

**OPERATIONS EVALUATION DEPARTMENT
WORLD BANK**

**OED Review of the
Poverty Reduction Strategy (PRS) Process**

Mauritania Case Study

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This case study was prepared by the independent evaluation unit of the World Bank, as background to an evaluation report available at www.worldbank.org/oed/prsp. The other country case studies conducted in support of this evaluation are also available on-line at the above address.

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Abbreviations and Acronyms

AFDB	African Development Bank
BWI	Bretton Woods Institution (World Bank and IMF)
CAS	Country Assistance Strategy
CDF	Comprehensive Development Framework
CDHLCPI	Commissariat aux droits de l'homme, a la lutte contre la pauvreté et a l'insertion
CEM	Country Economic Memorandum
CFAA	Country Financial Accountability Assessment
CG	Consultative Group
CILP	Comité Interministeriel de Lutte Contre la Pauvreté
CODE	Committee on Development Effectiveness
CPAR	Country Procurement Assessment Report
ESAF	Enhanced Structural Adjustment Facility (IMF)
ESW	Economic and Sector Work
EU	European Union
GDP	Gross Domestic Product
GTZ	German Technical Cooperation
HIPC	Heavily Indebted Poor Countries
IDF	Institutional Development Fund
IMF	International Monetary Fund
JSA	Joint Staff Assessment
MAED	Ministry of Economic Affairs and Development
NGO	Non-Governmental Organization
OMVS	Organization to Develop the Senegal River
PER	Public Expenditure Review
PIP	Public Investment Program
PNLP	Programme National de Lutte contre la Pauvreté
PRGF	Poverty Reduction and Growth Facility
PRLP	Regional Poverty Reduction Program
PRS	Poverty Reduction Strategy
PRDS	Parti Republicain Democratique et Social
PRSP	Poverty Reduction Strategy Paper
PRSTF	Poverty Reduction Strategy Trust Fund
UM	Mauritanian Ouguya
UN	United Nations

FOREWORD

OED has completed an evaluation of the PRS initiative and the Bank's support to this initiative. The synthesis report was submitted to the Committee on Development Effectiveness of the World Bank's Board in June 2004 and discussed by CODE in July 2004.¹ As the PRSP is by nature a country-level process, eight country case studies² have been undertaken in support of the synthesis report to provide in-depth country-level experience with the initiative and the Bank's support. Mauritania was selected as a country case study to provide: coverage of one of the very first PRSPs and substantial implementation experience, PRSP experience in Western Africa, and coverage of a HIPC case.

The first PRS document for Mauritania was completed by the Government in December 2000, and presented to the Bank and the Fund in early 2001. This country case review provides an assessment of the progress and challenges in Mauritania through PRSP formulation and several years of implementation, as of mid-2003. An OED mission visited Mauritania in June/July of 2003. However, due to the coup attempt in early June 2003 and subsequent volatility of the political situation, the mission was limited in its coverage. Hence this review represents a limited coverage of the PRSP-related issues in Mauritania, relative to the other country case study reports.

¹ The synthesis report is available on the internet at <http://www.worldbank.org/oed/prsp> .

² Country case studies are drawn from the 23 countries with full PRSPs as of the beginning of 2003. The selection criteria includes: maturity of the PRSP process, geographic balance, coverage of non-HIPC countries, and country initial conditions. The study thus covers a variety of country situations and varying stages of implementation. Country selection also depends on coverage provided by case studies already conducted in related OED work such as the recently completed HIPC and CDF evaluations. The eight case study countries are Albania, Cambodia, Ethiopia, Mauritania, Mozambique, Nicaragua, Tajikistan, and Tanzania.

A. INTRODUCTION

1. This report analyzes the experience of Mauritania with the Poverty Reduction Strategy (PRS) process³. The focus of the report is on evaluating the performance of the World Bank in supporting the PRSP initiative, not on appraising the authorities' policies. The report covers the formulation and implementation of the PRSP and encompasses the two PRSP Progress Reports which have been completed since the initiative was launched in Mauritania.
2. The analyses presented here are based on a variety of sources, most notably: (i) published and unpublished World Bank documents relevant to the Mauritanian PRS Process; (ii) material produced by stakeholders at various stages of the process; (iii) interviews with key IMF and World Bank staff members with relevant experience in Mauritania; (iv) interviews with a broad spectrum of local stakeholders in the context of an OED team visit to Mauritania⁴ and (v) a survey of 64 stakeholders representing Government, civil society and international partners.⁵
3. The report is structured as follows: Section B describes the country context including, political and economic background, the poverty profile, and key constraints for development. Section C addresses the PRS Process including preparation of the document and the consistency of the process with the underlying principles of the initiative. Section D assesses the World Bank's support to the process. Finally, Section E summarizes the main points of the assessment and attempts to draw lessons of more general applicability.

³ A new framework for poverty reduction was proposed by the staffs of the World Bank and IMF, and endorsed in 1999 by the Interim and Development Committees. The framework's key objective is to assist countries in developing and implementing more effective strategies to fight poverty, embodied in Poverty Reduction Strategy Papers (PRSPs). These strategies are to be prepared by governments and used to prioritize the use of public and external resources for poverty reduction impact. Adoption of the PRSP framework signaled an intended shift by the Bretton Woods Institutions (BWIs) in the ownership of development strategies and the policies needed to achieve poverty reduction. A second objective of the new framework is for PRSPs to become the principle instrument for managing a country's relations with the donor community. (See Chapter 1 of the synthesis report).

⁴ An OED mission, comprising Mr. Del Fitchett (OED consultant) and Mr. Abou Diallo (local consultant) visited Mauritania during June 21–July 8, 2003 in order to meet with the authorities, the private sector, NGOs and donors. Annex 7 presents the list of persons interviewed in both Nouakchott and Washington.

⁵ See Annex 9 for a summary of the survey results.

B. COUNTRY BACKGROUND

I. Geographical Context

4. Mauritania is a sparsely populated country at the western extremity of the Sahara. More than 90 percent of the land is desert and only the southern extremity supports rain-fed vegetation. The population was estimated at 2.7 million in 2000, with a growth rate of 2.6 percent per year. Mauritania has the world's third lowest population density after Mongolia and Namibia. At independence in 1960, 95% of the population were either in rural settlements or nomads, with only 5% of the population living in urban conglomerations. Due to heavy rural-urban migration, particularly over the last decade, more than half the population now lives in urban centers. Today only 5% are nomads, and one-third of the population lives in Nouakchott, the capital. Mauritania's ethnic mix reflects the country's history and geographical position and is divided between Moors and black Africans. Its society is roughly 70% Arabic-speaking Moors and 30% members of the southern-based ethnic groups, Pulaar, Soninke, and Wolof. Virtually all are Sunni Muslims.

II. Political Context

5. Mauritania was a one-party state from independence in 1960 until July 1978, when the country's first president, Moktar Ould Daddah, was ousted in a bloodless coup. A military dictatorship ruled from 1978-92. The current President, Maaouya Ould Sid'Ahmed Taya, became the fourth military ruler in Mauritania after a palace coup in 1984. The country adopted a new constitution in 1991 and held presidential elections in 1992, when General Taya was elected President without effective opposition. In December 1997, he was reelected President, receiving over 90% of the vote in an election marred by fraud and boycotted by the opposition. While some 24 opposition parties exist, the legislature remains overwhelmingly in the hands of the ruling party, the PRDS (Parti Republicain Democratique et Social). There is an active independent press that is sometimes censored and controlled by the Government. Despite a very weak opposition, concerns about political stability persist, due to frequent conflicts between factions in the ruling camp. The most recent manifestation of this was the attempted coup in early June, 2003. Presidential elections were held in November, 2003 and President Taya was reelected for a third term, amid accusations of fraud from the opposition.

6. The government bureaucracy is composed of traditional ministries, special agencies, and parastatal companies. The Ministry of Interior controls a system of regional governors and prefects modeled on the French system of local administration. Mauritania is divided into thirteen regions (called wilayas), including the district of Nouakchott. An appointed governor (wali), who represents the Ministry of Interior, heads each wilaya. Elected local mayors' councils, however, hold limited authority. The Mauritanian administration is highly centralized, with all major offices and agencies headquartered in the capital.

III. Poverty

The Dimensions of Poverty in Mauritania

7. While substantial progress has been made in reducing poverty in Mauritania, it continues to be a serious problem (see Box 1). Between 1990 and 2000, the proportion of individuals estimated to be living on income below the poverty line declined from 57 percent to 46 percent with the decline occurring primarily in the urban areas⁶. Overall, the groups most vulnerable include independent farmers and agricultural salaried workers in the Senegal River region, as well as an important part of the population from urban settlements, which are mostly unemployed, or engaged in the informal sector.⁷

8. As illustrated in Table 1 below, the incidence of poverty declined between 1990 and 2000, but poverty remains widespread in riverine and rural areas. A regional analysis of the distribution of household per capita expenditure shows that inequality is higher in the urban centers, including Nouakchott, but lower in other rural areas. Inequality as measured by the Gini coefficient has worsened between 1990 and 2000. This is in contrast to the overall trend in poverty observed over the past ten years. Thus the poor appear to have benefited less from growth.

Box 1. Poverty in Mauritania

Droughts in the 1970s and 80s transformed Mauritanian society from largely nomadic to mostly sedentary. The consequences for poverty include:

Traditional economic roles have been changing. Pastoralists have had to become farmers, people have migrated to the cities with unmarketable skills, and women now perform tasks formerly done by men in addition to their own traditional roles.

Conflicts over land ownership are arising. Landrights are being disputed between customary owners and modern investors and between sedentary farmers and pastoralists.

Traditional social safety nets have eroded as a result of changes in lifestyle and migration.

Social service delivery is challenging. In urban areas demand exceeds public sector capacity and in rural areas providing services to a poor and/or nomadic population is costly.

Source: World Bank Poverty Assessment 1994

Table 1: Mauritania – Incidence of Poverty (In percent)

	1990	1996	2000		1990	1996	2000
Below the poverty line				Geographic distribution			
Total population	57	51	46	Nouakchott	36	21	25
Urban households	--	30	25	River-based rural	74	60	72
Rural households	--	66	61	Nonriver-based rural	69	72	55
				Other towns	45	39	26
Extreme poverty				Inequality			
Total population	28	33	31	Gini coefficient	34	38	39
Nouakchott	13	08	12				
River-based rural	39	37	54				
Nonriver-based rural	39	53	39				
Other towns	18	22	13				

Source: *The Islamic Republic of Mauritania Country Assistance Evaluation*, table 1.1, OED, forthcoming.

⁶ 2000 Integrated Household Survey

⁷ In 1990, the absolute poverty line was established at an annual expenditure equivalent of UM 32,800 per adult. In 1996, the absolute poverty line adjusted for inflation was set at an annual expenditure equivalent of UM 53,840. In 2000, this line was set at UM 67,316 per adult. The extreme poverty line was defined as an annual expenditure of

9. The working population is estimated at 700,000 people, of which the formal sector, including the civil service, employs about 70,000. Urban unemployment, a result of rapid rural-urban migration and the inability to absorb the unskilled labor force, is estimated at 26 percent. Vulnerable groups include households headed by people of 60 years or more, households deriving their income mainly from agriculture, intermittent laborers in the urban informal sector, populations of the *bidonvilles* (spontaneous urban settlements), and the unemployed. Female-headed households have an incidence of poverty systematically lower than the national and male-only estimates, and they are more vulnerable than those headed by men, mainly due to lower female school attendance and obstacles towards employment.

