I. Introduction and Context

Country Context

Niger is a large locked country with an area of 1,267,000 km² (two-thirds of the country are located in arid and semi-arid zones). Climate is mostly arid (rainfall of 85% of total area is less than 350 mm/year). Its population estimated at 16 274 738 (annual population growth of 3.3%). Two-thirds of its population lives below poverty threshold. The Human Development Index ranks Niger at 163rd place out of 174 countries, with a per capita Gross National Income (GNI) of US$240. Only 29% of the population is literate and children mortality rate is 198%. More than 50% of the population is affected by food insecurity, with 22% of the population chronically extremely food insecure. The incidence of poverty has remained constant since the early 1990s (63% in 1993), mainly due to lack of resources, low agricultural productivity and high population growth. The magnitude of poverty and food insecurity is chronic, although it is most evident during years of drought.
Niger’s economy has been affected by high variability of rainfall, terms of trade shocks, and volatility of aid flows and these shocks severely affect human development, and cause chronic food security in Niger. Food insecurity is aggravated by high incidences of rural poverty, which translate at the household level into low purchasing power, lack of access to food by vulnerable groups, rampant malnutrition, and poor access to health facilities. Major vulnerabilities include, among others: recurrent droughts; heavy dependence on rainfed farming and livestock; high vulnerability of production systems to climate-related hazards; weak specialized agencies and institutions; and heavy pressure on the environment and continuing woodland degradation due to energy needs of a rapidly growing population.

About 84% of the population depends on natural resources that are highly vulnerable to climate factors. Poor households, particularly female-headed households, are more exposed to shocks and seasonal variations in production, in response to which they often resort to negative coping mechanisms such as the sale of seeds and productive livestock.

Sectoral and Institutional Context

Since 2000, Niger has developed a track record for macro-economic stability and has embarked on reforms to foster private sector-led economic growth, reduce the debt and improve social indicators. This resulted in a break of negative trends that prevailed since the end of the uranium boom in the 1970’s and allowed Niger to achieve positive per capita GDP growth rates and improvements in social indicators. Despite these gains, Niger continues to face persistent, long-term development challenges. Among them, like many other African countries, undiversified production structure, low human capital, weak governance, state fragility, women’s empowerment, youth employment, and climate change. Overall economic growth is limited not only because demographic growth and the impact of climate crises, but also, more recently, because of number of combined factors, such as the Libyan crisis (leading to a proliferation of weapons and an increasing civil insecurity, as well as to a massive return of migrants) and social unrests in Mali and Northern Nigeria; the European debt crisis and commodity market developments (with reduced aid, trade, investment and remittances, and a decline of uranium prices) and two subsequent poor harvests (2009-2010 and 2011-2012), with forage and cereal deficits, because of a combination of droughts, floods, poor crop development, and pest attacks. The combined overall impact of the these external shocks consists of the immediate, real impact on economic indicators such as economic growth, trade and investment, food security, and poverty and, in the medium term, increased risks to the currently positive economic outlook.

The Government of Niger places a high priority on poverty reduction, through policies aimed at improving food security, raising the income of rural producers, and increasing, securing and diversifying food production. Since 2008, until the recent formulation of the new ‘3 N Initiative’ (see below), the Poverty Reduction and Accelerated Development Strategy (SDRP), aligned with the Rural Development Strategy (SDR), had unified all development initiatives and integrated policies and programs the country intends to implement at macroeconomic, structural and social levels. Recently (September 2011), within the context of the SDRP, the Government has approved a National Policy on Social Protection, which “translates its willingness to promote innovative forms of governance that encourage full responsibility by the public sector to provide more social protection coverage to all populations”. Finally, the Government has just approved a comprehensive ‘Policy on Gender’.
The 3 N Initiative (“Nigeriens feed Nigeriens”) is currently the major strategic framework for recovery, built upon the achievements of the SDR (see Inset 1). The key implementation principles of this initiative, which integrates the SDR, are: (i) focus support on the commune, village and farms to improve their performance; (ii) approach “village by village,” and “commune by commune with the effective involvement of the beneficiaries in the planning and implementation of development projects, (iii) development of resilient crops, (iv) scaling up sustainable management of natural resources, (v) promotion of research approaches for adaptation to climate change and (vi) mobilization of rural youth to be spearheading the initiative. In the light of present critical situation, this initiatives has been accompanied by an emergency program mad up of four components: (i) land recuperation and other environmental activities (through cash/food-for-work); (ii) food security (through sales of cereal product at subsidized prices, creation of cereal banks, and free distribution of food to the poorest families); (iii) support to off-season cultivation of irrigated crops in different locations, distribution of agricultural inputs for 2012; and (iv) support to small-livestock related activities.

INSET 1 : Key strategies of the 3 N Initiative

The implementation of I3N is based on five key strategic axes:

- Axis 1: Increasing and diversifying agro-sylvo-pastoral and halieutic productions
- Axis 2: Regularly supplying rural and urban markets with agricultural and food products
- Axis 3: Improving resilience of populations to climate change, crises and hazards
- Axis 4: Improving the nutritional status of Nigeriens
- Axis 5: Coordination of I3N.

In terms of national policies and strategies, it is worth mentioning that the Government has adopted a Strategic Orientation Note for Sustainable Development and Inclusive Growth (21 August 2011). The note is about the formulation of three key planning documents: (i) a strategic vision by 2035 (called ‘Strategy for a Sustainable Development and Inclusive Growth’ SDDCI-Niger 2035); (ii) a ‘Plan for Economic and Social Development’ (PDES), 2012-2015; and (iii) a ‘Framing Interim Program of Government Action’ (PICAG, 2011-2012).

