

Strategy for Swedish development cooperation

West Africa

Burkina Faso

Mali

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REGERINGSKANSLIET

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- Strategy for Swedish development cooperation in **West Africa**
- Country strategy for Swedish development cooperation in **Burkina Faso**
- Country strategy for Swedish development cooperation in **Mali**

Strategy for Swedish Support for
Sub-regional Development
Cooperation
& other Development Cooperation
in West Africa 2004-2006

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Social indicators for West Africa 2000/2001

Abbreviations

AU	African Union
BCEAO	Banque Centrale des Etats de l’Afrique de l’Ouest/Central Bank of African States
BICE	Bureau International Catholique de l’Enfance/International Catholic Child Bureau
CFA	Communauté Financière Africaine/African Financial Community
CILSS	Comité permanent Inter-Etats de Lutte contre la Secheresse au Sahel/Permanent Interstate Committee for Drought Control in the Sahel
CREPA	Centre Régional pour l’Eau Potable et ’Assainissement/Regional Centre for Drinking Water and Sanitation
DAC	Development Assistance Committee
DD&R	Disarmament Demobilization & Reintegration
ECOWAS	Economic Community of West African States
EU	European Union
GDI	Gender Development Index
GDP	Gross Domestic Product
GSP	Generalised System of Preferences
GWP	Global Water Partnership
HDI	Human Development Index
HDR	Human Development Report
HIPC	Highly Indebted Poor Countries
IIED	International Institute for Environment and Development/Institut International pour l’Environnement et le Développement
IMF	International Monetary Fund
IUCN	World Conservation Union
NGO	Non Governmental Organisation
NEPAD	New Partnership for Africa’s Development
NORAD	Norwegian Agency for Development Cooperation
OECD	Organisation for Economic Cooperation and Development
PAGIRE	Plan d’Action pour la Gestion Intégrée des Ressources en Eau/Action Plan for Integrated Water Resources Management
PEDASB	Projet Energies Domestiques et Accès aux Services de Base en Milieu Rural/Project for Domestic Energy Sources and Access to Basic Services in Rural Areas
PRODEC	Programme Décennal de Développement de l’Education/Educational Development Programme
PRSP/CSLP	Poverty Reduction Strategy Paper/Cadre Stratégique de Lutte contre la Pauvreté
PTF	Partenaires Techniques et Financiers/Technical and Financial Development Partnership
RFTF	Results-Focused Transition Framework
SEK	Swedish kronor
Sida	Swedish International Development Cooperation Agency
UEMOA/ WAEMU	West African Economic and Monetary Union
UN	United Nations
UNDP	United Nations Development Program
UNICEF	United Nations Children’s Fund
WANEP	West Africa Network for Peace
WATAC	West African Technical Advisory Committee
WTO	World Trade Organisation

A. Sub-regional development cooperation

A1. Introduction

On 2003-06-04, the Swedish government commissioned Sida to present proposals for a strategy for sub-regional development cooperation with West Africa.¹ The proposals were to be based on the government report, *Africa on the Move – Revitalising Swedish Policy towards Africa for the 21st Century (Afrika i förändring – En förnyad svensk Afrikapolitik inför 2000-talet – 1997/98:122)*, which called for closer cooperation with West Africa.

Regional or sub-regional cooperation are essential if prospects and conditions for development are to improve and long-term obstacles eliminated. The present strategy deals with sub-regional development cooperation and is based on the existing Swedish Strategy for Support to Regional and Sub-regional Development Cooperation in Sub-Saharan Africa, 2002-2006 (*Strategi för svenskt stöd till subregionalt utvecklingssamarbete och övrigt samarbete i Västafrika 2004–2006*). Special consideration has been given to cross-border, sub-regional problems and opportunities in three specific areas: conflict prevention and management, economic cooperation and integration, and common infrastructure and natural resources. The strategy is to apply during the period 2004–2006.

A2. Conclusions of the sub-regional analysis – summary²

West Africa is a heterogeneous region. While the legacy of colonialism, which includes three non-African languages – English, French and Portuguese - represents an obstacle to cooperation, the region's traditions, culture, historical experience and social structures bind the countries together. A vital task is to develop a joint integration process for the region as a whole.

Poverty in West Africa is widespread and entrenched. Of the 20 lowest-ranked countries in the UNDP Human Development Index (HDI), nine are to be found in West Africa. Mali, Burkina Faso, the Niger and Sierra Leone are at the bottom of the list.³ Although women in the different countries play a key role in both production and the economy, they make up the poorest group in the region, together with girls and boys, and are disadvantaged in several respects. Women and children have only limited access to

¹ West Africa is defined here as the fifteen ECOWAS countries: Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, the Gambia, Ghana, Guinea Bissau, Guinea, Liberia, Mali, the Niger, Nigeria, Senegal, Sierra Leone and Togo.

² No significant changes have been made in relation to the overall analysis of regional cooperation that was produced as a basis for the *Strategi för svenskt stöd till subregionalt utvecklingssamarbete och övrigt samarbete i Västafrika 2004–2006* [Swedish Strategy for Support to Regional and Sub-regional Development Cooperation in Sub-Saharan Africa].

³ Human Development Report (HDR) 2003.

power, security and safety and opportunities, a fact which has contributed to the high birth rates in the region. Due to factors such as population increase, the relatively high rate of economic growth in the region has not generated any increase in per-capita income. In several countries, growth has been too weak to reduce poverty, and in some cases, e.g. Burkina Faso and Mali, the social indicators have shown a deterioration or stagnation.

In several of the countries of West Africa, the economy is characterised by extensive subsistence farming as the chief source of income for the majority of the population. As a result, the needs of a substantially increased population are being met by exploiting additional resources (land and labour) instead of boosting agricultural productivity. This has led to growing environmental problems, as forests are cut down, etc. As women work in the informal economy and on the land to a greater extent than men, it is they who suffer most from this development. Agricultural modernisation and higher productivity in pursuit of dynamic growth are essential if poverty is to be reduced. This would boost income levels among the poor and thereby improve their social conditions in the long term.

Besides subsistence farming, there is a small modern sector based on the region's natural resource base, i.e. oil, cotton and minerals. An important task for the economies of West Africa is to take advantage of globalisation and integrate into the global economy on their own terms.

The cross-boundary fishing stocks shared by the countries along the northwest African coast – one of the richest fishing grounds in the world – is severely threatened by illegal over-fishing. This endangers local fishing industries, which are crucial to the protein supply and livelihoods of the largely poor coastal populations. The extensive sub-regional trade in locally caught fish in the coastal areas constitutes an important source of work and income for women. Similarly, inland fishing in the rivers, lakes and dams is crucial to the survival, maintenance and livelihoods of poor local communities.

Despite certain difficulties, sub-regional cooperation is making progress in West Africa. ECOWAS has made significant advances by successfully mediating in a number of armed conflicts in the region. The Francophone⁴ economic and monetary union, UEMOA, is helping to develop extensive sub-regional economic integration *inter alia* through a common currency, the CFA franc. The ECOWAS states have introduced common travel documents on a trial basis. Harmonisation of norms, laws and standards among countries in the region is needed to attract investment and boost trade. UEMOA and its central bank, the BCEAO, are currently engaged in this process, while political dialogue and such concerns as the fight against human trafficking are being dealt with by ECOWAS. In the longer term, harmonisation of the UEMOA and ECOWAS economic integration processes is anticipated, which would mean ECOWAS playing a leading part in the economic sphere as well. ECOWAS and the EU are already discussing Economic Partnership Agreements.

On the democratic front, progress has been made in the region. However, behind a facade of democracy, a few states are still characterised by traditional, patriarchal and in some cases authoritarian social systems in which the state tends to favour certain

⁴ With the exception of Guinea Bissau, where the official language is Portuguese.

influential groups such as the military, the police, civil servants and students at the expense of other groups. Respect for women's human rights and children's rights is very limited.

Many West African armed conflicts have sub-regional dimensions and implications, as demonstrated by the conflicts in Côte d'Ivoire and Liberia. Given the complex network of relations between the countries, the dynamics of conflict in one state have repercussions for the rest of the region. Young men moving about between countries as paid mercenaries, illegal trading in small arms and ruthless exploitation of natural resources together make up a regional and international trade network. The conflicts also generate refugee flows between countries. The considerable degree of economic interdependence that binds many West African states together may at times prevent conflicts from developing, but also on occasion helps them to spread. Apart from causing human suffering, the crisis in Côte d'Ivoire has placed an economic strain on other countries such as Burkina Faso and Mali. Poverty levels have risen dramatically in countries such as Liberia and Sierra Leone as a result of lengthy conflicts. It is clear, therefore, that conflict prevention measures in other countries in the region, also alleviate poverty. Women and girls are affected the most..

There is often a direct correlation between the serious lack of democratic governance, including human rights, in individual countries, and the armed groups and rebel movements that are destabilising the region. West Africa is sometimes called the 'Coup Belt' – Senegal is the only country not to have experienced a *coup d'état* since independence.

West Africa faces severe environmental problems, many of which have national or local causes. In view of its cross-border natural resources, regional cooperation in the form of common norms, regulations and investments is a precondition for the sustainable use of these resources and for peace in the region. This applies in particular to shared water resources, rivers, coasts, land and ecosystems, where interventions can help prevent conflict. West Africa may be divided into two main ecological zones: the dry Sahel belt in the interior (incl. Burkina Faso and Mali) and the rainforest belt along the coast. West Africa is so ecologically varied that biological diversity in untouched areas is extremely high. This diversity, however, is seriously threatened by intrusions such as widespread deforestation. Some areas in need of protection in West Africa are cross-border areas.

Women's access to water and sanitation is crucial to the health of the poor. Sustainable use of the region's limited water resources is therefore a precondition for poverty alleviation. Good examples of cross-border water resource management, such as the regional organisations for the management of the Senegal, Niger and Gambia river valleys, have emerged in response to greater demand for efficient water practices. There is, however, a need for additional regional initiatives in this field, e.g. with regard to the Volta river catchment area and the Fouta Djallon foothills in Guinea Conakry.

A3. Conclusions of the performance analysis – summary

In 2003, Swedish funding for sub-regional interventions in West Africa totalled approx. SEK 27 million, paid out of the Africa appropriation. These interventions have not been the subject of a separate performance analysis in the strategy process for West Africa as they were analysed in the course of developing the Swedish Strategy for Support to Regional and Sub-regional Development Cooperation in Sub-Saharan Africa. The report

showed that the regional relevance of these interventions varied considerably. Many of them consisted of national projects taking place simultaneously in more than one country. Sida has accordingly adopted the same set of concepts in the region as were outlined in the Swedish Strategy for Support to Regional and Sub-regional Development Cooperation in Sub-Saharan Africa, in a bid to heighten regional relevance throughout the regional programme, including West Africa.

A4. Objectives of Swedish support for sub-regional development cooperation in West Africa

The overall objective of Swedish assistance to sub-regional development programmes is to help create conditions that will enable the poor to improve their living standards and conditions. Much of this work must be undertaken at local and national level, but if conditions are to be improved and long-term obstacles eliminated, regional and sub-regional assistance will also be needed. The present strategy deals only with sub-regional development cooperation in West Africa.

A5. Strategic considerations

Obstacles to development are similar in many of the countries of West Africa. Some can be overcome at national level while others necessitate a cross-border approach. To obtain synergies, national and sub-regional action must as far as possible be based on an integrated, overall view of the poverty reduction tasks facing West Africa.

Cross-border, sub-regional challenges which will need to be addressed through sub-regional cooperation include:⁵

- conflict prevention and management,
- common infrastructure and natural resources, and
- economic cooperation and integration.

These three tasks will be priority areas for Swedish development assistance during the strategy period. The summarised conclusions of the sub-regional analysis identify armed conflict as the most important obstacle to development in West Africa. Conflict prevention and management will therefore be accorded greater priority than the other two areas, i.e. common infrastructure/natural resources and economic cooperation/integration. Based on an analysis of the project situation, it is clear that conflict prevention and management is an area in which Sweden needs to develop a solid project portfolio during the strategy period.

Conflict prevention and management as a proportion of the total volume of sub-regional interventions is to increase considerably during the strategy period, and by the end of the period constitute the bulk of projects in the portfolio.

In the case of common infrastructure and natural resources, a project portfolio of sub-regional relevance in all essentials already exists. No great change is foreseen in the

⁵ For further discussion of this and details of the concepts on which the sub-regional development cooperation projects and programme are based, see the analysis model presented in the Swedish Strategy for Support to Regional and Sub-regional Development Cooperation in Sub-Saharan Africa.

proportion of projects. To some extent, the portfolio comprises interventions that overlap with the natural resources and conflict prevention spheres.

As regards economic cooperation and integration, trade-related initiatives are currently being introduced. Their share of the total is expected to increase slightly during the strategy period.

The initiatives currently under way in such fields as skills enhancement and capacity building are expected to fall off during the strategy period, and by the end of it account for only a minor share of the project portfolio for sub-regional development cooperation in West Africa. Thus interventions must be conflict-sensitive, i.e. they must not contribute to the creation or spreading of conflict. In these projects, too, conflict prevention and management, joint infrastructure/natural resources and economic cooperation/integration are to be priority areas.⁶

A6. Support areas

A6.1 Conflict prevention and management

Conflict prevention and management are the main forms of cooperation envisaged during the strategy period. In order to prevent and manage armed conflicts in the region, it is proposed that a conflict perspective be generally applied throughout the Swedish support programme for West Africa, particularly with regard to interventions in the area of joint infrastructure and natural resources. In addition, Swedish support for direct conflict prevention and management interventions must primarily seek to:

- build confidence, peace and security between countries, and facilitate good governance and democracy with a view to conflict prevention,
- support peace agreements through action in post-conflict situations. Special emphasis should be placed on the disarmament, demobilisation and reintegration (DD&R) of ex-combatants and on support for reconstruction, post-conflict measures and conciliation programmes,
- support regional cooperation efforts to combat cross-border crime, particularly trafficking, the proliferation of small arms and the illegal exploitation of natural resources,
- strengthen via regional networks civil society as an important development player and local capacity for conflict resolution and conciliation, and
- prevent the spread of HIV/AIDS between countries in the region in post-conflict situations caused by greater population mobility in connection with the demobilisation and return migration of refugees.

In addition to the risk of further conflict, special consideration is to be given in all areas of support to access by women and girls to power, security and opportunity.

Assistance is to be extended primarily to ECOWAS, the key interstate player in this field, in support of its civil conflict management capability. The main aim of Swedish development assistance in this respect is to strengthen the organisation's capacity to deal with conflicts. Sweden's commitment to ECOWAS should be seen in the context

⁶ Ibid.

of conflict management throughout the African continent, where other players such as the AU also take an active part.