Social Indicators

10. Mauritania's social indicators are somewhat above the averages for sub-Saharan Africa and have been improving significantly in the last decade. In particular, Mauritania has made substantial and rapid improvements in education. Primary school enrollment for 7-12 year olds rose from 49 percent in 1986 to 84 percent in 2001 with a completion rate of about 62 percent. Literacy has increased to 57 percent overall and compares favorably with the sub-Saharan African average of 37 percent.⁸ Access to primary health care has increased from 30 percent in 1990 to about 70 percent in 2001. The rural poor continue to have lower literacy rates, access to water and electricity compared with the national average. While infant and child mortality rates decreased between 1996 and 2000, the numbers for stunted growth due to malnutrition are higher than the sub-Saharan African average.⁹

IV. Economic Policy and Performance

11. In the past two decades, Mauritania has been transforming from a small, poor country with a predominantly nomadic population, limited economic base, and poor social indicators. The economic structure presents a sharp contrast between a relatively small modern sector and traditional subsistence sectors. There are prospects for increased activities in tourism and there have been promising results from the initial exploration of off-shore hydrocarbon resources

12. The Mauritanian economy performed erratically during the last three decades, influenced by political and social instability, and external shocks including drought and fluctuations in mineral prices. As illustrated by Table 2, during the ten years 1970-79, GDP grew at a rate of 2.7% p.a., but with wide fluctuations. During the 1980's, the government embarked on an ambitious program of external borrowing and public and publicly guaranteed debt outstanding rose from US\$ 717 million in 1980 to US\$ 1.8 billion in 1990.¹⁰ Nevertheless, GDP growth performed modestly, averaging 2.2% p.a. during 1980-89, again with considerable inter-year variation. The government continued to borrow during the 1990s from multilateral and bilateral official creditors and largely on concessional terms. The level of external debt peaked in 2000 at US\$

UM 40,709 '(1996) and UM 50,897 (2000). The poverty lines in 1990, 1996 and 2000 were fixed to correspond with the measure used by the World Bank for low-income countries, of 1US\$ per day.

⁸ EPCV 2000

⁹ European Development Fund, 2000.

¹⁰ External debt figures from, *Global Development Finance, World Bank, 2003*.

2.2 billion.

13. In 2000 GDP growth rose to 5.2%, and then fell back to 4.0% in 2001 and 3.3% in 2002. Table 2 summarizes the average GDP growth rates and their variability over time. While the average growth rate rose substantially over the past decade, the standard deviation of the growth rates decreased. This change in the nature of growth, towards less variability or instability, escaped the notice of many official documents, which stress the variability that characterized growth in the 70's and 80's, but was less significant since 1993. The performance of several of the key macroeconomic indicators over the past decade is presented in Annex 3.

Table 2: Mauritania: GDP Growth 1970 – 2002

Period	Average GDP growth rate (%)	Standard Deviation
1970-79	2.7	6.4
1980-89	2.2	2.9
1990-99	3.4	2.2
2000-2002	4.1	0.7
1993-2002	4.4	0.9

14. Structure of the Economy.

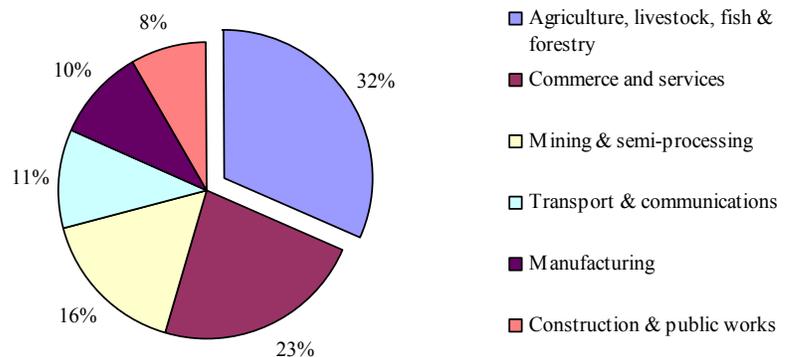
Mauritania shares the characteristics of many other small, African economies which include: an underdeveloped industrial sector, an informal sector of low productivity, reliance on few exports for foreign exchange, including iron ore and fish, weak public sector

management, and heavy external indebtedness. These weaknesses have been exacerbated since the late 1970s by creeping desertification, stagnation in the world price for iron ore, unproductive investments, and conflicts with neighbors. Mauritania's economy is dominated by livestock

production and fishing (see Chart 1). Less than 1% of the land is arable and agriculture contributed only 3.5% of GDP in 2001. Mauritania suffers from a food deficit; cereals represent the largest crop both in terms of output and area cultivated, yet in 2001 domestic production of cereals was only 40% of total supply. The rest was imported or received as food

aid. Fishing and mining (mostly of iron ore) have dominated exports. Mauritania contains considerable mineral resources besides iron ore, such as copper, cobalt, diamonds, gold, gypsum and phosphates, but only iron ore is exploited commercially. Revenues from hydrocarbon reserves are expected to constitute a major source of income for the county.

Chart 1: Structure of the Economy in 1999 (% GDP)



15. Constraints to Development. Mauritania enjoys a 200-mile Exclusive Economic Zone along its 754 km Atlantic coast, and its fishing grounds are some of the richest in the world. In 1999, the sector was the country's second largest foreign exchange earner. However, the sector has been adversely affected by problems including lack of an effective fisheries policy, sectoral mismanagement, over-fishing, and limited technical ability to monitor and control the EEZ.¹¹ The EU and African Development Bank (AFDB) are collaborating to develop traditional fishing.

¹¹ See EIU Country Profile 2002.

This sub-sector produces less revenue but generates more jobs than industrial fishing.

16. **Agriculture and livestock** play an important role in Mauritania, employing about 45% of the working population. However, Mauritania's cereal production continues to be insufficient to meet domestic demand. The Senegal River Valley region, where the country's arable land is located, has in recent years attracted increasing numbers of local investors. Recent Government measures aim to stimulate, liberalize, and rationalize agricultural production. Backed by foreign donors, Mauritania, Senegal, and Mali established the Organization to Develop the Senegal River (OMVS) and have constructed dams in Diama, Senegal and Manantali, Mali for navigation, production of electrical power generation, and irrigation. The government views agriculture and livestock as priority sectors for further growth and reduced dependency on imports and the Government has adopted a long-term development strategy for the agricultural sector that aims to increase the role of agriculture in the national economy.

17. **Infrastructure Deficiencies** are a serious constraint to development in Mauritania. The availability and distribution of potable water, for both direct consumption and commercial/industrial uses is inadequate. Urban waste management systems are inadequate or nonexistent. The availability and reliability of electricity is limited, and relatively expensive, especially for light industrial purposes. The extent and quality of the road network is inadequate to move raw materials and finished goods. An exceptional success story in this area is the telecommunications sector, which has undergone considerable modernization and expansion in recent years, following the privatization initiatives of the authorities.¹² Expansion and improvement of seaports and air transport infrastructure must also continue.

IMF Support for Policy Reforms.

18. The Enhanced Structural Adjustment Facility (ESAF), initiated by the IMF in 1992 played a key role in supporting a series of economic reforms.¹³ Mauritania continued the reform program which it began in 1992, under a new ESAF arrangement for 1995-97. The government took steps to liberalize the trade government and the foreign exchange system, customs administration and tax collection were strengthened, and public expenditures were brought into further discipline. A further three year program under ESAF was converted into a Poverty Reduction and Growth Facility (PRGF) in November 1999.

19. The ESAF/PRGF period was accompanied by a program of structural reforms, including the commencement of privatization of Air Mauritania and the state telecom operator.¹⁴ The telecom services were open to private sector investment, and a regulatory framework in the telecom and postal services was established. The structural reforms also played a role in enticing private investment to the mining sector which had always been open for investment. Numerous fiscal and civil service reforms were pushed ahead. More difficult issues were the spread between the official and the parallel foreign exchange rate, distortions in the tax system specifically among the corporate tax

¹² The WB supported the development and implementation of a privatization strategy and expanding access to communications and information services with a US\$ 10.8 million credit.

¹³ Annex 1 presents a listing of the reform measures undertaken over the last decade.

¹⁴ The privatization of the electricity company SOMELEC was originally intended to be included in the list of measures, but was delayed, in large part due to a crisis in the international markets and subsequent lack of interest among international companies.

and the wage and salary tax, and weaknesses in the accounting system and the quality of monthly fiscal reports. In support of the efforts of the government, the IMF in July 2003 approved a further three year PRGF loan of US\$ 8.8 million. This new program seeks to increase growth and reduce poverty by focusing on banking and exchange rate reform, capacity building, and governance - which are said to have been the main weaknesses of the previous arrangement - while maintaining macroeconomic stability. For the medium term, the macroeconomic framework targets an inflation rate of less than 4 percent, and an ambitious increase in the growth rate of about 5 percent to 6 percent p.a. until 2005.¹⁵ The level of official reserves is expected to be equivalent to at least 5 to 6 months of exports, under the program. The increased growth envisioned under Mauritania's PRGF-supported program is expected to come from a rebound in the traditional sectors of the economy - agriculture and livestock - continued growth in services, and potentially from oil. Growth is expected to be further underpinned by a broad range of structural reforms envisioned under the PRGF-supported program.

V. National Poverty Reduction Strategies prior to the PRSP

20. The first national poverty reduction strategy was formulated for the period 1994-98. The 1994-98 *Stratégie de Lutte contre la Pauvreté et du Développement a la Base* was presented at a Donor Consultative Group meeting in May 1994 and was accompanied by a five-year action program. This action plan was aimed at income generation, promotion of labor-intensive works, community participation, and demand-driven programs. The implementation was based on a “learning by doing” approach in three phases over a five-year period. It mainly included the construction and rehabilitation of infrastructure and the promotion of micro-enterprise programs, geographically targeted according to the findings of the 1988/90 LSMS. The document sought to emphasize a “bottom-up” approach. The 1994 World Bank Poverty Assessment notes that many aspects of the 1994-98 action program were not very clear, including the selection criteria of requested projects, the selection of groups to execute the works, the financing mechanisms between the central unit and the communities, and the project review process.

21. The 1998-2001 *Programme National de Lutte contre la Pauvreté*, (PNLP) was presented at a CG meeting in March, 1998. It was an update of the earlier strategy, and was conceived and coordinated by the newly established *Commissariat aux droits de l'homme, a la lutte contre la pauvreté et a l'insertion* (CDHLCPI) in association with concerned ministries. The Government had established the Commissariat in 1998 with a mandate to formulate, promote, and coordinate national policies in the areas of human rights, poverty reduction and social integration in consultation with relevant ministries. In terms of poverty alleviation efforts, the Commissariat has two broad areas of responsibilities: poverty analysis and monitoring, as well as design and implementation of priority targeted action programs aimed at meeting basic needs of the poorest.¹⁶ It has worked in consultation with NGOs, regional elected representatives, local administrations, as well as the National Statistical Office and other relevant institutions. An Interministerial Poverty Reduction Committee (*Comité Interministeriel de Lutte contre la Pauvreté*, CILP), was created in 1999. It is chaired by the Prime Minister, and is responsible for supervising the production and validation of the PRSP. It has worked under the coordination of

¹⁵ Mauritania has not achieved an average three-year growth rate of this magnitude since the mid-1970s.

¹⁶ A specific area of responsibility is the integration of unemployed people with a diploma in the labor market.

the Ministry of Economic Affairs and Development (MAED) in consultation with the CDHLCPI.

C. THE PRS PROCESS

22. The PRSP was completed in December 2000, and presented to the Bank and the Fund in early 2001. The country achieved HIPC Completion Point in June 2002, following endorsement by the Bretton Woods Institutions (BWIs) of the first Annual PRSP Progress Report.¹⁷ Table 3, below, provides a timeline of key events in the HIPC/PRSP process. Mauritania was granted US\$ 173 million in debt service payments relief from the Bank, as part of a total reduction of US\$ 1.1 billion in debt service payments to bilateral and multilateral creditors.

