

**FOR
INFORMATION**

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To: Members of the Executive Board

From: The Acting Secretary

Subject: **Niger—Poverty Reduction and Growth Strategy**

Board Action: Executive Directors' **information**

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Questions: Mr. David, AFR (ext. 38427)

November 25, 2022

Subject: Transmission of the Economic and Social Development Plan 2022-2026

Dear Madam Managing Director:

I am pleased to submit to you the Economic and Social Development Plan (PDES) 2022-2026, Niger's new economic development reference document as a successor to the 2017-2021 PDES. This is the second five-year plan of the Niger 2035 Sustainable Development and Inclusive Growth Strategy (SDDCI). The new PDES is also in line with the Economic and Financial Program (PEF 2021-2024) supported under the IMF's Extended Credit Facility.

The objective of the 2022-2026 PDES is to contribute to building a peaceful and well-governed country, with an emerging and sustainable economy, and a society based on the values of equity and sharing of the benefits of progress. It is specifically aimed at making the country's economic and social development foundations more resilient and, ultimately, improving the well-being of the people of Niger.

Based on the lessons learned from the implementation of the 2017-2021 PDES and mindful of our country's new development challenges and issues, the 2022-2026 PDES is structured around three main strategic areas:

- Area n°1: Human capital development, inclusion and solidarity;
- Area n°2: Strengthening of governance, peace and security;
- Area n°3: Structural transformation of the economy.

Each of these strategic areas includes 16 programs and each program contains several major priority actions, in line with the budget programs set forth in the multiannual expenditure programming documents and the annual performance projects of our Ministries and Government Institutions.

To achieve the objectives of the 2022-2026 PDES, both public and private actions will be carried out with a view to ensuring sustained and inclusive development of human capital, including a significant slowdown of the high pace of population growth.

Innovative industrialization initiatives will be undertaken in order to achieve a structural transformation of the economy by building value chains in the agricultural, livestock, forestry, fisheries, mining and oil sectors, and developing digital services and revitalizing the private sector.

The PDES also incorporates a preventive approach aimed at mitigating risks and strengthening our people's resilience to climate and security shocks, as well as other exogenous shocks that are

liable to compromise Niger's development, particularly through economic diversification and a better distribution of the proceeds of growth.

The Government of Niger reaffirms its firm commitment to working with the IMF to achieve its development objectives contained in the 2022-2026 PDES and the 2021-2024 PEF. To this end, please find attached a copy of the PDES document with a summary in English.

The overall cost of the 2022-2026 PDES is estimated at CFAF 19,427.6 billion including expenses funded by own resources and external financial support for an amount of CFAF 15,499.3 billion and an expected contribution from the private sector of CFAF 3,928.3 billion.

I would like to call upon your personal support and the support of your staff in order to ensure that the resources required for the financing of the PDES can be effectively mobilized.

Very truly yours,

/s/

Dr. Ahmat Jidoud
Minister of Finance
Republic of Niger



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MINISTRY OF PLANNING



ECONOMIC AND SOCIAL DEVELOPMENT PLAN (ESDP) 2022-2026

Summary

Consolidate and move forward

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FOREWORD

On June 10, 2022, the Government of the Republic of Niger adopted the Economic and Social Development Plan (ESDP) 2022-2026, which is the country's reference document for socio-economic, cultural, and environmental interventions for the next five years. After the ESDP 2017-2021, this is the second five-year version of the Niger 2035 Sustainable Development and Inclusive Growth Strategy (SDIGS).

In accordance with the participatory and inclusive approach advocated by the Government, the process of formulating the ESDP 2022-2026 was the subject of broad consultations. To this end, all stakeholders, namely the National Assembly, the public administration, decentralized technical services of the State, regional and local elected officials, the Diaspora, the private sector, Civil Society Organizations, Women's Organizations, Youth Organizations, Organizations of Persons with Disabilities and Development Partners, were involved.

In order to increase engagement by Niger's Development Partners and optimize the mobilization of the resources necessary for its implementation, the ESDP 2022-2026 will be the subject of a Round Table and an Investor Forum on December 5-6, 2022, at the Hôtel Du Collectionneur in Paris (France).

This document is a summary of the ESDP 2022-2026.

INTRODUCTION

The Economic and Social Development Plan (ESDP) 2017-2021 came to an end on December 31, 2021. To avoid a break in medium-term planning tools, the Government formulated and adopted the ESDP 2022-2026 on June 10, 2022, which is the second version of the Niger 2035 Sustainable Development and Inclusive Growth Strategy (SDIGS). It operationalizes the Government's General Policy Declaration (DPG) which, itself, aims to concretize the commitments of the President of the Republic, His Excellency Mohamed BAZOUM, contained in the Renaissance Program Act 3. It also incorporates the orientations of the ECOWAS Vision 2050, the AfCFTA, the African Union's Agenda 2063, the United Nations 2030 Agenda on Sustainable Development and the Paris Agreement on Climate Change.

The ESDP 2022-2026ESDP document consists of four volumes.