In addition to support to ECOWAS, smaller volumes of funding to civil society organisations may be considered. An important player in this respect is the regional organisation, West Africa Network for Peace (WANEP). Civil society can call attention to violations of human rights, and can also influence and inform the general public and policymakers, strengthen the participation of women in peace-building moves, assist in the social reintegration of ex-combatants, and act as a channel of implementation for the above activities. Cooperation is already under way between ECOWAS and civil society on an early warning mechanism for conflicts. Civil society should be given a central role in conciliation processes and confidence-building programmes.

A6.2 Joint infrastructure and natural resources

This area is expected to absorb a significant share of sub-regional programme funding. It is proposed that Swedish support focus here primarily on the regulation and management of joint natural resources such as rivers, coasts, water resources and shared ecosystems. Special consideration is to be given in all areas to the threat of conflict and to access by women and girls to power, security and opportunity.

In the natural resources area, particular attention is to be devoted to interventions that overlap with conflict prevention and management. Possible partners in this connection are CILSS⁷, ECOWAS, GWP⁸/WATAC⁹ and IUCN¹⁰. ECOWAS is an important player in the field of integrated water management. Support for the implementation of the various UN environment conventions, including the Convention to Combat Desertification, may also be considered. The preservation of biological diversity in West Africa should be encouraged primarily by supporting concrete models for combining environmental protection, rational natural resources management and economic incentives for local communities.

To achieve synergies, regional interventions should be viewed from an integrated, overall perspective. On this basis, decisions should be taken as to whether measures are to be introduced at national or sub-regional level. Where appropriate, regional support for dialogue and networking should interact with bilateral support for the implementation of regional programmes in Burkina Faso and Mali.

A6.3 Economic cooperation and integration

Support in this area should primarily aim to strengthen the capacity of West African countries to analyse proposals from, negotiate with and implement trade measures in the WTO, the EU and other international bodies.

The assistance currently being provided to ECOWAS for its forthcoming negotiations in the trade sector and for its negotiations with the EU on economic partnership, will

⁷ Comité Permanent Inter-Etats de Lutte contre la Secheresse au Sahel/Permanent Interstate Committee for Drought Control in the Sahel.

⁸ Global Water Partnership.

⁹ West African Technical Advisory Committee.

¹⁰ The World Conservation Union.

therefore continue during the strategy period. Due to longstanding experience Sweden has good knowledge of the basis for the least developed countries in negotiating within a WTO framework. Limited support for interstate economic cooperation for the purpose of reducing intraregional transaction costs may also be considered. In the trade sector, national interventions in Mali and Burkina Faso may be considered, provided they are closely linked to different kinds of sub-regional support, with a view to promoting trade both in and outside the sub-region.

The process of integration and cooperation between the West African countries is essential to the creation of growth and stability in the region. Not all countries in the region are members of UEMOA. In the longer term, ECOWAS and UEMOA plan to synchronise their integration agendas, and ECOWAS is expected to assume leadership of the economic integration process as well.

Special consideration is to be given in all areas to the risk of conflict and to access by women and girls to power security and opportunity.

A7. Implementation, volume, capacity and follow-up

A number of bilateral and multilateral donors work with sub-regional issues in West Africa. Their motives and points of departure differ, while the areas, projects and organisations they support often coincide. Sida co-finances sub-regional interventions with, *inter alia*, Danish and Norwegian development organisations in West Africa. Sweden's cooperation with them and with other donors working with sub-regional issues is to be reinforced during the strategy period, particularly in relation to dialogue capacity for strategic sub-regional concerns. There is considerable scope here for strategic partnerships that could facilitate the work of both partners and donors. Coordination with the EU Commission should be sought as a matter of priority, in order to benefit from the Commission's comparative advantages and its experience of sub-regional integration.

Regarding the planned support to ECOWAS, Sweden must develop a *modus operandi* vis-à-vis the organisation during the strategy period. A general cooperation agreement between Sweden and ECOWAS is to be considered with a view to institutionalising the augmented programme of cooperation Sweden is to work for and support initiatives on behalf of the establishment of a donor group, 'Friends of ECOWAS', to coordinate development assistance.

The volume of Swedish sub-regional development cooperation with West Africa is to be gradually increased. In 2004, it will amount to SEK 50 million, in 2005 to 75 million and in 2006 to 100 million. Changes are to be made in the project portfolio as a result of the priority accorded conflict prevention and management in the new strategy. By the end of the strategy period, this area will absorb the bulk of sub-regional funding. ECOWAS is to be viewed as a principal player in this area of cooperation. In the case of common infrastructure and natural resources, the intervention rate is unlikely to change to any great extent as the portfolio partly comprises projects that overlap between this area and the conflict prevention area. In the case of economic cooperation and integration, a slight increase in the proportion of interventions is foreseen during the strategy period, but this area will still account for only a minor share of Sida funding.

Main responsibility for implementation will rest with the home authority, while tasks will be delegated to the field from case to case. Existing capacity for sub-regional interventions on the ground is to be used flexibly in national and sub-regional programmes.

Sida's annual country plan for sub-regional development cooperation with West Africa must specify how the strategy is to be implemented from year to year and which dialogue concerns are to be dealt with.

Monitoring and follow-up of other programmes and projects will take the form of project reporting, project visits, sector reviews and the Sida rating system.¹¹ Cooperation will be subjected to a mid-term review.

Follow-up and evaluation are central to strategy implementation. The strategy covers the period 2004–2006. Its implementation is contingent on development – and developments – in the West African sub-region. Sida is required to provide the Ministry for Foreign Affairs with details of anticipated annual volumes of assistance and major interventions, and to consult the ministry on decisions involving important matters of principle.

B. Other Development Cooperation in West Africa

In addition to support for sub-regional development cooperation and bilateral development cooperation with Burkina Faso and Mali, Sweden also provides a limited amount of support to other areas and countries as shown below.¹²

Disbursements/activities in 2003 in the areas concerned:

- Contract-financed technical cooperation (CFTC) with Ghana, Cape Verde and Senegal, totalling just over SEK 2 million.
- International Training Programmes, costs for 48 participants, primarily from Ghana (16) and Nigeria (15).
- StartSouth, loans totalling approx. SEK 1 million to two firms that have established cooperation projects in Ghana.
- Humanitarian aid and conflict prevention activities, SEK 143 million, of which almost 90 per cent went to the countries of the Mano River region (Sierra Leone, Liberia and Guinea) and to Côte d'Ivoire.
- Guinea Bissau, just over SEK 18 million.
- Nigeria, just over SEK 5 million.

¹¹ Sida's internal system for evaluating intervention levels.

¹² See country strategies for Burkina Faso and Mali.

B1. Contract-financed technical cooperation, credits, guarantees, International Training Programmes and StartSouth

B1.1 Contract-financed technical cooperation

To encourage wider exchange of skills and experience between Sweden and West Africa, support to contract-financed technical cooperation (CFTC) should be considered in countries where such programmes are considered feasible.

In West Africa, CFTC would appear to be applicable primarily in Ghana and Cape Verde, as both countries have a comparatively well-developed social structure and stable institutions – a prerequisite for such cooperation. This form of support may also be considered in Senegal, despite the problems in the shape of weak institutions and inadequate financial capacity. Communication with the relevant authorities is facilitated by the presence in the country of the Swedish Embassy.

CFTC with West African countries should be confined to sectors where Swedish competitiveness and skills are substantial – primarily environment, governance, HR/democracy and infrastructure. Swedish support to the countries concerned – in the form of co-financing of consultancy studies, training and counselling initiatives and study visits to Sweden, etc. – can help build skills and institutions, introduce new methods and systems, and develop decision support data for investments. In planning and preparing all interventions, Sida is to consider the impact its support may have on access by women and girls to power, security and opportunity. It is estimated that the volume of CFTC in West Africa will increase slightly from its present level.

For the time being, the lack of competent partners and the weak Swedish presence on the ground militate against the introduction of CFTC in places like Burkina Faso and Mali. Cooperation with Nigeria is currently deemed impracticable due to widespread corruption in that country. In time, however, it should be possible to open the door to and more actively encourage CFTC in countries where the socio-political situation has stabilised and competent partners have become available.

B1.2 Credits

Where feasible, Sida should consider introducing different types of credits to support strategic investments and interventions that can effectively promote development in the West African partner countries and at the same time promote cooperation between Sweden and these countries in areas where Swedish goods and services are competitive.

Credits should not be provided to countries which according to the HIPC Initiative have an unsustainable debt burden and which have not yet reached the final date of decision for debt relief. Countries that have completed the HIPC process are to be given highly favourable credits only. In West Africa, therefore, consideration of credits is anticipated primarily in the case of Nigeria, Senegal, Ghana and Cape Verde. In these countries, credits should primarily target important projects in the infrastructure sector. Where there are special grounds for doing so, Sida may also consider granting smaller, highly favourable credits to Burkina Faso and Mali, as these countries are priority partners for Swedish development assistance to West Africa. A condition in such cases, however, is that the credit-financed project comes within a priority area of cooperation under the

relevant country strategy, or is clearly linked to such an area. In planning and preparing all interventions, Sida is to consider the impact its support may have on the risk of conflict and access by women and girls to power, security and opportunity.

Due to limited Swedish capacity in the field in West Africa, Sida should adopt a reactive approach during the strategy period in its support for credit facilities to the countries concerned. It is hoped, however, that Sweden will be able to work more proactively in this area in the longer term, primarily in Nigeria and Ghana. The volume of credit provision to West Africa during the strategy period is expected to increase.

B1.3 Guarantees

To facilitate private investment in the expansion and modernisation of infrastructure such as roads, ports and telecom networks, etc., Sida may provide various forms of guarantees. Such guarantees could, for instance, make a borrower, such as a power company, more creditworthy and thus reduce the risk to the bank, which in turn would make private enterprises more inclined to invest in developing countries. No conditions are attached to the guarantees; borrowers are not required to purchase Swedish goods and services. However, the project in question must be in line with the Swedish development cooperation programme in the country concerned or otherwise affect Swedish enterprises or interests.

The provision of guarantees is based solely on demand. It is anticipated, therefore, that guarantees in West Africa will primarily be considered for projects in Nigeria, Ghana, Senegal and Cape Verde, where Swedish business interests and contacts are already established. In planning and preparing all interventions, Sida is to consider the impact its support may have on the risk of conflict and on access by women and girls to power, security and opportunity.

B1.4 International Training Programmes

Sida's International Training Programmes (ITPs) afford opportunities for learning and for the exchange of information and experience, partly between participants from different countries and partly between participants and the Swedish university, public authority or private enterprise organising the course. Thanks to Sida's cooperation with other authorities and consultants on implementation of the programmes, ITPs help develop the Swedish resource base in areas of relevance for development cooperation in West Africa. With a view to encouraging institution building and skills enhancement in West Africa while strengthening ties between the Swedish and West African business community, all the countries in the region engaged in development cooperation with Sweden should be invited to send participants to ITPs during the strategy period. Participation is wholly governed by demand, but Sweden should as far as possible encourage women to apply. To make the ITPs more attractive and accessible to applicants from French-speaking West Africa, courses will be provided in French during the strategy period.

B1.5 StartSouth

To promote productive investment and business activities capable of creating income and employment in West Africa, Sida may consider providing support via the StartSouth (*StartSyd*) programme. Under this programme, financing is provided on favourable terms for the transfer of technical know-how and expertise from a Swedish

enterprise to its partner in West Africa. This may give Swedish small and medium-sized enterprises the incentive they need to enter into new business relationships with enterprises in the region.

Local West African enterprises with which Swedish companies might be interested in establishing closer ties are often foreign-owned or state-owned. The range of potential partners is therefore limited. This state of affairs, combined with the region's poor transport facilities, generally low levels of education, and Swedish entrepreneurs' limited command of French, has meant that demand for this form of support has so far been very limited in West Africa. It is anticipated that support under StartSouth will be considered primarily in the case of Ghana, Nigeria, Senegal and Cape Verde. In planning and preparing all interventions, Sida is to consider their impact on the risk of conflict and on access by women and girls to power, security and opportunity.

B2. The Mano River region and Côte d'Ivoire

The Mano River region encompasses Guinea, Liberia and Sierra Leone. The consolidation of the peace process in Sierra Leone and the UN's broad-based mandate in support of the Liberian peace agreement have created a basis for ending the vicious circle of violence and misrule that has plagued the two countries over the past decade. Full implementation of the peace agreement between the parties in Côte d'Ivoire is crucial to stability and economic development throughout the region. Swedish efforts in the Mano River region and Côte d'Ivoire should accordingly seek to support moves aimed at securing lasting peace in these countries.

Swedish post-conflict interventions is expected to continue for as long as the situation demands. During the strategy period, Sweden is expected to become a significant donor of humanitarian aid to the region. Greater focus on civil society as a player in peace-building and reconstruction work is also anticipated. In planning and preparing all interventions, Sida is to consider the impact its support may have both on the risk of conflict and on access by women and girls to power, security and opportunity.

In the case of Sierra Leone, it is proposed that Sida continue to support return migration, reconstruction, and peace and conciliation efforts. The fragile peace process must be strengthened, not least for the sake of regional stability. Sida's involvement should therefore continue throughout the strategy period. It should also include short-term strategic interventions that facilitate the transition from humanitarian aid programmes to long-term development initiatives. In this connection, appropriate multilateral channels and organisations, including the UNDP, should be considered for Swedish support. It is anticipated that humanitarian efforts, primarily targeting Liberian refugees in Sierra Leone, will continue.

In the case of Liberia, a transition to development and reconstruction support is proposed. Humanitarian aid is to be continued in the meantime, however. To this end, a two-year programme of support for Liberia's reconstruction under the Results-Focused Transition Framework (RFTF) is planned alongside continued humanitarian assistance. Support for the reintegration and rehabilitation of ex-combatants will be a key feature of this plan, while a further priority will be support for institution building and local initiatives. Where possible, Swedish support will seek to obtain synergies from Swedish efforts on behalf of peace and security already under way in Liberia. Coordination between UN civilian and military undertakings should be encouraged. Sweden should

also press for donor coordination in the special forum established for this purpose, and for clearly arranged and effective financing mechanisms for Liberian reconstruction.

Support to Guinea-Conakry will continue to include humanitarian aid to refugees in the country. Otherwise, Guinea-Conakry is an important link in the sub-regional peace and conflict management effort, and developments in the country should therefore be closely monitored.

In the case of Côte d'Ivoire, which already receives Swedish humanitarian assistance, support for the transition to peace and to a post-conflict situation should be considered. A possible course in this respect is to provide assistance via multilateral channels, e.g. to the disarmament, demobilisation and reintegration of ex-combatants (DD&R), and to the UNDP-sponsored programme against the proliferation of small arms. Support to Côte d'Ivoire should be motivated primarily by the prospect of peace and stability in the region and greater overall long-term efficiency in development cooperation with Mali and Burkina Faso. Efforts in this area must therefore be chosen on the basis of strategic priorities and be strongly focused so that their impact can be followed up.