I. Preparation

23. **The HIPC Initiative.** The 1997 World Bank CAS raised the possibility that Mauritania would be eligible to participate in the HIPC initiative, pending further assessments of debt sustainability issues¹⁸. In light of those assessments it was considered appropriate to proceed with the HIPC initiative. In late 1999, the external donor community in Nouakchott was approached by World Bank staff based in the Resident Mission with the proposal that they work with the authorities in the preparation of a Poverty Reduction Strategy Paper, as part of the process by which Mauritania would access debt service relief under HIPC. As one of the early participants in the program, the country did not prepare an Interim PRSP and began preparing a full PRSP. While there were very few guidelines available at the time to orient that preparatory work, the donors joined in the effort. One early example of donor contributions to the PRSP was from the German Technical Assistance Mission (GTZ), which redirected an expert to the Commissariat to assist the process.

Table 3: The HIPC/PRSP Timeline

Action	Date
Mauritania declared eligible for HIPC initiative	January, 1999
PRSP preparation begins	End-1999
HIPC Decision Point	February, 2000
BWI endorsement of PRSP	January, 2001
PRSP presented to Consultative Group	December, 2001
First PRSP Progress Report completed	March, 2002
HIPC Completion Point	May, 2002
Second PRSP Progress Report completed	June, 2003

24. The preparation of Mauritania's PRSP started in December 1999 during the "Outreach and Consultation Meetings on the National Poverty Reduction Strategy" which took place in Nouakchott.¹⁹ The authorities used the meeting to secure the broad-based involvement of a variety of stakeholders. Several committees were organized including the *Donor's Committee* consisting of representatives of all development partners located in Nouakchott and a *Consultative Committee*, chaired by MAED, composed of the top officials within the main ministries, associated agencies, locally elected officials and representatives from civil society.

¹⁷ It may have been premature to issue a Progress Report at the time, as the PRSP program only started in 2002.

¹⁸ 1997 CAS p. 7

¹⁹ The timeline for local involvement in the preparation of the PRSP is presented in Annex 5.

Technical support was provided by a committee presided by the Counselor on Development Policy within MAED. This committee included a coordinating secretariat, representatives of the technical ministries, and the Chairs of twelve technical working groups established on a variety of themes. Each of these groups included representatives of the respective technical ministries, civil society, experts and donors.

25. The preparation of the PRSP appears to have been accelerated by having the task assigned to the recently established Commissariat. The Commissariat was headed by a series of politically well-connected leaders who provided a focused working environment for a young, energetic and capable group of professionals. Such support at the highest level, in a context of scarce capacity, helped ensure that the original PRSP was prepared within the given time frame. The Commissariat staff interacted well with donor representatives and adapted to the donor “language” with which the PRSP process was imbued, e.g., ownership, participation, transparency, accountability, governance, etc. However, the subsequent transformation of the Commissariat from a planning and monitoring agency into the principal PRSP *implementation* agency carries a significant risk of undermining the role and capacity of the line agencies charged with executing the poverty reduction program.

II. Country-led with broad based participation.

26. The PRS process was supported at the highest levels of the political process, under the personal auspices of the President of the country and the Prime Minister. Both publicly recognized poverty reduction as an important objective, pushed the government to set goals, and authorized the formation of an inter-ministerial committee headed by the Prime Minister.

27. The participatory process undertaken during PRSP preparation was more substantial than had previously been attempted in Mauritania. A national dialogue on the PRSP was sought through a variety of seminars and sessions. The PRSP draft was presented to both civil society and NGOs in two sessions. Additionally, four inter-regional poverty reduction seminars were organized in November 2000 which were attended by elected officials, representatives of NGOs, civil society, and development partners active in the thirteen *wilayas*. Moreover, in order to finalize the PRSP, national sessions on poverty reduction were held. Participants at these *General Assemblies on Poverty Reduction* were representatives of the Parliament, mayors’ offices, NGOs, official representatives of labor unions, and development partners.

28. **The PRSP was formally approved by Parliament** in the "Loi d'Orientation" on poverty reduction, voted by the parliament during its legislative session in July 2001, some months after the PRSP’s presentation to the BWI. The legislature also directed that the PRSP be implemented through *Regional Poverty Reduction Programs (PRLP)* to be gradually prepared for each of the 13 wilayas. The regional strategies are expected to be carried out in a similar manner to the PRSP and including a participatory process, a diagnosis of poverty in the wilaya, and a comprehensive approach to poverty reduction and development. The Commissariat has recently initiated this effort with support from the French authorities and GTZ and has contracted a local consulting firm (CMAP) for part of the conceptual work. The passage by Parliament of the Loi adopting the PRSP is additional evidence of strong country ownership of the process

29. **NGO participation was organized mostly by the government**, which has sought to establish a national umbrella group for the local NGOs. Participation by NGOs in the twelve thematic working groups has been uneven, and there has been a lack of interest/capacity among NGOs to participate in macroeconomic discussions. Lack of expertise within the groups made it difficult to produce a professional technical document, so national consultants (often working closely with BWI staff) were hired to speed up the preparation of documents. According to some observers, meetings tend to be highly structured with little opportunity to depart from the agenda developed by the authorities or to question the basic approach to some issues.

30. It is also **difficult to assess the depth of civil society participation in the PRSP process**. Interviews conducted with national stakeholders suggest that participation is only partial. Participation by civil society will require strengthening of the capacity of their representatives, including not only the local NGOs and the formal private sector but also the informal sector, which is the principal source of employment and earning for much of the private economy. A major problem for the donors working to strengthen and empower these groups is that the donors often work through the authorities, which permits the government to pick and choose its favorites and filter the aid to them on that basis.

31. **Private sector involvement in the process has been limited**. The authorities established a Government/Private Sector Consultative Group in order to identify and discuss issues, but private sector groups and individuals often appear to prefer to operate through more informal contacts with their customary interlocutors in the government.

32. While involvement from representatives from many different stakeholder groups was sought, the government acknowledges that the **PRS process has not reached the local level yet**, and it is making efforts to increase its outreach in urban areas, and while dissemination of the strategy in local languages continues. All mayors have a copy of the PRSP, the PRSP is available on the internet, discussed on television, and an Internet "Cyber Forum" has been created for discussion. Yet senior government officials involved closely with the process note that the quality of discussions at the national level has not been matched at the local level.

33. **The effectiveness of participation is still open to question**. There is a lack of clear criteria and measurement tools with which participation can be assessed. The mission noted that it was still not clear what relationship legitimate democratic processes were to have with the PRSP process, and how symbiosis would be achieved.

34. **The sustainability of country ownership and commitment for the PRSP has not yet been demonstrated**. More than one external donor alluded to the danger of "desoufflement" or policy fatigue on the Mauritanian side, once the HIPC completion point was passed and debt service relief resources are irrevocably committed. The ultimate test of Government commitment to the process will be whether it continues without donor encouragement. Politically, it is unclear what the implications of the recent elections will be, and the effects of the coup attempt of June, 2003 have been variously interpreted.

35. Another question for the PRSP process in Mauritania, is its potential role in the distribution of **financial resources from the exploitation of off-shore hydrocarbon reserves**. The PRSP framework could be a potentially useful one for seeking to assure that part of those resources be assigned to productive poverty alleviation activities.

III. Comprehensive

36. **Diagnostic.** Building on earlier Bank studies of the nature of poverty in the country, the PRSP attributes low real per capita growth in Mauritania to the economy's vulnerability to external shocks (export prices and rainfall), the low level of domestic savings, and inadequate overall factor productivity. Rural poverty reduction, according to the PRSP, is constrained by the low levels of agricultural production due to low availability of water, access to land, lack of financing and infrastructure, inadequate research and extension, a low degree of integration of livestock into the formal economy and the small size of the domestic market. Economic activities and opportunities for the urban poor have been constrained by the precariousness of land tenure, absence of accessible financing, inadequate skills based, and lack of infrastructure and social services. In addition, the harshness of Mauritania's terrain, its vulnerability to drought, its external debt, high birth rates, continued migration to the urban areas, weaknesses in the managerial capacity of the administration, and low capacity amongst civil society are also cited as key challenges to poverty reduction. Poverty, according to the PRSP, is conceived of as a multidimensional phenomenon that affects both income and living standards (access to basic services). Monetary poverty measures include the incidence of poverty,²⁰ the depth of poverty, and the severity of poverty. Poverty in terms of living conditions is measured by indicators with respect to education, health, access to potable water and quality of housing.

37. **The poverty diagnosis in the PRSP used outdated data**, as the 2000 EPVC Household Survey results were not yet ready at the time of its preparation. It compares information from surveys in 1990 and 1996 with some updated data on health and education. Due to insufficient comparability and precision, it does also not allow for any in-depth analysis for example by socio-economic groups. Finally, while these broad survey results depict broad trends in poverty at the national level, they may not be useful monitoring tools for assessing the shorter term impacts of specific poverty alleviation actions in a local context. The 2000 survey results provided more detailed data which the Progress Reports made use of in updating the strategy. The survey, which will be carried out annually, included, coverage throughout the country, greater insight into poverty as perceived by households and their participation in public or community activities, as well as their opinions on the functioning and quality of public services.

38. The long term goal of the Mauritania PRSP is to reduce the number of people living under the poverty line to below 27% by 2010 and to under 17% by 2015. The government also aims to reduce by half the number of rural poor by 2015. In order to achieve these goals the PRSP targets an average growth rate of over 6% in the medium-term (2001-2004). Under these overall targets, the PRSP outlines five priority areas; *rural development, urban development, education, health and water supply*. The specific priority goals include: reaching universal schooling by 2004, enhancing the retention rate to over 65% and eliminating illiteracy and gender and regional

²⁰ The EPCV surveys used US\$ 1 per person per day which equals UM 53.841/year in 1996 and UM 40.701/year for extreme poverty.

disparities in the long run. In health, reducing infant and child mortality to 90 per thousand or 130 per thousand respectively and achieving universal access to basic health care (80% of the population should have access to facilities within 5km). In terms of water supply the aim is to equip all villages over 500 inhabitants with drinking water supply systems by 2010 as well as to increase the household water connections to 85% in urban areas by 2015.

39. The government's strategy for the medium term focuses on accelerating private sector-led growth, and improving living standards through the creation of an environment conducive to private sector development. Progress in the medium term will depend on sustained implementation of sound macro-economic policies, deepening of structural reforms, build-up of institutional capacity, and developing sound governance practices in key government services.

IV. Costing and implementation of the PRSP

40. There has been **considerable variation in the estimated costs** of the PRSP program from year to year. The total cost of the 2002-2004 program almost tripled between the PRSP and the second Progress Report, as demonstrated in Chart 2 below. The first Progress Report projected very large increases in expenditures in health and education, based on recently completed MTEFs in those sectors. Projected costs for education in 2002 tripled between the PRSP and the first Progress Report.

41. **Actual expenditures have fallen far short of the projected costs.**

Table 4 depicts projected and actual spending as reported by the second PRSP Progress Report and illustrates the overall shortfall in expenditures in 2002. With the exception of health and rural development the low

levels of spending emphasize the low absorptive capacity of the Mauritania public sector for additional resources. Projections for education were not realistic, given actual spending of only 35%, and in the second Progress Report projections for the sector were revised down to UM 8,494 million, almost a quarter of the previous estimate for 2003.