A number of legal texts between 1999 and 2010 defined decentralization reforms and put decentralization into practice. There are now a total of 255 Communes, and their mandates include local development planning, natural resource management, agriculture and livestock, land tenure, and social services. Decentralized rural development is widely considered as a cornerstone of development (this was made possible also by the contribution of numerous programs/projects supporting local governments, including the CAP2).

- The National Decentralization Policy (PND) currently highlights key State’ functions and its role in fostering and enhancing decentralization reforms. The PND consider local governments (collectivités territoriales) as key implementation elements of public policies, grass-roots democracy, local governance and sustainable development
- The National Territorial Development Policy (PNAT), formulated since 2011, highlights the importance of planning and managerial tools for a territorial development management.
- This framework has been completed by the adoption of a General Code of Local Governments (key document on local government management) and the creation of eight
decentralized regional governments (2011).

Local governments (Collectivités territoriales) have important comparative advantages in terms of knowledge of local socio-economic constraints and potential, climate-related hazards and appropriate mitigations measures, and on-going experiments aimed at empowering them have been consistently positive (in spite of weak human and financial resources). The coup of February 2010 resulted in the dissolution of municipal councils and their replacement by advisory committees. Subsequent local election at the beginning of 2011 brought new actors to the renewed municipal councils (turnover of more than 70%). These local elections, together with the presidential and legislative elections, led to a new constitutional life and democracy. Furthermore, present legislation included also the establishment of a decentralized equity fund for local governments, and support to the deconcentration of selected government functions, as well as the creation (2008) and forthcoming commissioning of the National Agency for the Investments of Local Governments (ANFCT).

Relationship to CAS

While consolidating the achievements of the previous two phases of the CAP, the project, which marks the third phase of the CAP relates to relevant Bank strategies, including the CAS, and other projects in the Niger portfolio in the following manner:

- The new WB’s Strategy for Africa on vulnerability and resilience, particularly the objectives of its Pillar 2, which deals with a large number of shocks (such as droughts and floods, food shortages, macroeconomic crises, HIV/AIDS, malaria and other diseases, conflicts and climate change). Governance and leadership appear as the main challenges underlying Africa’s development. The proposed CAP3 program will particularly support strategies aimed at strengthening citizens’ voices by using instruments of social accountability that enable citizen-centered governance.
- The approach adopted by CAP3 will be in line with key strategic orientations of a recent WB’s paper on Green Growth, which stresses the importance of an environmentally sound and inclusive growth to achieve the urgent development needs of the poor, by improving social welfare for all, promoting careful stewardship of natural resources.
- The Bank’s Country Assistance Strategy (CAS) in Niger, which is defined largely by the nature of the country social, economic and environmental conditions as well as by the structural political and administrative reforms undertaken over the last years. While the Second Phase of the Community Actions Programme (CAP2) reflected the main orientations of the 2008-2011 CAS and those of the 2008-2012 SDRP, the proposed third Phase (CAP3) will consolidate and foster the CAP2 approach, while reflecting both the new 2013-2015 CAS (under preparation) and the new 2012-2015 Government Social and Economic Development Plan (PDES). It is also a result of a general democratization of the society, which stresses the necessary enhancement of national ownership and leadership, highlights the potentially beneficial role of decentralization, especially in remote areas, and stresses the need to provide safety nets to those who are in a situation of chronic food insecurity.
- The objectives of other forthcoming projects in the Niger portfolio, particularly the following:
  - The Community Actions Project for Climate Resilience (CAPCR), one of the four investment projects of the Special Program for Climate Resilience (SPCR/Niger), covering Niger together with eight other countries. An important underlying assumption of this project - whose total budget is about US$ 61 million and that aimed at improving the resilience of agro-sylo-
pastoral ecosystems and of Nigerien populations - is that current climate variability and change will have a broader range of impacts on individual households and communities, in addition to those affecting agriculture systems.

- The Safety Nets Project (SNP) (with a total budget of US$70 million), whose main objective is to establish and support an effective safety net system which will increase access of poor and food insecure people to cash transfer and cash for work programs.
  - Finally, the third and last phase of CAP is based on lessons learned and achievements of previous phases, a key aspects of Bank’s portfolio in Niger:
    - CAP1 (2003-2007), whose development objective was to assist the Government to design and implement planning and implement decentralized, transparent and participatory development mechanisms, by involving local governments (Communes), and to promote a sustainable, community-based management of ecosystems.
    - CAP2 (2008-2012), whose objective was to improve Local governments’ (Commune) capacities in the participatory design and implementation of local development plans and budgets in order to improve rural livelihoods. The global environmental objective was to reduce land degradation and enhance sustainable land management (SLM) in Niger. Agreed triggers to move from Phase 2 to Phase 3 have been achieved.

II. Proposed Development Objective(s)

II. PROPOSED PDO/RESULTS

A. Project Development Objective – PDO and GEO

11. The development objective of the proposed CAP3 (PDO) is to consolidate the capacity of Nigerien Communes to design and implement local development and investment plans in order to enhance, in a sustainable manner, local rural livelihoods. The Global Environment objective (GEO) is to reduce land degradation and promote sustainable land management in Niger.

12. The proposed program will include three distinct and correlated components:

- Component A: Capacity building. Providing institutional support to local governments (at Commune and Region level) and to institutions in charge of promoting local governance, decentralization and rural sector extension services.