Volume **I** is about the diagnostic analysis. This analysis takes stock of the situation of governance, human capital development, infrastructure and equipment, the private sector, and the modernization of the rural sector, based on regional and sectoral contributions, as well as the various studies carried out in these areas. In addition, the diagnosis sought to take into account, in a cross-cutting way, issues related to gender, climate change, demographic dynamics and human rights, while reviewing recent developments in the international context. As a result of the analysis, the significant achievements made in recent years, in all the above-mentioned areas, as well as the remaining major challenges over the coming years have been identified.

Volume II is devoted to strategic guidelines. These guidelines include the vision, objectives and expected outcomes, macroeconomic outlook, strategic axes, programs and key structural reforms to be carried out over the period 2022-2026. This volume also sets out the institutional mechanism for coordination, implementation and monitoring and evaluation of the ESDP 2022-2026ESDP. In addition, an analysis of the risks that could hinder the implementation of the ESDP was carried out and mitigation measures identified.

Volume **III** presents the Priority Action Plan (PAP) and presents an assessment of the cost of the ESDP 2022-2026. It also contains the Results Measurement Framework (PMF) in which all the result indicators, their sources, their baselines and targets for the period of the Plan are defined.

As for Volume **IV**, it is dedicated to feasibility studies of the main structuring projects, selected from the "Project Bank" according to criteria such as feasibility over the period of the Plan, the economic impact, profitability, competitiveness of the sector and long-term viability.

CHAPTER 1: STRATEGIC DIAGNOSIS

1.1. Context

The formulation of the ESDP 2022-2026 took place in a particular context, at the international, continental, regional, sub-regional and national levels, marked by the continuation of the COVID-19 pandemic, the continuous degradation of the environment accentuated by the effects of climate change, migratory movements, security issues and demographic challenges.

At the national level in particular, the political situation is marked by the organization of free and transparent general elections, at the end of which a new President was elected on the basis of his political program called "Program de Renaissance Act 3". The peaceful transfer of power established the first democratic transition in Niger. This program is divided into seven main axes in the Declaration of the General Policy of the Government (DPG), approved by the National Assembly on May 26, 2021.

In addition, the national context was also marked by the continued implementation of important institutional, macroeconomic and structural reforms through the ESDP 2017-2021, which led to strong economic growth. However, the demographic transition is slow and remains a challenge. This leads to a significant increase in social demand, especially from young people, in terms of education and health infrastructure, as well as a lack of employment prospects and opportunities, creating a vicious circle that can fuel insecurity. In addition, the productive base is still weakened by recurrent shocks induced by climate change (droughts, floods, pest invasions, environmental degradation), causing recurrent food crises and chronic and acute malnutrition, especially among children under 5 years of age.

1.2. Economic and financial situation

Despite the various shocks that weighed on the economy (security, climate and health shocks, unfavorable commodity prices and border closures with Nigeria), macroeconomic outcomes were satisfactory over the period 2017-2020, with a real GDP growth rate of 5.4% on average. In 2021, under the combined effect of the weak recovery of activities in the sectors most impacted by the health crisis and the poor results of the agropastoral season, the economic growth rate stood at 1.3%. The primary sector, dominated by self-sufficiency agriculture, represents around 40% of GDP. The secondary sector accounts for 20% of GDP, mainly driven by the extractive sector, with manufacturing still at an embryonic stage. Regarding to the tertiary sector (40% of GDP), trade and transport as well as the public sector are the main components.

Despite the displayed resilience, the Nigerien economy suffers from a competitiveness and productivity problem linked in part to the costs of production factors and a high level of informal activities. The level of economic diversification, which remains low, requires greater commitment to value chain development.

External trade was marked by a protracted current account deficit (-13.5% of GDP in 2017; -16.1% in 2020 and -17.1% in 2021), fluctuating based on the prices of the main minerals exported by the country (uranium, oil and gold).

Despite major reforms of the tax system to make it more efficient, public finances continue to suffer from a weak capacity to collect taxes, which the tax ratio being around 10.1% of GDP on average over the period 2017-2021, well below the 20% threshold set under the WAEMU

Convergence Pact. The overall fiscal balance including grants averaged -4.4% of GDP over the period 2017-2021. Public debt remains relatively moderate, even if its level has increased in recent years (51.2% of GDP in 2021 against 34.6% in 2017).

The annual average inflation rate was 1.4% over the period, well below the Community standard of 3%, thanks to a steady supply of consumer products to local markets and the implementation of contingency and support plans in the event of poor agricultural season.

The monetary situation is characterized by a steady increase in credit to the economy (+27.3% between 2017 and 2021), which does not, however, make it possible to respond adequately to the growing financing needs of the economy.

Driven by various reforms implemented, the ranking of Niger in terms of business climate and private sector development have significantly improved, from 144th in 2017 to 132nd in 2020, a gain of 12 places.