B3. Nigeria

Perhaps the most important single event for West African development in recent years was Nigeria's transition to democratic rule in 1999. Democratic development in the country was further strengthened by the general elections held in the spring of 2003. Nigeria still has a long way to go, however, before it can be described as a consolidated, efficiently functioning democracy. Nigerians widely expect a 'democracy refund' in the form of greater political equality and participation, a demand that the government of President Obasanjo has hitherto been unable to satisfy fully. The government also has an important task in ensuring greater respect for human rights and improve the living conditions of the population.

Nigeria, the most densely populated country in Africa and a major power in the region, has the potential to become a prime mover in the regional integration process. Although the country is a major oil exporter, the government has not managed to use revenues productively or in a manner conducive to pro-poverty growth. Economic growth is still weak and corruption is widespread.

In recent years, Sweden has provided Nigeria with approx. SEK 5 million annually in development assistance to support democracy, human rights and conflict prevention. This has helped to make the human rights organisations in the country more professional and contributed to the creation of arenas in which sensitive political issues can be discussed to a greater extent than previously. Sweden's approach in the form of a limited, targeted and strategic contribution aimed at promoting democratic development, conflict prevention and human rights, will be maintained. During the strategy period, Sida is to review prospects for stepping up this support and develop proposals for strategic interventions focusing on financial management in public administration with a view to supporting the fight against corruption, at a maximum cost of SEK 10 million per annum.

B4. Guinea Bissau

Guinea-Bissau's tentative progress in the development field came to an abrupt halt in the late 1990s with the advent of the 1998–1999 civil war. The country has since been unable to recover and is still in a state of chaos. According to the UNDP Human Development Report, some 90 per cent of the population live on less than USD 1 a day. Life expectancy in Guinea-Bissau is under 45 years, among the lowest in West Africa.

Widespread dissatisfaction with the leadership of president Yala led to a *coup d'état* in September 2003. A civil administration took office, with Henrique Rosa as provisional president. Parliamentary elections were held in March 2004, and presidential elections are scheduled for the spring of 2005. While the new political leadership is seeking to restore international confidence, Guinea-Bissau faces immense problems. The current political and economic situation constitutes a very serious and pervasive obstacle to development.

A lack of political will and poor governance were two of the factors behind the Swedish government's decision in 1998 to phase out Swedish bilateral development cooperation with Guinea-Bissau. This phase-out will be completed during the present strategy period, and consequently no bilateral initiatives are anticipated for 2005–2006.

In preparing the strategy, only a limited performance analysis has been conducted in the case of Guinea-Bissau, as the bilateral initiatives have now been phased out. Approx. SEK 18 million was disbursed in 2003. The only remaining project, a cooperation agreement with FUNDEI, a non-government foundation which extends medium-term loans to local small and medium sized businesses in Guinea-Bissau. The agreement is due to expire at the end of 2004 and there are no plans to renew it. The planned disbursement to FUNDEI in 2004 is approx. SEK 7 million. As part of its multilateral assistance, Sida contributed a further SEK 1.5 million in the autumn of 2003 to the UNDP Trust Fund for Guinea-Bissau, towards population census and voter registration programme ahead of the elections in autumn 2003, which were later postponed.

Following the 2000 elections, Guinea-Bissau drew up a broad-based Interim National Poverty Reduction Strategy Paper. Work on this programme will be resumed in 2003 with the support of the UNDP. In early 2004, Sida decided to contribute SEK 7 million to the UNDP's Emergency Economic Management Fund.

Peace and stability are the most important prerequisites for poverty reduction in Guinea-Bissau. It is anticipated that funding for conflict prevention and management will be provided as part of Swedish support for sub-regional interventions, primarily via ECOWAS. If there is a marked improvement in conditions for support provision during the strategy period, fund allocation to strengthen capacity in the Guinean administration through multilateral channels cannot be ruled out. In the longer term, the goal is the political and economic integration of Guinea-Bissau into the region as a whole. Via its dialogue with ECOWAS in particular, Sweden will press for such a development.

The main responsibility for further cooperation with Guinea-Bissau lies with the home authority. Where applicable, duties will be assigned to the Swedish Embassy in Dakar.

B5. Implementation, volume, capacity and follow-up

For the benefit of partners and donors, Sida must seek to promote efficient coordination during the strategy period with other donors of interventions in the Mano River region, Côte d'Ivoire, Guinea-Bissau and Nigeria. Programmes in the above countries and areas will primarily be implemented through multilateral channels.

Sida's rules for support to CFTC, credits, guarantees, international courses and StartSouth are in line with international agreements in this sphere.

During the strategy period, it is anticipated that annual Swedish support to Sierra Leone will total SEK 10 million, to Liberia SEK 30 million, to Côte d'Ivoire SEK 10 million and to Nigeria SEK 10 million. Swedish support for other forms of cooperation in West Africa will thus average SEK 60–80 million per annum. In addition, Sweden will be providing humanitarian assistance totalling at least SEK 100 million per annum, as well as credits and guarantees where applicable.

The principal responsibility for managing interventions will rest with the home authority, while duties will be delegated to the field from case to case. Existing capacity on the ground is to be used flexibly.

Sida's annual country plans for other development cooperation with West Africa must specify how the approved strategy is to be implemented from year to year and which dialogue issues are to be addressed. Monitoring and follow-up of programmes and projects will take the form of project reporting, project visits, sector reviews and Sida's rating system.¹³ The Swedish support programme is to be subject to a mid-term review.

Follow-up and evaluation are to be a key feature of strategy implementation. The strategy is to apply during the period 2004-2006 and its implementation will depend on how the situation develops in the West African sub-region. Sida is to inform the Swedish Ministry for Foreign Affairs in advance of the anticipated annual volume of development assistance and of major interventions, and also consult with the ministry prior to decisions on important matters of principle.

¹³ Sida's internal system for evaluating intervention levels.

Strategy
for
Swedish
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2004-2006

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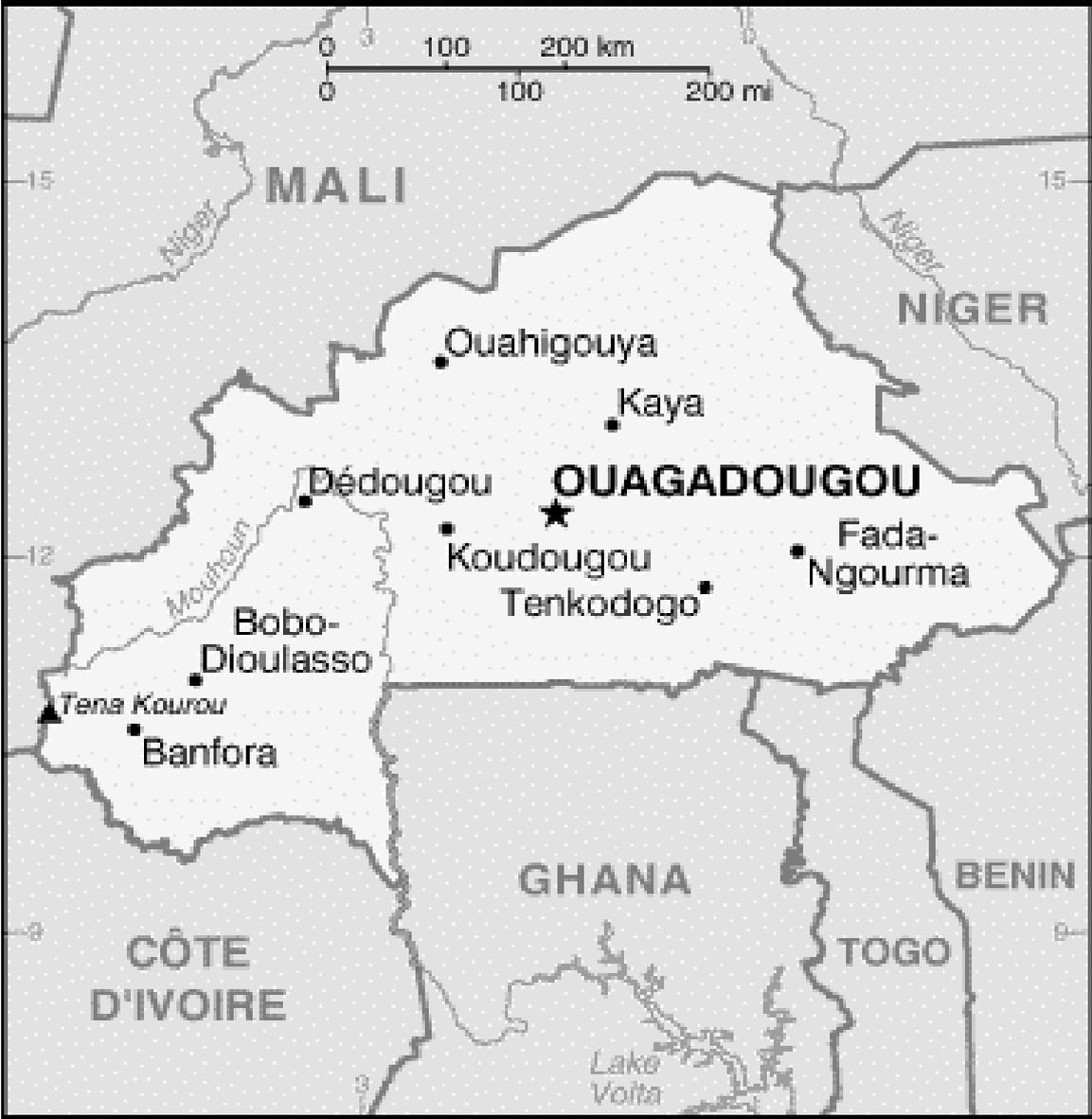
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KEY DATA ON BURKINA FASO¹

Number of inhabitants	12.3 million (2003)
Area	274,000 km ²
Estimated annual population growth (2001-2015)	3.0%
Number of births/woman (2000-2005)	6.7
Estimated urban population (% of total)	16.9% (2001)
Estimated percentage of population under 15 yrs	48.9% (2001)
Life expectancy at birth	45.8 yrs (2001)
Child mortality (2001)	104 per 1,000 live births
Child mortality for children under 5 (2001)	197 per 1,000 live births
Literacy, men over 15 yrs	34.9% (2001)
Literacy, women over 15 yrs	14.9% (2001)
Percentage of the population living on less than USD 1 a day	61.2% (1990-2001)
Gini coefficient	48.2 (2003)
HIV/AIDS incidence among people aged 15–49	6.5% (2001)
GDP	USD 2.5 billion (2001)
GDP/capita, current prices (2001)	USD 215 (1,120 PPP US\$)
GDP/capita, annual growth (1990-2001)	2.0% (2001)
Inflation	2.0% (2003)
Development assistance per capita	USD 31.7 (2001)
Dev. assistance as share of GDP	15.6% (2001)
Debt service ratio (debt service/exports)	11.0% (2001)
Public expenditure on healthcare, share of GDP	3.0% (2000)
Public expenditure on education, share of GDP	2.7% (1990)
Public expenditure on defence, share of GDP	1.6% (2001)
Percentage of population with access to clean water	42% (2000)
Percentage of women members of parliament	11.7% (2003)
HDI index	0.330 (2001)
HDI ranking	173 out of 175 countries (2003)
GDI (Gender Development Index)	0.317 (2003)
Freedom House Index	4-4 (Partly free) (2000)
Corruption Perceptions Index on a scale of 0-10 (highly corrupt: 0, highly clean:10)	3.0 (2000)
Corruption Perceptions Ranking (the higher the number the more corruption)	65 out of 90 countries (2000)
PRSP	approved by IMF/WB Oct. 2001
Date of Decision Point HIPC II	July 2000
Date of Completion Point HIPC II	April 2002

¹ Sources: Human Development Report 2003; *Sidas budgetstödsskrivelse för Burkina Faso 2003* [Sida report on budget support for Burkina Faso 2003].

MAP OF BURKINA FASO



1. Introduction

On 2003-06-04 the Swedish government instructed the Swedish International Development Cooperation Agency (Sida) to draw up a strategy for development cooperation with Burkina Faso. This was to be based on the 1997 government report on a new Swedish policy for Africa for the 21st century (skr 1997/98:122). Among the proposals contained in the report was a recommendation that the policy should embody a more developed form of cooperation with West Africa.²

This is the first country strategy to be produced specifically for Burkina Faso. A 1999 government decision³ to intensify efforts in West Africa served as the basis for a Sida internal position paper⁴ on the agency's development cooperation efforts in the region. Sweden's expanded commitment was in response to recent favourable development trends in Africa, which were particularly apparent in West Africa. Burkina Faso and Mali were held up as examples of countries in which democracy had been strengthened and promising development strategies adopted. Sida accordingly drew up a proposal – subsequently approved by the Swedish government – for development cooperation with Burkina Faso in 2000–2002⁵.

A country analysis and performance analysis for Burkina Faso were also produced in conjunction with the present strategy. A number of background studies were carried out and full use was made of know-how and experience gained from earlier cooperation with Burkina Faso. The present strategy covers the period 2004–2006.

2. Country analysis: summary

Burkina Faso's 12.3 million inhabitants live in a country approximately two-thirds the size of Sweden. Its economy is based on natural resource use, primarily cereal cultivation for domestic consumption. Significant quantities of cotton are produced for sale and cattle husbandry contributes to the economy to some extent. Burkina Faso is ranked 173 out of 175 countries in the UNDP 2003 Human Development Index. Over 1,000 km from the nearest coastline, Burkina Faso is wholly dependent for imports and exports on ports in neighbouring countries, particularly Abidjan in Côte d'Ivoire. The ongoing crisis in that country has thus had a detrimental impact on Burkina Faso's economy.

If the economy is to develop, existing legislation must be modernised and implemented effectively and efficiently. Viable credit markets must also be set up. The establishment of a healthy, efficient private sector is predicated on the reform of the traditional natural resource management sectors. Changes must be aimed at boosting productivity in a sustainable manner, thereby generating higher incomes for a rapidly growing population. Approximately 80 per cent of the country's inhabitants live in rural areas. Their primary source of income is traditional agriculture and cattle herding on an extensive scale. It is among the rural population that poverty is deepest and most widespread. In recent years,

² *Afrika i förändring – En förnyad svensk Afrikapolitik inför 2000-talet (skr 1997/87:122)* [Africa on the Move – Revitalising Swedish Policy towards Africa for the 21st Century].

³ *Riktlinjer för ökad satsning på Västafrika (regeringsbeslut II:2, UD1999/526/AF)* [Guidelines on Expanded Commitments in West Africa].

⁴ Position paper on regional cooperation with West Africa 2000–2001.

⁵ Proposals for development cooperation with Burkina Faso 2000–2002.

cotton has become Burkina Faso's main export commodity. However, price restraints, mainly due to cotton subsidy regimes in the EU and US, keep profitability in the sector at a low level.

