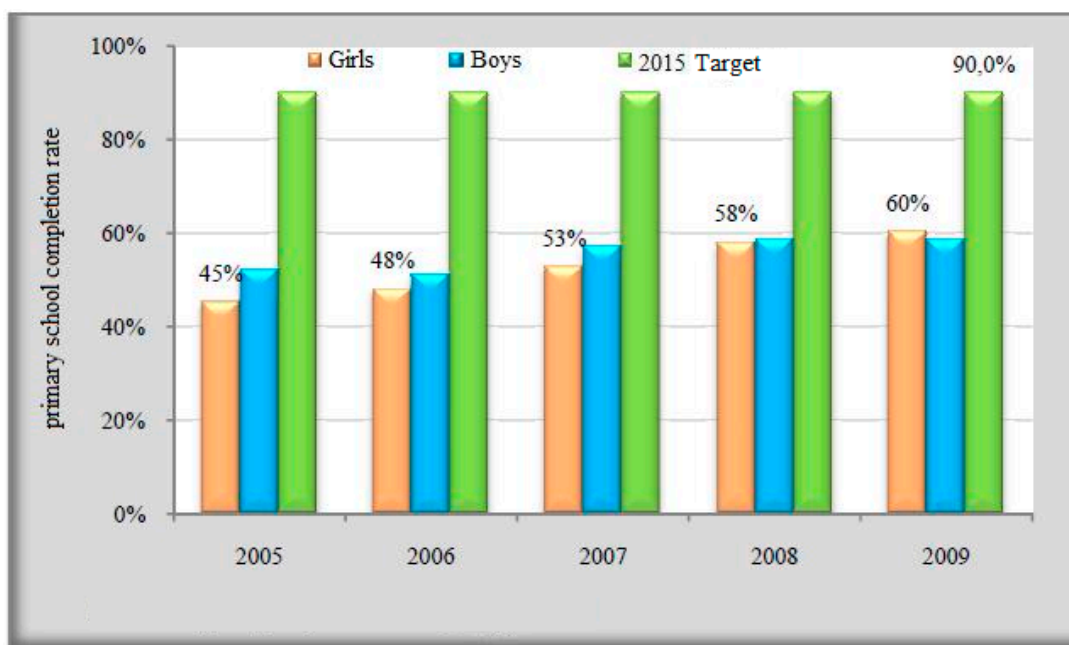


Source: Group 5 and UCSPE report, July 2010.

While the primary school completion rate rose from 49.7 percent in 2006 to 58.4 percent in 2008 and 59.6 percent in 2009, the rate of improvement is too low to achieve the target of 90.0 percent by 2015 (see Chart 5). This is due to a number of factors that constrain performance and limit the system's internal efficiency. These include the adverse impact of repeated grades, under qualified teachers, precarious settings (numerous temporary structures), low coverage of school meal programs at rural and suburban schools, dropouts, and weaknesses in nutritional support and managing instructional hours.

Success rates for the primary school certificate examination were mixed over the 2006-2009 period: a marked decline from 2006 to 2007 (from 69.4 percent to 55.9 percent) was reversed by 14.8 percentage points in 2008 (70.7 percent), to fall by about 10 points in 2009 (60.8 percent).

Chart 5: Primary school completion rate, 2005-2009



Source: Group 5 and UCSPE report, July 2010.

At the junior secondary school level (*cycle moyen*), GIR rose from 33.3 percent to 41.4 percent during 2006-2009. If these trends are maintained, Senegal will surpass the 54.5 percent target for 2015 (projected result: 63.8 percent). The GIR increased from 29.5 percent to 38.5 percent for girls and from 37.1 percent to 44.1 percent for boys. These trends reflect both the gradual reduction of gender disparities in access to junior secondary education and the impact of girls' retention policies. In regard to internal efficiency at the junior secondary level, repeat years increased from 13.8 percent to 16 percent from 2006 to 2008, an increase of 2.2 percentage points

in two years. The dropout rate at this level declined from 9.4 percent in 2006 to 9.2 percent in 2009, after dipping to 8.3 percent in 2007. The success rate for the junior secondary school diploma (*brevet de fin d'études moyennes*) examination was also erratic over 2006-2009: from 37.4 percent in 2006, the indicator peaked at 45.2 percent in 2007 before falling to 35.4 percent in 2009. As with primary school, the low percentage of qualified teachers (34.0 percent), actual teaching time, and unstable classroom conditions - most secondary schools are housed in temporary structures - impact the quality and effectiveness of teaching practices.

For senior secondary school, the GIR increased by an average annual rate of 0.9 percent during 2006-2009. This trend, under the same conditions, would result in a GIR of 42.0 percent by 2015 against a target of 30.8 percent. The high school diploma (*baccalauréat*) success rate declined steadily over the 2006-2009 period: the indicator fell from 50.2 percent to 34.4 percent, a decline of 15.8 percentage points. The factors contributing to this underperformance include school disruptions and inadequate training.

In regard to higher education, the development of community-based technical high schools has served to increase demand. In 2008, roughly 95.0 percent of new graduates were admitted to the regional universities at Ziguinchor, Bambey, and Thiès. The number of students increased from 78,274 in 2007 to 95,570 in 2009. Implementation of the LMD²⁵ reform led to the creation of new professional degree programs. Among the subsector constraints are limited space and capacity to support students, budget constraints, and weak statistical capacities.

In regard to technical and professional training, the number of students who earn the three qualifying credentials (advanced technician certificate (*brevet de technicien supérieur*); certificate of professional aptitude (*certificat d'aptitude professionnel*) with a professional studies certificate (*brevet d'études professionnelles*); and high school diploma plus technical certificate (*brevet de technicien*) rose from 4,726 in 2007 to 5,246 in 2009. The number of new graduates in 2009 was below the government's projection (5,962) and in fact considerably lower than in 2008 (5,663). The overall number of students increased from 32,868 in 2007 to 34,765 in 2008 and 39,618 in 2009. This increase is largely attributable to private professional schools and boys. Close to 18,000 professionals received continuing education in 2009 through implementation of the National Vocational Training Office (ONFP) and Vocational Training Development Fund (FONDEF).

In regard to literacy, 77,988 individuals were enrolled in the national literacy program compared to a target of 92,893, representing a difference of 14,905.

²⁵ Licence Master Doctorat (BA, MA, PhD).

Women's enrollment, at 66,895, substantially exceeded the target of 57,835. However, the number of men enrolled declined from 17,321 in 2008 to 11,093 in 2009. The combined enrollment rate, irrespective of gender, remained below the annual targets throughout the 2007-2009 period.

To summarize, Senegal has made substantial efforts to improve its education system. The results indicate good progress. However, to achieve the MDGs, work remains to be done to improve the primary school completion rate and, in general, to improve the quality and performance of the education system and address weaknesses in the construction and delivery of classrooms.

The analysis of the education and training subsector identified major constraints concerning:

- Weak internal and external efficiency of the education system: over the past four years, the internal efficiency ratio was approximately 60.0 percent, meaning that 40.0 percent of resources raised were wasted due to repeated grades and dropouts.
- Lack of physical capacity: this constraint relates to the inadequate volume of classroom construction programs (in proportion to needs in the various subsectors), as well as execution delays in programs currently underway.
- Under qualified teachers: the low rate of qualified teachers (preschool: 20.9 percent; elementary: 46.0 percent; middle and secondary school: 33.0 percent) relates to the recruitment of a large number of volunteers (initial six-month training) and temporary employees (no initial training) as well as inadequate supervision by inspectors.
- Precarious learning environment: many of the system's structures are housed in temporary facilities (preschool development centers, 15.2 percent of public elementary schools, and most of the high schools and community-based technical schools). Added to this are significant unmet needs in terms of drinking water supply; separate, enclosed restroom facilities for girls and boys; and accommodations for persons with disabilities.
- Lack of teaching materials: supplies of teaching materials to schools and institutions is inadequate (the portion of the operating budget allocated to quality remains quite low as opposed to salaries which accounted for 72.6 percent in 2008). The ratio of students/textbooks remains below the objectives at all elementary divisions; there is a persistent need for teaching materials in community-based schools, functional literacy centers, and preschool preparatory classes.
- Persistent disruptions: the school year, and more specifically the theoretical hours of instruction, is constantly disrupted by student and teacher unrest over various issues: grievances over pay and benefits (motivation,

examinations), unfulfilled government obligations, precarious working conditions, and lack of professors in certain disciplines. In 2009, the estimated hours of instruction was 733 compared to 900 planned.

- Inadequate school meal programs: this impacts the quality of learning for many students, for whom inadequate nutrition is the cause of various troubles and delays.
- Inadequate staffing: inequitable and weak human resources management remains a problem. Although recruitment of volunteers and temporary employees exceeded the targets, unfilled positions remain in primary schools and certain technical and college preparatory high schools.
- Weak procurement capacities: this is tied to slow procedures that delay the execution of contracts and therefore activities.
- Lack of educational monitoring capacities: the implementation of the new monitoring/evaluation approach in line with results-based management (GAR) calls for human, technical, financial, and organizational resources that are not yet systematically in place.
- Inefficiency of the informal subsector: the constraints on the internal efficiency in the informal education subsector include a decline in men's enrollment, insufficient involvement of local authorities in implementing literacy programs, inadequate budget allocations (approximately 1 percent in 2009), and lack of instructor certification.
- Lack of certification framework: an increasing number of professional, technical, and secondary schools and institutions offer training programs that are not always accredited, providing parents little assurance of returns on their investment in their children's education.

26. Health and nutrition

In keeping with its international commitments and ambitions, Senegal has outlined the objectives underpinning the strategies for the second phase of the National Health Development Program (PNDS). In this regard, the health subsector is an essential pillar of the PRSP-II.

Results in the fight against malaria have improved since 2006. The rate of intermittent preventive treatment for malaria (IPT-2) increased from 53.0 percent in 2006 to 56.0 percent in 2009, with 61.0 percent and 54.0 percent in 2007 and 2008, respectively. However, results fell short of the 80 percent objective for 2009. Malaria is one of the principal causes of morbidity in Senegal, accounting for 42.6 percent of all causes. However, a considerable effort was made, reducing the proportional morbidity of malaria from 39.7 percent in 2000 to 5.7 percent in 2008 and 3.07 percent in 2009. The rapid progress in the fight against malaria is explained primarily by increased use of long-lasting insecticidal mosquito nets and

the use of rapid diagnosis tests (TDR)²⁶ to confirm the diagnosis of malaria prior to treatment.