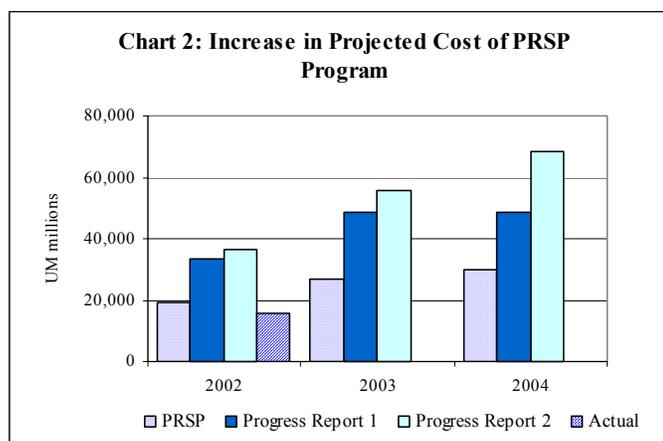
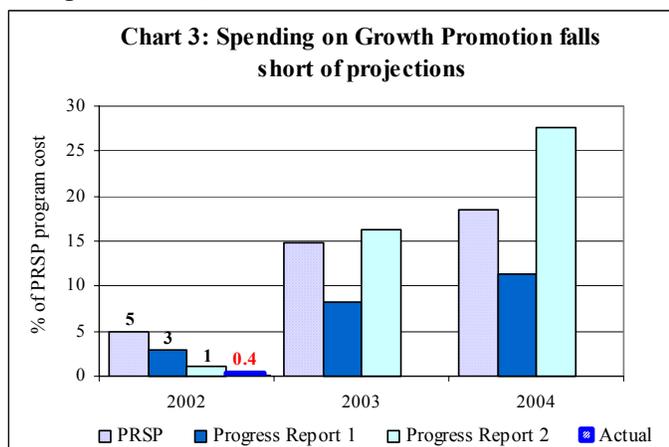


Table 4: Actual versus Projected costs of PRSP priority areas in 2002

Priority Area	2002 projected			2002 actual	
	PRSP	PR 1	PR 2	amount	% of PR2 proj.
Growth	945	945	381	70	18%
Rural Development	3671	3671	3677	3108	85%
Urban Development	4500	4500	6850	550	8%
Education	5604	15989	15989	5624	35%
Health	2697	6430	7448	5784	78%
Water and Sanitation	1482	1482	1482	610	41%
Governance and ID	140	140	140	0	0%
PRSP Info. sys.	250	150	150	0	0%
Total	19,289	33,307	36,617	15,856	43%

42. Spending on ‘growth promotion’ is projected to increase dramatically but actual spending has not taken place. As illustrated in Chart 3, both the PRSP and the Progress Reports project large increases in allocations for growth promotion, to almost 30% of the total cost of the PRSP Program by 2004. Actual spending in this areas has been much less, amounting to only 0.4% of total PRSP allocations, against a modest target of 1% of total expenditures for 2002. In real terms spending on growth promotion in 2002 was only UM 70 million against a target of UM 381 million. Increasing the level of expenditure in this area to UM 18,915 million by 2004 is a challenging prospect for the government.

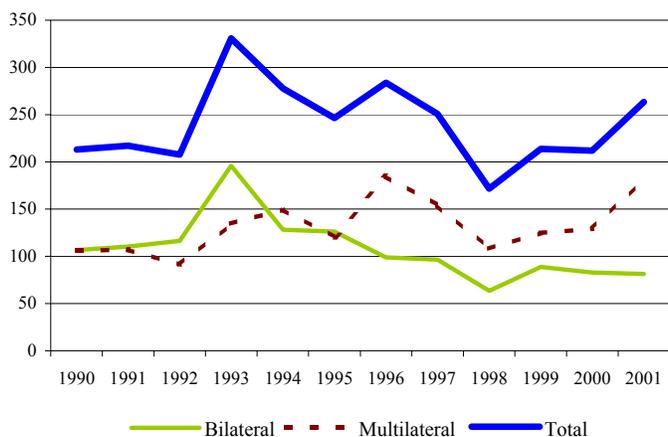


43. To some extent, these spending shortfalls reflect continued inefficiencies in the expenditure planning, budgeting, execution and reporting processes. While earlier Bank and Fund technical assistance has addressed some aspects of these problems, much remains to be done in these areas, as well as with respect to the appropriate fiduciary controls and safeguards. Given the short implementation period (only 2002) of the PRSP program, a more robust assessment of the PRSP’s impact on expenditures based on a few years of implementation is not possible.

V. Partnership

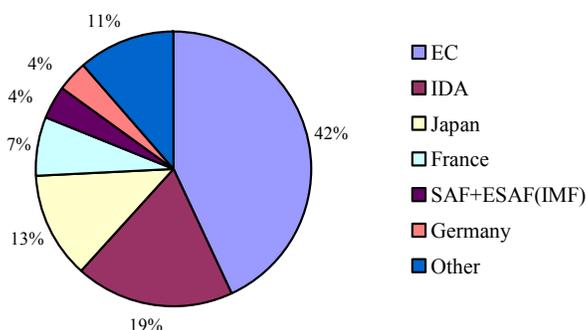
44. In 2001 the three largest donors in Mauritania were the EC, IDA and Japan, which together contributed 74% of the \$269 million of disbursements that year (see Chart 5). Total disbursements in 2001 continued the three year upward trend following an eight year low in 1998 (Chart 4). Multilateral assistance has increased as a share of total aid due to increased reliance on concessional finance. Details on the alignment of the operations of the Bank and other donors are presented in Annex 6.

Chart 4: Disbursements, 1990-2001



Source: OECD/DAC Database

Chart 5: Disbursements by Partner FY2001



45. The primary vehicle for donor coordination has been the Consultative Group meetings (CG) held every three years through which the Government has presented and received support for its development objectives. The meetings have also encouraged closer coordination between the World Bank, the UN agencies, the IMF, EU, AfDB, and bilateral donors. In December 2001, the fourth CG meeting was held in Paris and donors pledged US\$412 million to support implementation of the Public Investment Program (PIP) for 2002-05. The quality of donor coordination is considered by most stakeholders to be good in Mauritania. The 2002 Bank CAS notes that progress can still be made, however, in cross-cutting areas such as governance, decentralization, public sector reform and the environment.

46. Donors have reportedly been receptive to the PRSP in Mauritania although some raised concerns over the perceived high profile of the Bank and IMF in the process. The early enthusiasm of some of the donors waned with the arrival of a series of missions from Washington, as they perceived the process was essentially brought under the control of the BWIs, with respect to priorities, timetables and presentation. Donors have been mapping their programs to PRSP priorities as illustrated by the matrix of donor activities in Annex 6. Donors have yet to shift from a project-based approach to general budget support and there is considerable distance between donors on standards for auditing and procurement. One example of this were the quarterly reports to donors on the use of HIPC resources which some donors did not consider adequate. Donors also expressed concern over the quality of the poverty reduction monitoring measures accepted by the BWIs to assess PRSP performance. More recently, donors have expressed disappointment at their low level of involvement in the formulation of PRSP progress reports.²¹

²¹ World Bank, *The Islamic Republic of Mauritania Country Assistance Evaluation*, (OED, forthcoming).

D. WORLD BANK SUPPORT

47. This section assesses the World Bank's support to Mauritania in preparation of the PRSP and in supporting its implementation. The five sections below cover the Bank's program of assistance as set out in the Country Assistance Strategy (CAS) and its alignment with PRSP priorities, the delivery of Bank assistance, the Bank-country relationship, Bank support for donor coordination, and finally the quality of the Joint Staff Assessment process used by the BWIs to endorse PRSPs.

I. The World Bank CAS and Alignment of Planned program

48. The World Bank supports the implementation of the PRSP through the CAS of May 2002 which states that the Bank's main objective for FY03-05 is to assist the authorities in implementing the PRSP. It notes that in the preceding CAS period, Mauritania performed well in macroeconomic stabilization, private sector development reforms, and improved its social indicators. Portfolio performance, though good, was slower than projected, owing to continuing problems including, relatively low absorptive capacity, and weak implementation and monitoring capacity. The CAS notes that the major risks to the CAS implementation are Mauritania's vulnerability to external shocks (including climate) and the ability of Mauritania to change its traditional export base and competitiveness. The CAS reinforces the Government's view of key risks to the PRSP program in general, which have evolved from concerns about external shocks, in the PRSP, to include absorptive capacity and financing of the plan, in the subsequent Progress Reports.

49. The CAS has the following strategic elements:

- Lending and non-lending operations have been specifically designed to support implementation of the four strategic axes of the PRSP (outlined below);
- Capacity building is the main emphasis
- The focus of the Bank's lending program is programmatic support through three Poverty Reduction Support Credits (PRSC);
- Fiduciary issues are to be fully taken into account within the scope and sequencing of the PRSCs; and
- The shift to programmatic lending through the PRSCs will be underpinned by the Bank's core diagnostic ESW.

50. The CAS sets out base case lending for the FY03-05 program at around \$110 million, and as much as \$140 million in the high case. The Bank will support PRSP implementation in a selective and complementary way and will shift its focus from adjustment and investment operations towards sectoral and cross-cutting management and capacity-building issues. A series of PRSCs are proposed to form the centerpiece of the Bank's strategy. This focus on PRSCs was justified by Mauritania's strong macroeconomic progress thus far, an improved fiduciary framework, the existence of MTEFs in health and education (which permits capacity building at a sectoral level), and the ability to promote greater country ownership and donor collaboration via a PRSC linked to the PRSP. The PRSCs would take a progressively larger part of the lending program, underpinned by the Bank's core diagnostic ESW. The shift to programmatic lending will be phased in gradually, during which time the Bank will also continue with selected

investment projects targeting poverty reduction, institutional strengthening, and capacity building.

51. **The Bank's program has been well aligned with the PRSP.** CAS lending and non-lending operations for FY 03-05 are specifically designed to support implementation of the four strategic axes of the PRSP. **The first axis, accelerating private-sector growth,** is supported by a Financial Support Reform Operation, a series of PRSCs, and a Partial Risk Guarantee to assist the Government in the pending privatization of its national electricity company SOMELEC. The proposed PRSCs would support the strengthening of public sector management and financial management, support judicial reform and capacity building in the Ministry of Finance, the Commissariat, and the Ministry of Health.

52. **The second PRSP axis, growth anchored in the economic environment of the poor,** is supported by an Urban Development Program and the Aftouf-Es-Saheli Water Supply Project. The Bank will support Government via an MTEF for the Infrastructure Sector and by continuing its work on municipal taxation.

53. The Education Sector Development Program will form the basis for the Bank's assistance in **the third axis, developing human resources and ensuring universal access to basic infrastructure and services.** This is to be accompanied by advisory services to measure the progress in the health and education sectors, specifically support for yearly rapid surveys and a Demographic and Health Survey in 2004. IDF grants for the promotion of the application of the law and the advancement of the legal status for women and for PRSP implementation will also be extended into FY03.

54. The proposed PRSC program, an Institutional and Capacity Building Project for Natural Resource Management, and the Mining Sector Capacity Building Project will support **institutional development and governance, the fourth axis of the PRSP.** Core diagnostic work such as a PER, CFAA, CPAR is planned to support the government's efforts in governance and also lay the framework for the PRSC. An IDF grant for completing procurement reform, several WBI activities on aspects of the PRSP process and public expenditure management, an economic regulation study, and advisory activities in budget formulation, execution, monitoring of poverty-reducing public expenditure, fiduciary frameworks and fiscal decentralization, would enhance capacity in this area. A PRSTF grant was proposed to support monitoring and evaluation activities for implementation of the PRSP.

II. Delivery of Bank assistance

55. During the first year of this CAS cycle, **the level of Bank lending has been less than foreseen in the CAS.** Two activities, a Mining Sector Capacity Development Credit and a US\$ 21 million grant for HIV/AIDS, were approved at the start of FY 2004. The other planned FY 2003 projects for financial sector reform and the first of a series of PRSC have slipped. The largest project in terms of net commitments is an Urban Development Program (\$70 million), followed by an Education Sector Development Program (\$49.2 million) and an Integrated Development Program for Irrigated Agriculture (\$38.1 million).