Owing to the exceptionally fragile ecological balance in the country, the economy is highly vulnerable. Access to natural resources is limited but varies from region to region. The fact that the population is compelled to use available natural resources in a short-sighted, unsustainable way in order to survive attests to serious, widespread poverty in Burkina Faso. Firewood and charcoal extracted from the country's natural forests and used as household fuel accounts for up to 80 per cent of the country's energy consumption. Women suffer most from the consequences of this shortsighted practice; they are compelled to take on an ever-growing share of the workload as resource scarcity compels increasingly labour-intensive solutions. The government has launched national initiatives aimed at bringing about more decentralised, sustainable management of forest resources. These interventions have had a beneficial impact on local democracy, the private sector, income generation and conditions for women.

For long periods migration, mainly by men, has been a survival strategy in Burkina Faso. Owing to the current crisis in neighbouring Côte d'Ivoire, however, migration flows have reversed. People are now moving back, further intensifying pressure on natural resources. Extensive migration from rural to urban areas also places immense pressure on the cities and towns, where jobs are scarce and access to cheap accommodation is difficult to come by. It also creates major problems in areas such as waste collection and disposal, water and energy supply, social services and local public transport.

The high mobility of the population is a factor in the prevalence of HIV/AIDS. This is significantly higher in Burkina Faso than anywhere else in the region. Women and girls are particularly vulnerable as they usually lack the negotiating power to compel observance of and respect for their sexual and reproductive rights.

For better or worse, the everyday lives of most people in Burkina Faso – and, to some extent, national politics – are still governed by informal power structures and traditional norms and values. Political power is strongly linked to the office of the president. Although the opposition has long refused to participate in general elections, all parties took part in parliamentary elections held in the spring of 2002. Corruption is widespread in the customs and excise authorities, the police force, the courts, the Inland Revenue service and the healthcare sector. Legal impunity and exemption from punishment are common features of the political culture. Respect for human rights must be enhanced. At the same time, there are a number of grass-roots movements and advocacy groups in civil society prepared to oppose corruption, violence and abuse, despite threats and the risk of persecution. Burkina Faso's president, Blaise Compaoré, is periodically accused of harmful involvement in the region's conflicts.

While democratic development has been stable in recent years, corruption has increased at various levels of the public administration. The judiciary does not operate independently of the executive arm of government – a precondition of a functioning democracy. Although a process of decentralisation and deconcentration⁶ has been ongoing since the

⁶ *Decentralisation* normally involves the devolution of political, economic and administrative authority and resources to regional/provincial, district and local levels, i.e. the institution of a measure of local

mid-1990s, it has proved difficult to harmonise traditional boundary setting with border demarcation measures based on modern administrative criteria at local government level. The low level of education in the countryside has also made it more difficult to justify devolving political power and elections to local government authorities. Democratisation is therefore likely to benefit from improved access to education.

Social conditions must also be improved if citizens are to enjoy a better life. Child and maternal mortality rates are high. Access to education at primary and secondary level is severely limited. Literacy among girls and women is extremely low. Vocational training, higher education and research also suffer from serious structural and other deficiencies. Access to health and medical care, particularly in rural areas, is inadequate. These basic inadequacies must be rectified if Burkina Faso is to realise its development potential.

Traditional social values are reflected in prevailing attitudes to women and girls. They are unfairly treated and discriminated in most walks of life, including the right to own land and access to justice, health care and education. It may be concluded that women and girls are the most vulnerable of all groups suffering from poverty. Given the same social status, power, security and opportunities as men, however, they would constitute a force for change and development.

2.1 Burkina Faso's development policy

Burkina Faso's PRSP/CSLP⁷ was completed in 2000 and revised in 2003. The document was drawn up by the government in cooperation with representatives of civil society, and debated in the parliament.⁸ Burkina thus belongs to the group of countries whose legislature adopted the paper before it was passed on to the IMF/World Bank. However, the government was criticised for not giving civil society organisations a genuine opportunity to comment on the PRSP. This was rectified when the paper was revised.⁹

Burkina Faso's PRSP is based on a number of principles:

- decentralisation,
- sustainable resource utilisation,
- promotion of a new partnership with Burkina Faso's donors,
- promotion of good governance,
- regional integration/regional balance, and
- gender equality

The actual importance attached by the government to gender equality concerns is a matter of some conjecture. The PRSP has been criticised for not taking the status of women or their conditions into account. The paper states that economic growth is to be achieved

self-government. With *deconcentration*, central government authority and supervisory bodies acquire local or regional representatives, on the model of Swedish county administrative boards or equivalent bodies. These represent the central government level in the administrative hierarchy.

⁷ Poverty Reduction Strategy Paper, in Burkina Faso also called *Cadre Stratégique de Lutte contre la Pauvreté (CSLP)*.

⁸ PRSP 2000.

⁹ Burkina Faso: A study of political, social and economic power structures and relations, March 2003, p 28.

through continued structural reform supplemented by measures targeted directly at the poor. A number of priority investment programmes have been identified but clear priorities between other areas defined in the paper are lacking. The PRSP should therefore be viewed primarily as a general policy document, and clear priorities will need to be drawn up in cooperation with other relevant institutions.

It has been difficult for the government to follow up development given the small number of social and economic indicators selected to measure it. However, the very limited – albeit favourable – changes observed have been due to factors outside the government’s control, such as changing world market prices and climate/weather factors. A new, extended set of indicators will therefore be appended to the next PRSP.¹⁰ The government has also set up a development follow-up forum in which broad participation by society as a whole as well as the donor community is encouraged.

Although cross-sectoral issues such as HIV/AIDS, gender equality and children’s rights are mentioned in the paper, these have not been sufficiently taken into account during implementation. Disparities between socio-economic groups in society are analysed but there has been no discussion at any level aimed at identifying the poorest sections of the population. Little space is devoted to environmental concerns. However, the donor community considers that despite inadequacies the country’s PRSP is well planned and based on extensive studies. Most donors have therefore used it to coordinate their support initiatives.

Expectations of favourable development reflected in the Guidelines on Expanded Commitments in West Africa (*Riktlinjer för ökad satsning på Västafrika, 1999*) have not yet been realised despite Burkina Faso’s poverty reduction policies. Several years of sustained economic growth in real terms and the resulting rise in per-capita income have not sufficed to improve conditions for the poor. The proportion of the population living under the national poverty threshold has in fact risen slightly, according to a study of households conducted in 2003. This will inevitably weaken credibility in the government’s anti-poverty policies.

3. Performance analysis: summary

2001 marked the beginning of bilateral development cooperation between Sweden and Burkina Faso in the spheres of democracy and human rights, education, including research, and the environment. Only a few programmes have so far been completed, and no definite overall conclusions on the outcome of cooperation can be drawn at this stage.

¹⁰ *Note de synthèse sur le CSLP et Etat de mise en œuvre 2000–2002.*

Figure 1. Swedish bilateral support to Burkina Faso, 2001–2003 (SEK)

Sector	2001	2002	2003
Democratic governance, including human rights	3,989,000	13,687,000	7,741,000
Social sectors	2,390,000	12,257,000	27,292,000
Infrastructure, enterprise and urban development		262,000	102,000
Natural resource management	7,613,000	5,259,000	593,000
Budget support	40,000,000	40,000,000	40,000,000
Other	7,854,000	1,785,000	6,101,000
Total	61,846,000	73,250,000	81,829,000
<i>of which research</i>	<i>2,367,000</i>	<i>9,418,000</i>	<i>3,740,000</i>

Democracy and human rights

The Swedish NGO, Diakonia, has contributed approximately SEK 5 million towards the development of local organisations in Burkina Faso. Other examples of support in this area are election support, funding for the Office of the Ombudsman and support for efforts to combat trafficking in children. A general lesson learned from cooperation between Swedish NGOs and partners in Burkina Faso is that projects and programmes should not just address the issues involved but also take account of the development of the organisations concerned. It is vital not to neglect the latter as organisations may be deficient in terms of their internal democratic practices and procedures as well as organisationally weak. The immediate benefits of cooperation include greater knowledge and a better attitude towards human rights and basic democratic principles.

Rural development

Sida has allocated SEK 12 million to (FEER II)¹¹, a government water and rural development fund. However, the fund failed to achieve its objective of promoting local development partly due to the inability of the central government administration to recruit qualified personnel. The evaluation recommended that FEER II be given association status, with the government as only one of several members of a steering group. It was also proposed that the focus of support should be subject-oriented as well as geographical.

SEK 11 million in funding for research cooperation went to strengthen research capacity and structures at Burkina Faso's two universities, *inter alia* through post-graduate student exchanges. However, the project ran into administrative problems. Measures have since been taken to improve administrative procedures and transparency in the institutions involved.

Budget support – SEK 120 million in the strategy period – has helped improve economic stability and boost growth. It also has contributed to the implementation of the poverty reduction strategy set out in the PRSP, the policy instrument to which Swedish budget support is linked. Poverty indicators have not improved, however. Due to lack of capacity and shortage of qualified staff in the government administration it is difficult for the government to handle financial management and control processes appropriately. This problem has now been addressed by, among other things, the application of a donor-coordinated budget support mechanism. Special consideration must be given to Burkina Faso's weak institutions and lack of capacity in all future efforts. Support should be

¹¹ *Fonds de l'Eau et de l'Équipement Rural.*

extended at operational level for capacity development, in particular the ability to combat corruption.

However, considerable efforts have been made to improve the government's capacity to handle the country's finances and development problems. A purposeful transition to sector-based and budget support has been effected, and the PRSP has been accepted as an overall policy instrument. An action plan setting out sectoral and policy area priorities and implementation timetables will be presented shortly.

In addition to the admittedly limited experience so far gained from interventions in Burkina Faso, future support must be informed by Swedish experience of development cooperation generally. Sweden's comparative advantages in terms of know-how and expertise in areas such as sustainable natural resource management, capacity development in government administration, institutional cooperation, children's rights and gender equality should be specially considered when choosing areas for cooperation.

4. Future development cooperation with Burkina Faso

Development cooperation between Sweden and Burkina Faso is relatively new. The present strategy is intended to provide a framework for development assistance over the coming three years.

4.1 Aim

The overall aim of Swedish development cooperation with Burkina Faso is to help create opportunities for poor people to improve their living conditions.

4.2 Strategic considerations, methods and modes of cooperation

Sweden must promote Burkinan ownership in all development cooperation work. Support must therefore accord as far as possible with Burkina Faso's PRSP. If the two countries are to come to know and understand each other's viewpoints and positions, dialogue must be conducted in a spirit of equality and with respect for each other's distinctive attributes and beliefs. Sweden must respectfully call attention to any differences in the two countries' basic value systems if these are likely to have an adverse effect on poverty reduction efforts.

As far as possible, development cooperation must be carried out in such a way that transaction costs for both parties are kept to a minimum. Efforts must therefore be made to promote greater harmonisation, better coordination and deeper cooperation among donors. Sida's extensive experience in this area should be turned to account. Programme-based support, i.e. budget support and/or sector programme support, should be provided as long as the preconditions for these modes of assistance obtain. Where such conditions do not exist, Sida must seek to promote their creation.

Despite plans to increase Swedish support to Burkina Faso, Sweden will remain a minor donor in volume terms, with limited representation in the field. If results are to be achieved given these conditions, Swedish support must be designed to complement and interact with the projects and programmes implemented by the Burkinan government and other donors.

Development cooperation with Burkina Faso shall focus on a limited number of sectors and dialogue issues, in order to be efficient and better exert influence on development in Burkina Faso. As the priorities for Burkina Faso largely coincide with those for Mali, a degree of synergy may be obtained.

Sweden's new global development policy can open up new opportunities for development cooperation within the framework of its general policies for any given country. When planning bilateral development cooperation, Sida must therefore seek to take the full spectrum of Swedish policy – as well as EU policy – into account.

The long-term aims of Swedish support should be manifested in procedural and cooperation agreements, which institutionalise the Swedish-Burkinan Partnership and increase predictability.

Swedish bilateral development cooperation with Burkina Faso must be marked by efforts to:

- obtain synergies from ongoing programmes, projects and project areas, and from regional and sub-regional initiatives,
- provide support preferably and as far as possible in the form of sector programme support, budget support or other forms of broad programme support, in accordance with Burkina Faso's RPSP. Where applicable, support of this kind can be extended through so-called silent partnerships,
- provide in addition strategic project support where appropriate through multilateral channels (so-called multi-bi cooperation). Project instruments should be used primarily I) as a strategic complement to budget or sector programme support, II) in connection with strategic initiatives in areas where the Burkinan government does not run development programmes of its own, or III) as a prelude to dialogue, and
- actively employ dialogue to achieve better mutual understanding.

The above objectives must be continuously evaluated in the light of the following risks:

- Burkina Faso's poverty reduction measures have had mixed results thus far. Sida, together with other donors must follow developments throughout the strategy period and gauge the political will to reduce poverty in the country.
- owing to instability in the region and other underlying internal factors there is a real danger of conflict spillover from neighbouring crisis-hit countries, in which case Sida should consider conflict prevention measures.
- as certain initiatives may prove ineffective owing to weak institutions, lack of capacity and widespread corruption in Burkina Faso, the normal mid-term review must include a reassessment of cooperation strategies.
- Sweden's restricted presence in Burkina Faso and the limited capacity of the Swedish embassy in Abidjan preclude extended monitoring of developments in the country. However, the Section Office in Ouagadougou will be reinforced in 2004, and close cooperation with other like-minded donors will be actively sought.

4.3 Cooperation areas and sub-goals

The above assessment and conclusions along with Burkinan priorities provide the basis for the following choice of priority areas for Swedish development cooperation with Burkina Faso. Efforts by other donors and Sweden's comparative advantages, both in

general and in the specific West African context, have also been taken into consideration. The overall goal of Swedish development cooperation with Burkina Faso is divided into three mutually reinforcing sub-goals in three cooperation areas:

- pro-poor, sustainable growth,
- democratic governance and social development, and
- sustainable development of natural resource management sectors.

Pro-poor, sustainable growth, democratic governance and social development will constitute the two largest cooperation areas in volume terms during the strategy period.

Special emphasis must be placed throughout the strategy period on the importance of gender equality concerns and the rights of women and girls. This is to be achieved by:

- focusing on the issue of access by women and girls to power, security and safety and opportunity when planning all interventions, and ensuring that the results of measures and initiatives serve to benefit these groups, and
- highlighting the importance of equal rights for women, men, girls and boys in dialogue at all levels.

The conflict in Côte d'Ivoire and its repercussions, including the return of former migrants, has highlighted Burkina Faso's environmental and economic vulnerability. The influx may also accelerate the spread of HIV/AIDS. All project and programme planning and preparation must therefore take into account the possible impact of support activities on stability in the country and the region as a whole. Efforts must also be designed to help counter social, economic and political discrimination of vulnerable groups. Other measures aimed at promoting peaceful development in the region will be implemented at regional level. Should a conflict situation develop, Sida should consider the possibility of appropriate measures in the conflict areas.

4.3.1 Pro-poor, sustainable growth

The aim in this area is to promote stable economic development and more rapid, environmentally sustainable growth that will permit implementation of Burkina Faso's PRSP and benefit the poorest sections of the population, particularly women and girls living in rural areas.