1.3. Rural development and environment

Agriculture, a priority sector for the structural transformation of the economy, employs more than three quarters of the rural labor force. Total agricultural production (rainfed and irrigated) recorded an average annual level of 6.26 million tons in cereal equivalent over the period 2017-2020. The share of irrigated production has increased steadily over the period, from 7.1% in 2017 to 15.7% in 2020. Despite the actions taken so far, there has been a recurrent shortfall in agricultural production, resulting in food and nutrition insecurity, rural-urban migration/migration of young people (men and women), declining incomes and poverty, increasing community conflicts and famine.

The main challenges related to agricultural development are: (i) ensuring the tenure security of stakeholders; (ii) facilitate access to appropriate agricultural equipment and inputs; (iii) provide tailored advisory services; (iv) facilitate access to adequate financing; (v) mobilize water resources for irrigation; (vi) developing agricultural value chains; (vii) building resilience to climate shocks and crises.

To this end, Niger has the following potential: (i) 19 million hectares of agricultural land; (ii) considerable room for productivity improvement for its main outputs; (iii) water resources estimated at more than 32 billion m³ per year and significant groundwater reserves (2.5 billion m³ renewable, of which less than 20% is exploited and 2000 billion m³ is non-renewable); (iv) 1168 ponds including 145 permanent and 1023 semi-permanent and (v) a growing young rural population.

Regarding the agricultural value chains, enormous potential exists in the production of rice, sugar cane, onion, cowpea, moringa, groundnut, sesame, tigernut, potato, tomato, pepper and cassava.

In terms of livestock, Niger's livestock is experiencing a significant development, despite the shocks linked to recurrent droughts. In terms of assets, the livestock subsector has certain comparative advantages because of the richness of its natural pastures covering vast areas (the pastoral zone covers 62,000,000 ha) but also because of the numerical size of its livestock and the dexterity of the herders. To further develop this sub-sector, the main challenges are: (i) adopting and implementing relevant strategies to produce better quality meat at competitive

prices in the context of the AfCFTA; (ii) ensure land tenure security for all stakeholders; and (iv) facilitate access to appropriate financing.

Niger's forests are estimated at 1,139,520 ha in 2020 and agroforestry parks at 2,840,000 ha in 2020. Niger loses 106,054 ha of agro-sylvo-pastoral land on average each year. The major challenges to reverse the trend of degradation of natural resources, in a context of climate change and demographic pressure, are: (i) the reduction of deforestation through the promotion of alternative technologies to wood energy and (ii) the management of protected areas and hunting areas.

In terms of integrated water resources management, the country has 30.2 million m³ for industrial use and 788 million m³ for irrigation needs.

All regions of the country are severely affected by the effects of climate change as evidenced by recurrent droughts, floods and rising temperatures. This situation makes it more than necessary to mobilize resources for the implementation of climate change projects/programs as well as to build the capacity of stakeholders in areas such as climate finance, green jobs and capacity and vulnerability analysis.

1.4. Energy and renewable energies

Despite the progress made following the implementation of the national electricity policy and the national strategy for access to electricity, energy supply remains insufficient. The access to electricity remains very low at the national level (14.7% in 2020 against 12.2% in 2017), particularly in rural areas (1.3% in 2020 and 0.8% in 2017). The average duration of outages declined from over 339 hours in 2017 to 105 hours of outage in 2020.

The use of renewable energies (solar, wind and hydroelectric) is still insignificant and represents only 0.01% of the national energy mix, although Niger is home to one of the two areas identified by NASA as the sunniest on the planet and has significant uranium reserves. Conversely, traditional biomass-energy, insufficiently renewed, represents 74% of the country's total primary energy supply and petroleum products 22%, which represents a great opportunity for future investments in the field of renewable energies.

The country also has proven reserves of more than 6 million tons of coal that can be exploited for electricity generation and briquettes to replace firewood, thus contributing to the fight against desertification and global warming.

1.5. Infrastructure (transport, housing, mining, oil, tourism, crafts)

During the period 2016-2020, significant investments were made in the extension of the paved network (619 km) and rural roads (984 km), which contributed to open up the country, both internally and externally. The construction of interchanges and urban roads as part of the urban modernization program has improved urban mobility in large conurbations, mainly in the capital. However, efforts must continue to improve accessibility, as measured by the proportion of the rural population living within 2 km of a year-round road, which currently stands at 37.2%.

In terms of air transport, airport infrastructure has been strengthened through the rehabilitation of 5 airports, the modernization of Niamey's Diori Hamani International Airport and the upgrading of Agadez and Zinder airports to ICAO standards.

Significant progress in transport facilitation has been recorded, with the average time taken to move goods from transit ports improving from 8 km/h in 2016 to 22 km/h in 2020, resulting in an increase of 175%.

The railway network is still at an embryonic stage; the Niamey-Dosso section (140 km) built as part of the Cotonou-Niamey-Ouagadougou-Abidjan Railway Loop is not yet operational. However, hopes are high with the construction of the Kano-Katsina-Maradi rail network, financed by Nigeria.

As for urban development and housing, real estate development in general and the supply of social housing in particular are real opportunities for investors in Niger, including the financing component, as the deficit in social housing is huge because the supply remains informal and very limited.