56. The **Bank's ESW program provided inputs into the PRSP process**. Between 1998-2000 the Bank substantially increased the size of its ESW program for Mauritania in order to better support issues related to poverty reduction and growth. The Bank also changed its approach to ESW, introducing smaller, government-led, analytic products dealing with a broad range of issues.²² Bank support for the Household Survey finalized just after the PRSP provided updated data for the Progress Reports. Macroeconomic modeling advisory services and analytical work on MTEFs in Education and Health contributed to the macroeconomic framework and program planning for the process, and the MTEFs fed into the preparation of the first Progress Report. The Bank completed the planned CFAA in collaboration with the AfDB. Other core ESW products have not yet been completed including the CEM, due in FY03, which was delayed until FY04. The Bank also undertook detailed work on the regulatory government and trade policy. This focus is consistent with several of the five areas in which technical assistance is required, as identified in the first PRSP Progress Report. Poverty and Social Impact Analyses (PSIAs) are planned or underway in public health, education, mining, and water supply expenditures and additional PSIAs are planned prior to major future structural reforms, beginning with the prospective privatization of SOMELEC.

57. It may be timely to **reconsider the near-term introduction of PRSCs** into the lending program, for the following reasons;

- A number of donors interviewed by the evaluation team suggested that the bottleneck is not a lack of financial resources for poverty programs but rather the Government's implementation capacity. This is consistent with the PRSP data presented earlier which illustrates the relatively low rate of execution of 2002 PRSP priority activities.
- There appear to remain a number of fiduciary and safeguard issues which should be addressed and clearly resolved before this new form of lending is implemented.²³

III. Bank-Country Relationship.

58. The 2000 Client Feedback Survey rated the Bank as slightly **more effective than other donors** in Mauritania and the Resident Mission slightly more effective than average for the Africa region. Areas rated highly (and of high importance) were staff's interactions with clients, technical know-how and the Bank's overall contributions to Mauritania's development, particularly in areas related to strengthening the economy. Program support was rated as accurate and project design and implementation as effective. Overall, during the initial phase of the PRSP program the Bank had established a positive working relationship with the authorities.

59. At the same time, the Client Survey emphasized that the **Bank could improve its effectiveness with a greater focus on poverty reduction and social priorities** and communication of the Bank's mission in this area. Specifically the survey results suggest that the Bank should use more local experts in project design, integrate project management into the national administration system to improve long-term project sustainability, and strengthen measures against corruption. It should promote private sector involvement in delivery of public services and support the Government in leading donor coordination. Capacity-building efforts

²² World Bank, *The Islamic Republic of Mauritania Country Assistance Evaluation*, (OED, forthcoming).

²³ According to comments received from Bank staff, Mauritania is better positioned than other countries in the sub-region. Bank staff note that a number of core diagnostic reports have been conducted including a CFAA and CPAR.

could be better coordinated and civil society could be involved more systematically in development work. In light of the feedback received in the Client Survey, the introduction of the PRSP process can be viewed as a highly relevant step in Mauritania.

IV. Bank Support for Donor Coordination

60. The evaluation team found that BWI behavior had led to the perception that donor participation in the PRSP process was discouraged. Informants referred to BWI control over the deadlines and structure of the PRSP and there were numerous observations about the tendency for the BWIs to meet separately in Washington or Paris with the Government in order to prepare draft documents before other donors had the opportunity to make any input. The presentation of the PRSP to the BWI Executive Directors significantly in advance of its enactment into law and prior to its presentation at the Consultative Group Meeting transmitted an unfavorable impression to other donors who expected to participate in the process.

61. The response of Bank and Fund staff to this complaint is that they were following Government requests in proceeding in this manner, that the Government's "ownership" of the process prevented them from acting otherwise. Moreover, staff pointed out that other donors are also perceived to be uncommunicative with respect to much of their own BTOs and debriefing papers. Many stakeholders also commented that the Government is deft at "managing" the donors to prevent them from developing a common position on some issues. The in-country stakeholders emphasized, however, that they had an excellent working relationship with the country office in Nouakchott, and that tensions had only arisen with Bank and IMF HQ staff.

V. The Joint Staff Assessment

62. The **BWIs have not been consistent in addressing participation in the PRSP process.** The JSA of the PRSP both describes and evaluates the participatory process, while the JSAs of the two Progress Reports only describe the participatory process. The guidelines for JSAs of PRSPs require the BWIs to describe the participatory process and whether the PRSP summarizes issues raised and impacts on the content of the strategy. The evaluative content of the JSA in this area is meant to be limited and is suggested not to go beyond the extent to which the participatory process has been integrated with existing processes of the government for policy and decision making. The JSA of the Mauritania PRSP goes beyond the guidelines and comments on the adequacy of the process concluding that, "overall, the process of building broad country ownership of the strategy has been extensive, but could have been more participatory".²⁴

63. The mission found several instances where **the timing of the JSA process had the effect of limiting the participatory elements of the PRSP process.** For example, the JSA of the original PRSP was prepared *before* the National Parliament enacted the PRSP into law, and *before* the PRSP was presented to the Donors' Consultative Group, even though CG group members were supposed to be partners in the PRSP process. The Government prepared the first progress report of the PRSP during the first quarter of 2002, which was premature given that the PRSP was only initiated a few months earlier. The JSA of the second progress report was, at noted earlier,

²⁴ JSA of Mauritania PRSP, January 2001, p. 3

prepared before the participative process involving civil society in Mauritania was completed. And in the case of the recent (June 24-25, 2003) National Forum in Nouakchott to review the draft second annual PRSP Progress Report, participants only received the report upon arrival at the Forum.

Quality of Joint Staff Assessments

64. The JSAs of both the original PRSP and the two Progress Reports **overlooked key features of the PRSP process**. The JSAs should have included a more substantive assessment of the proposed activities including their impact on medium and long term poverty indicators. JSAs do not deal with the scaling back of targets in Progress Reports. Changes in projected GDP and impact on resource allocation and debt not addressed. Public sector efficiency was not addressed, expenditure levels were not analyzed carefully for the quantity or quality of pro-poor expenditures. Implementation capacity is not assessed. Suggestions for improving the monitoring systems tended to very general nature and not instructive about how to quickly resolve defects or upgrade the system in place. And finally, the transformation of the Commissariat from a planning agency to an executing agency, and the risks associated with this, was not adequately discussed.

E. SUMMARY OF FINDINGS

65. The PRSP process is **relevant for Mauritania** and represents a more comprehensive approach to poverty reduction than in the past. The PRSP built on a pre-existing Government focus on poverty reduction which had already resulted in upward trends in poverty reduction and social indicators. Mauritania was one of the first countries to join the PRSP initiative and was motivated to complete a PRSP by the prospect of debt relief under HIPC. An Interim PRSP document was not prepared and a full PRSP was completed in one year based on the existent outdated poverty diagnoses. These deficiencies were addressed in the two Progress Reports when more recent data was used to update the strategies.

66. **Ownership of the PRSP by the Government was strong** at the outset of the process and the final draft of the PRSP document was felt by the Government to be country owned and an improvement on the past frameworks for donor assistance such as the PFP. The PRSP was supported by high-level leadership in Government and was approved by Parliament. The participatory process undertaken during PRSP preparation was more than had previously been attempted in Mauritania, and a number of external commentators have perceived the process to have been successful. Stakeholders in-country, however, report excessive Government control over the choice of participants and issues discussed during formulation of the PRSP and note that the depth of participation has not evolved during implementation. It is also difficult to assess to what extent participation has affected or added value to the PRSP program. **Sustained Government commitment to the PRSP is an area of concern** in Mauritania. The implications of recent political instability in the country are unclear; after achieving irrevocable HIPC debt relief, stakeholders perceived there to have been policy fatigue on the part of Government.

67. Implementation has lagged behind original plans due to **overoptimistic targets and capacity constraints**. Expected costs of the PRSP program have varied from year to year and remain overoptimistic. The first Progress Report included a vast increase in the projected allocations for education and health, although the specific programs remained constant. These cost estimates were subsequently reduced, as expenditures on PRSP priorities reached only 43% of the target. Also, while allocations for growth promotion are projected to grow to almost 30% of total PRSP expenditures by 2004, actual spending only reached 0.4% of total PRSP expenditures in 2002. Despite analytic work undertaken by donors including the Bank, the Government's **limited absorptive capacity is a serious risk to implementation** of the PRSP program. The increased role of the Commissariat in PRSP implementation has also raised concerns undermining the role and capacity of the line agencies charged with executing the poverty reduction program.

68. The **Bank's program has been well aligned with the PRSP priorities**. The ESW program provided inputs into the PRSP preparation process. The CAS of May 2002 states that the Bank's main objective for FY03-05 is to assist the authorities in implementing the PRSP and the proposed operations are in fact designed to support implementation of the four strategic axes of the PRSP. The level of Bank lending has not, however, kept pace with that foreseen in the CAS and the PRSC planned for FY03 has not materialized. The **near-term introduction of PRSCs** will challenge the implementation capacity of Government and there are fiduciary risks associated with the implementing bodies.

69. The PRSP provided a **relevant mechanism for donor coordination** beyond the CG framework and donors have sought to align their programs with country priorities as set out in the PRSP. OED interviews with donors suggest initial enthusiasm diminished as donors came to see the PRSP process as being directed from Washington. Informants specifically referred to BWI control over the deadlines and structure of the PRSP, and to instances where the Bank met separately in Washington or Paris with the Government in order to prepare draft documents before other donors had the opportunity to make any input²⁵.

70. Donors report that they have an excellent relationship with the Bank's office in Nouakchott. However, in some instances **poor timing on the Bank's part** limited the participation of donors in the PRSP process, for example, the presentation of the PRSP to the BWI Executive Directors significantly in advance to its enactment into law and prior to its presentation at the Consultative Group Meeting to donor partners.

71. The **quality of the Joint Staff Assessments is uneven** and the mission identified many gaps in the JSAs for both the original PRSP and the two Progress Reports. The JSAs did not discuss key issues such as public sector efficiency, expenditure levels, implementation capacity. Revenues from hydrocarbon are expected to constitute a major source of income for the county, but the **use of the PRSP to channel hydrocarbon resources into poverty alleviation has not yet been discussed**. The JSA of the PRSP assesses the quality of participation despite the JSA guidelines and without identifying objective, measurable criteria for assessing participation. JSA certification of a PRSP process as "participative" should not be confused with frequent, transparent, accountable and democratic political processes.

²⁵ According to Regional Bank staff, the practice of meeting in Paris/Washington to prepare draft PRSP-related documents is now actively discouraged by the Bank.

Annex 1. Summarizing Ten Years of Reform Efforts: 1993 - 2002

1993-1997

Fisheries. The fishing marketing board and sectoral public enterprises privatized, a license system for industrial fishing implemented; the Oceanographic Research Center and the Surveillance Unit strengthened. Fishing activities opened to foreign operators; regulation of ship chandlery activities adopted; fishing resources management program adopted; a system of territorial rights for artisanal fisheries implemented.

Mining. The "Société Nationale Industrielle et Minière" (SNIM) has been restructured.

Transport. Air Mauritania privatized, land transport activities partially liberalized, port services privatized.

Education and Health. Technical training centers strengthened, medium term literacy program implemented, action plan for basic education in rural areas implemented, reform of the educational system adopted. Primary health program implemented, service delivery system strengthened and decentralized to the regions; community based health policies implemented.

Banking and Finance. The Development Bank abolished; all commercial banks privatized; new banking law enacted, Treasury Bills market established, regulation of savings and loans associations adopted; framework for micro-finance adopted, and banking sector supervision is being strengthened. Foreign exchange market liberalized. The Government-owned insurance company privatized and sector activities liberalized.

Public Enterprises. Major public enterprises, except for SNM, liquidated or privatized; subsidies, tax exemptions and cross-debts eliminated.