The incidence²⁷ of AIDS was 0.7 percent, representing 0.9 percent for women and 0.4 percent for men. Senegal obtained a reduction of close to 90 percent in the cost of antiretroviral (ARV) treatments. Under the National Program to Combat AIDS (PNLS), it is consolidating these achievements and aims to maintain the incidence of HIV below 3 percent. The number of AIDS patients receiving treatment increased from 5,500 in 2006 to 12,249 in 2009 (surpassing the projected 10,980). Considerable efforts were made in the treatment of HIV-positive pregnant women, with the number receiving ARV treatment more than doubling, from 434 in 2008 to 917 in 2009. In addition, the Youth Promotion Project (PPJ) created 13 counseling centers for adolescents, and a fourteenth center is expected to be in operation by November 2010. In 2009, the PPJ screened 249,000 youths,²⁸ representing 23.0 of all screenings nationwide.

In regard to the proportion of births occurring in health facilities, Senegal's satisfactory results for 2009 (66.9 percent) compared to 2006 (59.0 percent) is partly explained by improved quality of services and the positive results of outreach efforts. Further efforts will be needed to meet the objective of 90.0 percent in 2015 (see Chart 6).

In 2009, the number of children age 0-5 covered by community-based nutrition monitoring increased from 260,000 in 2006 to 629,000 in 2009 against a target of 600,000. This is attributable to the expansion of the Nutrition Improvement Program (PRN) from 115 to 257 local communities, including 199 rural communities, in 2009. However, only modest improvements were observed in the overall rate of primary-care consultations (PCC) and Penta-3 immunization. The low PCC rate (60.0 percent in 2007 and 62.0 percent in 2009) is due in part to drug shortages²⁹ and women's tendency to miss postnatal consultations. And

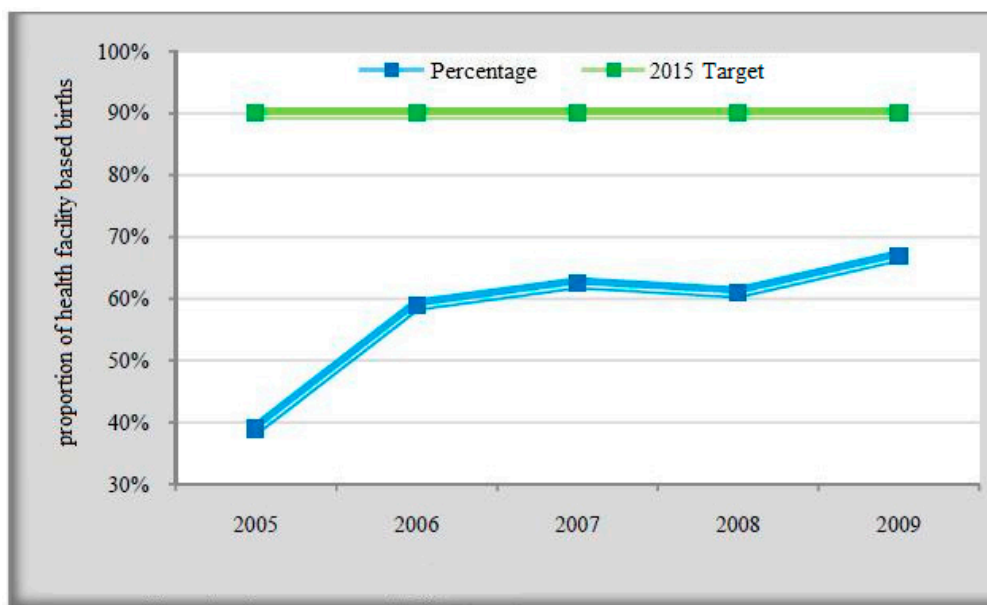
²⁶ As a result of this innovation, malaria is no longer assumed to be the cause of every fever. The introduction of TDR makes the comparison with previous data difficult. It could also partly explain the significant decrease in the reported incidence of malaria.

²⁷ Senegal Demographic and Health Survey (EDS-IV) 2005

²⁸ Source: UCP / Ministry of Youth.

²⁹ Sulfadoxine-pyrimethamine.

Chart 6: Change in the proportion of health facility based births



Source: Group 5 and UCSPE report, July 2010.

although the Penta-3 immunization rate met the target (80.0 percent), performance declined (from 88.0 percent in 2008 to 86.0 percent in 2009). The causes relate to outdated equipment and supplies, vaccine shortages, aversion to vaccination, personnel and budget shortages, and poor accessibility of certain regions.

Overall health sector results were positive between 2006 and 2007. However, certain indicators were below the established targets between 2008 and 2009. Among the main constraints were:

- Difficulties in accessing care: travel times to healthcare facilities are longer for average-income, poor, and indigent population groups than for the well off. The principal obstacles to geographical access include insularity, nomadism, lack of roads, and population dispersion. The average cost of consultations may also be a deterrent to the use of healthcare services, as a consultation in Dakar costs twice as much as in the cities of other regions.
- Difficulties in accessing drugs: vulnerable and poor groups and persons without health coverage have difficulty accessing drugs because of lack of availability. The large number of drugs prescribed for those groups represents a significant expense that many cannot afford.
- Shortages of vaccine supplies: delays of up to one month were observed for the units in question, i.e., health stations and clinics, despite the fact that vaccine supplies are indispensable for the success of the vaccination program.
- Unequal distribution of capital expenditures: health care spending targets cities to a greater extent than rural areas (health centers, health stations, districts, rural health and maternal care stations). Regional and national hospitals and specialized centers

receive more funding than local health facilities that are closest to poor populations and more likely to effectively reduce morbidity and mortality rates. As a proportion of total capital expenditure, hospitals represent 75.0 percent of the budget compared to 17.0 percent for health centers and only 8.0 percent for health stations. However, the health policy identifies basic healthcare as the foremost priority. Moreover, health stations also have the lowest execution rates in proportion to identified needs: 21.0 percent compared to 97.0 percent for health centers and 65.0 percent for hospitals.

- Inadequate maintenance: the lack of plans to update equipment has produced a deficit at most health care facilities, as equipment acquired at the start of PDIS implementation is now obsolete.
- Imbalanced distribution of medical personnel: coverage in terms of qualified personnel remains below the levels needed and below World Health Organization (WHO) standards for the various professional categories (physicians, nurses, midwives). There are also disparities between Dakar and the other regions. The Dakar region benefits most from recruiting programs, having drawn 69.0 percent of the total number of general practitioners (340) during the period 2003-2008. In regard to specialists, 79.0 percent of the total (491) are located in Dakar. The same observations apply to nurses and midwives. The effects of the uneven distribution of personnel are felt most keenly in poor and rural areas, which are often difficult to access and where working conditions are less attractive to personnel, particularly specialists.
- Mismatch between healthcare investments and priority needs: this raises the question of the effectiveness of planning tools and the quality of information provided to decision-making bodies: for example, execution fails to keep up with natural population growth.
- Unproductive social climate: the often counterproductive nature of professional relations creates a social climate marked by grievances and work disruptions. The incidence of workplace conflicts is quite high, given the influence of professional allegiance as well as extensive unionization of the health subsector. These factors not only impact the time spent on providing service but also disrupt rational management systems geared toward efficiency.

Disparities in modes of recruitment: the mode of recruiting contractual personnel may also be criticized for the very large proportion of unqualified personnel. The use of contracting as the principal mode of recruiting human resources does appear to produce negative effects.

27. Housing and living environment

In regard to housing and living environment, Senegal is continuing efforts to eradicate slums and shantytowns and improve the living environment.

Encouraging progress was observed between 2006 and 2009 in terms of the number of persons relocated from improvised housing, which increased from 8,130 in 2006 to 27,750 in 2008 and 61,792 in 2009. These results are nonetheless below the MDG target of reducing

the number of persons living in slums by 70 percent, or 735,750. Over the period, the cumulative rate of coverage of the targets was 35.0 percent. The number of developed lots declined steadily from 2006 to 2008 then rose in 2009 (7,177). The objective of 9,250 parcels developed for the year was not reached, resulting in a cumulative gap of 17,501 lots, representing 53.0 percent of the target for the period. With respect to affordable public housing, 878 homes were built in 2006, 1,165 in 2007, 601 in 2008, and 1,042 in 2009 out of a target of 10,000 homes per year. In particular, the “Jaxaay” project begun in 2006 supported the construction of 1,325 homes in Dakar and an expansion into the Saint-Louis and Thiès regions, where 1,767 homes were delivered.

The amount of green space per inhabitant increased from 3.1 square meters in 2008 to 3.3 square meters in 2009, representing an increase of 0.2 square meters. This ratio is below the World Health Organization (WHO) standard of 10 square meters per inhabitant by 2020. Regarding the living environment, unhealthy and uninhabitable areas represent 30.0 to 40.0 percent of the occupied space in most cities, where space is occupied without regard to urban planning or environmental evaluation of development options. Combined with expanding slums, nomadic movements of populations in suburban neighborhoods during the winter period, hygiene and health problems resulting from flooding, insecurity arising from poorly planned urban development, these vulnerability factors degrade the living environment in poor urban neighborhoods.

Among the constraints identified in the sector are difficulties in gathering information relating to the indicators, lack of financing for certain programs, and slow progress in preparing urban master plans (PDU) and urban planning and development master plans (SDAU), and establishing joint public-private development zones (*zones d'aménagement concerté*).

28. Environment and natural resources management

Senegal's environmental policy aims to ensure a sustainable environment by integrating sustainable development principles into national policies so as to reverse the current trend of continual degradation of the environment and natural resources. These objectives are defined in the 2009-2015 Environment and Natural Resources Sector Policy Letter.

Appreciable results were achieved between 2006 and 2009: protected areas expanded from 8.0 percent to 11.0 percent against an objective of 12.0 percent in 2015. The process of creating cross-border biosphere reserves (CBR) is well underway, particularly with respect to the Niomi-Saloum biosphere between Gambia and Senegal and the management of mangrove ecosystems at the Saloum Delta. On the other hand, a cutback in reconstitution, reforestation, and conservation activities was observed, and the reforestation/deforestation ratio declined from its highest level of 1.25 in 2008 to 0.70 in 2009.

In regard to restoring natural resources, notable efforts were made between 2006 and 2009 but yielded only moderate results. The fact that extraction has exceeded regeneration in recent years supports the inference that degradation of the vegetable cover has resumed. This situation is attributed to the decline in reforested areas between 2006 and 2009, largely the result of insufficient funding. Regarding abatement of noise caused by economic activities, 30.0 percent of the environmental management plans relating to impact studies were implemented and monitored. Establishments classified as category I were monitored on a regular basis, and inspections were conducted at one of every two industrial enterprises to verify compliance with water and air standards.