With regard to urban infrastructure (roads, gutters, drinking water and electricity networks, etc.), Niger lags behind other countries in the subregion, which makes living conditions in urban areas relatively difficult. This situation also offers opportunities for private investment, including PPPs or BOTs.

As part of the reinforcement of telecommunications infrastructure and services, 3847 linear kilometers (kml) of optical fiber have been installed and 1007 kilometers are being installed. Internet penetration, although clearly improving, remains low compared to other African countries; Only one in two Nigeriens has access to the Internet. The digital sector also offers huge investment opportunities with certain induced effects on growth, job creation and development.

The economic performance of the mining sector is relatively weak, with a contribution to GDP of 3.4% in 2016 and 2.8% in 2020. However, in terms of potential, Niger ranks fifth in the world in terms of uranium reserves and has significant gold deposits in Liptako and Tafassasset regions as well as significant indices in Djado, south Aïr and south Maradi. Niger therefore presents real investment opportunities in the mining sector that must be promoted, especially given the upward trend in gold and uranium prices observed since 2020 and the great interest in green minerals and rare earths (such as pegmatites, monazite, euxenite, and thorionite) detected in the country.

In the oil sector, Niger also presents some opportunities, of which the proper exploitation could facilitate the structural transformation of the productive base of the national economy. The upstream oil works highlighted a volume of recoverable reserves of approximately 992.74 million barrels at the end of 2020.

Crude oil production, currently limited to 20,000 barrels per day, is used to supply the Zinder Refinery, which fully covers national needs, with stable oil product prices, and allows exports to neighboring countries, including Burkina Faso, Mali and Nigeria. The ongoing construction of the Niger-Benin Pipeline, which is the longest in Africa with a length of 1982 km, will enable the country to increase crude oil production to 110,000 barrels per day by 2023, including 90,000 barrels per day for export.

Regarding tourism and hotel industry, significant efforts have been made in the construction of many infrastructures of very high standing, particularly in Niamey which is able to host

simultaneously major international meetings. To improve the contribution of the tourism, hotel and craft sectors to the economy, the major challenges identified are: (i) the development of the cottage industry; (ii) certification of handicrafts; (iii) improving the security in tourist areas; (iv) the promotion of Niger as a destination and the operationalization of tourist circuits; (v) improving the quality of artistic and cultural products and (vi) facilitating access to credit.

1.6. Social situation and human capital

This section covers the state of poverty, education, health, nutrition and food security, water, hygiene and sanitation, social protection, employment, gender, humanitarian, and cultural situation.

Despite decline in the poverty rate of 5.4 percentage points between 2014 (46.2%) and 2019 (40.8%), the depth of poverty requires vigorous measures to boost pro-poor and sustainable growth. Indeed, the decline in the incidence of poverty observed has not translated into a decrease in the number of poor people; On the contrary, this number increased by about one million individuals over the period due to the much greater demographic growth.

Niger's population has increased nearly six-fold, from 3.3 million in 1960 to about 22.7 million in 2020, with a growth rate of about 3.9% per year. Niger's population structure is characterized by the predominance of women (50.2%) and its extreme youth, with more than half of the population under 15 and more than two-thirds under 25 in 2020. In addition, more than four out of five people (84%) live in rural areas. The following challenges then arise: (i) the transformation of demographic assets into economic assets; (ii) combating early marriages that expose girls to a longer reproductive period; (iii) improving access to reproductive health services; (iv) reducing gender inequalities and (v) improving the institutional anchoring of population issues.

With respect to health, Niger has made some progress, resulting in a marked improvement in life expectancy at birth, estimated at 65.5 years in 2020 compared to less than 40 years in the 1960s. However, the main challenges in this sector are: (i) improving the supply of quality health services and care; (ii) improving health sector governance and (iii) reducing inequalities in access to health services and care.

Regarding nutrition, progress towards achieving the objectives of significantly improving the nutritional status of vulnerable groups to malnutrition still leaves room for improvement; the prevalence of chronic malnutrition among affected children under 5 was 45.1% in 2020, well above the average for the Africa region (29.1%).

In terms of access to drinking water, despite the considerable halieutic potential, only 49.6% of the population have access to basic drinking water services and 9.2% to optimal services. Improving access to drinking water in Niger is hampered by unfavorable hydrogeological constraints, particularly in the Tillabéry, Maradi, and Zinder regions, which induce relatively high investments, with a high fluoride and nitrate content in the latter two regions. In the regions of Diffa and Tahoua, the high content of iron, sodium and/or manganese requires expensive deep drilling and/or desertification stations

As for sanitation, only 7.1% of the Nigerien population have access to basic sanitation in 2020.