- Component B: Local Investment Fund. Investing, through appropriate financial mechanisms, in a number of initiatives aimed at managing productive natural resources in a sustainable manner, creating and maintaining essential socio-economic infrastructures and facilities, diversifying income generating activities, and sustaining investments operated within the context of CAP1 and CAP2.

- Component C: Project coordination, Management, Monitoring and Evaluation. Coordination of all the activities of the program, including knowledge management and sharing, and monitoring and evaluation.

13. Program beneficiaries will be the 255 Communes of Niger (that is the 164 Communes that already benefitted from CAP previous phases, and the remaining 91 Communes not yet covered) and the 7 Regional Councils and 4 Urban councils put in place in the aftermath of the elections of December 2011.
• All the Communes will benefit from initiatives related to local governance and institutional capacity building, within the context of the activities of Component A.

• Communes benefiting from investments within the context of activities of Component B will be identified after a complete mapping exercise aimed at assessing the interventions planned and/or implemented by different development partners at the level of Nigerien Communes. This will avoid duplication and promote synergies for the sake of fairness and transparency (this assessment will be undertaken quickly and its results will be utilized for the CAP3 appraisal).

• All the Regions will benefit from the results of large consultations concerning their roles and competencies in social and economic development and from appropriate regional planning models. For the initiatives aimed at building the capacities of regional Councils in planning and monitoring local development, the proposed CAP3 will establish strategic partnership and synergy with other development partners currently supporting the different Nigerien Regions.

14. More particularly, direct project beneficiaries will be the following:

• Rural producers directly benefitting from a number of initiatives aimed at improving their agro-sylvo-pastoral activities and livelihoods.
• Chronically poor and vulnerable households living in disadvantaged areas, who will benefit from specific activities generating income and jobs (particularly for the youth and women).
• National regional and local institutions (through initiatives aimed at building their technical and institutional capacities).

15. Indirect beneficiaries of the programme will be, among others:

• Private economic operators and local service providers, whose activities are related to rural sector (transport, food processing, construction, etc.).

16. A strong partnership will be established between CAP3 and the CAPCR, not only because of the coincidence of their respective institutional arrangements (fiduciary management and procurement of the two programs will be coordinated by the same unit), but also because of the cross-cutting aspects of their approach (the CAPCR will be using the systems defined and put in place by CAP2). While CAPCR’ activities will focus on the resilience of agro-pastoral systems and populations to climate hazards, CAP3 will stress the importance of measures aimed at improving local governance for planning and implementing targeted socio-economic initiatives. CAPCR will focus on 38 Communes already covered by CAP2 (selected because of their severe vulnerability to climate risks). The program will also establish close relationships with initiatives supported by other development partners (mainly GIZ and KFW, UNDP and UNCDF, European Union, the Belgian cooperation (CTB), the Swiss Cooperation, the French Cooperation, the French Development Agency (AFD), etc.).

17. The total investment cost of the proposed CAP3 is estimated at US$30 million equivalent (inclusive of price and physical contingencies, taxes, etc.) over a period of 4 years. It will be financed through a US$ 34.52 million grants of which and a US$ 4.52 million from the GEF.

18. In addition the Government of Niger will provide a contribution of about US$ Xx. The Communes will contribute a minimum amount approximately equivalent to $US Xxxx to support accompanying activities that are not already financed by IDA and GEF.
Key Results (From PCN)

KEY EXPECTED RESULTS
Key principles and practices of good governance are defined and put in place at local level

KEY INDICATORS
Percentage of targeted Communes that have defined and put in place governance practices (fostering participation, social accountability and gender equity) – according to key parameters agreed in advance.

KEY EXPECTED RESULTS
Key investments improve sustainable management of natural resources and create / efficiently maintain collective socio-economic facilities, and diversify income-generating activities

KEY INDICATORS
Number of planned and implemented micro-projects (to improve sustainable land management, ensure creation/ maintenance of key socio-economic structures, and diversify income generating activities)

KEY EXPECTED RESULTS
Local livelihoods are improved and diversified

KEY INDICATORS
Number of farm and off-farm jobs created by program’s investments

III. Preliminary Description
Concept Description

III. PROJECT CONTEXT

A. Concept
The new CAP phase ensures great continuity with the decentralized development paradigm initiated by its previous phases in order to consolidate it and complete its geographic expansion, although it takes into account key changes of the present political, institutional, social and economic context.

20. Through its three components and related sub-components, the proposed program will essentially aim at:
(i) Consolidating the leading role of local government in local socio-economic development (through cross-cutting initiatives aimed at improving governance and strengthening local capacities)
(ii) Promoting adoption and use of adequate practices and technologies for sustainable natural resources management and combining them with general measures aimed at creating jobs and improving rural livelihoods.
(iii) Speeding up a process of full ownership of the program (approaches and objectives) by national institutional stakeholders.

Description

COMPONENT A: Capacity building
Supporting initiatives aimed at building the capacities of participating Communes and improving local governance

While investments on sustainable land and water management and local collective infrastructures are the pillar of the proposed program, governance may be considered as its foundation. A key general assumption is that, in order to be functional, governance needs the development and the establishment, as well as the full adoption and use of a set of institutions and norms at local level, in order to boost inclusive and participatory approaches to poverty reduction and economic growth.