The level of CO₂ emitted per inhabitant trended downward during 2007-2009. Activities were undertaken to reduce ozone-depleting substances, including the creation of an air quality monitoring network and technical controls. Results of efforts to control coastal erosion over 2006-2009 achieved only 12.0 percent of the objective, or 2,380 meters of the target of 20,000 meters.

The analysis of results indicates progress with respect to certain objectives, particularly restoration of natural resources and lands, development of protected areas for biodiversity, management of cross-border resources, and pollution-control efforts. Senegal is well on its way to reversing the trend of environmental degradation, in keeping with MDG commitments.

The subsector faces major constraints, such as lack of synergies between interventions addressing environmental problems, in particular, the lack of mechanisms to address cross-cutting environmental and natural resource issues. Improved management of these constraints is expected in light of actions undertaken by Senegal in 2006 to develop political and legal instruments to promote sustainable development, including (i) the National Sustainable Development Strategy (SNDD), currently being updated and adopted, (ii) the ten-year action plan on sustainable modes of production and consumption, prepared and validated in 2006, and (iii) the Environmental Code and regulations governing the use of ozone-depleting substances.

The Ten-Year Action Plan on sustainable modes of production and consumption establishes a list of non-sustainable practices in the different development sectors and proposes alternatives. It identifies the sectors in which both producers and consumers should modify their behavior. The principal sectors concerned are the following:

- Primary products (agriculture, forestry, fishing, aquaculture, stock farming, and mines),
- Transformation (industry, energy, trades),
- Services (tourism, trade, transportation, etc.), and
- Activities that produce noxious substances or pollution, such as sanitation, waste management, and the manufacture of chemical products.

In forestry, the change in modes of production would result in restricting the exploitation of forest products (coal, wood, and deadwood) to certain adapted areas in order to ensure sustainable management of resources.

Certain Senegalese enterprises have voluntarily adopted certification processes for quality, management, production, health and safety, and the environment. In order to limit the negative externalities of the transportation subsector, which is dominated by the road segment, Senegal has converted to the use of unleaded gasoline and diesel oil desulfurization. Added to this is a significant program to renew resources. However, in regard to ecologically rational management of chemical products, a number of difficulties remain in controlling the use of substances utilized and/or discharged in the environment despite the response strategies put in place. This essentially concerns fertilizers and pesticides used in agriculture.

In order to develop a sustainable solution to environmental problems and sustainably manage natural resources, the National Eco-Villages Agency (ANE) was created in 2009 to implement the concept of eco-villages based on the principles of ecology and the creation of a suitable environment for human fulfillment in a healthy setting. The responsibilities of the ANE are to: (i) create eco-villages throughout the country; (ii) support citizens in transforming 28,000 Senegalese villages into eco-villages; (iii) assist communities in organizing village space and creating nurseries to raise the plant species constituting the eco-village; (iv) assist villages in removing barriers and training inhabitants; and (v) assist villages in selling surplus production.

Despite substantial efforts, the negative impact of road transportation on Dakar's environment is felt in a number of ways: 94 percent of hydrocarbon emissions and a significant proportion of suspended particulate matter considered dangerous to human health are produced by road traffic. The associated loss of earnings is estimated at CFAF 65 billion per year for the Dakar region.³⁰ Added to this is a lack of effective transfer of authority in managing natural resources and the environment to local governments.

29. Drinking water and sanitation

Senegal has made access to drinking water and improvement of the sanitation system a priority in support of the MDG agenda. To that end, the government began implementing the Millennium Drinking Water and Sanitation Program (PEPAM) in 2005.

³⁰ Source: Directorate of the Environment and Classified Establishments.

Access to drinking water among urban populations³¹ has increased from 93.0 percent in 2006 to 98.0 percent in 2008, with a modest decline in 2009 (97.0 percent). This rate, which includes both standpipes and household connections, represents 100.0 percent for Dakar-Rufisque and 89.0 percent for the other urban centers. Access to drinking water for rural populations increased from 69.5 percent in 2006 to 73.6 percent in 2009, but fell short of the 2009 target of 75.0 percent. This underperformance may be explained primarily by problems resulting from slight delays in completing major operations to develop access to drinking water.

With respect to the sustainable management of projects, apart from the noted lack of service, there has been a decline in the availability of wells equipped with electric pumps, with an equivalent reduction in the number of operational water supply points. The immediate effect was a reduction in the functionality of access points. Results for the period 2006-2009 show that the quality of service provided in rural areas declined, with a total loss of 3.6 points between 2006 and 2009, or an average of close to one point per year in absolute value. The lower value of this indicator represents both real instability and a concern in regard to the search for quality water supply.

In 2009, an additional 79,012 urban households gained access to sanitation, bringing the access rate to 63.6 percent, compared to 62.0 percent in 2006 and 63.4 percent in 2008. In rural areas, the access rate increased from 26.2 percent in 2006 to 27.5 percent in 2008, and to 28.9 percent in 2009. The wastewater treatment rate increased from 19.0 percent in 2004 to 32.6 percent in 2009, and water pollution control expanded from 13.0 percent in 2004 to 23.1 percent in 2009. These results are primarily due to increased output from the Cambèrene treatment plant with construction of the second organic treatment system. Between 2005 and 2009, construction of public toilets, targeting schools in particular, brought the cumulative total to 1,339, representing 40.0 percent of the target.

The results indicate that significant efforts were made in terms of access to drinking water and sanitation. Senegal has already achieved the MDG for urban access to drinking water and is well on its way in terms of access to sanitation in urban areas. In rural areas, the access rates for drinking water and sanitation remain below the MDG targets.

The principal constraints for the drinking water subsector stem from an out-of-date stock of drinking water access points, inadequate maintenance of electric pumps installed in water wells, imbalanced finances of agencies such as the National Sanitation Office (ONAS) and the water utility Sénégalaise des Eaux (SDE), and inadequate quality of water and distribution. With regard to sanitation, the major challenges revolve around the need to upgrade the network and expand its capacity.

³¹ In 2009, the total urban population with access to drinking water was estimated at 5,242,474 inhabitants, distributed among the different urban centers as follows: Dakar-Rufisque (54.0 percent) and other cities representing the remaining 46.0 percent.

SOCIAL PROTECTION AND DISASTER RISK MANAGEMENT

30. Strengthening formal social security systems and expanding social protection

Senegal is implementing a national social protection strategy to reduce vulnerability and extend the coverage of the social security system. Full-time employees of private and public enterprises and their families are covered by health and disability benefits administrators (Institutions de Prévoyance Sociale, IPM) that reimburse an authorized range of 40.0 to 80.0 percent of the cost of medical care and drugs for beneficiaries. This social insurance mechanism covers approximately 700,000 beneficiaries (including 120,000 employees). Also, the number of mutual health insurers in operation increased from 80 in 2003 to 128 in 2008. In regard to reforming health insurance for all wage earners, a study is underway to ensure that all employees working in the private sector are covered by health insurance.

Regarding the expansion of social protection, a mutual association for truck drivers was implemented in 2008. A program of cash transfers³² was tested as a means to reduce the vulnerability of families, particularly children (7,482 beneficiaries in 2009). Children also receive protection through school meal programs, which are critical to ensuring that students receive regular meals and further the goal of universal education for all children by 2015. School meals provide a safety net for families in the areas most vulnerable to food insecurity, and are part of the response to the 2008 price increases in Senegal. The school meal programs have been improved and extended to Fatick, Kaolack, Kaffrine, Tambacounda, Kédougou, Matam, Ziguinchor, Kolda, Sédhiou, Diourbel, Louga and Thiès in the context of the “price increase” action plan following the 2008 food crisis, covering over 800,000 preschool and elementary school children between the ages of three and 12 during the school year.

Health insurance for persons of age 60 and over (approximately 759,767 persons³³), provided in Senegal by IPRES and FNR, covers only 15.8 percent of this population. In 2008, the government authorized CFAF 800 million for Plan Sésame (health insurance for persons age 60 and over), bringing the cumulative funding to CFAF 2.2 billion since 2006. An executive decree also established an agricultural/forestry/livestock farming social protection program in 2008. Before the program is expanded nationwide, a pilot test phase is planned in four rural communities from two regions – Saint Louis (the rural communities of Guédé/Podor and Ross/Dagana) and Tambacounda (rural communities of Missira/Tabacounda, Badaffassi/Kédougou), whose agricultural segments (cotton, tomato, and rice) are particularly well structured and the marketing system is well organized.

³² CFAF 3,800 per person (Group 7 interim report).

³³ Source: Demographic projection, National Statistics and Demographics Agency (ANSD).

Regarding protection of women, this area is covered by strategies such as “Vivres contre Education Nutritionnelle” (Food for Nutritional Education) designed to prevent malnutrition in the context of the Nutrition Enhancement Program (PRN) by increasing awareness of nutritional, hygiene, and health practices. The beneficiaries are pregnant women and mothers of children under five participating in outreach and screening events at PRN sites in the regions of Kédougou, Tambacounda and Kolda. A total of 30,000 recipients per region, or 180,000 beneficiaries, receive a daily food allowance, based on an average of six persons per family, during the period between harvests. This strategy, a response to the needs of households most vulnerable to food insecurity, transfers revenue to offset the opportunity cost of temporarily abandoning routine tasks to take part in outreach and screening activities in connection with the PRN.

Health was chosen as a priority risk to be tested during experimentation. The implementation plan receives CFAF 360 million in financial support from the government for the test phase (18 months). As part of the same initiative, the Compagnie Nationale d'Assurance Agricole (CNAAS), created in 2008, compensates farmers when crop yields are below normal and provides insurance against drought, locusts, and other disasters. By supplementing the current financial system and diversifying coverage, agricultural insurance offers a solution to reduce farmers' vulnerability and make their living conditions more secure.

In regard to building the capacities of social security professionals and social actors, measures to adjust the contribution rates, actuarial factors, and eligibility criteria used by retirement institutions served to correct the FNR actuarial deficit and gradually increase pension benefits paid by the IPRES. While much work remains to ensure retirement with dignity, the objective of increasing pensions by 50.0 percent between 2002 and 2011 was achieved by 2008. Feasibility studies are also in progress to extend coverage under the social protection system to Senegalese residing abroad.

31. Social protection and monitoring of vulnerable groups

Significant progress was made during 2006-2009 in several areas of intervention relating to social protection and monitoring of vulnerable groups (women, children, persons with disabilities, the elderly, and persons living with HIV/AIDS).

In regard to reducing the vulnerability of children,³⁴ 22,377 children were removed from the worst forms of child labor by child protection agencies between 2007 and 2008. In 2008 and 2009, 4,215 juvenile offenders and 6,781 children at risk were identified and placed in

³⁴ These include initiatives by the Ginddi Centre, the project to combat the worst forms of child labor, the Directorate of Labor and Social Security, and the Directorate of Monitored Education and Social Protection against the Worst Forms of Labor.

educational, job or professional training or socio-educational activities to keep them from turning to crime or facilitate their readjustment to social and family life.