For several decades, demographic dynamics have become a major challenge for Niger, exerting strong pressure on the education system. In terms of access, the growth in school enrolment is not only rapid but also depending on the cycle considered. Despite the Government's efforts, more than 2.6 million children and adolescents between the ages of 7 and 16 are out of school (representing more than 50 percent of this age group), mostly from the rural areas of Maradi, Tahoua and Zinder. In addition, at the various levels of education, girls are relatively more likely to benefit from pre-school activities (55% compared to 45% of boys), but they then represent only 42% of the enrolment in the primary and middle school cycles and 35% in high school. The education and training of girls and women in Niger are hampered by several factors including: (i) social burdens due to socio-cultural, religious and economic factors; (ii) the extent of domestic work, especially in rural areas, which does not leave time for girls and women to continue their education and training; (iii) the school environment (insufficient separate latrines for girls and boys and water points); (iv) girls' exposure to school-related violence and (v) the lack of girl-friendly shelters, combined with the problem of tutoring.

The infrastructure of the education system remains a challenge, with most classrooms made of precarious materials (straw huts).

In higher education, there are 8 national universities and the number of students per 100,000 inhabitants, estimated at 120 in 2010, has more than doubled to 355 in 2019 and 387 in 2020, which poses an acute infrastructure challenge.

On technical and vocational education and training (EETP), the number of students at the centers increased from 40,894 in 2013 to 315,661 in 2019. The number of students enrolled per 100,000 inhabitants is 384 in 2013 and 1801 in 2019. The main challenge for this sub-sector is to improve the quality of EETP provision.

The Nigerien Constitution of 25 November 2010 makes it a priority to address violence against women and children. It thus reaffirms the Government of Niger's determination to honor the commitments made at the regional and international levels relating to the rights of the child. The achievements in this area are: (i) the establishment of social centers for the prevention, promotion and protection of children in all regions of the country; (ii) the implementation of the community approach to strengthen the capacities of parents, young people, as well as the awareness of community members on harmful traditional practices, gender-based violence; (iii) capacity building of adolescent girls and other vulnerable out-of-school children for their empowerment, as well as (iv) the creation and implementation of Village and Communal Child Protection Committees. The major challenges are to further protect children from all forms of violence, abuse and exploitation including child marriage, as well as the provision of financial assistance to support poor families to keep their children in the educational system.

As far employment is concerned, the problem lies in the mismatch between labor supply and demand, due in particular to: (i) the limited supply of technical and vocational training; (ii) the low employability of a large part of the labor force due to a lack of training that meets the needs of the market and (iii) the predominance of the informal sector in the economy.

The major challenges ahead are: (i) the adequacy of training to the needs of the labor market;

(ii) promoting youth entrepreneurship, especially girls and persons with disabilities; (iii) formalizing the informal sector and (iv) improving working conditions.

Women's empowerment is still low as reflected by the significant gender inequalities in the country. The Gender Inequality Index, which reflects the gaps in three areas (women's reproductive health, empowerment and economic activity), shows that Niger at 0.642 is relatively far behind sub-Saharan Africa's level of 0.570. However, there has been a marked improvement in the situation, with a proportion of women MPs of 30.12% in the current legislature compared with 1.20% after the 1999 elections.

The major challenges are: (i) reducing gender inequalities and inter- and intra-regional disparities; (ii) the fight against gender-based violence and (iii) the integration of gender into public policies at all levels (national, regional, local and communal).

Due to the persistence of the effects of climate change and insecurity in some parts of the country, as well as inadequate emergency response strategies, the number of people in need of humanitarian assistance has increased in recent years to reach 3.8 million in 2021. This situation leads in particular to the migration of populations, community conflicts, the socio-economic vulnerability of victims as well as the loss of lives and property. The major challenges include: (i) prevention and reduction of major natural disaster risks; (ii) improving the management of natural disasters and (iii) strengthening the resilience of populations exposed to natural disaster risks.

In the cultural field, several cultural sites and monuments are protected or classified as national and/or international heritage, thus strengthening their sustainability for the benefit of future generations. Thus, the city of Agadez has been introduced to the UNESCO cultural heritage as well as the practice and expressions of joking kinship.

The main challenges remain the development of a mapping of cultural heritage and the establishment of a support mechanism for the creation of cultural goods and services.

1.7. Governance and modernization of the State

State governance and modernization cover the following areas: (i) security governance; (ii) local governance; (iii) legal and judicial governance and (iv) political and administrative governance.

Security governance includes homeland defense, military cooperation, internal security and peacebuilding. In a subregional security context characterized by several threats related to terrorism, the Government of Niger has developed military cooperation with several partners, mainly with a view to strengthening the capacities of the armed forces.

In addition to the substantial increase in resources allocated to defense (17% of the State budget), the actions undertaken relate to: (i) the strengthening and modernization of operational and intelligence capabilities; (ii) strengthening the territorial network of defense and security forces; (iii) strengthening alliances and (iv) improving collaboration between the Defense and Security Forces and the population.

A significant number of internal security forces are deployed in all regions of the country to ensure the security of citizens and combat banditry, armed robbery, drug trafficking and the

fight against irregular migration.

In terms of peacebuilding, funds and tools to deal with emergency situations related to conflicts or threat of conflict in the areas of intervention have been developed by the High Authority for Peacebuilding (HACP) and the Strategy for Development and Security in the Sahelo-Saharan Zones of Niger (SDS).