In line with the CAP2 approach, the proposed third phase will support capacity building for both Local governments (Commune and Region) and communities. Therefore, a cross-cutting institutional capacity building program will address not only the needs of the members of municipal Councils (put in place after the 2011 local elections), but also those of all local stakeholders - including representatives of line departments in their advising role, and the members of the District Project Analysis Committees (Comités Départementaux d’Analyse des Projets, CDAP), of the Municipal technical Committees (Commissions communales), and of the Local Management Committees, COGES). It will also support transfer of powers and resources to local governments through the formulation and approval of provision concerning local authorities Code. Overall activities of this component will aim at reducing local vulnerabilities to misgovernance and setting the conditions for sustainable investments improving local resilience to crises and diversifying local livelihoods.

Sub-component A.1: Capacity building for Communes and Communities

A range of initiatives will aim at creating / enhancing the governance of local institutions in the four key areas of participation, accountability, efficiency and equity.

(a) Strengthening the participation of all local institutional stakeholders in planning and implementing local development. This will include, among others, the following aspects:

- Put in place and support the work of inclusive technical committees at the level of all participating Communes (Commissions communales) (the legally mandatory committees and those required by the characteristics of the activities). All these committees will be made up of local institutional stakeholders, including elected authorities, representatives of line deconcentrated departments, leaders of community organizations (particularly youth and women’s associations), and the private sector. Adequate support will be provided to initiatives aimed at strengthening the capacities of the members of these committees.
- Define and implement more transparent mechanisms and procedures allowing civil society, local-level community organizations and the private sector to better participate in the preparation/revision of Communal development plans (PDCs) and annual budgets (PIAs) and identify concrete community-based sub-projects. Among others, this activity will aim at (i) strengthening the CDAPs and direct their role in the sense of a ‘control of the legality’ of the initiatives undertaken by Communes and communities; and (ii) updating and consolidating the ‘Infrastructure Management Committees’ (COGES) put in place by the CAP2 at-community level, in order to make them more efficient and gender-sensitive.

(b) Enhancing social accountability, by establishing and using a range of instruments aimed at allowing both local elected authorities to be better accountable to their constituencies and citizens to
better access to key information and participate in decision making processes. By addressing the specific problems faced by the Communes in mobilizing and collecting local taxes, this activity will comprise, among others, the following aspects:

- Support the establishment and use of a comprehensive system to evaluate the institutional and fiscal performance of Communes (by including parameters related to local revenues recovery rate).
- Support a comprehensive and inclusive communication mechanism concerning the publication and dissemination of local governments’ administrative reports (mainly the financial section to be timely addressed each year to the national public account’s office or Cour des Comptes).
- Establish and use regular mechanisms favoring downward accountability, allowing dissemination of local governments’ results and achievements to larger audiences (including comprehensive annual fiscal records to be prepared by local treasury officers or receveurs communaux).
- Define measures aimed at further involving Communes in monitoring and evaluating their own investments, through simple, pragmatic and efficient practices.
- Establish an independent grievance mechanism in each participating Commune for the purpose of: (i) clarifying the entitlement of households and individuals to receive benefits from the Project as well as due process if complaints or grievance arise; (ii) implementing such grievance mechanism suitable to the local context in order to protect the rights of the participants; and (iii) designing and implementing an outreach program to inform participants on their rights and duties as well as on the respective procedures.

(c) Fostering equity at the level of local communities between social categories, in general, and gender equity, in particular, in order to enhance equality and close the gender gap at the level of local-level institutions, by undertaking actions aimed to:

- Proactively improve quantitative and qualitative women’s participation in local institutions’ decision making (Communal committees), through adequate initiatives (including ad hoc capacity building),
- Guarantee within the Annual Investment Plan of each Communes a quota of sub-projects specifically aiming at women’s priority needs (sub-projects identified and managed by women’s organizations),
- Support establishment/strengthening of women’s associations and women’s producer groups,
- Undertake proactive measures aimed at enhancing literacy of women and girls (in order to enhance their participation in decision-making processes, particularly at the level of the COGES of their respective communities).

(d) Improving the modernization and efficiency of public services at the level of Communes and deconcentrated line departments. This will increase the quality of services provided to the population and improve the relations between users and administrations. This will particularly concern the following initiatives:

- Organizing the civil registry service (birth/marriage/death registrations),
- Improving the present archiving system of all the documents (local development plans annual investment plans, budgets, minutes of municipal council meetings, etc.)
- Improving tax collection system at local level.
- Formalizing and ratifying partnership agreements with deconcentrated line departments,
particularly those in charge of decentralization and local development.

Sub-component A.2: Promoting inter-communal collaboration (intercommunalité)

In the ‘National Decentralization Policy White Paper’, inter-Commune collaboration (intercommunalité) is considered as one of the key strategic measures to be undertaken in order to build the capacities of local governments and allow them to assume their responsibilities. Inter-Communal collaboration is essentially a means to rationally manage local development, optimally use meager human and financial resources, and strengthen good governance. Furthermore, this emphasis on intercommunalité is perfectly in line with the new World Bank’s ‘Strategy for Africa’, which highlights the importance of “institutional, regulatory, and administrative reforms that will not only improve infrastructure service delivery but also yield scale economies and increased specialization that can boost productivity”.