Implementation of the PRSP is predicated on continued stable economic development and sustainable growth. Sweden will therefore continue to provide budget support¹² for the implementation of Burkina Faso's poverty reduction policy throughout the strategy period. Sweden has decided on a 12-month budget support programme of SEK 40-million for 2004. A special follow-up study of Swedish budget support for 2004 will be conducted and serve as a basis for future decisions regarding budget support. Budget support programmes covering more than one year may be considered in 2005 and 2006 provided conditions set out in the current guidelines are met. Budget support will constitute the largest funding category in volume terms in the pro-poor and sustainable growth cooperation area.

¹² Assuming the conditions in the guidelines for this mode of support are fulfilled (see *Riktlinjerna för stöd till ekonomiska reformer och skuldlättnad* [Guidelines on Support for Economic Reform and Debt Relief] adopted by the Government on 1999-10-28). These will be replaced by new planning instruments in 2004.

Also under consideration is funding on a smaller scale for institutional capacity building and skills enhancement, the promotion of gender and child budgeting, the production of gender-disaggregated statistics in household surveys, and measures aimed at ensuring environmentally sustainable development, e.g. green budgeting.¹³ Support of this kind must be designed to contribute to more efficient utilisation of Swedish budget support.

If the Burkinan economy is to flourish, the country must have peace and effective and efficient communications with other countries in the region. Sub-regional support for conflict prevention measures must therefore be seen as an additional, indirect contribution to economic stability in Burkina Faso.

Swedish budget support emphasises national ownership and responsibility. During the strategy period, Sida, together with other donors extending budget support to Burkina Faso should actively promote continued donor coordination and harmonisation, and encourage a transition from traditional project support to a form of cooperation in which a larger share of funding goes on sector programme support and budget support than at present.

Sweden is able to follow the budget process and budget support decision criteria satisfactorily despite its limited presence on the ground thanks to the multi-donor budget support mechanism. In addition, Sweden shall place particular importance on monitoring democracy as well as respect for, protection and observance of human rights within the framework of the donor's budget support mechanism. Pending new budget support guidelines, Sida should consult the Swedish Ministry for Foreign Affairs when planning and following up sector programme support.

Burkina Faso has implemented many of the reforms recommended by the World Bank and IMF. This may be regarded as a sign of the political will to tackle poverty even though a number of poverty indicators have pointed to rising poverty in recent years despite real economic growth. However, further efforts will be required if there is to be an improvement in the quality of the political, economic and judicial institutions responsible for combating corruption and promoting transparency, growth and economic stability. Weak institutions can pose a serious obstacle to economic growth and implementation of the PRSP.

During the strategy period, Sida, together with other donors, will also be required to monitor the development of poverty and social development indicators and assess the political will to combat poverty in Burkina Faso.

4.3.2 Democratic governance¹⁴ and social development

The aim in this area is to help promote democratic governance and social development for the entire Burkinan population, irrespective of gender, age, ethnicity or disability. Special attention must be devoted to issues relating to access by women and girls to power, security and opportunity.

¹³ In which growth is viewed in relation to the available natural resources in a given country.

¹⁴ The term, agreed on by OECD/DAC, embraces democracy, participation, human rights, good governance and the rule of law.

Secure access to education and healthcare gives the poor a wider range of choice and enables them to participate more fully in democratic and decision-making processes. Sida is planning to support efforts to better meet the right of poor people – in particular women and girls – to health and basic education. The aim is to encourage democratic development, promote respect for human rights and speed up economic growth. Planning has begun on a comprehensive programme of support for basic education. Ongoing support for higher education and research is expected to continue.

Sida has recently embarked on a programme support project in cooperation with the Netherlands aimed at developing district health care. As a first concern, the agency will monitor and follow up matters relating to access by women and girls to power, security and opportunity – issues which have not hitherto been prioritised by other donors. If conditions permit, Sweden should conclude a silent partnership with the Netherlands on planned support for health and education. These two programme support projects are expected to account for most of the funding allocated to the promotion of democratic governance and social development.

Support for democratic governance is planned to account for a smaller proportion in volume terms of the cooperation area than pro-poor support or funding for sustainable growth. In order to enhance the democratisation process and promote awareness of the meaning of citizenship in a democracy, support shall focus on empowering the poor and enabling them to take part, directly and indirectly, in democratic development and decision-making processes. Sida will consider extending support to local advocacy and educational groups involved in promoting respect for and protection, promotion and observance of human rights, particularly those of women and girls, democratisation, conflict resolution and measures against corruption.

Support for anti-corruption measures and greater accountability and transparency in the political sphere should also be considered. Continued programme support is envisaged in order to encourage long-term activity planning at the Office of the Ombudsman, which only receives funding for specific projects from other donors. The possibility of extending support to independent think tanks, such as the *Centre de Gouvernance Démocratique* (Centre for Democratic Governance) should be examined. The Centre pursues policy-oriented research on democratisation and runs education programmes for political parties, including special projects aimed at promoting women politicians. The same applies to support via UNICEF for combating trafficking in children and generally strengthening protection for children's rights – one of several projected activities in this sphere supported only by Sida. Finally, support to the comparatively new Ministry for the Promotion of Human Rights could also be considered.

To prevent the further spread of HIV/AIDS, Sida must endeavour to find ways – other than dialogue – of supporting strategic interventions to combat the epidemic. Sida must focus particular attention on conditions for refugees and the roles, status and circumstances of women and men in this connection.

4.3.3 Sustainable development of the natural resource management sectors

The aim is to help boost incomes and improve security among the poor, especially among women and girls, by promoting environmentally sustainable increases in productivity in the natural resource management sectors.

The Burkinan natural resource-based economy is highly vulnerable to the short-sighted, unsustainable resource exploitation carried on under pressure of poverty. This trend must be reversed if sustainable development is to be achieved. Changes in resource utilisation can be effected through incentives such as user rights and the management of common water resources.

Sida will as a first priority consider extending support for market-integrated agriculture. Consideration should also be given to the national programme for integrated water resource management (PAGIRE). Finally, the possibility of funding for decentralised forest management projects, including the sustainable production of firewood-based energy for households, should be examined.

Local natural resource management projects should serve to promote local democracy as part of the decentralisation process. The challenges involved in protecting and conserving natural resources are often common to many of the countries in the region, and Sida should also promote and support sub-regional cooperation in this area.

With respect to natural resource management, Sida must adopt a holistic approach based on a sustainable development perspective. It is vital that efforts to promote sustainable development are made within the framework of private sector development. The aim is thus to preserve *and* benefit from the country's natural resources in ways that are both sustainable and capable of generating higher incomes for poor people.

The incomes generated in the informal segment of the natural resource management sector constitute a potential catalyst for pro-poor growth. Where possible, therefore, efforts should be aimed at promoting local market development through support for more intensive processing of resources and improved marketing of agricultural products.

Although inadequate access to regional and international markets are a serious obstacle to sustainable development of natural resource-based industries in Burkina Faso, Sida should begin by extending trade policy support via sub-regional programmes in order to channel its resources effectively during the strategy period. Crucial to development in the trade policy sphere is the project forming part of the Strategy for Swedish Support in 2004–2006 for Sub-regional Cooperation with West Africa (*Strategi för svenskt stöd 2004-2006 till subregionalt samarbete med Västafrika*) involving economic cooperation and integration through support to the Economic Community of West African States (ECOWAS) for trade policy-related capacity building. Swedish efforts to reform the EU Common Agricultural Policy and its subsidies could also have a major impact on Burkina Faso's economy and that of Burkinan cotton growers. Strategic bilateral initiatives in the trade policy sphere may also be considered, provided these are closely linked to sub-regional support aimed at promoting trade by various means within and outside the region.¹⁵

¹⁵ See also *Strategi för svenskt stöd till subregionalt utvecklingssamarbete och övrigt samarbete i Västafrika 2004–2006* [Swedish Strategy for Support in 2004–2006 for Sub-regional Development Cooperation and Other Forms of Cooperation in West Africa].

4.4 Other modes of cooperation¹⁶

In addition to the modes of cooperation discussed above, Sida should also consider providing support on request for participation by Burkinans in its international education programmes and the StartSyd (StartSouth) programme. If special grounds obtain, Sida may additionally consider extending small credits on highly favourable terms for investment or other projects inside the country, provided, however, that the credit-financed project concerned falls within or is clearly related to a priority cooperation area as defined in the country strategy. The same terms apply to decisions concerning the granting by Sida of credit guarantees. When planning or preparing support of any kind, account must be taken of its potential effect on the risk of conflict, and access by women and girls to power, security and opportunity.

Given the poorly developed Burkinan private sector and the as yet very limited contact between Burkinan and Swedish enterprise sectors, the choice of possible cooperation partners for these types of support is comparatively small in Burkina Faso. Interest and demand in this area is therefore expected to be low during the strategy period.

4.5 Dialogue issues

Sweden's limited presence in the region and in Burkina Faso, makes it difficult for the government to follow developments or hold high-level policy dialogues. The embassy in Abidjan is also responsible for monitoring events in Burkina Faso. Continuous dialogue will be conducted on general development issues and at sector and project level during the strategy period. Recently, exchanges at ministerial level between Burkina Faso and Sweden have intensified.

Sweden should emphasise the following issues in the dialogue with Burkina Faso:

- the significance of democracy, including efforts to fight corruption, and the importance of respect for and protection and observance of human rights, especially the rights of women and girls,
- the need for Burkina Faso to play a constructive role in efforts to promote peace and stability in West Africa,
- the significance of regional cooperation and integration, particularly within the ECOWAS framework,
- the importance of removing obstacles preventing poor people from taking an active part in the economy, and
- the pressing need to combat HIV/AIDS.

The following issues should be highlighted at programme and project level:

- access by women girls and to power, security and opportunity, and
- the importance of preventing HIV/AIDS.

¹⁶ For a more detailed discussion of these forms of support see *Strategi för svenskt stöd till subregionalt utvecklingssamarbete och övrigt samarbete i Västafrika 2004–2006* [Swedish Strategy for Support in 2004–2006 for Sub-regional Development Cooperation and Other Forms of Cooperation in West Africa].

5. Volume, Swedish capacity and implementation

In addition to regional funding, support via Swedish NGOs and future humanitarian support (where relevant), volumes of assistance to Burkina Faso should gradually be increased during the strategy period to an annual level of SEK 130–140 million, including approx. SEK 40 million per year in budget support (if allocated). The bulk of the funds will be used to promote pro-poor growth, which *inter alia* includes budget support. Most of the remainder will go on projects and programmes aimed at promoting democratic governance and social development, while a smaller amount will be used in connection with the sustainable development of natural resource management sectors.

Sida's field team is likely to be reinforced in 2004 with the addition of a home-based executive-level officer, a national programme coordinator and a bilateral assistant expert. A review of field capacity and organisation will be carried out in 2004 in order to determine the need for field resources and more efficient organisational structures and procedures.

A plan showing how the adopted strategy is to be implemented on an annual basis must be included in Sida's annual country plan for development cooperation with Burkina Faso. A detailed dialogue plan will be drawn up at the same time.

5.1 Follow-up

Project reports, project visits, project surveys and Sida's rating system are to be used to monitor and follow up on programme- and project-based support.¹⁷

Follow-up of general development and other trends will take the form of half-yearly reports, regular political reports from the embassy in Abidjan in Côte d'Ivoire, annual discussions with the Burkinan government and the annual country plan. The country strategy will be reviewed halfway through the strategy period.

To reduce the administrative burden on the Burkinan government administration, Sida must actively promote coordinated donor follow-up of the PRSP and any budget or programme support provided. Efforts must be made to harmonise indicators used to measure poverty.

Follow-up and evaluation are central to the implementation of the country strategy. The strategy covers the period 2004–2006. Its implementation is contingent on development – and developments – in Burkina Faso. Sida is required to provide the Ministry for Foreign Affairs with details of expected annual volumes and major interventions, and to consult the ministry on decisions involving important matters of principle.

¹⁷ Refers to Sida's internal, project-level, follow-up system.

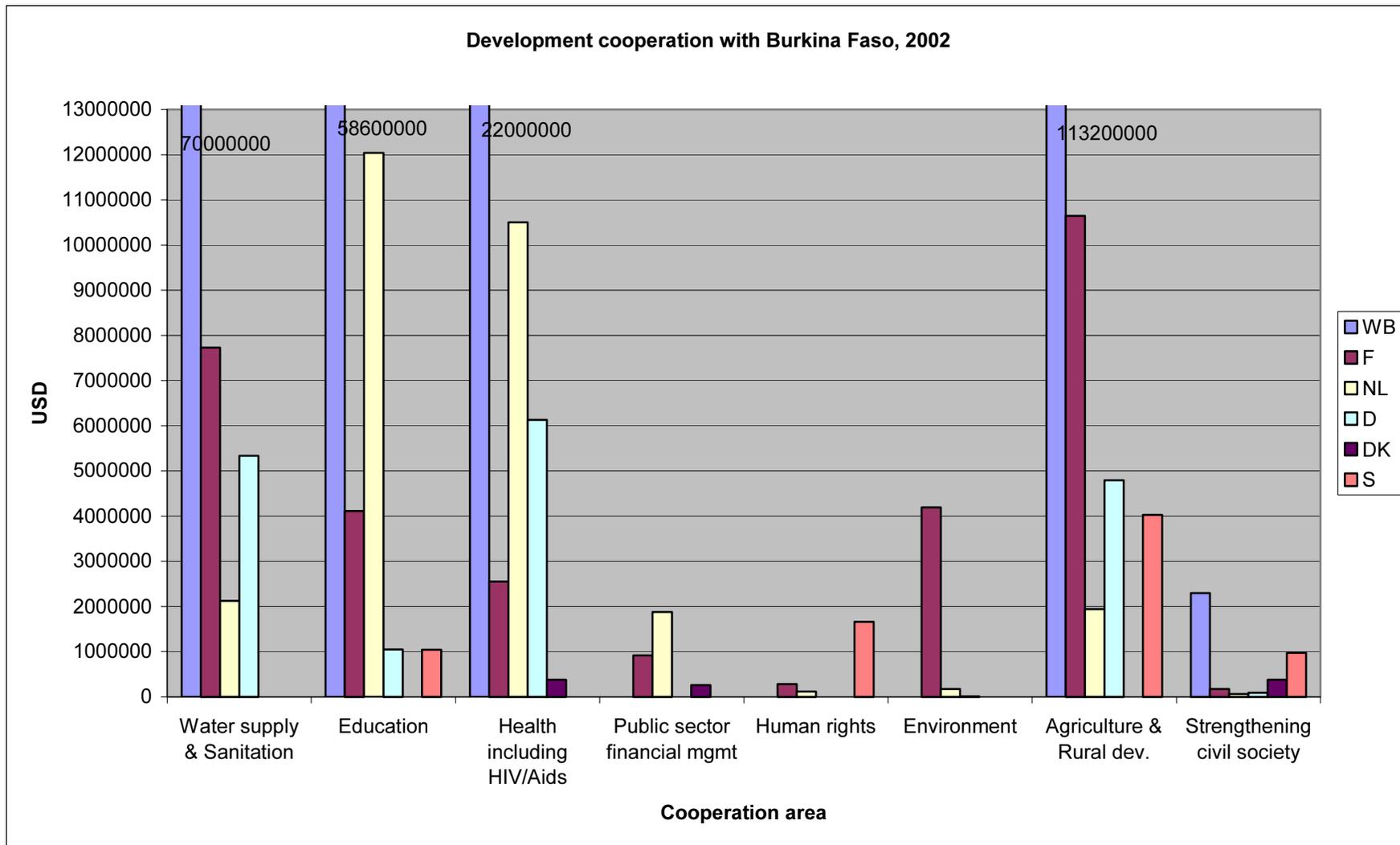
Appendix 1

External support to Burkina Faso 2000-2003, USD¹⁸

Year	2000	2001	2002	2003	2000-2003
PROJECT SUPPORT (Dev. assistance & credits)	323,100,000	320,700,000	259,900,000	283,200,000	1,186,900,000
BUDGET SUPPORT (Dev. assistance & credits)	41,500,000	109,200,000	137,400,000	196,100,000	484,200,000
TOTAL PER YEAR	364,600,000	429,900,000	397,300,000	479,300,000	1,671,100,000

In 1998–2000, the 15 largest donors in volume terms in Burkina Faso were, in descending order: The European Union, the International Development Association (IDA), France, Germany, Denmark, the United Nations, the Netherlands, Switzerland, the IMF, Taiwan, the African Development Bank (ADB), Japan, Canada, the Islamic Development Bank (IDB) and NGOs.