In regard to promoting children's rights, campaigns to register births organized in the departments of Ranérrou, Gossas, and Mbacké in 2008 registered 8,854 children under the age of one. Forums also served to issue birth certificates to 16,385 children aged 0 to 18 in the same year, expanding advocacy and outreach to communities to raise the coverage rate. Also, in regard to protecting vulnerable children, the government implemented a large-scale program to strengthen the capacities of institutions specializing in this area. A program to rescue and rehabilitate street children (PARRER) was officially inaugurated, a Children's Protection Support Unit was created to monitor child protection projects, and the National Office of War Orphans was created.

To protect vulnerable women, various anti-poverty programs provided CFAF 5.8 billion to finance income-generating activities during the period. The financing led to the emergence of local mutual savings associations managed by women, which expanded the supply of local financial services and the coverage of those services in highly isolated areas. The financing was accompanied by capacity-building programs for the management bodies of women's groups and associations and mutual associations, assisting 50,000 beneficiaries in the areas of transformation of local products and technical and organizational skills to better manage their activities.

In regard to persons with disabilities, 2,550 individuals have been provided with prosthetics since 2007 and 370 consortia received support from the Community-Based Readjustment (RBC) program between 2007 and 2009. In economic terms, CFAF 270 million was granted to handicapped persons during the same period. The combination of these interventions increased the mobility of handicapped persons, expanded their access to basic social services, and provided financing for income-generating activities, thereby promoting recognition of their social position.

In regard to the elderly, the Senegalese Retirement Pension Institute (IPRES) implemented pension adjustments following a recommendation to increase pensions by 50.0 percent through 5.0 percent annual increases starting in 2000. IPRES implemented an exceptional increase of 10.8 percent in 2005 and the second increase of 13.75 percent effective in January 2008. In addition to implementing a bimonthly cycle, the payment mechanism was improved by shortening the payment interval from two weeks to six days through an increase in the number of payment locations. Significant measures were also taken in regard to health, including the CFAF 1.5 billion renovation of the IPRES medical-social center that provided a technical platform that qualifies IPRES as an academic geriatrics hospital. Additional efforts served to establish, equip, and strengthen the human resources of medical-social centers in the regions. However, the SESAME Plan remains the major benefit for persons age 60 and over. Under the plan, care is provided to multiple patients; a technical committee has been created to oversee and monitor the plan; a management unit has been established; management tools have been prepared; and a mechanism has been implemented for the

issuance of SESAME cards. Specific programs have been implemented for vulnerable groups concerning free distribution of tuberculosis drugs and subsidized treatment for malaria, diabetes, cancer, renal failure, and heart disease. Children and pregnant women are provided free treatment for acute malaria. A subsidy has also been established for the care of indigent persons and to provide care free of charge to the blind and members of their families.

In order to prevent a substantial segment of the population from plunging into extreme poverty and exclusion following the 2008 economic shock, the minister in charge of family matters established the National Initiative for Social Protection of Vulnerable Groups (INPS), known as Suqali Jaboot. The initiative, officially launched in April 2010, provides a unifying, integrated, participatory, decentralized framework for the formulation, implementation, coordination, and harmonization of actions to assist the poor. It is built around an institutional, community-based support mechanism consisting of technical, operational, inclusive platforms for decentralized government services and a critical mass of Community Initiative Stakeholders (APDC). To this end, a program to support implementation of the INPS (PA-INPS-GV) was established with CFAF 30 billion in financing. A government budget contribution of CFAF 354 million was also included in the 2010 Consolidated Investment Budget (BCI), which facilitated the preparation of training manuals and intervention guides and the training of 1,200 APDC in a package of services including social protection. This program is also part of an effort to closely coordinate the development of social safety nets with the implementation of strategies to promote the socioeconomic empowerment of vulnerable groups.

New social safety nets were also implemented through the following pilot projects:

- The Children’s Nutrition and Social Transfers (NETS) project, a US\$8 million project providing financial assistance of CFAF 14,000 on a bimonthly basis for six months to the mothers of vulnerable children ages 0 to 5.
- An innovative social transfer program providing grocery vouchers (cash vouchers) to the poorest families of Pikine commune was established to mitigate the economic, food, and financial shocks of 2008. The program, in the amount of CFAF 1,875 billion, targets 17,400 households representing roughly 104,400 beneficiaries, in the department of Pikine and commune of Ziguinchor.
- General Food Distributions (DGV) during the period between harvests: this activity increases food security for vulnerable populations, particularly the households hardest hit by flooding, during the period between harvests through the Early Warning System (SAP) and the PRN.
- Village Grain Banks (BCV), which help secure the livelihood of rural households in areas particularly affected by poor harvests.
- The “Food for Creating Assets” strategy, a labor-intensive program, helps increase food security for vulnerable groups and promotes the preservation and rational management of natural resources.

In regard to improving access to health care services and medicines for the poor, several ongoing programs provide free care. Services provided free of charge include childbirth and cesarean sections, rapid diagnosis tests for malaria, tuberculosis drugs, and anti-retro viral drugs. Insulin is also subsidized.

32. Disaster risk prevention and management

Senegal is exposed to multiple natural and technological risks, representing a source of vulnerability for the population. In light of this, the government has undertaken important initiatives marked by the adoption of a legal arsenal, such as the Ministry of the Interior sector policy letter, and the establishment of a high-level commission on civil protection, a national civil security committee, the Maritime Safety and Environmental Protection Authority (HASSMAR),³⁵ a national plan for emergency interventions to manage and prevent maritime disasters, a number of plans and entities to manage and prevent disasters, and the national action plan for climate change adaptation.

The national disaster risk reduction platform carried out its work against that backdrop. Capacity-building sessions were organized for various stakeholders, including legislators, journalists, and women community leaders. Senegal's first national contingency plans as well as flood risks maps for Dakar were prepared. In addition, a consensus-based architecture capable of integrating existing systems was implemented for the SAP.

During the period 2006-2009, close to 13,750 persons³⁶ attended training or outreach on risks and disasters, representing 57.0 percent coverage of the established objectives. In regard to coordinating and promoting a culture of risk and disaster prevention, only four of the planned 10 groups were created by end-2009, representing 40.0 percent of the objective. Since the platform is not operational, it is difficult to monitor risks and disasters and harmonize and develop synergies between approaches.

In regard to flooding, 39 flood zones were restructured between 2006 and 2009 compared to an objective of 331, representing an execution rate of close to 11.8 percent. Execution rates declined steadily, losing an average of one point each year between 2008 and 2009. The emergency project to combat flooding was implemented from July to December 2009. The project, which totals CFAF 70 million, helped improve living conditions and the nutritional status of 9,000 vulnerable families affected by flooding in the cities and departments of Guédiawaye, Pikine, Dakar, and Kaolack.

³⁵ Created in 2006.

³⁶ Source: DPC/MINT.

Among the constraints in this area are the lack of a research unit to study major natural risks; lack of outreach and sharing of experiences concerning disaster risk prevention techniques; lack of dedicated means of intervention (aerial and maritime) and special equipment for search and rescue at sea, maritime safety, and combating marine pollution; lack of a functional insurance system to compensate victims of natural disasters; lack of emergency plans at the local community level; and lack of a national warning system, managed by the Ministry of the Interior, to unify and coordinate actions under the sector SAPs.

GOOD GOVERNANCE AND DECENTRALIZED PARTICIPATORY DEVELOPMENT

33. Improving public financial management

Improving fiscal management and public procurement and execution procedures is a major economic governance objective.

Senegal made undeniable progress since 2006 in managing public finances. In a difficult external context, the government has remained determined to protect macroeconomic stability; promote good management of public finances; stimulate growth led by the private sector; and advance rapidly toward achieving the MDGs.

Despite the crisis and timid economic recovery, tax revenues improved steadily between 2006 and 2009, the product of significant fiscal policy measures. In 2009, the tax administration signed a performance contract for the period 2009-11 with the Ministry of Economy and Finance (MEF), as provided by the 2008-12 Tax Administration Strategic Development Plan (PDSAF). During 2009-12, responsibility for collecting direct taxes was transferred from the General Directorate of Public Accounting and the Treasury (GDCPT) to the Directorate General of Tax and Customs (DGID). Also, a study of 2008 fiscal expenditures and cadastral surveys conducted in 2009 increased tax revenues by expanding the tax base. Senegal also embarked on an ambitious reform of its fiscal system in early 2010 to make it more simple, equitable, and effective.

Efforts to improve budgetary credibility were also strengthened through the use of the MEF's budget management powers as needed to maintain budgetary balance. All budget slippages that occurred between 2006 and 2010 have been corrected. A mechanism implemented in 2009 strictly regulates commitments and appropriations carried over to the following budget year so as to limit impacts on the following year's budget management to the extent possible. The adoption of a 2009 executive order establishing provisions applicable to payments without prior authorization eliminates the possibility of using cash advances.

A law was also adopted in 2009 establishing the conditions for the creation of autonomous agencies, their budget procedures, and the mechanisms for monitoring and control of their budget execution. Pursuant to legal and regulatory provisions, execution agencies involved in the production of market services began appointing government accountants in 2010. Completion of the inventory of cash accounts maintained with private banks is expected to facilitate a return to a single treasury account and more orthodox management of the government's cash assets. The government's objectives in these actions is not only to rationalize agencies but also to control the financial risk they represent for the management of government cash flows.

The conditions of budget preparation were improved with the introduction of multiyear budget programming in public management, marking a gradual departure from a system of budgeting based on the specific public services approved by the legislature (a given) and measures having no apparent connection with public policy. This major reform, part of the new harmonization of public finances within the WAEMU, incorporated 14 sector ministries into the new management framework based on public policy and performance measurement. In 2010, those ministries' cumulative budgets represented 58.9 percent of the general government budget. MTSEFs prepared under budgetary constraints were gradually established on more realistic and reliable bases than at the start of reforms in 2006. However, the lack of visibility as to the maximum amounts that might be mobilized in the form of external financing create further constraints on completing MTSEFs. In regard to strengthening the national statistics system, significant efforts are required, with support from the ANSD, to update information for monitoring and evaluation of the government's sector policies and programs, particularly in order to fulfill the obligation of reporting results.