Key activities of this sub-component will include, among others, the following:

(a) National and local consultations on the legal, administrative and financial aspects of inter-governmental collaboration (intercommunalité). This will particularly include the following:
   • Carrying out studies and institutional assessments of the legal, institutional administrative and financial conditions leading to Intercommunalité, in order to define, among others, the most adequate scenario for its implementation (most probably, under the form of a public entity for inter-governmental cooperation or EPCI (Etablissement public de coopération intercommunale).
   • Organizing large consultations at regional and national level (workshops) to discuss mechanisms and procedures aimed at enhancing inter-communal collaboration (intercommunalité).
   • Setting up the general administrative, institutional and financial conditions allowing the proposed CAP3 to put in place an experimental initiative aimed at enhancing intercommunalité at a relatively small scale, with a limited number of participating Communes (in the light of the results of an adequate diagnostic study). In the absence of concrete experiences on intercommunalité, the proposed program is likely to have an important pilot role, its lessons feeding the national debate on decentralization.

(b) Preparation of a detailed Guide of inter-governmental cooperation at local level (‘Guide de l’intercommunalité’) for the proposed CAP3 program – to be prepared in collaboration with concerned Regional Governors’ offices. The Guide will focus, among others, on the following factors: general principles of intercommunalité; eligibility of participating Communes; eligibility of intercommunal initiatives; financial incentives promoting inter-communal initiatives; financial flow mechanisms; equitable cost sharing rules and scale economy; decision-making procedures; grievance mechanisms; monitoring and evaluation modalities, etc. A section of the Guide will also adapt to the inter-communal approach the principles of the ‘Practical Guide for the preparation of Local Development Plans (prepared by CAP2 for the Communes) and the ‘Financing Manual’.

Sub-component A.3: Building the capacities of Regional governments (collectivités régionales)

26. In Niger, decentralization reforms include two levels of decentralization: the Commune and the Region. These levels are supposed to operate in a parallel way, as free and autonomous entities, not hierarchically dependent on each other. Over the last decade, promising results have already been achieved by creating and supporting Communes and enabling them to assume key roles in local development (with consistent support from programs/projects supporting local government, including CAP1 and CAP2). However, nothing has been done so far to support the Regions (with
the exception of their official creation in 2011 and the election of the members of their regional Councils). In line with the ‘subsidiarity’ principle, the proposed program will adopt an innovative approach and include, among others, the following pilot activities:

(a) Organizing large consultations (through assessments and workshops) to focus on the legal, institutional and financial aspects concerning Regional governments (Collectivités territoriales régionales) and discussions on mechanisms and procedures aimed at supporting their functioning.

(b) Design the general framework for regional development plans (and, eventually, of district development), by taking into account both local development plans (PDCs) prepared by Communes and the National Social and Economic Development Plan (PDES), prepared by the Ministry of Plan, Territorial Management and Community Development.

(c) Setting the general conditions allowing the proposed CAP3 to support two Regional Governments on an experimental basis (selected among the eight Regional Governments of Niger, according to clear social, economic and administrative criteria). This initiative will particularly focus on the establishment of key regional institutions and the organization of an important program aimed at building the capacities of regional actors (particularly the elected members of Regional Councils) in the area of socio-economic development. Strategic partnerships and synergies will be established with other development partners supporting social and economic development in the other Nigerien Regions.

Sub-component A.4: Building the capacities of national institutions in charge of local development, local governance, decentralization and rural sector extension services.

COMPONENT B: Local Investment Fund

Assist Communes make investments, through an appropriate financial mechanism, to improve sustainable land management, create and/or ensure maintenance to essential socio-economic infrastructures and facilities, and diversify income generating activities

In terms of investments, the approach of the proposed program is shaped by a number of key strategic options and assumptions (in line both with the strategic options of the governmental ‘3N Initiative’ and the new WB’s strategy on ‘Inclusive Green Growth’). Among the underlying assumptions of the activities of this component, the most important are the following:

• Infrastructure is not a goal in itself, but rather a critical ingredient to economic growth.
• Improved management of natural resources can and should be sustainable (by promoting green growth and green jobs), and can be integrated (by fostering production of crops, trees, and livestock on the same land areas).
• Management of natural resources can be sustainable by being highly productive, protecting biodiversity, reducing deforestation, saving water, and reducing greenhouse gas emissions.

As in the previous phases, the proposed new phase of CAP will contribute, through a Local Investment Fund (FIL), to invest in sub-projects that have been identified and planned by local beneficiaries themselves, under the leadership of local governments. As for CAP2, these sub-projects will be implemented according to a result managed approach, through a partnership linking central State’s institutions, local governments and other projects/programs operating in the same sector/geographic area. In this regard, adequate institutional support will be provided to the ANFCT to speed up its operationalization.
In order to avoid dispersion and optimize impact as well strengthen synergies with other on-going programs, investments of the proposed CAP3 will focus on a three key sectoral areas, such as the following:

(i) Sustainable and improved land and water management practices, (in accordance with Axis 1 of the ‘3N Initiative’).

(ii) Diversification of income-generating activities (IGAs), primarily to benefit the youth and women of the most poor and vulnerable households living in disadvantaged geographic areas.

(iii) Creation and, especially, maintenance of collective socio-economic facilities and infrastructures in disadvantaged geographic areas, which have not particularly benefitted from on-going development projects/programs (this will concern health centers, nutrition centers for children, maternity hospitals, primary schools, village markets, slaughterhouses, vaccination parks, feeder roads, water supply systems, small water infrastructure, cereal banks and storage facilities for agricultural and veterinary inputs).

30. The investments of the proposed program will comprise two modalities: (i) a first system based on individual Commune, and (ii) a second system based on inter-Communes collaboration.