Private Sector. Measures to promote private sector development implemented in tariffs, pricing, and marketing. The Government has withdrawn from most commercial and industrial activities, state monopolies abolished, regulation pertaining to the creation of economic interest groups (EIGs) adopted. The New York, Vienna and La Hague Conventions ratified.

1998-2001

Governance. New regulations for legal professions adopted, judicial system modernized, National Audit Office strengthened, new procurement code adopted, tax directorate reorganized, custom's administration strengthened, expenditure clearing law adopted. Quarterly reports on tracking of poverty related expenditures published.

Rural Achievements in the rural sector include: Pricing and marketing fully liberalized; rice-mills privatized; land-tenure reform undergoing implementation and monitoring in the Trarza region and in the entire middle and upper Senegal River Valley; a cooperative credit system strengthened, veterinary services privatized, livestock development code adopted.

Energy. Electricity company (SOMELEC) in the process of being privatized.

Transport. Air-Mauritania privatized.

Mining. Mining sector opened to private investment. New mining code adopted.

Telecommunications. Telecommunications and postal services laws adopted. Postal and telecom activities separated. Competition introduced in telecom services and state operator privatized.

Fiscal Tariff, VAT and direct taxation reform implemented, new investment code adopted, MTEFs for health and education prepared, new budget nomenclature implemented, computerization of the entire expenditure chain initiated.

Public Administration. Recommendations of the audit of the civil service implemented: Ministries of Rural Development, Economic Affairs and Development, Education Finance, Fisheries and Commerce reorganized. Education and Health Services decentralized; municipal decentralization ongoing. A Secretariat d'Etat for New Technologies and a Commissariat aux droits de l'homme, a la lutte contre la pauvreté et a la reinsertion, the Office of the Ombudsman of the Republic and a multi-sectoral regulatory agency have been created.

Private Sector. Chamber of Commerce privatized.

Source: CAS, 2002, p.8

Annex 2. Key Elements of the Mauritania PRSP

The PRSP strategy contains four major themes:

1. To enhance economic growth in order to improve the economy's competitiveness and make the country less dependent on external factors as a precondition for poverty reduction.
2. To develop the growth potential and the productivity of the poor by promoting the sectors closest linked to the poor as well as the zones in which they are concentrated.
3. To develop human resources and access to essential infrastructure in order to increase the productivity of the poor and improve their living conditions.
4. To seek institutional development based upon good governance and participation.

The strategy is planned over a period of 15 years and the specific long-term targets for poverty reduction include:

- Reducing the number of people living under the poverty line to below 27% by 2010 and to under 17% by 2015 and reducing by 50% rural poverty by 2015.

In order to achieve these goals the PRSP targets an average growth rate of over 6% in the medium-term (2001-2004).

The PRSP outlines five priority areas; *rural development, urban development, education, health and water supply*. The specific priority goals include: reaching universal schooling by 2004, enhancing the retention rate to over 65% and eliminating illiteracy and gender and regional disparities in the long run. In health, reducing infant and child mortality to 90 per thousand or 130 per thousand respectively and achieving universal access to basic health care (80% of the population should have access to facilities within 5km). In terms of water supply the aim is to equip all villages over 500 inhabitants with drinking water supply systems by 2010 as well as to increase the household water connections to 85% in urban areas by 2015.

Annex 3: Mauritania: Macroeconomic Performance, 1993 - 2002

<u>Item</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Real GDP Growth (percentage change)	5.5	4.6	4.6	5.6	3.2	3.7	4.1	5.2	4.0	3.3
Consumer price index (annual percentage change)	9.4	4.1	6.5	4.7	4.6	8.0	4.1	3.3	4.7	4.0
Overall government balance/GDP -	-11.0	-4.5	0.8	5.3	4.2	2.1	2.2	-4.4	-5.5	6.2
Current Account balance, excluding official transfer (%GDP)	-21.2	-7.3	-10.9	-13.2	-9.0	-11.4	-4.2	-9.3	-18.3	-11.7
Public Long Term Debt (LDOD) (US\$ million)	1,903	1,990	2,081	2,125	2,040	2,010	2,138	2,150	1,865	n.a.
Arrears on LDOD (principal and interest, US\$ million)	294	264	253	256	279	475	564	453	252	n.a.
Gross Official Reserves (months of GNFS imports)	1.0	1.0	1.8	2.8	4.6	4.6	5.9	6.9	6.9	8.7

Source: IMF Reports; World Bank, Global Development Finance.

Annex 4. The Loi d'Orientation on Efforts to Combat Poverty

Guideline Law No. 50-2001 of July 19, 2001 on efforts to combat poverty makes eradication of poverty a national imperative and the top priority among all government policy initiatives. The law defines the national goals in the struggle against poverty, namely: equitable access by all citizens, throughout the national territory, to basic social services, especially in respect of education, health care, potable water, nutrition, housing, communications, and living standards generally. The Guideline Law establishes the principle that the effort to combat poverty, in a framework of consensus-building and participation, involves the State, enterprises, local communities, socioprofessional organizations, associations, citizens, and other economic players.

The Law defines the legal status of PRSPs, in terms of their objectives, the way they are put together, and the manner in which they are implemented. In this connection, the Law provides that the PRSPs are to be executed in the framework of four-year action plans that are to be reviewed every year and are subject to a mid-term evaluation. These action plans are to bring together and harmonize all sector policies and entail pluriannual investment programs.

The Guideline Law adopts the 2001-2005 PRSP and defines, for the medium term (2001-2004), the strategic fronts on which the battle against poverty is to be fought and the priority spheres of action. Finally, the Guideline Law provides that implementation of PRSP guidelines at the regional level take place through regional poverty reduction programs that establish regional priorities.

Annex 5. Timeline, Key Events, and Participants in Participatory Process of PRSP

CONSULTATIONS	DATES	ADMINISTRATION	NATIONAL ELECTED BODIES	LOCAL ELECTED BODIES	NGO	OTHER REPRESENTATIVES OF CIVIL SOCIETY	DEVELOPMENT PARTNERS	OBSERVATIONS
National Sessions on poverty reduction	07-09 Dec 99	All ministerial departments	Representatives of the National Assembly and the Senate	Representatives of the Association of Mayors of Mauritania (AMM)	Over 100 NGOs	CGEM, unions and professional groups, independent press, etc.	All partners represented in Nouakchott	Examination and approval of the principal orientations of the national strategy of poverty reduction
Technical thematic groups	Mar-Jul 00	Departments and institutions concerned with themes discussed		Representatives of the AMM	Specialized NGOs	CGEM, unions and professional groups, independent press, etc.	All partners represented in Nouakchott	Preparation of the thematic reports used as basis of the drafting of the PRSP
Dialogue committee	08 April 00 04 May 00 14 May 00 18 June 00 22 Nov 00	MAED, MF MIPT, MDRE, MHE, MEN, MSAS, SECF, CSA, CDHLCPI		4 representatives of the AMM	The 6 presidents of the NGO network	President of CGEM		Follow-up of progress in the preparation of the PRSP, examination of thematic reports, groups' reports and the draft PRSP
Donors' committee	15 May 00 19 June 00 12 July 00 21 Nov 00	MAED CDHLCPI					United Nations, France, Germany, Japan, United States, Spain, World Bank, European Commission	Follow-up of progress in the preparation of the PRSP, examination of thematic reports, groups' reports and the draft PRSP
Inter-administration workshops	17-18 Sep 00	Ministries and public institutions concerned with the themes covered in the PRSP						Examination of the draft PRSP

CONSULTATIONS	DATES	ADMINISTRATION	NATIONAL ELECTED BODIES	LOCAL ELECTED BODIES	NGO	OTHER REPRESENTATIVES OF CIVIL SOCIETY	DEVELOPMENT PARTNERS	OBSERVATIONS
Inter-NGO workshops	30 Sep - 01 Oct 00				Almost 100 NGOs, including several which took part in the work of thematic groups			Examination and discussions on the draft PRSP
Inter-regional Aioun seminary	24-25 Nov 00	Representatives of the territory administration and decentralized services of the state		All mayors of communes of the wilayas of Hodh Charghi, Hodh Gharbi and Assaba	All NGOs intervening in the 3 wilayas	All representatives of local civil society structures, independent presse		Examination and discussions on the draft PRSP
Inter-regional Kaédi seminary	24-25 Nov 00	Representatives of the territory administration and decentralized services		All mayors of communes of the wilayas of Gorgol, Brakna and Guidimagna	All NGOs intervening in the 3 wilayas	All representatives of local civil society structures, independent presse		Examination and discussions on the draft PRSP
Inter-regional Rosso seminary	24-25 Nov 00	Representatives of the territory administration and decentralized services		All mayors of communes of the wilayas of Trarza, Tagant and the District of Nouakchott	All NGOs intervening in the 3 wilayas	All representatives of local civil society structures, independent presse		Examination and discussions on the draft PRSP
Inter-regional Atar seminary	24-25 Nov 00	Representatives of the territory administration and decentralized services		All mayors of communes of the wilayas of Adrar, the District of Nouadhibou, Tiris Zemmour, and Inchiri	All NGOs intervening in the 4 wilayas	All representatives of local civil society structures, independent presse		Examination and discussions on the draft PRSP

Annex 6. Alignment of Bank Portfolio and Other Donors with PRSP, FY03-05
(page 1 of 3)

PRSP OBJECTIVES	GIRM's STRATEGY	SELECTED GIRM & WBG PROGRESS BENCHMARKS	WBG INSTRUMENTS AND TIMING (* DENOTES HIGH CASE)		OTHER DEVELOPMENT PARTNERS
Accelerating Private Sector-Led Growth	• Maintaining macroeconomic stability	<ul style="list-style-type: none"> • Maintain stable macro-framework • Ensure sustained and diversified real economic growth • Ensure fiscal and external position • Satisfactory implementation of PRSP 	<ul style="list-style-type: none"> • PRSC (FY03- 04- 05) • CEM (FY03) • Econ. Regulation (FY03) • 'FRS' monitoring (FY03-04-05) • IDF for PRSP implementation (FY03) 		IMF, EU, AfDB, FR, UN
	• Develop competition in the financial sector and stimulate savings	<ul style="list-style-type: none"> • Implementation of financial sector development study recommendations • Develop appropriate savings mobilization instruments 	<ul style="list-style-type: none"> • Financial Sector Reform (FY03) • PDIAIM I (FY00), PDIAIM II (FY05)* 		IMF, FR, GER
	• Fostering incentive framework for private sector	<ul style="list-style-type: none"> • Application of revised codes for business laws • Reduction and simplification of direct and indirect tax system • Suppression of obstacles to competition and progressive expansion of the jurisdiction of the regulatory authority 	<ul style="list-style-type: none"> • PRSC (FY03-04-05) • Economic Regulation (FY03) • Labor Market Study (FY04) * • IDF for Judicial Reform and Private Sector Development 		IMF, FR, UNDP
	• Improve the economy's attractiveness to foreign investment	<ul style="list-style-type: none"> • Reduce cost of doing business (transport, water, electricity, telecom.) and foster private participation in all sectors • Promotion of export sectors: mines, tourism, fishing, agriculture and livestock • Increase volume/value of non-traditional exports 	<ul style="list-style-type: none"> • PRSC ((FY03-04-05) • Water Supply Project (FY04) • Mining Sector Capacity Building Project and Supplemental Credit (FY99-03) • Telecoms & Postal Reform Project, PDIAIM (FY00), PDIAIM II (FY05) * • PGRNP I (FY97), PGRNP II (FY05) • MIGA & IFC activities • Private participation in infrastructure (FY04) * • Legal and Regulatory 		IMF, FR, WTO, UNDP, UNTAC, ITC, IFAD, FAO
PRSP OBJECTIVES	GIRM's STRATEGY	SELECTED GIRM & WBG PROGRESS BENCHMARKS	WBG INSTRUMENTS AND TIMING (* DENOTES HIGH CASE)		OTHER DEVELOPMENT PARTNERS
			Framework for Oil Sector (FY03)		
			* Consultative Group (FY05)		
	• Develop livestock potential, increase its productivity and exports	<ul style="list-style-type: none"> • Integrate livestock sector into economy • Implementation of Farming Code • Implementation of priority investment program • Implementation of a support program for small facilities to develop livestock by-products for export 	<ul style="list-style-type: none"> • PGRNP I (FY97) – PGRNP II (FY05) • Agriculture statistics (FY05)* • Rural business development services (FY05)* 		FR, FAO, IFAD
	• Diversify agricultural production and improve the productivity of small farmers	<ul style="list-style-type: none"> • Consolidation of opening up of agricultural production • Support for diversification for domestic and international markets, and training for small farmers • Implementation of the national agronomics research plan and improvement of extension services • Improve marketing channels for inputs and agricultural products • Implementation of rural infrastructure program (construction of roads and works to open up arid areas) 	<ul style="list-style-type: none"> • PDIAIM I (FY97) – PDIAIM II (FY05)* • PGRNP I (FY97) – PGRNP II (FY05) • Rural business Development Services (FY05)* • Gender Assessment (FY03)* 		EU, FR, GER, AfDB, IDB, IFAD, FAO
Fostering Basic Infrastructure to Support Growth	• Increase the supply, quality and accessibility of basic infrastructures	<ul style="list-style-type: none"> • Revision of land instruments to facilitate access to real property, particularly for the poor • Implementation of the Urban Development Program • Execution of program providing access to low-cost housing • Private sector participation in the delivery of basic services – water, energy, sanitation 	<ul style="list-style-type: none"> • Urban Dev. Prog. (FY02) • PRSC's (FY03-04-05) • Energy/Water/Sanitation Project (FY00) • PDIAIM I (FY00), PDIAIM II (FY05)*, PGRNP I (FY97), PGRNP II (FY05) • Water Supply Project (FY04) • Issues and Perspectives of the Housing Sector (FY04)* • Private Participation in Infrastructure (FY04)* 		EU, FADES, AfDB, IDB, FR, GER, UNDP