The experiment that began in 2006 with decentralized management and execution of the consolidated health and education investment budget by local governments continued, despite the difficult economic and financial context in which the reform was implemented, which also explains the modest results. Decentralization of the payment authorization function did not extend to all ministries and institutions. However, the six ministries with delegated payment authorization functions and decentralized financial comptroller units were able to: (i) alleviate backlogs of MEF central units responsible for payment authorization and a priori expenditure control, and (ii) considerably reduce processing times. Finally, the rate of exceptions to the one-year budget rule was 0.3 percent in 2009, 5.6 percent in 2008, and 5.7 percent in 2007. Over the period, then, the objective (less than 7.0 percent) was achieved. This major reform will evolve between 2012 and 2017 toward decentralization of the single payment authorization function, in accordance with Community Directive No. 06/2009 concerning the budget law.

The quality of accounting, data capture, and financial reporting has clearly improved. Significant progress achieved in this area through the automation of budgetary and accounting processes has not only streamlined procedures but also improved the availability, completeness, and reliability of the financial information used to produce the financial reports needed for accountability.

The geographic coverage of the Integrated Public Financial Management System (SIGFiP), fully completed in 2010, has enabled all regions to connect to the network and local actors involved in the expenditure cycle and input data to the system in real time. All regions and departments are now connected to the SIGFiP and ASTER networks. These applications generate the basic documents used to produce government accountants' year-end treasury accounts and draft budget execution laws for fiscal years 2008 and 2009 by the regulatory deadlines for transmission to the Audit Office.

The consolidation of efforts to clear backlogs in producing year-and treasury accounts and budget execution laws for fiscal years 2006 to 2010 served to strengthen the legal framework. Budget execution reports for fiscal years 1997 through 2007 were produced by the Audit Office, involving that office as well in the overall process of systematically clearing all backlogs.

In the area of reforming procedures for award and performance of public contracts, public procurement practices were considerably improved with the entry into force, in January 2008, of the new legal and regulatory framework and implementation of units responsible for a priori control, regulation, and resolution of disputes between bidders and contracting authorities. Competitive bidding is established as the guiding principle. Contracts awarded through direct negotiation are strictly controlled and kept below 20 percent of all contracts. The average time to award contracts has been reduced from 150 to 129 days. Implementation of the action plan for government contracts training (PAGFM) now under way has provided training to over 5,000 auditors from central government administrations, local governments, the private sector, and civil society. The systematic publication of procurement notices approved by the Central Directorate of Public Contracts (DCMP), general notices, calls for tenders, and notices of award, has facilitated public access to information.

The start of operations of the Public Contracts Management System (SYGMAP) in 2009 reflects the determination to bring timeliness, transparency, and integrity to contracting practices. Although Senegal's contracting law is considered one of the most well-defined codes, efforts continue to strengthen the legal and regulatory framework and improve contracting practices in order to align the national public contracting system with international standards.

34. Judicial governance

Several reforms were undertaken to improve the functioning of the justice system. The most recent, the Justice Sector Program (PSR) is intended to promote access to justice and increase efficiency.

Overall, the actions taken significantly increased efficiency in the justice subsector. In criminal cases, the investigative phase is now limited to six months, and a new law requires that criminal cases be brought to trial within three years. The initiative to automate clerks' offices has reduced the time required to issue police records by 48 hours, from 96 hours in 2007 to 24 hours. In addition, the timeframe for issuance of documents by the Commercial Registry (RCCM) was reduced from 48 hours in 2007 to 2 hours after implementation of a test site in Pikine.

In regard to the project to automate the issuance of police records, the master central file is currently being finalized. The reorganization of judicial districts is improving access to justice. A new judicial map has been designed, and its gradual implementation requires construction and rehabilitation efforts that are still lagging behind. Also, the creation of

superior courts (*tribunaux de grande instance*, TGI) and courts of first instance (*tribunaux d'instance*, TI) now under way will reduce the regional courts' workload by reallocating the courts' jurisdiction. In the same vein, small claims courts (*justice de proximité*) reduced the courts' backlog as well as the time required to bring cases to trial. The redistribution of jurisdiction between the TGI and TI and establishment of new courts of appeal are part of an effort to increase citizens' access to justice. Regarding legal aid, a mechanism was implemented and provided with a modest budget, the utilization of which remains low (58.0 percent in 2008).

In regard to efforts to combat corruption and money laundering, Senegal has implemented new institutions, in addition to agencies exercising control over public management, to promote good governance and combat corruption: (i) the National Anti-Corruption Commission (CNLCC); (ii) a Financial Intelligence Unit (CENTIF); and (iii) the Public Contracts Regulatory Authority (ARMP). The activities of these recently created entities have already produced results.

The CNLCC has taken steps in regard to fighting corruption and conducted informational and outreach activities. The CNLCC and CENTIF share the same primary objective: combating financial crimes. The proceeds of corruption necessarily follow the same channels as the proceeds of crime. The CENTIF report is submitted to the local prosecutor, while the CNLCC report is submitted to the President of the Republic. Corruption is an underlying offense of asset laundering, and international actors such as the Financial Action Task Force (SAT) are convinced that the use of national anti-money laundering mechanisms is the best cure for corruption. Accordingly, the CENTIF has broad investigatory powers and is entitled to obtain documents covered by professional confidentiality and bank secrecy. It also has the technical capacity to conduct national and international investigations while maintaining the confidentiality of data in its custody. The legal provisions applicable to asset laundering in Senegal³⁷ apply to any individual or corporate entity which, in a professional capacity, executes, controls, or provides advice in operations involving deposits, foreign currency, investments, conversions, or any other movements of capital or other assets. The CENTIF received 289 reports of suspicious activity from citizens between 2005 and 2009, of which 57 were referred to the Senegalese prosecutor general.

Senegal is also a member of the Intergovernmental Task Force on Money Laundering in West Africa (GIABA). Senegal has attained a certain prominence in that organization in light of an assessment³⁸ of its anti-asset laundering and terrorism financing system in 2007 which

³⁷ Uniform Act no. 2004-2009 of February 6, 2004 concerning asset laundering.

³⁸ This was a mutual assessment by GIABA member states using the FATF methodology. Senegal remains the leader of ECOWAS countries in 2010.

placed it first among ECOWAS countries. The CENTIF is also a leader among its peers: it was the first financial intelligence unit in francophone Africa and the third in Africa to be considered and admitted (in 2009) to the Egmont Group of financial intelligence units from the countries most involved in combating financial crimes.

However, constraints relating to the CNLCC's lack of authority to bring legal action and limited human and financial resources, lack of a published annual report of CNLCC activities, and various immunities from action and jurisdiction may prove obstacles to fighting corruption, as well as the absence of a law requiring persons employed in certain positions to report personal assets.

Despite considerable efforts on the part of public authorities, judicial administration continues to face difficulties including: (i) weaknesses in the area of human resources (recruiting and initial and ongoing training); (ii) persistently long case processing times; (iii) aging infrastructure (courts, prison institutions and the Directorate of Prison Administration (DAP) and Department of Monitored Education and Social Protection (DESPS) offices); (iv) weak capacity in the area of social and professional reintegration of detainees and minors supervised by the DESPS; and (v) a stalled automation process.

In regard to the protection of human rights, the Senegalese authorities have consistently affirmed their commitment to human rights and fundamental freedoms. In regard to the different Senegalese and international instruments protecting human rights, we note the Senegalese diplomatic tradition of signing international instruments as well as, more recently, promoting new rights within Senegal for certain categories of citizens perceived as the most "vulnerable," particularly women and children. Senegal has ratified the principal international and African treaties in this area.

In institutional terms, we note the creation of the High Commission on Human Rights and Peace; the National Advisory Council on Human Rights; a new mechanism to promote human rights in Senegal; the Senegalese Committee on Human Rights, the Human Rights and Peace Institute (IDHP), created within the Université Cheikh Anta Diop Faculty of Law and Political Science in Dakar; and, recently, the creation of a Ministry for Human Rights and establishment of social and educational services at all penitentiary facilities.

In regard to pretrial detentions that were unusually long or caused particularly serious harm, a national compensation commission was created within the Supreme Court to ensure justice and respect of human rights. However, lack of education in human rights and insufficient resources allocated by the government and civil society organizations to protecting and promoting human rights are likely to limit the impact of all initiatives in this area.

35. Reform and management of public administration

Administrative governance presents the challenge of modernizing administrative structures, valuing human resources, effectively coordinating different programs, promoting participatory public policy processes, and simplifying administrative procedures.

Achievements in the area of improving the efficiency of public service include: (i) a proposed law, in the process of enactment, governing the creation, organization, and modification of administrative entities; (ii) the preparation of a master plan for government reform, to ensure consistency among the numerous reforms initiated; (iii) the elevation of the Directorate of Civil Service to general directorate status, with responsibility for forward-looking management of jobs and skills; (iv) the development of a training program to enhance the management capacity of government officials (ministries under the MTSEF); (v) the implementation of a single database of civil servants to facilitate improved control of staffing and the wage bill; (vi) the implementation of a government intranet to improve electronic administration; (vii) the adoption of a decentralization charter to strengthen the decentralization process; (viii) the provision of additional equipment and human resources for police forces, to ensure greater security of persons and property; and (ix) reform of the National Statistics System under a new law and implementing regulations (executive decrees concerning the National Statistics Board and National Statistics and Demographics Agency, and orders concerning the Statistics Programs Technical Committee), resulting in the preparation of a master statistics plan to ensure the availability of data required for monitoring and evaluation in the context of results-based management.

In regard to improving the business environment, Senegal simplified administrative formalities in order to stimulate the investment necessary for economic growth and improve Senegal's *Doing Business* ranking. The establishment of an Enterprise Creation Bureau within the Agency Promoting Investment and Major Works (APIX) reduced the time required to create a company from 58 days to two days.³⁹ The administrative time required for transfer of ownership was also reduced, from 104 to 17 days, and the time required to obtain a construction permit was shortened from 90 days to 28 or 40 days (from the application date). In regard to taxation, the corporate tax was reduced to 25.0 percent, and the equalization tax was eliminated in January 2007.

Despite these achievements, public administration continues to face efficiency problems owing to the following constraints: (i) instability and inconsistency of administrative structures, resulting in numerous structural modifications not necessarily in keeping with the organizational criteria of administrative science; (ii) excessive outsourcing of administrative units, in the form of executing agencies, for reasons not always justified; (iii) lack of

³⁹ In effect since July 2007.

monitoring and evaluation of public actions; (iv) lengthy and burdensome administrative procedures, impacting the quality of service provided to users; (v) lack of appreciation and motivation of civil servants; (vi) defective or inadequate equipment, despite the significant resources expended by the government (domestic security, civil protection, etc.).