Sub-component B.1. Targeted investments of Commune Development Plans (Plans de développement des Communes (PDC)).

Activities of this sub-component will provide direct support to the implementation of selected sectors of local development plans and annual investment plans (PIAs) of individual Communes.

Among others, the activities of this sub-component will:

- Use approaches that have already been defined and put in place by the previous phases of the CAP in the areas of participatory planning and implementation, while improving them by better emphasizing the active involvement of different categories of stakeholders.

- Provide a greater support to the preparation of PDCs, through measures aimed at building the capacities both of local government officials (for their fiscal and fund-raising responsibilities) and of members of local management committees (for the supervision of the planning and implementation of sub-projects).

Sub-component B.2: Targeted investments of ‘Inter-communal Development Initiatives’ (Initiatives de développement intercommunales (IDI))

Activities will support the implementation of selected initiatives planned and implemented through inter-communal participatory mechanisms and procedures (each of these initiative will be integrated into the annual investment plan of each participating Commune).

These pilot initiatives will focus on two areas:

(i) Sustainable management of inter-Communal natural resources,

(ii) Provision of inter-Communal social services.

Together with the revision of the Manuals of Operations and Implementation, a ‘Guide of Inter-communal operations’ will be prepared, to define the conditions concerning key mechanisms of planning, implementing, monitoring and evaluating inter-communal initiatives.
COMPONENT C: Coordination, management and communication

Coordinating all the activities of the program, including general knowledge management & sharing, and monitoring and evaluation

Sub component C.1: Planning and monitoring and evaluation of the Programme

The new program will adopt the same M&E system put in place by CAP2. However, in order to speed up national ownership, it will establish a formal partnership with the General Directorate for the Evaluation of the Performance of Development Programs (DGEPD), which operates within the context of the SDRP, so that it can take on all the M&E activities before the end of the program.

Sub component C.2: Communication

In order to optimally capitalize lessons learned by CAP (including its previous phases), this sub-component will concern appropriate dissemination of all the information concerning the approaches and results of the program to key ministerial departments and national agencies, local governments, lateral and multilateral development partners, and national and international non-governmental organizations. Adequate knowledge products will also be prepared to share key information with the international donor community.

Sub component C.3: Management

This sub-component will particularly include management of staff (including national and international consultants) and equipment, financial management, procurement activities, and organization of work, including the organization of joint supervision missions.

2. Key risks and issues

The implementation of the proposed program will take place in a precarious social and economic environment. Among the main factors, the following appear to be particularly important: the volatility of the global economy, the possibility of conflict and political violence, and the lack of human and financial resources to implement the strategy.

However, the realistic and pragmatic design of the program as well as its focus on national ownership and strategic partnerships will provide some confidence that obstacles can be overcome and risks mitigated, and that full potential for sustained growth and poverty reduction can be realized.

B. Implementing agency assessment

The overall implementation of the program is likely to be relatively straight-forward, as it is based on the institutional capacities and expertise of the implementing agency, that is the Ministry of Agriculture, which had been involved in all the previous phases OR the Ministry of Planning, Territorial Administration and Community Development, which has the official mandate of coordinating all development activities in the country.

Activities of Component A (Local Governance and Institutions) will be designed and
supervised by the High Commission for the Modernization of the State (Haut Commissariat pour la Modernisation de l’Etat, HC/ME), the most legitimate and appropriate institution in the area of defining and implementing decentralization reforms, whose mandate is, among others, to endorse, supervise, coordinate, monitor and evaluate all the actions aimed at building the capacities of the central State and of local governments. To do so, the HC/ME would benefit from the advisory services of a Multidisciplinary Governance Task force, that it will be put in place and accordingly support throughout the entire program, made up of the following institutions:

- National School for Administration and Judicial Affairs (Ecole Nationale d’Administration et de Magistrature, ENAM), especially in the area of training local governments’ authorities;
- Department of Economic and Legal Sciences (Faculté de Sciences Economiques et Juridiques, FSEJ) of the Abdou Moumouni University of Niamey;
- Laboratory for Research and Study of Social Dynamics and Local Development (Laboratoire d’Etudes et de Recherches sur les Dynamiques Sociales et le Développement Local, LASDEL);
- National Institute of Statistics (Institut National de la Statistique, INS).

At operational level, activities will be implemented through the National Directorate of Territorial Administration and Community Development (Direction Générale de l’Aménagement du Territoire et du Développement Communautaire l’Administration Territoriale, DGATDC (Ministry of Planning), in collaboration with the territorial representatives of the State, such as the Governors, and the District and sub-district commissioners.

The General Directorate of Agriculture, in collaboration with the General Directorates of Livestock and Environment, will implement the different activities of Component B, by providing local authorities with adequate technical advice and support (including through private service providers and operators). The program will use established implementation mechanisms, whose efficiency has been proven during the CAP2, under the leadership of the Ministry of Agriculture. For Sub-Component B.2, the proposed program will adopt approaches and best practices of CAP2, within the innovative context of inter-communal investments. The selection of the Communes participating in Component B.2 will be based, among others, on criteria based on their previous institutional performance.

Technical sustainability of the program is built upon the experience of the completed CAP1 (2004-2007) and CAP2 (2008-2012), although already-established technologies and techniques will be refined and scaled-up. Mechanisms to deliver infrastructure investments and services and to generate and disseminate technologies will be improved. Furthermore, compared to previous phases, the program will increase its support to capacity-building measures of national and local institutions, including ministerial departments, local authorities and community organizations, in order to facilitate full local ownership of all the activities of the program.