Local governance includes the sub-areas of (i) decentralization and deconcentration and (ii) spatial planning.

In Niger, the decentralization process is still ongoing, despite the relatively low level of progress made so far. Indeed, in terms of capacity development of local authorities, the level is considered as satisfactory (average), while the level of performance is overall low for aspects relating to strengthening deconcentration, the supply and access of local services, the development of population participation, local citizenship and the financing of decentralization. It thus emerges that the major challenges in terms of decentralization are: (i) the effectiveness of the transfer of competences and resources and (ii) the economic viability of municipalities and the mobilization of resources.

In order to ensure a smooth flow of information and guarantee data security, the civil registration system is being computerized, which will make it possible to produce a national population register, articulated with the national civil registry by a unique identifier number assigned to each person.

To correct inter- and intra-regional disparities to ensure balanced and harmonious development of the national territory, Niger has just adopted a National Territorial Planning Plan (SNAT), in which emphasis is placed on the development of integrated agro-industrial clusters, with a view to improving the competitiveness of agro-sylvo-pastoral value chains.

With regard to **legal and judicial governance**, significant progress has been made, including the improvement in the access rate to judicial services and the satisfaction rate of users of judicial services (for which Niger is ranked 1st in Africa), a reduction in the delay in judicial proceedings and better protection and promotion of human rights.

Regarding **political and administrative governance**, it includes: (i) democracy and civil liberties; (ii) political governance; (iii) modernization of public administration; (iv) civil liberties and territorial administration.

In terms of **political governance**, the advent of the first democratic transition is a historic success in Niger. Regarding women's leadership, the quota law was revised in 2019 followed by the adoption of an implementing decree, raising the rate of national legislative bodies from 15% to 25% and the rate of appointed bodies from 25% to 30%. In 2020, 1212 women were elected out of 4,478, representing 27.1%. On the other hand, with regard to women's access to appointed positions, the 30% quota is far from being reached. For example, women represented less than 20% of members of the Government in 2021.

It should also be noted that all the institutions of the Republic have been set up and are functioning normally. In addition, there is a National Council for Political Dialogue, which is comprised of all political actors and chaired by the Prime Minister. This consultative framework

allows dialogue between political parties and the Independent National Electoral Commission.

Niger signed the Global Compact for Safe, Orderly and Regular Migration in 2018, placing it among the African champions for the implementation of the Compact. However, despite this institutional environment, Niger's migration trends have changed considerably between 2016 and 2021, with an average of more than 10,000 Nigeriens being repatriated from other countries.

1.8. Overall issues

From the diagnostic analysis, it emerges that the central problem is the weak economic and social development. Indeed, although the level of human development is improving, it is still relatively low. The weaknesses and challenges resulting from the strategic diagnosis are also real opportunities.

The main causes are: (i) an economy dominated by the primary and informal sectors with a weak secondary sector; (ii) a poorly diversified and uncompetitive economy in a context of open borders; (iii) relatively high but decreasing input costs; (iv) the low level of development of human capital; (v) a perfectible level of administrative, legal and judicial, local and security governance and (vi) the lack of consideration of gender disparities, regional specificities and the demands of people with special needs.

The main direct consequences include: (i) low coverage of social needs; (ii) a high poverty rate but declining; (iii) low levels of knowledge and learning; (iv) the vulnerability of communities and ecosystems; (v) food and nutrition insecurity; (vi) the low contribution of the mining, oil and industrial sectors to the national economy; (vii) the low sustainability of development efforts; (viii) the persistence of security threats; (ix) the persistence of social and gender inequalities and inter- and intra-regional disparities and (x) irregular migration.

The consequences are mainly: (i) the precariousness of social welfare and (ii) the low competitiveness of the national economy.

1.9. Major challenges

The diagnostic analysis and contextual elements reveal 10 major challenges to be met. These challenges take into account the three dimensions of sustainable development (Economy, Environment and Society) as well as regional specificities and cross-cutting issues (gender, climate change, demographic dynamics, human rights).

These are:

1. accelerated development of human capital, mainly through the improvement of the quality of education and training; the improvement of research and development; the adequacy of training provision with the needs of the labor market; improving the supply of quality health care and services, access to drinking water and sanitation as well as the control of urbanization; reducing gender inequalities; the expansion of social protection; control of the birth rate, mortality and population-development interrelations;
2. resilience to climate and security shocks, in particular through risk prevention of all kinds,

social security, adaptation to climate change and natural disaster management;

3. the development of the value chain of agro-sylvo-pastoral and fisheries (ASPH), oil and mining production, in particular through the development of resilient economic infrastructure, the continued creation of the Maison du Paysan (Farmers' house), the improvement of producers' access to production factors (water, high-quality inputs, the provision of agricultural equipment and inputs to producers), the promotion of small- and large-scale irrigation as well as the development of the mining, oil and agrobusiness industries and the marketing system;