¹⁸ Source: IMF Country Report No. 03/197, 06/2000, www.xe.com 2004-04-22



¹⁹ Sources: OECD/DAC, Sida, World Bank

Strategy
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KEY DATA ON MALI¹

Number of inhabitants	12.3 million (2003)
Area	1,240,000 km ²
Estimated annual population growth (2001-2015)	3.1%
Number of births/woman (2000-2005)	7.0
Estimated urban population (% of total)	30.8% (2001)
Estimated percentage of population under 15 yrs	49.2% (2001)
Life expectancy at birth	48.4 yrs (2001)
Child mortality (2001)	141 per 1,000 live births
Child mortality for children under 5 yrs (2001)	231 per 1,000 live births
Literacy, men over 15 yrs	36.7% (2001)
Literacy, women over 15 yrs	16.6% (2001)
Percentage of the population living on less than USD 1 a day	72.8% (1990-2001)
Gini coefficient	50.5 (2003)
HIV/AIDS incidence among people aged 15–49	1.65% (2001)
GDP	USD 2.6 billion (2001)
GDP/capita, current prices (2001)	USD 239 (810 PPP US\$)
GDP/capita, annual growth (1990-2001)	1.6%
Inflation	3.8% (2003)
Development assistance per capita	USD 28.6 (2001)
Dev. assistance as share of GDP	13.2% (2001)
Debt service ratio (debt service/exports)	4.5% (2001)
Public expenditure on healthcare, share of GDP	2.2% (2000)
Public expenditure on education, share of GDP	2.8% (1998-2000)
Public expenditure on defence, share of GDP	2.0% (2001)
Percentage of population with access to clean water	65% (2000)
Percentage of women members of parliament	10.2% (2003)
HDI index	0.337 (2001)
HDI ranking	172 out of 175 countries (2003)
GDI (Gender Development Index)	0.327 (2003)
Freedom House Index	3.3 (free) (2000)
Corruption Perceptions Index on a scale of 0-10 (highly corrupt: 0, highly clean:10)	3.0 (2003)
Corruption Perceptions Ranking (the higher the number the more corruption)	78 out of 133 countries (2003)
PRSP	approved by IMF/WB Feb.2003
Date of Decision Point HIPC II	August 2000
Date of Completion Point HIPC II	March 2003

¹Sources: Human Development Report 2003, *Sidas budgetstödsskrivelse för Mali 2003* [Sida report on budget support for Mali 2003].

Map of Mali



1. Introduction

On 2003-06-04 the Swedish government commissioned the Swedish International Development Cooperation Agency (Sida) to draw up a strategy for development cooperation with Mali. This was to be based on a 1997 government report on a new Swedish policy for Africa for the 21st century (skr 1997/98:122). The report recommended that Sweden's policy on Africa should embody a more developed form of cooperation with West Africa.²

In 1999, the Swedish government approved a set of guidelines on the planned intensification of efforts in West Africa and commissioned Sida to initiate specific development cooperation interventions in Mali, mainly in the spheres of environmental protection, democracy and human rights.³ Sweden's expanded commitment in West Africa was in response to recent favourable development trends in the region. Burkina Faso and Mali were held up as examples of countries where democracy had been strengthened and promising development strategies adopted. Sida accordingly drew up a position paper on regional cooperation with West Africa in 2000–2002 and submitted proposals for support to Mali and Burkina Faso for the same period.⁴ Development cooperation with Mali, based on the government's guidelines and Sida's proposals, is now in progress.

A country analysis and performance analysis for Mali were also produced in conjunction with the present strategy. A number of background studies were carried out and full use was made of know-how and experience gained from earlier cooperation with Mali. The present strategy covers the period 2004–2006.

2. Country analysis: summary

Mali's 12.3 million inhabitants live in a country approximately three times the size of Sweden. Two thirds of its area is desert. Over 1,000 km from the nearest coastline, Mali is wholly dependent for trade and contact with the outside world on ports in neighbouring countries, particularly Abidjan in Côte d'Ivoire. The ongoing armed conflict in that country has thus had a detrimental impact on the Malian economy. As Mali is highly dependent on its cotton and gold exports, its economy is vulnerable to fluctuating world market prices, weather variations and disturbances in the region. Growth therefore varies considerably from year to year. Most of the population depends for its livelihood on traditional agriculture or extensive cattle herding for household consumption. Many families also grow cotton as a cash crop; in recent years, cotton has become Mali's main

² *Afrika i förändring – En förnyad svensk Afrikapolitik inför 2000-talet* (skr 1997/87:122) [Africa on the Move – Revitalising Swedish Policy towards Africa for the 21st Century].

³ *Riktlinjer för ökad satsning på Västafrika* (regeringsbeslut II:2, UD1999/526/AF) [Guidelines on Expanded Commitments in West Africa].

⁴ Position paper on regional cooperation with West Africa 2000–2001; Proposals for development cooperation with Burkina Faso 2000–2002.

export. Though Mali is the largest cotton producer in Africa, price restraints, mainly due to cotton subsidy regimes in the EU and US, keep profitability in the sector at a low level.

Labour migration from the countryside to the cities and neighbouring countries, mainly Côte d'Ivoire, has long been a survival strategy, primarily for men. However, increasingly vulnerable women and children have also been forced to migrate in search of a livelihood. The armed conflict in Côte d'Ivoire has thus had a negative impact on the incomes of many households. Despite widespread migration, however, Mali still ranks among the few sub-Saharan countries with a low prevalence of HIV/AIDS in the general population. Just under 2% of the adult population is estimated to be infected with HIV. The majority of these are women. As labour migration, disturbances in neighbouring countries and the low status and weak position of women could have a marked effect on prevalence figures in coming years, preventive efforts and measures are essential.

After French colonial rule, followed by 20 years under a succession of military governments with close ties to the former Soviet Union, Mali embarked in the early 1990s on a period of democratic development. Since then, the country's political development has been consistently favourable, although many challenges still remain and continued support will be needed if progress is to be maintained. For better or worse, the everyday lives of most people in Mali – and, to some extent, national politics – are still governed by informal power structures and traditional norms and values. Because of a widespread, traditional preference for consensual approaches to decision-making, Mali is one of the most stable countries in an otherwise conflict-ridden region. Although the predominant religion is Islam, Mali is a secular state. Civil and political rights are largely upheld and the freedoms of speech, information and the media are among the least restricted in Africa. Although Malian politics are highly personalised, no particular ethnic group is dominant in the political arena, the public administration or the security forces. Participation in the political process is low, however. The party system is fragmented and most organisations in civil society are weak. Support for capacity building is therefore needed. Access to justice by poor men and women is limited, particularly in rural areas, where traditional legal structures, which place women and girls at a disadvantage, predominate. As men are often ignorant of the formal laws of the land – which recognise the equality of women and men – informing poor women, men, girls and boys of their rights would be a way of enhancing their prospects of fair and equal treatment under the law.

Power structures in Malian culture are particularly hard on women and girls. Female genital mutilation is a widespread phenomenon, experienced by as many as 90 per cent of the country's women and girls, who are moreover consistently discriminated against in areas such as education, healthcare, right of ownership to land and credit grants. Given the same social status, power, security and opportunities as men, however, they would constitute a formidable force for change and development. The fact that women, men, boys and girls do not enjoy equal rights and dignity is thus a basic problem with significant consequences for development at all levels.

Some 70 per cent of poor Malians live in the countryside. It is among the members of this group that poverty is deepest and most widespread. Social indicators point to major inadequacies in healthcare and education. Child and maternal mortality rates are high,

with almost every fourth child dying before the age of 5. Mali's remarkably high fertility rates – an average of 7 children per woman – has resulted in a rapidly growing population which in turn has had a detrimental effect on women's health and girl's right to education. The country has fallen from 164th out of 169 countries to 172nd out of 175 in the UNDP's latest HDI ranking. It is thus one of the world's poorest countries. It is estimated that just over 70 per cent of the population live on less than 1 dollar a day. Despite disparities in living conditions between women and men, between different geographical regions and between rural and growing urban areas, the vast majority of the population enjoy very limited power, security or say in the decisions or conditions affecting their lives. Relatively high economic growth rates throughout the 1990s, generated in part by the increasing population, have not led to a rise in income per capita and have thus failed to improve the living standards of poor people.

2.1 Country analysis: conclusions

Economic growth has failed to boost employment among poor women and men. Nor has it served to enhance the incomes or economic security of these groups. Exploitation of Mali's natural resources – land, forests and livestock – on which the majority of the population depends for its livelihood, remains inefficient. Raising productivity and thereby increasing income-earning opportunities in the natural resource management sectors would enhance the economic security of many poor people. Inadequate access to markets, credits and advice are preventing smallholders from investing and producing more efficiently. Women are particularly hard hit although they do most of the actual work. The lack of viable alternatives compel people to cultivate fields, forests and pastureland in ways that are not environmentally sustainable, further depleting natural resources and reducing productivity. Productivity is also adversely affected by low levels of literacy and numeracy, coupled with poor general health, particularly among women.

Poor women and men have little or no power or influence over the conditions that shape their lives; their needs are ignored when decisions are made. Although formal democratic structures were put in place just over 10 years ago, the political culture places ordinary, poor people at a disadvantage by preventing them in effect from taking part in democratic political processes. If it works as intended, the ongoing decentralisation of political power and administrative structures in Mali could enhance the ability of its citizens to exercise influence and demand accountability, and thereby deepen democracy. Low levels of education, poor health and traditional power structures reduce the real prospects of poor people – particularly those of women – of influencing political decision-making at national or local level.

The institutions that might be expected to bring about the desired changes are rife with corruption and lack the necessary capacity and management/administrative skills to do so. For example, the systems for financial control and implementation of the country's poverty reduction strategy paper (PRSP/CSLP) need to be strengthened and made more efficient – and effective. This can be done through better, more rigorous application of existing rules and mechanisms.⁵ Traditional, informal rules and practices persist in modern institutions at all levels and hamper reform.

⁵ Poverty Reduction Strategy Paper, i Mali kallad Cadre Stratégique de Lutte contre la Pauvreté (CSLP)

There is a degree of uncertainty regarding the political will to pursue an economic policy that favours poor women, men, girls and boys. The deteriorating social indicators may be a sign that the hitherto favourable trend in terms of poverty reduction is about to be broken. Sweden must closely follow development – and developments – during the strategy period and assess the political will to continue fighting poverty in Mali.

Women and girls are more severely affected by poverty than men and boys as they have least access to power, security and opportunity.

2.2 Mali's development policy

Poverty reduction has been accorded top priority in the country's development programme since 1997. Mali's PRSP, adopted by the government in May 2002, is to be the country's only poverty reduction reference document and the central policy instrument for all donors. In practice, however, the government has found it difficult to verify individual ministries' and donors' development plans, which do not always accord with the PRSP. The paper identifies four priority areas for action:

- increasing and redistributive economic growth,
- institutional development, better governance and greater participation,
- human development and greater access to basic social services, and
- development of infrastructure and productive sectors.

The international donor community led by the IMF and the World Bank has praised the Malian government for drawing up its poverty strategy paper in close, continuous consultation with other stakeholders, and for its analysis of poverty. These are important strengths and the paper should therefore be used as the main basis for Swedish priorities in regard to cooperation areas in Mali. To facilitate implementation of the PRSP, Sweden should actively seek to strengthen Malian coordination of development assistance during the strategy period. The aims and objectives set out in the PRSP are related to the UN Millennium Goals and NEPAD development goals.

Poverty reduction targeted specifically at women receives relatively little attention in the PRSP, although special emphasis is given to the need to ensure that women and girls have greater access to education and healthcare. Although the connection between poverty and the subordinate position of women in society is not analysed in those terms, a connection is made between socio-cultural factors and the exceptional vulnerability of women in Mali today.⁶ Environmental concerns are inadequately addressed in the PRSP.

Development programmes stretching over several years, e.g. in the education and health sectors have been initiated. Although no general review or follow-up of the PRSP and its development programmes has yet been carried out, the general impression among donors is that lack of management, administrative skills and capacity in the government administration is an obstacle to effective implementation. This must be taken into account

⁶ Gender Study, p. 43

in all Swedish programmes and projects so that Mali's implementation capacity can be strengthened.

3. Performance analysis: summary

2001 marked the beginning of bilateral development cooperation between Sweden and Mali, in the spheres of democracy, human rights and the environment. Only a few programmes have so far been completed, and no definite overall conclusions on the outcome of cooperation can be drawn at this stage.

Figure 1. Swedish bilateral support to Mali, 2001–2003 (SEK)

Sector	2001	2002	2003
Democratic governance including human rights	137,000	9,389,000	2,772,000
Social sectors	1,573,000	24,912,000	33,903,000
Infrastructure, enterprise and urban development	127,000	1,061,000	2,158,000
Natural resource management	77,000	172,000	0
Budget support	40,000,000	50,000,000	50,000,000
Other	3,054,000	2,794,000	1,796,000
Total	44,968,000	88,328,000	88,629,000

3.1 Democracy and human rights

Examples of interventions in this area during the strategy period include efforts by the Swedish NGO, Diakonia, to improve the organisational capacity of local bodies in Mali. A general lesson learned from cooperation between Swedish NGOs and partners in Mali is that this type of intervention should not just address the issues involved but also take account of the development of the organisations concerned, so as to avoid possible democratic deficits and problems due to inadequate resources within the Malian organisations.