Annex 6. Alignment of Bank Portfolio Other Donors with PRSP, FY03-05
(page 2 of 3)

PRSP OBJECTIVES	GIRM's STRATEGY	SELECTED GIRM & WBG PROGRESS BENCHMARKS	WBG INSTRUMENTS AND TIMING (* DENOTES HIGH CASE)	OTHER DEVELOPMENT PARTNERS
	<ul style="list-style-type: none"> Promote development of areas of extreme poverty and involvement of local communities 	<ul style="list-style-type: none"> Continuation of regional and local programs to combat poverty involving local groups and NGOs 	<ul style="list-style-type: none"> PRSCs (FY 03-04-05) PDIAIM I (FY00), PDIAIM II (FY05)*, PGRNP I (FY97), PGRNP II (FY05) PDU (FY02) PRSP monitoring IDF for PRSP implementation 	EU, FADES, AfDB, IDB, FR, GER, UNDP
	<ul style="list-style-type: none"> Promote employment, micro-finance, micro- and small businesses 	<ul style="list-style-type: none"> Consolidation and extension of micro-credit programs Continuation and implementation of program to incorporate young graduates to the labor market, in collaboration with the private sector Improve legal and institutional framework of the craft industry Expand the geographic reach of the micro-finance program Increase the monetarization of farm and artisanal fisheries output Promote income-generating activities 	<ul style="list-style-type: none"> Financial Sector Adjustment Project (FY03) Labor Market Study (FY04)* IDF on Legal Status of Women IDF for PRSP implementation Gender Assessment (FY03)* 	IMF, GER, UN, FR, AfDB,
	<ul style="list-style-type: none"> Improve the natural resources management and protect the environment 	<ul style="list-style-type: none"> Implementation of international conventions on the environment and PANE Improve management of renewable and non-renewable resources Enhance the legal and institutional framework for environmental management 	<ul style="list-style-type: none"> Natural Resource Management Capacity Building project (FY05) Mining Sector Capacity Building Project and Supplemental Credit (FY99, 03) Regulatory framework for oil sector (FY03) Regional Program for Traditional Energy Sources (on-going) 	EU, IFAD, FR, GR, UN, JN
PRSP OBJECTIVES	GIRM's STRATEGY	SELECTED GIRM & WBG PROGRESS BENCHMARKS	WBG INSTRUMENTS AND TIMING (* DENOTES HIGH CASE)	OTHER DEVELOPMENT PARTNERS
Developing Human Resources and Ensuring Universal Access to Basic Infrastructure and Services	<ul style="list-style-type: none"> Raise access, equity, and both internal and external efficiency, and quality of the education 	<ul style="list-style-type: none"> Satisfactory implementation of the Education Sector Development Program 	<ul style="list-style-type: none"> ESDP First phase (FY02) Distance Learning Center Project (FY02) IDF on Legal Status of Women General Education project (extended to 12/31/02) Labor Market Study (FY04)* Gender Assessment (FY03)* 	FR, AfDB, IDB, UN, JN
	<ul style="list-style-type: none"> Improve the health status and indicators, reduce the burden of expenditures on health on the poor, and promote participation 	<ul style="list-style-type: none"> Satisfactory implementation of on-going Health Sector Investment Project and Nutrition LIL Preparation and launching of a Multi-Sectoral HIV/AIDS and Communicable Diseases Project 	<ul style="list-style-type: none"> PRSC (FY03-04-05) Health Sector Investment Project (FY98) Nutrition LIL (FY99) Multi-Sectoral HIV/AIDS and Communicable Diseases Project (FY03) Market dynamics in the health sector (FY04)* Gender Assessment (FY03)* 	EU, AfDB, IDB, UN, FADES, FR, GER
	<ul style="list-style-type: none"> Improve supply of and access to quality drinking water 	<ul style="list-style-type: none"> Improve the living conditions of the population of Nouakchott by increasing the quality/quantity of potable water available Involvement of the private sector in financing, management and maintenance of infrastructures Strengthening of the capacities of new operators 	<ul style="list-style-type: none"> Water Supply project (FY04) PRSC (FY03-04-05) Energy/Water/Sanitation Project (on-going) Gender Assessment 	FADES, AfDB, EU, IDB, FR, GER, JN
	<ul style="list-style-type: none"> Promote access to universal services (drinking water, electricity, mail, NTIC) among population groups in disadvantaged areas 	<ul style="list-style-type: none"> promote integrated universal services solutions and implementation of its infrastructure development program Implement postal reform Establishment of a transparent legal framework to provide incentives for NTIC operators 	<ul style="list-style-type: none"> Urban Development Program (FY02) PRSC (FY03-04-05) Telecoms & Postal Reform project (on-going) Energy/Water/Sanitation Project (on-going) Private Participation in Infrastructure (FY04)* Gender Assessment (FY03)* 	FADES, AfDB, EU, IDB, FR

Annex 6. Alignment of Bank Portfolio Other Donors with PRSP, FY03-05
(page 3 of 3)

PRSP OBJECTIVES	GIRM's STRATEGY	SELECTED GIRM & WBG PROGRESS BENCHMARKS	OTHER DEVELOPMENT PARTNERS	
			WBG INSTRUMENTS AND TIMING (* DENOTES HIGH CASE)	
Institutional Development and Governance	<ul style="list-style-type: none"> Strengthening the judiciary system Reform public sector Decentralize public administration 	<ul style="list-style-type: none"> Continuation of judicial reform Implementation of a program to strengthen judicial capacities and infrastructures E-Government Strengthen local governments responsive to population needs Decentralize delivery of public services 	<ul style="list-style-type: none"> PRSC (FY03-04-05) IDF for Legal Status of Women IDF Judicial Reform & Private Sector (FY02) PRSC (FY03-04-05) Urban Development Program (FY02) 	<ul style="list-style-type: none"> FR, UN EU, FR, GER FR
	<ul style="list-style-type: none"> Improve the management of public resources and accountability Building capacity 	<ul style="list-style-type: none"> Strengthen management and monitoring mechanism of public resources Computerization of expenditures Submission of budget closure law to Parliament Support to the government Audit Office for audits and preparation of its annual report Develop multi-sectoral framework for medium term expenditures Assess impact of poverty-related public expenditures upon priority sectors Improve coordination of aid Increase absorptive capacity Implement good governance action-plan Implementation of the Capacity Building Programs 	<ul style="list-style-type: none"> CFAA (FY03) IDF for Procurement Reform (FY03) PRSP Implementation (FY03) PRSP monitoring CAS (FY05) WBI learning program (FY02-03-04-05) PRSCs (FY03-04-05) Consultative Group (FY05) Natural Resource Mgmt Capacity Building Project (FY05) Mining Sector Capacity Building Project and Supplemental Credit (FY99, 03) WBI LP 	<ul style="list-style-type: none"> IMF, EU, UNDP, FR, GER IMF, UNDP, AIDB, FR, GER

Source: CAS 2002

Annex 7. Interviewee List

<u>Ministry of Economic Affairs and development</u>	Mr. Ahmedou Ould Ely Director, Department de l'Insertion
Mister Abba Ould Ahmed Tolba Director Department of Planning and Studies	<u>Rosso Commune</u>
Mr. Diagana Deputy Director of Planning and Studies	Mr. Sow Deyna Mayor
Mr. Thiam Diombar Deputy Director Department of Budget	<u>United Nations Development Program</u>
Mr. Mohamed Ould Babetta Coordonnateur Coordination Unit of the Urban Development Program	Ms. Celine Molinier Resident Representative
Mr. Mohamed Ould El Abed Advisor for Promotion of the Private Sector	Mr. Lemrabott Advisor
Mr. Cheikhna Tandia Coordinateur Concertation Etat/Secteur Prive	<u>Coopération Française (Service de Coopération et d'Action Culturelle</u>
<u>Ministry of Rural Development and the Environment</u>	Mr. Michel de Verdiere Chief
Mr. Dendou Ould Tajedine Coordinator of PDIAIM	Mr. Jean-Marc Pradelle Deputy Adviser
Mr. Baba Ould Boumeiss Director Department of Policy, Monitoring and Evaluation	<u>Agence Française de Développement</u>
<u>Ministry of Education</u>	Mr. Philippe Prudhomme Director
Ms. Nebkhouha Director Planning Department	<u>GTZ</u>
<u>Commissariat aux Droits de l'Homme, a la Lutte contre la Pauvreté et a l'Insertion</u>	Dr. Ingolf Vereno Director
Mr. Mohamed El Heyba Ould Limrabott Director Department of Planning and Studies	<u>International Monetary Fund</u>
	Mr. Prosper Youm Resident Representative
	<u>European Union</u>
	Mr. Marc Boucey Economic Advisor
	Mr. Alain Kerrec Financial Analyst
	<u>Oxfam</u>

Mr. Allou Kissima Tandia
Program Coordinator Coordinator

World Vision International

Mr. Diop Demba
Representative

The Lutheran World Federation

Mrs. Houleye Tall
Coordinator for Documentation and
Development Education

Union Mauritanienne des Femmes
Entrepreneurs et Commerçantes

Mrs. Feitmatt mint Sid'Ahmed O/Megueya Dite
Lematt
Présidente

Mutuelle de Associations Féminines d'Epargne
et de Crédit

Ms. Sokna Ly Ba
Socio-Economiste

Centre Mauritanien d'Analyse de Politiques

Mr. Zeine Ould Mohamed
Coordinateur

Mr. Sylli Gandega
Economiste

Confédération Nationale de Patronat de
Mauritanie

Mr. Alioune Diallo
Advisor and Coordinator
Private Sector Support Unit

Union Nationale des Coopératives Agricole de
Crédit et d'Epargne de Mauritanie

Mr. Bouh Ould Sidi Ahmed
Director General

Fédération Régional des Agriculteurs et
Eleveurs Mauritaniens (Trarza)