4. the deployment of security and defense forces (SDF) throughout the territory by focusing on securing borders, strengthening the equipment and means of intervention of the SDF, intelligence, the extension of the community police and the national identification system, the consolidation of peace as well as the reinforcement of personnel and the improvement of the continuous training of the military and paramilitaries;

5. the reduction of inter- and intra-regional disparities, in particular through the creation and operationalization of regional development poles, the effective transfer of skills and resources, the consideration of gender and migration in local planning, the application of the law and the adoption of implementing texts of the Code of Territorial Collectivities and the effective territorialization of the ESDP;

6. the reduction of gender inequalities in all areas of social, economic and political life through the removal of socio-cultural burdens on girls and women; the fight against gender-based violence; economic empowerment of women and girls, including those with disabilities; strengthening access to reproductive health services and care for women and adolescent girls; strengthening girls' access to and retention in school and strengthening women decision-making power and management bodies at national, regional and local levels;

7. good governance and the establishment of an efficient public administration through the strengthening of the stability of the macroeconomic framework and the improvement of public financial management;

8. the consolidation of the democratic gains, transparency and accountability, the continuation of the fight against corruption, the change in the behavior and mindsets of users of public services, the improvement of development management and the control of migratory flows;

9. strengthening the effectiveness of institutions through accountability and transparency in the management of public affairs;

10. the quality and availability of statistical data for decision-making through the strengthening of the National Statistical System for the production of high-quality statistical data.

CHAPTER TWO: STRATEGIC DIRECTIONS

2.1. Vision

The vision of the Economic and Social Development Plan (ESDP) 2022-2026 stems from that of the SDDCI Niger 2035 which aims at building “a *united, democratic and modern country, peaceful, prosperous and proud of its cultural values, underpinned by sustainable, ethical, equitable and balanced development, in a united and interdependent Africa*”.

Niger's priorities for the period 2022-2026 were identified from the strategic diagnosis, which presents the socio-economic, security and political situation of the country, the orientations contained in the Renaissance Program Act 3 set out in the Government's General Policy Statement, and the above-mentioned international commitments, including the United Nations 2030 Agendas, 2063 of the African Union, the Paris Agreement on climate change and the Vision 2050 of the Economic Community of West African States (ECOWAS).

2.2. Objectives and expected outcomes

2.2.1. Objectives of the ESDP 2022-2026

The overall objective of the ESDP 2022-2026 is to contribute to building a peaceful and well-governed country, with an emerging and sustainable economy, as well as a society based on equity and equal distribution of the fruits of progress.

Specifically, it will be a question of consolidating the foundations of the country's economic and social development with a view to the structural transformation of the economy.

2.2.2. Expected outcomes of the ESDP 2022-2026

The strategic outcomes are divided into 1 impact, 3 overall effects and 16 sectoral effects.

The final expected impact of the implementation of the ESDP 2022-2026 is: “***the well-being of the Nigerien populations is improved***”. This impact will be assessed through a reduction in the incidence of poverty and the Gender Inequality Index (GII) as well as an improvement in the Human Development Index (HDI) and the Mo Ibrahim Index of Governance in Africa (IIAG). Thus, the proportion of the population living below the national poverty line will move from 40.8% in 2019 to 35.4% in 2026; the HDI from 0.394 in 2019 to 0.434 in 2026 and the IIAG from 47.8 in 2020 to 52.0 in 2026.

This improvement in well-being will be achieved through the following global and sectoral effects:

- **Global Effect 1: Human capital development is sustained and inclusive**
 - Sectoral effect 1.1: the level of knowledge and learning of people has equitably increased;
 - Sectoral effect 1.2: the health and nutritional status of people and the demographic transition have improved;
 - Sectoral effect 1.3: people's access to drinking water, hygiene and sanitation has improved;
 - Sectoral effect 1.4: social protection has improved;
 - Sectoral effect 1.5: gender inequalities have reduced;
 - Sector effect 1.6: Sports, culture and recreation have been promoted;

- **Global Effect 2: The country is well governed in a secure space**
 - Sector Effect 2.1: Development management is effective;
 - Sectoral effect 2.2: the rule of law and human rights have been equitably promoted;
 - Sectoral effect 2.3: equitable access of populations to high-quality public services has improved;
 - Sectoral effect 2.4: the internal security of the country and its borders is ensured;
 - Sector effect 2.5: Migration management is effective;
 - Sector effect 2.6: local governance has improved;
- **Global effect 3: the Nigerien economy has structurally transformed**
 - Sectoral effect 3.1: the private sector is boosted;
 - Sectoral effect 3.2: agro-sylvo-pastoral and fisheries value chains are developed in an inclusive manner;
 - Sector effect 3.3: oil and mining value chains are developed in a sustainable manner;
 - Sectoral effect 3.4: Environmental management is carried out in a sustainable manner.

2.2.3. ESDP 2022-2026's Theory of Change

The Government's ambition, through the formulation and implementation of the ESDP 2022-2026 is to significantly improve the living conditions of the Nigerien populations.

Achieving this goal should result in a clear improvement in Niger's score in some multidimensional indicators used to measure the level of human development.