The establishment of a framework for social dialogue through creation of the National Commission for Social Dialogue (CNDS) served to: (i) generate a common understanding of the mechanisms of dialogue in order to mitigate potential differences in perceptions, a source of conflict between actors; (ii) identify the constraints to fruitful social dialogue; (iii) implement sector committees for social dialogue, particularly in the justice and health subsectors; and (iv) build negotiation and mediation capacity on the part of various actors. Despite efforts to promote social dialogue, the operations of the CNDS are significantly constrained by: (i) the proliferation of union organizations and disregard for collective conflict resolution procedures; (ii) delays in implementing agreements under framework accords signed by the government and social partners; and (iii) weaknesses in the regulation of social dialogue, in particular, lack of coordination among institutions and inadequate human, logistical, and financial resources allocated.

To strengthen the bases of participatory democracy and uphold the principles of transparency and accountability in the management of public affairs, citizen control of public action (CCAP) is gradually taking hold, primarily through civil society organizations, citizens' movements, or legal, administrative, or other action, and is affording citizens a degree of control over the management of public goods and exercise of individual rights. CCAP could be defined as an organized, systematic process of citizen engagement in which citizens participate directly or indirectly in public action to hold political, administrative, or technical decision-makers accountable for their actions. In operational terms, CCAP relies on participation and uses a wide range of methods and tools. The most widely used tool is the participatory budget, which refers to a process of budget planning, implementation, and monitoring in which the various key actors monitor decisions concerning public expenditure and investments. Citizen control encourages elected officials to design and prepare programs or policies based on citizens' aspirations and increase participation by local populations.

36. The legislative process

The legislature occupies a strategic position in Senegal's institutional architecture. Senegal's legislature is bicameral and consists of the National Assembly and the Senate, the latter reinstated in 2007.

In regard to improving the quality of the legislative process, measures were taken to strengthen the institutional capacities of both houses. A strategic plan to develop legislative administration was drawn up to better organize standing committees. Legislative assistants were recruited and assigned to the finance committee and the committee on laws, employment, and local government. Several training sessions on public financial management were provided to representatives and senators, and fact-finding trips were

arranged to familiarize them with good legislative practices. An information package with sections devoted to different subjects was also provided to them for self-training. In addition, the development of the National Assembly website provided representatives with access to information and communications technologies, enhancing their working conditions.

However, the process of improving the quality of the legislative process is constrained by a number of factors relating to lack of resources and weak analytical capacity. The legislature's control of the executive branch continues to be inefficient. Very few bills are proposed, and amendments are rare. The legislature remains characterized by lack of openness and visibility owing to a lack of effective communication. The work of the National Assembly and its committees is largely unpublished. Research capacity is weak (documentation, access to independent sources of information). Moreover, evaluation is underutilized as a tool to assess government action.

37. Communication

Communication is central to economic and social development strategies. Communication modes and capacities are key to the success of the reforms and policies being implemented. These structural imperatives appear not to have been given sufficient consideration in the second-generation strategy paper.

Senegal guarantees all citizens' freedom of expression and right to information, as provided by its constitution and the ratification of all international and regional instruments concerning access to information. Also, in consideration of the freedom and responsibilities of the press, the increasing complexity of the media landscape, and important progress in regard to democracy and its corollary, political pluralism, the government enacted laws such as Law 2006 of January 4, 2006 creating the National Audiovisual Regulatory Board (CNRA) to better organize the media. These laws are intended to guarantee freedom of expression and access to information while protecting citizens from the potential consequences of lax regulation which characterizes the media. They are also intended to strengthen channels of social communication with material and financial support to enable them to fulfill their role of promoting and enhancing good governance.

Senegal's media landscape has become considerably enriched since 2000 with the explosion of private and cooperative media, aided notably by a proactive policy of openness and liberalization. The actions taken to develop the subsector include: (i) increasing the annual assistance to print media; (ii) support for government media; (iii) the creation of regional online newspapers to support journalists and correspondents covering local events; (iv) construction in progress of a modern press institute to make Dakar a prominent gathering place for regional journalists and the international press.

Despite these initiatives, the communications arena continues to face difficulties arising from two key problems:

- an opaque legal framework governing the press and lack of clear definition of journalists' status, calling for a new press law to establish the rules of professional ethics and conduct applicable to all actors and expand the prerogatives of the Senegalese Information and Communication Professionals Union (SYNPIC) and the Observatory Committee on Professional Ethics and Conduct (CORED), the self-regulatory body; and
- the lack of a unified framework for the design and implementation of actions relating to government and administrative communication. The inaccessibility of information is the source of strained, confrontational relations between the government and a segment of the private press.

38. Decentralization and local development

Senegal's local development and decentralization policy aims to transfer authority to the local level and provide the necessary resources to decentralized agencies through the Local Government Investment Fund (FECL) and the Decentralization Fund (FDD).

The process of drawing up a decentralization charter began in 2008 and a draft charter is available. The decentralization charter is expected to frame the broad outlines and procedures of the decentralization policy and establish appropriate guidelines for balanced interactions between central government agencies and the decentralized agencies. The National Local Development Program (PNDL) and the Local Authorities Development Program (PRECOL) provided opportunities for technical capacity building at the local level. Notable results, in addition to funding and sharing of experience between the programs, include the 2009 preparation of 110 local development plans for local authorities under the PNDL.

As part of the process of mobilizing the entities responsible for monitoring and supporting decentralization, the National Council on Local Government Development (CNDCL) established the criteria for allocation of the FECL and FDD during 2007-2009. From 2007 to 2008, the FDD grew from CFAF 13.3 billion to CFAF 16.6 billion then fell to CFAF 14.9 billion in 2009, representing a reduction of 11.4 percent from 2008. This decline is explained by the lower calculation base for the fund, which is indexed to VAT receipts from the preceding year. The FECL, in turn, grew to CFAF 6 billion in 2007, CFAF 11.5 billion in 2008, and CFAF 12.5 billion in 2009, or only a modest increase in the past year. The BCI decentralization test phase yielded very mixed results, despite the solid performance in 2006 regarding financial and physical execution of education investment projects transferred to local governments. In addition, the implementation of Regional Operations Plans (POR) was tested successfully in the Matam region.

Overall, significant progress was observed in strengthening the decentralization and local development policy. However, several constraints must be considered: the modest level of

funds transferred by the central government relative to the responsibilities transferred and difficulties in mobilizing “local financial potential.” However, the issue of local taxation is distinguished not only by the imperative of redistributing public revenue between central and local governments but also by the inconsistencies and weaknesses of the current system.

It is true that such reforms are contemplated most often in the context of participatory processes and therefore necessarily subject to consultation periods. However, they are confronted by institutional and organizational difficulties.

Before addressing the reforms per se, the “focal point” groups must first resolve the threshold problem of the mismatch between their actual capacity and the requirements of all manner of processes. In such cases, they turn most often to the PNDL, which then finds itself in the midst of numerous varied and complex requests.

The next issue to consider is the likely gap between the projects to be implemented under the PRSP and the priorities or urgencies of the “focal point” group. In fact, an inadequate approach in terms of coordinating priority actions and other initiatives of the “focal point” structure is a nontrivial factor in computing time frames.

Finally, apart from the question of the will and actual carrying capacity of the “focal point” groups, the lack of a specific timeline for implementing the reforms – and the resultant lack of a system of monitoring, warning, and questioning – is likely one of the main causes for delays in adopting and implementing these reforms. The absence of an implementation plan, validated by all stakeholders, for priority actions proposed by the “focal point” group does not bode well for effective collective monitoring or diligent execution of commitments.

39. Regional development

The two principal objectives in the area of regional development are to revitalize secondary and border cities and intensify urban development.

In 2006, Senegal issued the National Land-Use Policy Statement (DEPONAT) with the objective of reducing intraregional and interregional socioeconomic disparities. The Land-Use Planning Agency (ANAT) was established, inter alia, to coordinate the development and implementation of the National Land-Use Strategy (SNAT) and promote development centers. The SNAT aims to reduce disparities between territories through optimum use of resources, rational distribution of equipment and infrastructure, and improved regulation and better balance of migratory flows. In that context, 35 communities have been identified to serve as secondary urban centers.⁴⁰ However, program performance has faced a serious

⁴⁰ That is, production, commercial, and service centers serving local residents and the surrounding areas.

problem in raising resources to execute the activities planned. The modest level of investment is largely explained by the government's financial difficulties, which resulted in levies and reallocation of budgeted funds to the detriment of the subsector.

The number of kilometers of sub regional roads serving secondary villages increased from 608 in 2008 to 1,080 in 2009, or an increase of 472 kilometers (77.6 percent). In addition, the number of secondary villages served increased from 10 in 2008 to 17 in 2009.

Despite these gains, mention should be made of institutional and technical obstacles that hinder the efficient implementation of strategies identified in the space planning documents. These include the absence of a national land-use strategy; the institutional instability of the Land-Use Planning Directorate (DAT); the lack of legal and financial instruments supporting land-use planning; lack of enforcement of the order requiring approval of the location of any project or action in the national territory; inadequate consideration of spatial factors in public development policies; inadequate exercise of delegated authority by local governments; the proliferation of land conflicts due to reasons including lack of a reliable rural land registry and insufficient human, financial and material resources of the DAT and regional land-use planning departments.

CONCLUSION: Key Findings

The review and assessment of PRSP-II implementation indicates mixed performance during the period under review. In terms of macroeconomic performance, the annual average growth rate during 2006-2009 was less than 3.0 percent, thus dropping below the trend rate (5.0 percent) for 1994-2005. The decline is essentially attributable to exogenous shocks and low productivity in the agricultural subsector. The primary sector underperformed despite favorable results in implementation of the GOANA and spillover effects in other sectors of the economy.

Moreover, the Senegalese economy is confronted by infrastructure deficits, a weak industrial fabric, and a continuing shortage of private investment. The energy subsector also faces low production capacity, necessitating recurrent load shedding that hinders economic performance. In regard to improving the business climate, recent reforms undertaken by the government, particularly in the context of the Presidential Investment Council (CPI), have yielded encouraging results that should be expanded and consolidated.

With respect to basic social services, overall results are encouraging but work remains to be done to achieve the MDGs in education and health. In terms of social protection and disaster risk management, implementation of priority actions remains weak and requires a redoubling of efforts. Finally, improvement of the government budget preparation mechanism has been consolidated with the implementation of budgetary and financial reforms, the Policy Support Instrument (PSI), the action plan regarding the Paris Declaration on Aid Effectiveness, and gradual expansion of the medium-term sector expenditure framework (MTSEF) to all subsectors.

In addition, the new public procurement code will strengthen compliance with the principles of integrity and transparency, consistent with Senegal's aspiration to meet international norms and standards in public procurement and transparency in budget management. Ongoing implementation of the Justice Sector Program will increase the efficiency and accessibility of the justice system. Senegal has also made significant strides in the fight against corruption, notably by establishing the CNLCC.