Institutional arrangements will favor both adequate coordination mechanisms and efficient implementation of all activities, by empowering different stakeholders according to their respective mandates and competences. This will be in line with the programmatic approach adopted in Niger by most development partners to ensure sustainability. Key principles underlying institutional and implementation arrangements are the following: (i) deep linkages with the ‘3N Initiative’ and the SDR programmatic approaches; (ii) ownership of the program by national institutions with appropriate mandate and capacity; (iii) use of the subsidiarity principles in the implementation of the different activities; (iv) cost optimization in terms of project management; and (v) best use of
lessons learned.

Participating Communes will have the legitimate leadership for all the initiatives of component B, which will be included in their respective Local Development Plans (LDPs) and Annual Investment Plans (AIPs), as well as, in the case of activities of sub-component B.2, in the ‘Inter-communal Development Initiative’ framework. In the previous phases of the CAP, in spite of their numerous institutional weaknesses, Communes have achieved promising results. However, the new proposed phase of the program will provide more consistent and adequate support to the technical design and implementation of sub-projects, with the assistance of service providers (line departments, NGOs, private entrepreneurs, etc.). This support will also focus on the role of municipal authorities in the preparation and implementation of result-oriented specific contract agreements with service providers.

Strategic steering mechanisms for the program would be built upon the existing institutional architecture:
• At national level: National functions of guidance (including on policy orientations) will be provided by the existing Interministerial Steering Committee (Comité interministériel d’Orientation, CIO), reporting to the Prime Minister, whose secretariat is provided by the 3N Initiative. The CIO will include all the Ministries involved in the different activities of CAP3 (Decentralization, Agriculture, Livestock, Environment, and Planning, in addition to the HC/ME), as well as the Association of Municipalities of the Niger and the private sector (Chamber of Commerce). The CIO will meet at least twice a year.

• At regional level: In the same way as for the other rural development programs and projects, coordination to the proposed program will be provided by .....

• Strategic coordination unit will be provided by a Unit administratively located at the Ministry of Agriculture or Ministry of Planning (this unit will also be in charge of directly implementing the sub-component C.2).

The technical implementation framework of the program will be made up of national institutions directly involved in program activities, particularly the following:
• Component A: High Commission for the Modernization of the State (HC/ME), in collaboration with the Decentralization Directorate (DGATDC) of the Ministry of Planning, Territorial Administration and Community Development
• Component B: General Directorate of Agriculture of the Ministry of Agriculture and the General Directorate of Livestock of the Ministry of Livestock and General Directorate of Environment, Water and Forests of the Ministry of Water and Environment (MHE). The National Council of Environment for a Sustainable Development (CNEDD) will be involved in the process of planning and supervising all these activities.

As for the previous phases, fiduciary management and procurement services will be provided by a National Coordination Unit (NCU), in compliance with World Bank’s regulations and directives. The partnership between the National Coordination Unit of the PAC3 and national institutions involved in the implementation of different components will be governed by cooperation agreements that will specify the commitments of the stakeholders and facilitate stronger institutional synergies and national ownership, by defining a set of precise strategic results.
• The National Coordination Unit (NCU) will be responsible for activities related to sub-
component C.1 (monitoring and evaluation) and 3.2 (general coordination of the program). More particularly, it will be responsible for the following general tasks: (i) consolidate the annual work plans (AWPs) of all the participating implementing agencies, and produce the action plans that will be validated by the National Steering committee; (ii) send TdRs to the World Bank; (iii) ensure control of compliance of the contracts to be signed by the implementing agencies and the operators; and (iv) ensure compliance with the standards of fiduciary management (including receive, monitor, process and archive accounting packages), as well as consolidate information related to monitoring of performance and assess the effects of actions taken.

- The Implementation Manual and the Manual of Procedures of CAP2 will be revised to take into account new institutional configurations (inter-Commune collaboration) to define eligible Communes, mechanisms and procedures, eligible investments, financial agreements, institutional arrangements, and financing mechanisms (in accordance to national procedures).

48. Planning and implementation of initiatives at local level will be the responsibility of the Communes and their bodies (Councils and specialized units or commissions), which will be provided with adequate training and technical assistance. The capacities of the members of these entities will be adequately strengthened. Service providers and deconcentrated technical services will be enabled to adequately support Communes in the areas of participatory diagnosis and management of contracts related to micro-projects. Funding mechanism for local projects will follow the existing mechanisms defined and adopted for the PAC2.

C. Project stakeholder assessment

Institutional sustainability of program interventions relies not only on the expertise of key national stakeholders (including line ministries and professional organizations as well as representatives of primary beneficiaries) in managing and implementing the activities of the previous phases of the CAP, but also the full participation of these same institutions in designing the program, thereby ensuring its relevance. Implementation will be fully mainstreamed into central Government structures and local governments, with the participation of community organizations (through the COGESs), user and producer groups and private sector (through the Communal technical committees), and district line departments (through the CDAPs). By highlighting the comparative advantages of each institutional level, the ‘subsidiarity’ principle will guide decisions concerning the participation of the different stakeholders in the implementation of the different activities. Competent decentralized entities will be empowered in implementing investments, managing infrastructure and strengthening rural organizations, to ensure that physical infrastructure and other investments are well managed and maintained after project closure.