Since 2002, Sweden has allocated SEK 100 million over a 2-year period (2002–2004) towards implementation of Mali's national 10-year education programme, PRODEC. The programme aims at ensuring that the right of girls and boys to a good basic education are more fully met. To simplify administrative procedures in Mali and in Sweden, support has been channelled through the Netherlands, an arrangement that has worked well. However, follow-up studies have shown that initial targets were too ambitious. Moreover, inadequate administrative/management capacity has restricted implementation. Institutional weaknesses notwithstanding, certain favourable trends, such as increased school attendance among boys and girls, may be observed. It is important to ensure that higher school attendance rates are not achieved at the expense of quality of education.

3.2 Environment and natural resource management

No direct bilateral support for the environment or natural resource management has been allocated. However, Mali has received funding aimed at promoting decentralised management of natural resources (IIED) and improved water supply and sanitation systems (CREPA) through participation in regional collaboration programmes.

3.3 Budget support

Since 2001, the Swedish government has approved budget support on three occasions, totalling SEK 140 million. The budget support has been aimed at promoting continued economic reform and maintaining macro-economic stability. However, the country's fall in ranking on the latest UNDP poverty scale raises the question of whether the political will to fight poverty has diminished. Follow-up studies and dialogue on this question must be given top priority during the strategy period. Consultant support for capacity development extended within the PRSP process as a complement to budget support was favourably received. Although disbursement requirements were fulfilled, reporting and the provision of information to Sida by the Ministry of Finance could be improved. The issue should be closely monitored.

The limited experience gained so far from Swedish funded interventions in Mali suggests that capacity and institutions in the country are very weak, a perception shared by all donors. This must be taken into consideration in all future efforts, *inter alia* through support at project level for capacity development. Future measures should be aimed particularly at strengthening the government administration's ability to fight corruption. Inadequate administrative structures impair the capacity to receive assistance and coordinate it with the government's own programmes and projects. Local donor coordination normally amounts to little more than information meetings without any real coordination. Swedish cooperation with the Netherlands in the education sector is an exception. If development cooperation between Sweden – a small donor with limited presence on the ground – and Mali is to be meaningful, donor coordination must be significantly improved. The fact that the two sector programmes in the education and healthcare sectors respectively are now making progress and have succeeded in bringing most of the donors together is therefore a good sign.

Major efforts have been made in the last 5–10 years to improve the government's capacity to handle public finances and development issues. Mali has a good reputation in the region and among other donors. Democratic development is stable and a PRSP has been drawn up. The basic conditions for development cooperation and poverty reduction are thus present, provided the political will does not waver.

4. Future development cooperation with Mali

Development cooperation between Sweden and Mali is relatively new. The present strategy is intended to serve as a framework for cooperation in 2004–2006 and lead to a better understanding of how best to benefit Mali and its people.

4.1 Aim

The overall aim of Swedish development cooperation with Mali is to help create opportunities for poor people to improve their living conditions.

4.2 Strategic considerations, methods and modes of cooperation

Sweden must promote Malian ownership in all development cooperation work. Support must therefore accord as far as possible with Mali's PRSP. If the two countries are to come to know and understand each other's viewpoints and positions, dialogue must be conducted in a spirit of equality and with respect for each other's distinctive attributes

and beliefs. Sweden must respectfully call attention to any differences in the two countries' basic value systems if these are likely to have an adverse effect on poverty reduction efforts.

As far as possible, development cooperation must be carried out in such a way that transaction costs for both parties are kept to a minimum. Efforts must therefore be made to promote greater harmonisation, better coordination and deeper cooperation among donors. Sida's extensive experience in this area should be turned to account. Programme-based support, i.e. budget support and/or sector programme support should be provided as long as the preconditions for these modes of assistance obtain.

Despite plans to increase Swedish support to Mali, Sweden will remain a minor donor in volume terms, with limited representation in the field. If results are to be achieved given these conditions, Swedish support must be designed to complement and interact with the projects and programmes implemented by the Malian government and other donors.

Development cooperation with Mali shall focus on a limited number of sectors and dialogue issues in order to be efficient and better exert influence on development in Mali. As the priorities for Mali largely coincide with those for Burkina Faso, a degree of synergy may be obtained.

Sweden's new global development policy can open up new opportunities for development cooperation within the framework of its overall policies for any given country. When planning bilateral development cooperation, Sida must therefore seek to take the full spectrum of Swedish policy – as well as EU policy – into account.

In addition to the limited experience so far acquired from development efforts in Mali, future support must be informed by Swedish experience of development cooperation generally. Sweden's comparative advantages in terms of know-how and expertise in areas such as sustainable natural resource management, capacity development in government administration, institutional cooperation, children's rights and gender equality should be given special consideration when choosing areas of cooperation.

The long-term aims of Swedish support should be manifested in procedural and cooperation agreements, which institutionalise the Swedish-Malian Partnership and increase predictability.

Swedish bilateral development cooperation with Mali must be marked by efforts to:

- obtain synergies from ongoing programmes and projects and project areas, and from regional and sub-regional initiatives,
- provide support preferably and as far as possible in the form of sector programme support, budget support or other form of broad programme support, in accordance with Mali's RPSP. Where applicable, support of this kind can be extended through so-called silent partnerships,
- provide in addition strategic project support where appropriate through multilateral channels (so-called multi-bi cooperation). Project instruments should be used primarily I) as a strategic complement to budget or sector programme support, II)

in connection with strategic initiatives in areas where the Malian government does not run development programmes of its own, or III) as a prelude to dialogue, and

- actively employ dialogue to achieve better mutual understanding.

The above objectives must be continuously evaluated in the light of the following risks:

- Mali's poverty reduction measures have had mixed results thus far. Sida and other donors must follow developments throughout the strategy period and gauge the political will to reduce poverty in the country.
- Owing to instability in the region and other underlying internal factors there is a real danger of conflict spillover from neighbouring crisis-hit countries, in which case Sida should consider conflict prevention measures.
- As certain initiatives may have limited effect owing to weak institutions, lack of capacity and widespread corruption in Mali, the normal mid-term review must include a reassessment of cooperation strategies.
- Sweden's restricted presence in Mali combined with the limited capacity of the Swedish embassy in Dakar preclude extended monitoring of developments in the country. However, the Section Office in Bamako has been reinforced in 2004, and close cooperation with other like-minded donors will be actively sought.

4.3 Cooperation areas and sub-goals

The above assessment and conclusions, along with Malian priorities, provide the basis for the following choice of priority areas for Swedish development cooperation with Mali. Efforts by other donors and Sweden's comparative advantages, both in general and in the specific West African context, have also been taken into consideration.

The overall goal of Swedish development cooperation with Mali – to help create opportunities for poor people to improve their living standards and conditions – is divided into three sub-goals in three cooperation areas:

- pro-poor, sustainable growth,
- democratic governance and social development,
- sustainable development of natural resource management sectors.

These sub-goals are mutually reinforcing. Although most efforts relate to more than one cooperation area and sub-goal, for the sake of clarity they are classified under only one of the headings in this document. Pro-poor, sustainable growth and democratic governance and social development will make up the two largest cooperation areas in volume terms during the strategy period. Special emphasis must be placed throughout the strategy period on the importance of gender equality concerns and the rights of women and girls. This is to be achieved by:

- focusing on the issue of access by women and girls to power, security, safety and opportunity when planning all interventions, and ensuring that the results of measures and initiatives serve to benefit these groups, and
- highlighting the importance of equal rights for women, men, girls and boys in dialogue at all levels.

The conflict in Côte d'Ivoire and its repercussions has highlighted Mali's environmental and economic vulnerability and its dependence on effective regional cooperation. As the favourable development of Swedish-Malian cooperation is predicated on peace in the

region, all project and programme preparation must take into account the possible impact of support activities on stability, both in the country and in the region as a whole. Measures must also be designed to help counter the social, economic and political discrimination of vulnerable groups. Other measures aimed at promoting peaceful development in the region will be implemented at regional level.

4.3.1 Pro-poor, sustainable growth

The aim in this area is to promote stable economic development and more rapid and environmentally sustainable growth that will permit implementation of Mali's PRSP and benefit the poorest sections of the population, particularly women and girls living in rural areas.

It will be difficult for the Malian government to finance and implement planned reforms in accordance with the PRSP without higher growth and macroeconomic stability. Although a large proportion of Mali's development budget costs is financed by development assistance, this cannot be regarded as a long-term sustainable solution to Mali's poverty problem. Poverty reduction is contingent on high economic growth rates. These can be achieved by developing sectors that provide employment for poor people, primarily the natural resource management sectors. The importance of realising the full potential of women as a force for growth in this sector must be strongly emphasised in all dialogue.

Sweden will seek to promote sustainable higher growth rates and the implementation of Mali's PRSP. This will be done through dialogue and continued budget support, provided that the conditions set out in the guidelines for this mode of support continue to be fulfilled.⁷ A 12-month SEK 50-million budget support programme will be implemented in 2004. Budget support programmes covering more than one year may be considered in 2005 and 2006 if the conditions set out in the current guidelines are met. Budget support will constitute the largest funding category in volume terms in the pro-poor and sustainable growth cooperation area. A special follow-up of Swedish budget support for 2004 will be carried out and serve as a basis for future decisions on budget support.

Swedish budget support is part of a wider effort to underline the importance of national ownership and responsibility. During the strategy period, Sida, together with other donors extending budget support to Mali, will actively promote continued donor coordination and harmonisation and encourage the transition from traditional project support to a form of cooperation in which a larger share of funding goes on sector programme support and budget support.

Pending new budget support guidelines, Sida should consult the Swedish Ministry for Foreign Affairs when planning and following up sector programme support.

Funding on a smaller scale should be provided – in consultation with other budget support donors – for measures aimed at developing management and administrative skills

⁷ See *Riktlinjerna för stöd till ekonomiska reformer och skuldlättnad* (Guidelines on support for economic reform and debt relief) adopted by the government on 1999–10–28. These will be replaced by new planning instruments in 2004.

and capacity in the government administration, particularly in the sphere of public financial management. Where applicable, the survey of needs and planned and ongoing support carried out by the EU Commission and France in 2003 should be used as a guide in choosing areas of cooperation.⁸ In addition, Sweden may consider capacity development support for processes aimed at developing the PRSP and its framework for control, implementation and follow-up.

Consideration should also be given to funding – also on a smaller scale – for gender and child budgeting and the production of gender-disaggregated statistics in household surveys in support of Malian government efforts to improve conditions for women and girls. The same applies to measures aimed at ensuring environmentally sustainable development, e.g. green budgeting, in which growth is seen in relation to the available natural resources in a given country.

The Malian economy is dependent on peace, and effective and efficient communications with other countries in the region. Sub-regional support for conflict prevention measures must therefore be seen as an additional, indirect contribution to economic stability in Mali.

4.3.2 Democratic governance and social development

The aim in this area is to help promote democratic governance and social development for the entire Malian population, irrespective of gender, age, ethnicity or disability. Special attention must be devoted to issues relating to access by women and girls to power, security and opportunity.

To enable poor women and men to participate more fully in democratic and decision-making processes, provide them with a wider range of choice and help ensure that their rights are more fully met, Sida should extend support for efforts aimed at promoting the right of poor people, particularly that of girls and women, to healthcare and basic education. Special attention should be devoted to access by women and girls to power, security and opportunity. Ongoing support through the Netherlands for the government's sector programme for education should be continued.

Currently, a range of donors are actively involved in the healthcare sector in Mali. In view of the attempt to achieve concentration and complementarity, and given the problems that have characterised the health sector, including its extremely low assistance absorption capacity, Sida should not become involved in this sector for the present. Should conditions improve in this respect, Sida may consider initial support, after consultation with the Swedish Ministry for Foreign Affairs. The Netherlands should be considered as a possible cooperation partner in the health sector as well.

Greater access to healthcare and education are justified on human and civil rights grounds and are valuable in their own right. However, they should also be viewed as a means of

⁸ *Le rôle de Partenaires Techniques et Financiers (PTF) dans le domaine de la modernisation de gestion des finances publics: inventaire de toutes les interventions des bailleurs* .(The Role of Technical and Financial Partners in the sphere of modernisation of management of public finances: inventory of all donor interventions).

enhancing the ability – and freedom – of poor women and men to participate more fully in democratic and decision-making processes in society. Better access to healthcare and education can help realise women's potential contribution to development and economic growth in Mali.

Planned support for democratic governance in this cooperation area is expected to be less extensive in volume terms than support for social development. Sida is to consider funding to help disseminate knowledge about human rights and children's rights, *inter alia* to help combat the practice of female genital mutilation and trafficking in human beings. The possibility of continuing support for UNICEF programmes, including those dedicated to fighting the spread of HIV/AIDS among children and young people should be examined. Swedish support for the work of the *Bureau International Catholique de l'Enfance* (BICE) with vulnerable groups of children, such as children in prisons and young mothers, is expected to continue. Sida is a sole but important donor in both ongoing projects.

As the government's various sectoral programmes are largely implemented at local level, efficient, well-functioning decentralised administrative structures are often crucial to the success of the country's poverty reduction efforts. Genuine, effective decentralisation can empower poor people. Measures aimed at strengthening transparency and public participation in democratic decision-making processes should therefore be considered as part of support for Mali's decentralisation reforms and democratic development efforts. Continued funding through Diakonia to local organisations active in the area is being considered, as is support for the UNDP programme for democratic development and assistance via organisations in civil society. Direct support for the decentralisation process is not planned as a number of other donors are already actively involved in this area.

To prevent the further spread of HIV/AIDS, Sida must endeavour to find ways – other than dialogue – of supporting strategic interventions to combat the epidemic. Sida must focus particular attention on conditions for refugees and the roles, status and circumstances of women and men in this connection.

4.3.3 Sustainable development of the natural resource management sectors

The aim is to help boost incomes and improve security among the poor, especially among women and girls, by promoting environmentally sustainable productivity increases in the natural resource management sectors.

The Malian economy is based on the exploitation of the country's natural resources. It is highly vulnerable to the shortsighted, unsustainable resource exploitation carried on under pressure of poverty. This trend must be reversed if sustainable development is to be achieved.

Sida will focus support on interventions in the forestry sector (with links to gender equality concerns, energy, decentralisation and private sector development) and – as a second priority – on water resource management. Consideration will be given to the possibility of supporting the government programme for decentralised forest management and household energy (Projet Energie Domestique et Accès aux Services de Basse –

PEDASB). Support for the IUCN programme for integrated water resource management in the inner Niger river delta will also be considered. Support on a smaller scale in volume terms to relevant NGOs active in these areas is also a possibility.

Sida must ensure that its efforts serve to promote fuller observance of the right of women to advice, and to own and use property. The possibility of extending limited support in volume terms for the activities of 'barefoot lawyers' should be examined. The central role of Malian women in the exploitation of natural resources means that productivity would also benefit from measures to improve the health and educational opportunities of women and girls.