Based on the results and trends of recent years, the objectives of economic emergence and achievement of all the MDGs call for implementation of an integrated strategy focused on the following challenges:

- Modernization of the agricultural subsector and rural development;
- Modernization and rehabilitation of support infrastructure (roads, ports, airports, etc.), energy management, and land-use planning and development;
- Improvement of basic social services for social development through construction of affordable housing; promoting primary school completion to attain "education for all,"

literacy, and professional training; and health care development to reduce maternal, child, and infant mortality;

- Implementation of crosscutting policies supporting job creation, gender equality, good governance and public participation, environmental stewardship, and economic and natural risk management; and
- Expansion of results-based management for development to all sectors through effective public expenditures.

ANNEXES

Table 3: List of selected PRSP-II Indicators, October 2010.

PRSP PILLAR	Indicators used	Units responsible	Reference	HISTORICAL						TARGET/OBJECTIVE				
				2004	2005	2006	2007	2008	2009(R*)	2009 (P*)	2010	2011	2015	
MACROECONOMIC FRAMEWORK														
	1. Real growth rate	DPEE	2004	5.9%	5.6%	2.5%	4.9%	3.2%	2.2%	5.2%	5.0%	5.1%	7.0%	
	2. Inflation rate	DPEE	2004	0.5%	1.7%	2.1%	5.9%	5.8%	-1.0%	3.1%	2.0%	2.0%	2.0%	
	3. Investment rate	DPEE	2004	21.6%	24.5%	24.8%	26.4%	26.8%	27.1%	26.0%	26.0%	26.0%	30.0%	
	4. Total budget balance excluding grants (based on authorizations) / GDP (current)	DPEE	2004	-5.2%	-4.6%	-7.3%	-5.9%	-6.8%	-4.9%	-5.4%	-4.0%	-4.0%	-3%	
INCOME POVERTY														
	5. Percentage of population below the poverty line	National	ANSD/MEF	2005	ref 2005	50.80%	50.40%	48.40%	(*) No recent data	50.7% ⁽⁴¹⁾		42.00%		<30%
		Dakar	ANSD/MEF	2005	ref 2005	32.5%	No data			30.7%				
		Other urban	ANSD/MEF	2005	ref 2005	38.80%	38.00%	34.00%		38.1%		<30%		<25%
		Rural	ANSD/MEF	2005	ref 2005	61.90%	56.00%	48.00%		63.2%		<43%		<30%
AGRICULTURE														
	6. Irrigated production in proportion to total production	DAPS	2004	13.10%	12.90%	16.70%	18.90%	21.30%	21.0%	24%	27.1%	30.6%	50%	
	7. Cereal production (tons)	DAPS	2004	1084530	1432831	1010198	772,239	1,756,706	1,713,455	1352290	1374828	1394468	1454971	

⁴¹Joint ANSD/World Bank estimate, June 2010

PRSP PILLAR	Indicators used	Units responsible	Reference	HISTORICAL						TARGET/OBJECTIVE			
				2004	2005	2006	2007	2008	2009(R*)	2009 (P*)	2010	2011	2015
	LIVESTOCK PRODUCTION												
	8. Annual milk production (millions of liters)	DIREL/MEL	2005	ref 2005	116	120	137	146	166.7	148	162	170	208
	9. Quantity of meat and byproducts produced per year (thousands of tons)	DIREL/MEL	2005	ref 2005	131	140	133	152.255	166.07	180	198	217	291
	TOURISM												
	10. Number of tourist entries per year	DEP/Tourism	2004	666616	769489	866154	874,623	918,300	810,000	1350,000	1500,000	1,750,000	2,000,000
	TRANSPORTATION												
	11. Percentage of rural population living within 2 km of roads passable year-round	Paved roads	DTT---ANSD 2000 (village survey)	42.0%					50.3%				
		Unpaved roads		39.7%				(**)	52.0%				
	12. Km of rural access roads constructed per year	AATR	2006	313	320	640	373	277.483	209	590	250	200	600
	13. Number of km unpaved roads recovered per year	AATR	2005	435	736	356	373	277.483	1106	350	400	430	460
	14. Number of km paved roads recovered per year	AATR	2005	260	270	500	596	301.2	689	370	400	425	450
	ENERGY												
	15. Number of MW brought on stream (installed power)	SENELEC	2004	514.5	562.5	632.9	641	698.5	684.55	698.35	684.55	950	950
	16. Thousands of MWh produced (available energy)	SENELEC	2004	1952	2170	2192	2305.6	2400.4	2489.217	2660.257	2568	2814	3070
	17. Rural electrification rate	DE/ME	2004	13.0%	14%	16%	17.2%	21%	22%	22%	37 %	47%	55%

PRSP PILLAR	Indicators used	Units responsible	Reference	HISTORICAL						TARGET/OBJECTIVE				
				2004	2005	2006	2007	2008	2009(R*)	2009 (P*)	2010	2011	2015	
	MICROFINANCE													
	18. Number of beneficiaries	DRS/SFD	2006			799,625	871,035	914,597	1,299,356 ⁽⁴²⁾	1,000,656	1,077,629	1,142,647	1,426,629	
	PRIVATE SECTOR													
	19. Time and cost of transferring property	Time	DPID/MEF	2005	ref 2005	188 days avg.	< 188 days average.	114 days	18 days	17 days	20 days	20 days	20 days	20 days
		Cost		2005	ref 2005	20.5% of property value	< 20.5% of property value	< 20.5% of property value	Not available	Not available	< 20.5% of property value	12% of value	<12% of value	<12% of value
	GENDER EQUITY													
	20. Percentage of women in political decision-making bodies	Ministry of Family	2008	New indicator				17.98%	17.98%	>10%	>10%	50%	50%	
	JOBS													
	21. Underemployment rate	Dir. Emp.- ANSD	2005	ref 2005	22.5% (ESPS)	20.90%	19.50%	18%	23.0%	16.90%	15.70%	14.60%	11.00%	
	22. Participation rate	Director. Empl. ANSD	2002	ref 2005	50.70%	50.70%	53.46%	Not available	49.30%	59.44%	62.68%	66.10%	81.73%	
	EDUCATION													
PROMOTING ACCESS TO Services	23. Gross enrollment rate	National	DPRE / Education	2004	79.70%	81.90%	83.40%	87.60%	90.10% 92.40%	92.5%	91.6%	93.7%	96%	105.0%
		Girls		2004	78.0%	80.7%	83.3%	88.5%		95.9%	92.5%	94.6%	97%	105.0%

⁴²Number of members

PRSP PILLAR	Indicators used	Units responsible	Reference	HISTORICAL							TARGET/OBJECTIVE			
				2004	2005	2006	2007	2008	2009(R*)	2009 (P*)	2010	2011	2015	
		Boys	2004	81.4%	83.0%	83.4%	86.8%	88.00% 58.40%	89.2%	90.7%	92.8%	95.0%	104.0%	
								58.00% 58.80%						
								113.60% 119.10%						
								108.50%						
								6.00%						
								83529						
	24. Completion rate	National	DPRE / Education	2004	48.8%	53.4%	49.7%	55.1%	59.6%	62.3%	66.2%	70.5%	90.0%	
		Girls		2004	45.3%	49.8%	48.1%	52.9%	60.4%	60.5%	64.5%	69.0%	90.0%	
		Boys		2004	52.2%	56.9%	51.3%	57.3%	58.7%	64.1%	67.8%	71.8%	90%	
	25. Gross intake rate, first grade	National	DPRE / Education	2004	93.4%	95.4%	103.2%	110.4%	117.5%	110.3%	110.3%	110.3%	110.2%	
		Girls		2004	95.1%	97.3%	106.4%	115.4%	123.9%	109.7%	109.0%	108.5%	106.0%	
		Boys		2004	91.8%	93.6%	100.1%	105.7%	111.5%	106.8%	107.4%	108.0%	110,3,0%	
	26. Rate of increase in FPT students (public, private, training programs)		DPRH / METFP	2008	New indicator				6.0%	4.0%	6.00%	6.00%	20.00%	
	27. Persons enrolled in literacy programs	National	Literacy Directorate	2005	42000	41660	165422	62223	77988	92893	92893	92893	92893	
		Women		2005	33600	31245	141,246	489982	66208 17321	66895	57835	57835	57835	
		Men		2005	8400	10415	24176	13241	11093	35057	35057	35057	35057	
	HEALTH													
	28. Number of AIDS patients treated	SNIS	2004	1855	4407	5500	7325	9252 53,7%	12,249	7935	10493	11752	15000	
								61% 80%						
	29. Rate of IPT-2 coverage	SNIS	2005	ref 2005	40%	53%	61%		56%	80%	80%	82%	85%	
	30. Proportion of health facility based births (assisted by trained personnel)	SNIS	2004	39%	51.90%	59%	62.50%		66.9%	68%	70%	73%	>90%	
	31. Proportion of fully vaccinated children (0-11 months)	SNIS	2004	40%	78%	ND	89%		74%	80%	>80%	>80%	>80%	

PRSP PILLAR	Indicators used	Units responsible	Reference	HISTORICAL						TARGET/OBJECTIVE			
				2004	2005	2006	2007	2008	2009(R*)	2009 (P*)	2010	2011	2015
	32. Number of children (age 0-5) covered by community-based nutritional monitoring (weight/height, weight/age)	SNIS--CLM	2004		140,000	260,000	280,000	418,000	629000	600,000	720,000	890,000	900,000
Water and sanitation													
	33. Overall urban access to drinking water	UC-PEPAM ANSD	2004	91.0%	92.0%	93.0%	98.0%	98.0% 75.5% 63.40% 74620	97.0%	98.0%	99.0%	99.0%	100.0%
	Rural	UC-PEPAM ANSD	2004	64%	66%	69.5%	72.4%		73.6%	75%	77%	78.5%	82%
	34. Urban access to sanitation	UC-PEPAM ANSD	2004	57.0%	59.0%	62.0%	63.9%	63.6%	67.5%	67.5%	72.5%	78.0%	
	35. Number of rural inhabitants gaining access to sanitation	UC-PEPAM ANSD	2005	ref 2005	20,500	33,100	29,700	12,313	222,890	222,890	239,900	243,500	
Natural resources and environment													
	36. Ratio of reforestation and regeneration/ deforestation	Ministry of the Envnt.	2004	0.6	0.74	1.02	1.08	1.25 952900 17%	0.7	> 2008 ratio	> 2009 ratio	> 2010 ratio	> 2014 ratio
	37. Vegetal biomass ravaged by brush fires per year (tons)	Ministry of the Envnt.	2006	New indicator		1595147	753900		195,785	736496	569238	439964	157004
	38. Proportion of environmental management plans implemented and monitored (following EIE)	Ministry of the Envnt.	132 PGE	EIE	EIE	EIE	EIE	30.0%	57%	60%	65%	85%	
Habitat and living environment													
	39. No. of persons relocated from improvised	Ministry of	2005	ref 2005	180000	8130	5260	27750	61,792	73575	73575	73575	73575