50. To boost economic and financial sustainability, the proposed program will support the dissemination of practices, technologies and techniques, which are expected to improve the productivity and the resilience of agro-sylvo-pastoral activities – in this regard, the proposed CAP3 will establish a partnership with the new ‘Agricultural Productivity Support Project in West Africa’ (PPAO), which just started its operations in Niger (2012-2016). Through adequate measures (organization of public cash-for-work initiatives), marginalized categories of the populations will progressively be reintegrated into the dynamic of economic growth. Furthermore, the sustainability of the program financial tools will be enhanced by the forthcoming creation of the FICT and operationalization of its implementing agency (Agence Nationale de Financement des Collectivités Territoriales, ANFCT) as well as by the ‘Food Security and Nutrition Fond’ (Fonds pour la Sécurité Alimentaire et la Nutrition, FISAN), which is currently under consideration at the level of the ‘3N Initiative’.
The social and environmental sustainability of the program will be fostered by the option of favoring the most poor and vulnerable populations, living in disadvantaged geographic areas, and of selecting Communes that have so far little or not at all benefitted from development projects. Social and environmental sustainability will result from capacity-building initiatives and awareness-raising. Stakeholder involvement will be strengthened through adequate social mobilization and sensitization initiatives (workshops, forums, publications, community radio’s programs, etc.). The knowledge base will be improved and the project will define and implement an adequate system for knowledge management and sharing. Finally, equity will be addressed, as a range of activities will specifically benefit the most poor and vulnerable social categories, including women.

Overall sustainability of the program will ultimately be determined by the proper implementation and operation of the proposed activities. The Government of Niger is committed in pursuing its key sectoral strategies, including decentralization and deconcentration, and in strengthening participating institutions, and has already made numerous pertinent decisions. The growing importance of the ‘3N Initiative’ is a more recent confirmation of this political commitment. At the national level, key implementation and monitoring and evaluation activities will be carried out by national agencies, according to their institutional and technical capacities and their comparative advantages. Adequate measures aimed at building the capacities of local stakeholders (including local authorities, rural organizations, and the private sector) will support the sustainability of the program. Interventions themselves will be sustainable by benefitting communities and improving the productivity of their agro-sylvo-pastoral activities.

The proposed program will draw important lessons from the strengths and weaknesses of previous CAP phases (CAP1 and CAP2). It will also value a number of key lessons learned by other programs/projects operating in Niger in the areas of institutional development, capacity building and sustainable management of natural resources. More particularly, this will concern the following aspects:

- Comprehensive planning. Successful investments of the proposed program will depend on coherent and comprehensive planning under the leadership of legitimate and accountable stakeholders (municipal elected authorities) rather than on a number of fragmented and demand-driven ad hoc projects (of specific interest groups).
- Subsidiarity: The proposed program will highlights mechanisms allowing lower institutional levels to play concrete roles in the management of local development with adequate human and financial resources. The key ‘subsidiarity’ principle highlights the importance of the process of delegating responsibilities from local governments to community organizations (such as COGESs), which have clear comparative advantages in the management of activities at local level.
- National ownership. Building a full sense of ownership of the development process is a key ‘exit strategy’ for the success of this third and final phase of CAP. This is important at all levels, from the central government and the concerned sectoral ministries and institutions down to local governments, civil society and private-sector organizations. Therefore, the proposed program will give a greater emphasis to ‘comprehensive partnership agreements’ with national institutions to speed up and consolidate a process of national ownership. More efficient mechanisms and procedures will to be defined in order to strengthen the collaboration between local governments and line departments.
- Capacity building. In order to foster a full national ownership of the program by national central, regional and local institutions, the empowerment of local authorities, community leaders, representatives of civil society and private sector will be a key catalyst for change. This will require
a whole range of innovative activities tailored to different stakeholders, especially in terms of training and capacity building. Capacity building initiatives are particularly important, because after local elections held in 2011, about 70% of the members of local councils are newly elected, with no previous administrative experience.

- Vulnerable households. In a country where an extremely large portion of the population lives in a situation of chronic poverty, the program will highlight the crucial nexus existing between poverty, vulnerability to ecological and climate crises, degradation of the natural resource base, and low productivity. Social protection measures for the poorest, most vulnerable and marginalized rural households (including safety nets, such as organization of remunerated public works or HIMO, to deal with short-term priority needs), will be favored (in close collaboration with the SN and the CAPCR projects). Support to women in managing food insecurity risks and climate-related crises at the household level is key to success, in order to sustain gender equity.

- Advisory services. Advisory services provided by CAP2 will be efficient if delivered on a demand-driven approach, by providing agricultural advice to producers according to real and clearly formulated needs. Experiences of the previous CAP phases have clearly demonstrated superior outcomes by using demand-driven approaches.

### IV. Safeguard Policies that might apply

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### V. Tentative financing

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### VI. Contact point

**World Bank**

Contact: Amadou Alassane
Title: Sr Agricultural Spec.
Tel: 5350+3213
Email: aalassane@worldbank.org

**Borrower/Client/Recipient**
Name: Ministry of Agriculture
Contact: Illa Djimrao
Title: General Secretary
Tel: 0022720732058
Email: idjimrao@yahoo.fr

**Implementing Agencies**
Name: National Coordination Unit - NCU of CAP2
Contact: Assadeck Mohamed
Title: Project Coordinator
Tel: 002272-372717
Email: assadeckmohamed <assadeckmd@yahoo.fr>

**VII. For more information contact:**
The InfoShop
The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 458-4500
Fax: (202) 522-1500
Web: http://www.worldbank.org/infoshop