Mr. Amar Ould Hmoidha
President

Banque Mauritanienne pour le Commerce
International

Mr. Abdel Baghy Ould Ahmed Bouha
Directeur des Risques et de la Clientèle

Coopérative Agricole de Crédit et de l'Epargne
de Trarza

Mr. Sidi Salek
Financial Advisor

Centre d'Information Mauritanien pour le
Development Economique et Technique

Mr. Mamadou A. Kane
Director/Project Coordinator

Association Internationale des Femmes
Francophones

Ms. Aissata Kane
President

Cabinet d'Etudes et de Conseil

Mme. Oumoul Khayri Ba Tall
Accountant, Consultant, Director

Mlle. Hawa Dieng
Economiste, en charge volet microfinance

EcoDev

Mr. Mohamed Lemine

World Bank Resident Mission, Nouakchott

Mr. Yves Duvivier
Country Manager

Ms. Salamata Bal
Social Development Specialist

International Monetary Fund, Washington

Mr. Nabil Benlatif
Middle East Department

World Bank, Washington

Mr. A. David Craig
Country Director, AFC15

Ms. Eamon Ohalloran AFC15

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Annex 9. Survey Results

Mauritania

1. As part of the OED and IEO evaluations of the PRSP Process and the PRGF, a survey of PRSP stakeholders was administered in each of the ten countries where a case study was undertaken. The objective of the survey was to obtain perceptions of the PRSP process and the role of the World Bank and IMF in supporting the initiative.
2. A standard survey of 39 questions was administered in each country. The full questionnaire can be found on both of the evaluation websites www.worldbank.org/oed/prsp and <http://www.imf.org/external/np/ieo/2002/prsp/index.htm>. The survey consists of four main components: information on respondents; the PRSP process (covering ownership, results orientation, comprehensiveness, partnership-orientation and long term perspective); World Bank performance; and the role of the IMF. In most cases, respondents were asked to indicate the extent of their agreement with statements on a five point scale²⁶. The survey was translated, into local languages, where necessary, and pre-tested. A local consultant with survey experience was engaged in each country to assist with administration of the survey. Survey results were coded by the local consultant and sent back to Washington and an outside contractor, Fusion Analytics, was hired to analyze the data.
3. The survey was targeted at key groups within the three main categories of PRSP stakeholders: Government, Civil Society, and International Partners.²⁷ Within each group, the survey sought to obtain an *institutional view* and was targeted at the most knowledgeable individuals. Respondents were asked to define the nature of their involvement in the PRSP process, and their level of familiarity with the PRSP document, the Bank, and the IMF. Given the targeted nature of the survey, respondents who were “Not Aware” of the PRSP Process were excluded from the results. The specific samples were selected using three main inputs: information gained through the country case study mission; participants listed in the PRSP document; and input from the local consultant. In some cases, samples were circulated to obtain broader input on their composition. The study teams also identified a set of highly relevant respondents in each country for whom a survey response was required. These included core ministries and agencies (Finance, Economy, Central Bank...), key PRSP-related ministries (Health, Education, Agriculture...), and major donors. Survey questionnaires were tracked in order to ensure responses were obtained from key groups, however, individual respondents could choose to remain anonymous.

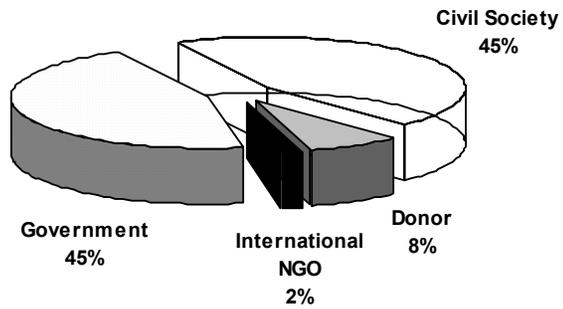
²⁶ The five point scales used in most questions offered a range from 1: Completely Disagree to 5: Completely Agree. Respondents could also mark 0 for Don't Know or Unsure.

²⁷ Fourteen stakeholder groups were identified: Government - central government, line ministries and sector agencies, local government, Parliament – Civil Society – local NGOs, business sector, labor unions, academia, media, religious organization, political party, other – International Partner – donor, international NGO. Results at the stakeholder group level will be presented in the aggregate analysis across all countries.

4. The following section presents findings from the survey applied in **Mauritania**. Section A provides an overview of the survey respondents, including the nature of involvement and familiarity with the process. Section B provides an aggregated snapshot of stakeholder perceptions of the PRSP Process across each of five main sub-categories. Section C provides the mean results for all questions concerning the role and effectiveness of Bank and Fund support. Section D presents results for questions with the most positive and negative responses and questions where there was the greatest consensus or disagreement on issues.

A. Respondent Information

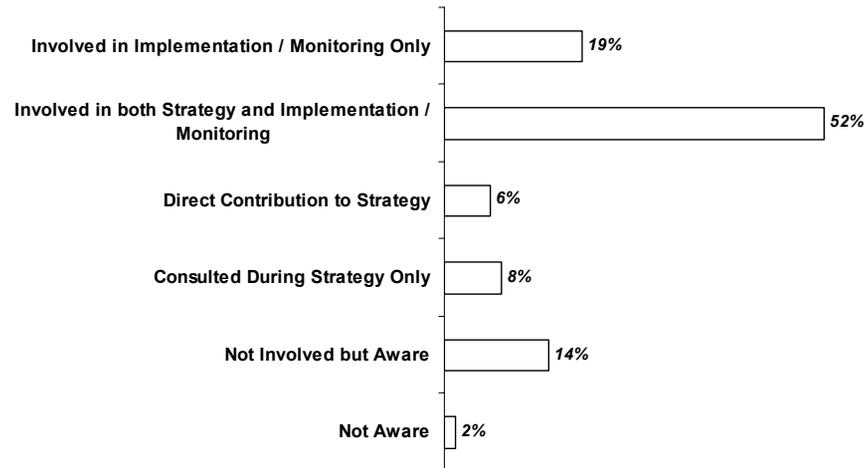
1. Composition of respondents (n = 64)



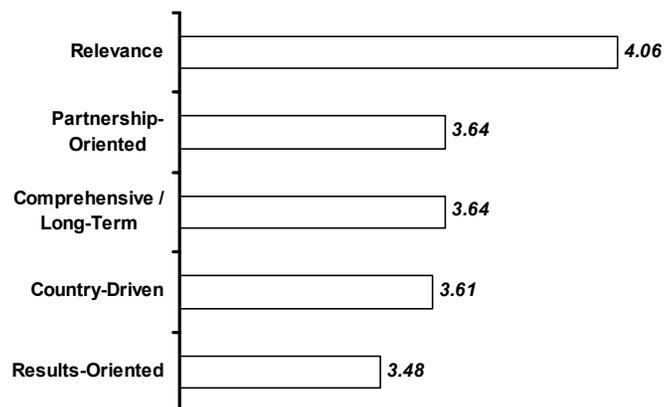
3. Level of Familiarity

PRSP document	59%
Bank	34%
IMF	14%

2. Nature of involvement (%)



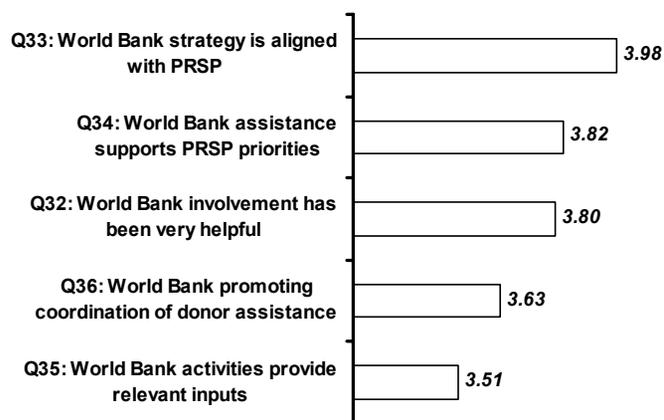
B. The PRSP Process



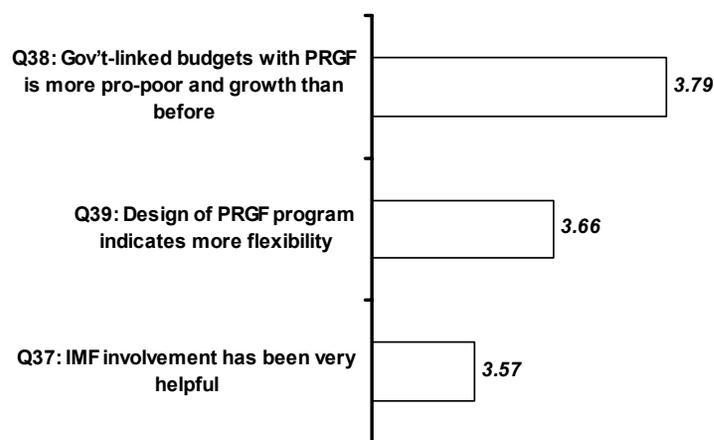
Based on a five point scale, where 1: Completely Disagree to 5: Completely Agree. Respondents could also mark 0 for Don't Know or Unsure.

C. Bank and IMF

World Bank



IMF



Based on a five point scale, where 1: Completely Disagree to 5: Completely Agree. Respondents could also mark 0 for Don't Know or Unsure.

D. Composite Results Table

Question	% Agree	% Disagree	Mean for Highest St. Dev.	Mean for Lowest St. Dev	% Unknown
Most positive responses					
Q8 - Relevance: PRSP is a good model	75.0%				
Q9 - Relevance: PRSP adds value	73.4%				
Q10 - Framework improves on past modalities	73.4%				
Q16 - Results-oriented: Donors aligning assistance	68.8%				
Q25 - Donors support PRSP in manner that does not erode ownership	65.6%				
Most negative responses					
Q19 - Results-oriented: Results feed back		37.5%			
Q18 - Results-oriented: Structure to monitor results		32.8%			
Q14 - Country-driven: Final document was modified to accommodate viewpoints		31.2%			
Q22 - Comprehensive: Macroeconomic framework participatory		26.6%			
Q28 - Partnership-oriented: Current donor coordination		25.0%			
Most polarized responses					
Q30 - Partnership-oriented: Quality of Bank/Fund collaboration			3.82		
Q29 - Partnership-oriented: Coordination b/t World Bank and IMF improved			3.53		
Q14 - Country-driven: Final document was modified to accommodate viewpoints			3.18		
Q27 - Partnership-oriented: Donor coordination improved			3.35		
Q22 - Comprehensive: Macroeconomic framework participatory			3.39		
Areas of greatest consensus					
Q24 - Comprehensive: Adequate road map for long-term goals				4.03	
Q23 - Comprehensive: Balance between growth and poverty reduction				3.47	
Q10 - Framework improves on past modalities				4.11	
Q8 - Relevance: PRSP is a good model				4.16	
Q20 - Comprehensive: Adequate diagnosis of cause of poverty				3.92	
Most unfamiliar areas					
Q30 - Partnership-oriented: Quality of Bank/Fund collaboration					39.1%
Q29 - Partnership-oriented: Coordination b/t World Bank and IMF improved					29.7%
Q28 - Partnership-oriented: Current donor coordination					18.8%
Q27 - Partnership-oriented: Donor coordination improved					18.8%
Q26 - Partnership-oriented: Donor aligning assistance					14.1%

Note: polarized and consensus question means are sorted by standard deviation. The standard deviation measures the dispersion of responses to a question. If the standard deviation is high then there is a low level of agreement among the sample (polarization). If the standard deviation is low then there is a high level of agreement among the sample (consensus).