PRSP PILLAR	Indicators used	Units responsible	Reference	HISTORICAL						TARGET/OBJECTIVE				
				2004	2005	2006	2007	2008	2009(R*)	2009 (P*)	2010	2011	2015	
	housing per year	Housing												
Social protection and monitoring of vulnerable groups														
	40. Number of vulnerable households receiving resource allocations	Min. of Family	2005	ref 2005	1250	1250	1250	3745	1500		1500	2000	2500	5000
	41. Number of disabled persons fitted with prosthetics	Dir. Social Action, PRBC Program	2006	ref 2005	ref 2005	1050	850	850	850	1050	1050	1050	1050	4200
	42. Number of children removed from worst forms of labor and reintegrated into social/educational system	Min. of Family	2007	Not defined			1462	1731	7430		1817	1907	2002	2102
Good governance and decentralized development														
	43. Number of negotiated contracts awarded in violation of applicable law	ARMP	2008	Not defined			129	0	0	0	0	0	0	0
							3 (2002, 2003 and 2004)							
							14.40%							
							93.91%							
							104.60%	87.70%						
	44. Average contract term	ARMP DCMP	2008	Not defined				129	<=150	<=150	<=150	<=150	<=150	<=150
	45. Number of proposed implementing regulations received by Audit Office compared to cum. delays	Audit Office	2007	Not defined			2	3	3 (2005, 2006, and 2007 proposed laws)	1 (2008 proposed law)	1 (2009 proposed law)	1 (2013 proposed law)	1 (2013 proposed law)	1 (2013 proposed law)
	46. Number of end-year treasury accounts (public institutions, government, regions) received by the Audit Office in proportion to the number expected (%)	Audit Office	2005	ref 2005	13.60%	19.20%	17.60%	14%	25%	40%	50%	100%	100%	100%
	47. Health sector budget execution rate	Title III	DB/DGF	98.23% (2003)	91.31%	68.95%	96.37%	100.26%		95%	95%	95%	95%	95%
		Title V	DB/DGF	95.7% (2003)	95.30%	102.26%	90.48%	68.59%	53.27%	85%	85%	85%	85%	85%
	48. Budget execution rate	Title III	DB/DGF	102.04%	98.23%	98.84%	99.54%	92.78%		95%	95%	95%	95%	95%

PRSP PILLAR	Indicators used	Units responsible	Reference	HISTORICAL					TARGET/OBJECTIVE					
				2004	2005	2006	2007	2008	2009(R*)	* 2009 (P*)	2010	2011	2015	
	Education		(2003)					60.08%						
	Title V	DB/DGF	80.2% (2003)	85%	90.94%	85.89%	47.82%		70.92%	85%	85%	85%	95%	
	49. Deviation from one-year budget rule (%)	DB/DGF-DCEF	2004	9.50%	10.46%	6.50%	6.90%	5.43% 24 hr 6 mo	0.31%	< 7%	< 7%	< 7%	< 7%	
	50. Time required to issue records from the business and liens register (RCCM)	DACS	New indicator	Not defined				3 yr CFAF 22.5 billion CFAF 16.6 billion	2 hr	36 hr	30 hr	24 hr	<24 hr	
	51. Average time to process criminal and misdemeanor cases	Misdem.	DACG (Dir. Comm., Crim., and Pardons)	New indicator	Not defined				6 months	5 months	5 months	5 months	5 months	
		Criminal		New indicator	Not defined				3 years	2 years	2 years	2 years	2 years	
	52. FECL and FDD share of budget excluding debt (indexed on VAT)	FECL (2% of year N-1 VAT)	DCL/MDCL DB/MEF	New indicator	Not defined				CFAF 12.5 billion	2% of 2008 VAT	2% of 2009 VAT	2% of 2010 VAT	2% of year N-1 VAT	
		FDD (3.5% of year N-1 VAT)	DCLMDCL/DB/MEF	New indicator	Not defined				CFAF 14.9 billion	3.5% of 2008 VAT	3.5% of 2009 VAT	3.5% of 2010 VAT	3.5% of year N-1 VAT	
	53. Time to issue [] transfers from FECL and FDD	DB/DGCPT/ME	2007 F	Not defined				2.83 mos (March 25 2009)	2.83 (March 25)	< 3mos	< 3mos	< 3 mos	< 3 mos	

Table 4: Breakdown of real GDP, 2005-2009.

As percent of real GDP	2005	2006	2007	2008	2009
Primary sector	14.6%	12.9%	11.9%	13.8%	14.7%
010 020 agriculture	8.1%	6.6%	5.2%	7.3%	8.0%
010 subsistence farming	5.5%	4.8%	3.9%	5.6%	6.0%
020 industrial or export agriculture	2.5%	1.8%	1.3%	1.7%	2.1%
030 livestock and hunting	3.9%	4.0%	4.0%	3.9%	4.0%
040 forestry, forest exploitation	0.8%	0.8%	0.9%	0.9%	1.0%
050 fishing	1.8%	1.6%	1.7%	1.6%	1.7%
Secondary sector	20.5%	20.7%	20.8%	20.0%	20.4%
060 extractive activities	1.0%	1.1%	1.0%	0.8%	1.6%
080 fabrication of edible fats	0.1%	0.1%	0.1%	0.1%	0.1%
999 other industries	13.0%	12.3%	12.4%	12.3%	12.3%
070 transformation and conservation of meat, fish	2.6%	2.3%	2.2%	2.1%	2.4%
090 fabrication of products from seeds	0.5%	0.6%	0.5%	0.5%	0.6%
100 fabrication of cereal-based foods	0.6%	0.6%	0.6%	0.6%	0.5%
110 fabrication of sugar, transformation	0.5%	0.5%	0.5%	0.3%	0.3%
120 fabrication of food products n.e.c.	0.5%	0.6%	0.5%	0.5%	0.5%
130 fabrication of beverages	0.4%	0.4%	0.4%	0.3%	0.3%
140 fabrication of tobacco-based products	0.1%	0.1%	0.1%	0.2%	0.2%
150 cotton ginning and fabrication of textiles	1.2%	1.2%	1.2%	1.1%	1.1%
160 fabrication of leather; fabrication	0.2%	0.2%	0.2%	0.2%	0.1%
170 fabrication of wood products	0.5%	0.5%	0.5%	0.6%	0.6%
180 fabrication of paper, cartons,	0.6%	0.6%	0.6%	0.6%	0.6%
190 petroleum refining, coking	0.3%	0.2%	0.3%	0.4%	0.2%
200 fabrication of chemical products	1.7%	1.1%	1.2%	1.4%	1.2%
210 fabrication of rubber products	0.4%	0.4%	0.4%	0.4%	0.4%
220 fabrication of glass, pottery	0.9%	1.0%	1.0%	1.0%	1.1%
230 metallurgy, foundry, fabrication	0.7%	0.8%	0.8%	0.8%	0.8%
240 fabrication of machines	0.1%	0.1%	0.1%	0.1%	0.1%
250 fabrication of equipment, tools	0.0%	0.0%	0.0%	0.0%	0.0%
260 construction of transport materials	0.1%	0.1%	0.1%	0.1%	0.1%
270 fabrication of furniture, fabrication n.e.c.,	1.1%	1.1%	1.2%	1.2%	1.1%
280 electricity, gas, and water	2.2%	2.4%	2.5%	2.5%	2.2%
290 construction	4.3%	4.8%	4.8%	4.4%	4.2%
Tertiary sector	45.4%	46.8%	47.4%	47.9%	46.8%
300 commerce	16.2%	16.3%	16.4%	16.7%	15.9%
330 340 transportation, post and telecommunications	9.9%	10.7%	10.9%	11.1%	11.0%
330 transportation	4.1%	4.3%	4.2%	4.3%	4.0%
340 post and telecommunications	5.7%	6.5%	6.8%	6.8%	6.9%
390 education and training	3.5%	3.6%	3.8%	3.6%	3.8%
400 health and social action activities	1.1%	1.2%	1.2%	1.3%	1.3%
999 other services	14.8%	15.0%	15.1%	15.2%	14.8%
310 repair services	0.8%	0.9%	0.9%	0.9%	0.9%
320 lodging and restaurants	0.9%	0.9%	0.9%	0.8%	0.8%
350 financial scs	3.2%	3.1%	2.9%	3.1%	3.1%
360 real property activities	5.3%	5.4%	5.5%	5.7%	5.7%
370 enterprises service activities	4.8%	4.9%	5.0%	5.1%	4.8%
410 collective or private activities	1.9%	1.9%	1.9%	1.8%	1.8%
420 financial intermediation services i.m.	-2.1%	-2.1%	-2.0%	-2.2%	-2.2%
Public administration	19.4%	19.6%	19.9%	18.3%	18.1%
380 Public administration activities	6.3%	6.1%	6.1%	5.9%	6.1%
Net taxes on goods and services	13.1%	13.5%	13.7%	12.3%	12.0%
GDP (at market prices)	100.0%	100.0%	100.0%	100.0%	100.0%
Non-agricultural GDP (at market prices)	91.9%	93.4%	94.8%	92.7%	92.0%
Production of goods and services	167.9%	166.6%	168.7%	173.1%	169.7%
Goods and services imports	42.4%	43.1%	47.8%	52.8%	43.1%
Net taxes on products	13.1%	13.5%	13.7%	12.3%	12.0%
TOTAL RESOURCES	223.4%	223.2%	230.3%	238.2%	224.7%
Intermediate consumption	13.1%	13.5%	13.7%	85.4%	81.7%
End consumption	90.9%	92.8%	93.1%	93.8%	92.8%
public	13.3%	13.7%	14.2%	13.6%	14.2%
private	77.6%	79.1%	79.0%	80.3%	78.6%
Gross fixed capital formation	23.3%	26.2%	26.1%	27.1%	23.7%
public	5.9%	6.4%	6.5%	6.2%	6.7%
private	17.4%	19.8%	19.7%	20.8%	17.0%
Change in inventory	1.2%	-1.4%	3.1%	5.6%	3.4%
Goods and services exports	27.0%	25.6%	25.4%	26.3%	23.2%
TOTAL USES	223.4%	223.2%	230.3%	238.2%	224.73%

Source: DPEE, September 2010.