Sida must maintain a holistic approach to natural resource management in all its interventions in this area. It is therefore vital that efforts to promote sustainable development are made within the framework of private sector development. The aim is thus to preserve *and* benefit from the country's natural resources in a sustainable way. Higher productivity and growth in this sector are vital, partly to generate higher incomes for poor women and men, partly because they serve to strengthen the country's natural resource-based economy. Where possible, efforts should be aimed at promoting local market development through support for expanded natural resource processing and improved product marketing. The challenges involved in protecting and conserving natural resources are often common to many of the countries in the region, and Sida should also promote and support sub-regional cooperation in this area.

Although inadequate access to regional and international markets are a serious obstacle to sustainable development of the natural resource management sector in Mali, Sida should begin by extending trade policy support through sub-regional programmes in order to channel its resources effectively during the strategy period. Crucial to development in the trade policy sphere is the project forming part of the Strategy for Swedish Support in 2004–2006 for Sub-regional Cooperation with West Africa (*Strategi för svenskt stöd 2004-2006 till subregionalt samarbete med Västafrika*) involving economic cooperation and integration through support to the Economic Community of West African States (ECOWAS) for trade policy-related capacity building. Strategic bilateral initiatives in the trade policy sphere may also be considered, however, provided these are closely linked to sub-regional support aimed at promoting trade by various means within and outside the sub-region.⁹ Swedish efforts to reform the EU Common Agricultural Policy and its subsidies could also have a major impact on Mali's economy and that of Malian cotton growers.

⁹ See also *Strategi för svenskt stöd till subregionalt utvecklings-samarbete och övrigt samarbete i Västafrika 2004–2006* [Swedish Strategy for Support in 2004–2006 for Sub-regional Development Cooperation and Other Forms of Cooperation in West Africa].

4.4 Other modes of cooperation¹⁰

In addition to the modes of cooperation discussed above, Sida should also consider providing support on request for participation by Malians in its international education programmes and the StartSyd (StartSouth) programme. If special grounds obtain, Sida may additionally consider extending small credits on very favourable terms for investment or other projects inside the country, provided however that that the credit-financed project concerned falls within or is clearly related to a priority cooperation area as defined in the country strategy. The same terms apply to decisions concerning the granting by Sida of credit guarantees. When planning or preparing support of any kind, account must be taken of its potential effect on the risk of conflict, and on access by women and girls to power, security and opportunity.

Given the poorly developed Malian private sector and the as yet very limited contact between Malian and Swedish enterprise sectors, the choice of possible cooperation partners for these types of support is comparatively small in Mali. Interest and demand in this area is therefore expected to be low during the strategy period.

4.5 Dialogue issues

Sweden's limited presence in the region and in Mali, makes it difficult for the government to follow developments or hold high-level policy dialogues. The embassy in Dakar, is responsible for monitoring events in Mali. Exchanges at ministerial level between Mali and Sweden have intensified recently. Continuous dialogue will be conducted on general development issues and at sector and project level during the strategy period.

Sweden should emphasise the following issues in dialogues with Mali:

- the significance of democracy, including efforts to fight corruption, and the importance of respect for and protection and observance of human rights, especially the rights of women and girls,
- the importance of removing obstacles preventing poor people from taking an active part in the economy,
- the vital significance of better donor coordination in connection with sector and budget support for the country's PRSP,
- the pressing need to combat HIV/AIDS, and
- the significance of regional cooperation and integration, particularly within the ECOWAS framework.

The following issues should be highlighted at programme and project level:

- access by women girls and to power, security and opportunity,
- the importance of preventing HIV/AIDS, and
- the need to ensure that interventions are conflict sensitive.

¹⁰ See also *Strategi för svenskt stöd 2004-2006 till subregionalt utvecklingsamarbete och övrigt samarbete i Västafrika* [Swedish Strategy for Support in 2004–2006 for Sub-regional Development Cooperation and Other Forms of Cooperation in West Africa].

5. Volume, Swedish capacity, implementation and follow-up

In addition to regional funding, support via Swedish NGOs and future humanitarian support (where relevant), volumes of assistance to Mali should gradually be increased during the strategy period to an annual level of SEK 150–160 million, including approx. SEK 50 million per year in budget support (if allocated). The bulk of the funds will be used to promote pro-poor growth (1st Sub-goal), which *inter alia* includes budget support. A relatively large share of the remainder will be used for cooperation aimed at promoting democratic governance and social development (2nd Sub-goal), while a smaller amount will be used to support the sustainable development of natural resource management sectors (3rd Sub-goal).

Sidas field team was reinforced in 2004 with the addition of a home-based executive level officer. Further support from a regional officer posted in Burkina Faso is expected. However, Swedish presence both in Mali and the region remains limited. A review of field capacity and organisation will be carried out in 2004 in order to determine the need for field resources and more efficient organisational structures and procedures. The feasibility of cooperation with the Norwegian development assistance agency, NORAD, will be examined during the strategy period.

A plan showing how the adopted strategy is to be implemented on an annual basis must be included in Sida's annual country plan for development cooperation with Mali. A detailed dialogue plan will be drawn up at the same time.

5.1 Follow-up

Follow-up and evaluation are central to the implementation of the country strategy. Follow-up of general development and other trends will take the form of half-yearly reports, regular political reports from the embassy in Dakar, Senegal, annual discussions with the Malian government and the annual country plan. The country strategy will be reviewed halfway through the strategy period.

To reduce the administrative burden on the Malian government administration, Sida must actively promote coordinated donor follow-up of the PRSP and any budget or sector programme support provided. Efforts must be made to harmonise indicators used to measure poverty.

Project reports, project visits, project surveys and Sida's rating system are to be used to monitor and follow up programme- and project-based support.¹¹

The strategy covers the period 2004–2006. Its implementation is contingent on development – and developments – in Mali. Sida is required to provide the Ministry for Foreign Affairs with details of expected annual volumes and major interventions, and to consult the ministry on decisions involving important matters of principle.

¹¹ Refers to Sida's internal system for following up interventions at project level.

Appendix 1

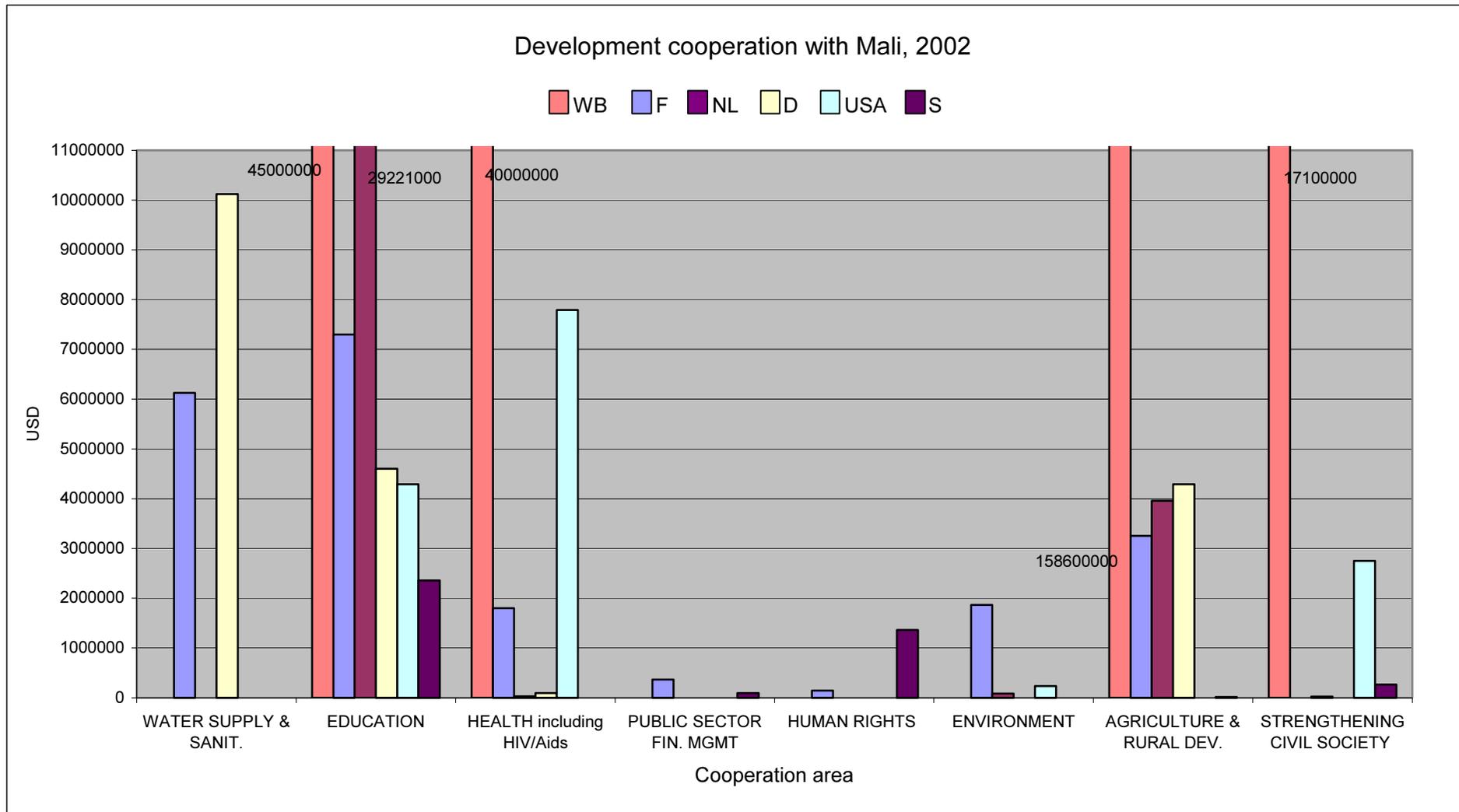
External support to Mali, 2002–2004, USD.¹²

	2002	2003	2004¹³	Total 2002–2004
Public capital	301,500,000	313,700,000	293,700,000	909,000,000
Project support	140,700,000	136,800,000	140,400,000	417,900,000
Budget support	56,800,000	65,900,000	not available	122,700,000
Project credits	181,100,000	190,900,000	236,000,000	608,000,000
Depreciation public debt	87,000,000	79,700,000	82,600,000	249,300,000
Private capital (net)	148,300,000	49,400,000	117,300,000	315,000,000
Total for the year	915,400,000	836,400,000	870,000,000	2,621,800,000

¹² Mali – Country Strategy Paper 2002–2004, ADB/BD/WP/2003/90, www.xe.com 2004–04–22, www.sida.se, 2004–04–22

¹³ Preliminary; final figures not yet available.

Appendix 2¹⁴



¹⁴ Sources: OECD/DAC, Sida and the World Bank.

AGREEMENT BETWEEN THE GOVERNMENT OF SWEDEN AND THE GOVERNMENT OF BURKINA FASO ON DEVELOPMENT COOPERATION

The Government of Sweden (hereinafter referred to as Sweden) and the Government of Burkina Faso (hereinafter referred to as Burkina Faso) have agreed to co-operate in the development of Burkina Faso.

The Swedish International Development Cooperation Agency, Sida, and the Ministry of [state Ministry] of the Republic of Burkina Faso shall be empowered to represent their respective Governments in matters concerning the implementation of this Agreement.

ARTICLE 1 SCOPE AND OBJECTIVES OF THE AGREEMENT

The objective of the Agreement is:

- to contribute to an environment, supportive of poor people's own efforts, to improve their quality of life.

The responsibility for the development of projects/programmes under this Agreement rests with Burkina Faso. The role of Sweden is limited to the contribution of resources to such development cooperation.

ARTICLE 2 THE SWEDISH CONTRIBUTION

Sweden shall keep available financial resources for development cooperation between Sweden and Burkina Faso during the period 2004-2006. The contribution of resources shall be made in accordance with the requirements laid down in specific agreements between the Parties on projects/programmes of development cooperation, and shall be made available on a grant basis. A plan over the Swedish development cooperation is to be presented to Burkina Faso on a yearly basis.

ARTICLE 3 UTILISATION OF THE SWEDISH CONTRIBUTION

3.1 The main areas of cooperation shall be the following:

- Pro-poor Growth
- Democratic Governance and Social Development
- Sustainable Development of Natural Resources Sectors

The Parties shall regularly review the allocation of contributed funds to projects/programmes of the development cooperation.

3.2 At these reviews Sweden and Burkina Faso shall follow up on the Swedish contribution and on the progress of the programmes/projects. The following issues shall constitute the key areas for overall policy dialogue between the Parties:

- implementation of a Poverty Reduction Strategy

- economic growth and diversification,
- HIV/AIDS,
- the democratisation process,
- political and economic governance and
- anti-corruption efforts,
- the situation of women and girls,
- the importance of regional co-operation and integration, especially within ECOWAS.

ARTICLE 4 REFERENCE TO OTHER AGREEMENTS

The development cooperation between the Parties is also governed by:

- the Agreement on General Terms and Conditions for Development Cooperation between the Government of Sweden and the Government of Burkina Faso, dated [state date]; and
- specific agreements for projects/programmes of development cooperation.

ARTICLE 5 ENTRY INTO FORCE AND TERMINATION

This Agreement shall enter into force on [state date] and remain valid until [state date]. The Agreement may be terminated prior to the end of the agreement period by either party giving the other party at least six months written notice.

The termination of this Agreement shall not affect the validity of any specific agreements that are in force between the Parties.

Two originals of the text of this Agreement, written in the English language, have been signed.

.....
Place and date

For the Government of Sweden

.....
Place and date

For the Government of Burkina Faso

.....
Signature

.....
Signature

.....
Name and title in block letters

.....
Name and title in block letters

AGREEMENT BETWEEN THE GOVERNMENT OF SWEDEN AND THE GOVERNMENT OF MALI ON DEVELOPMENT COOPERATION

The Government of Sweden (hereinafter referred to as Sweden) and the Government of Mali (hereinafter referred to as Mali) have agreed to co-operate in the development of Mali.

The Swedish International Development Cooperation Agency, Sida, and the Ministry of [state Ministry] of the Republic of Mali shall be empowered to represent their respective Governments in matters concerning the implementation of this Agreement.

ARTICLE 1 SCOPE AND OBJECTIVES OF THE AGREEMENT

The objective of the Agreement is:

to contribute to an environment, supportive of poor people's own efforts to improve their quality of life.

The responsibility for the development of projects/programmes under this Agreement rests with Mali. The role of Sweden is limited to the contribution of resources to such development cooperation.

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Sweden shall keep available financial resources for development cooperation between Sweden and Mali during the period 2004-2006. The contribution of resources shall be made in accordance with the requirements laid down in specific agreements between the Parties on projects/programmes of development cooperation, and shall be made available on a grant basis. A plan over the Swedish development cooperation is to be presented to Mali on a yearly basis.

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- the democratisation process,
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- anti-corruption efforts,

- the situation of women and girls, and

- the importance of regional co-operation and integration, especially within ECOWAS

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Place and date
For the Government of Sweden

Place and date
For the Government of Mali

Signature

Signature

Name and title in block letters

Name and title in block letters



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