To achieve this, transformational changes in the medium term are envisaged. To this end, the actions, both public and private, to be carried out during the period of the Plan should make it possible to achieve: (i) a sustained and inclusive development of human capital, with a significant slowdown in the pace of population growth; (ii) a clear improvement in security and migration, political, legal and judicial, administrative, economic, local and environmental governance as well as the fight against corruption and related offences; (iii) a structural transformation of the economy, marked by industrialization based on the valorization of agro-sylvo-pastoral, mining and oil value chains, the development of digital services and a dynamic private sector. These changes, consistent with the Sustainable Development Goals, should make the Nigerien economy more resilient to shocks, particularly climate shocks, and irreversibly reduce poverty among populations. Over the period 2022-2026, an average annual growth rate of GDP of 9.3% and GDP per capita of 7.7% is expected.

The changes will benefit the entire Nigerien population but will primarily benefit young people, women, disadvantaged and marginalized populations who will benefit from a better capacity for empowerment, particularly in geographical areas with poverty rates well above the national average.

The strategies that will be deployed to ensure the envisaged changes should focus on: (i) the sustained and inclusive development of human capital taking into account gender issues and demographic transition; (ii) improving the effectiveness of all forms of governance; (iii) the structural transformation of the economy through two inherent and complementary levers, namely (1) the creation of an environment favorable to industrial and private sector

development, by reducing production factor costs (energy, transport, telecommunications, etc.) and improving the productivity and diversification of the primary sector and (2) promoting a competitive and sustainable industry and developing all the services essential to the socio-economic development of the country.

Ensuring the envisaged changes would require: (i) political and institutional stability; (ii) strengthening security, justice and consolidating social peace; (iii) the adhesion and the change in behaviors of all stakeholders; (iv) resource mobilization and efficient use; (v) adaptation and resilience to climate shocks and hazards; (vi) adaptation to external shocks (fall in commodity prices, soaring prices of imported products); (vii) accelerating the implementation of structural reforms.

2.3. Macroeconomic outlook 2022-2026

In addition to the achievements of the implementation of the ESDP 2017-2021, the macroeconomic framework was built on the basis of the main factors that can influence the evolution of the national economy over the period of the Plan, including structuring projects and programs as well as strategic reforms and the international situation. To take into account internal and external risk factors that may affect the implementation of the ESDP, three scenarios (pessimistic, baseline and optimistic) are developed.

The optimistic scenario (the high assumption), which reflects the ambitions of the President of the Republic, assumes a mobilization of substantial resources to achieve a level of public investment necessary for strong, sustainable and inclusive economic growth over the period, and consistent with the objectives of ensuring public debt sustainability.

On an annual average, over the period 2022-2026, the real economic growth rate would be 9.3%. This growth will be supported by the primary sector (+7.2%), the secondary sector (+14.0%) and the tertiary sector (+8.2%). The share of the secondary sector in GDP would increase from 21.5% in 2022 to 26.3% in 2026, marking the beginning of a structural transformation, supported by the mining and oil sector as well as the development of agro-sylvo-pastoral and fisheries value chains. As for the shares of the primary and tertiary sectors, they would decline from 34.6% to 31.5% and from 43.9% to 42.2%, respectively, over the period of this ESDP.

This structural transformation of the Nigerien economy will take place through the implementation of structuring projects such as the "Integrated Agro-industrial Poles" program, Kandadji, flagship programs (onion, moringa, beef cattle, rice, chicken/guinea fowl, sugar cane, sesame, tigernut, pepper and tomato), fertilizer factories, livestock feed factories, fiber optics, rural and urban electrification, the trans-Saharan highway, the rail loop, etc. The dynamism of the secondary sector would also be driven by the substantial increase in extractive activities, particularly oil with a crude oil export capacity of 90,000 barrels / day from 2024 onwards. In addition, over the period 2022-2026, the agriculture sector will not be very sensitive to climatic hazards thanks to the investments under the i3N, particularly on irrigation with the extension of the practice of irrigated crops throughout the year and the country.

Regarding public finances, revenue mobilization efforts will make it possible to reach a level of tax burden that would increase from 11.7% in 2022 to 14.9% of GDP in 2026. Credit to the

economy will expand (16.6% of GDP on average), boosted by the major reforms planned as part of the National Strategy for Financial Inclusion.

The results of the simulations carried out indicate that with the realization of the optimistic scenario assumptions, Niger would reduce the incidence of poverty by 7.6 percentage points over the period 2022-2026, compared to a reduction of 5.4 percentage points between 2011 and 2019.

The baseline scenario (the medium assumption) is characterized by a development of the national economy in line with the projections made in the Economic and Financial Program (PEF) 2021-2024. It is based on policies, programs, and projects as well as priority actions identified in the ESDP, likely to be implemented, under the commitments of the PEF supported by the International Monetary Fund. It assumes, however, that the rate of public investment (from domestic and external resources) is in line with past trends.

In the baseline scenario, over the period 2022-2026, the economy would grow at an average annual rate of 8.2%. The primary sector is expected to grow by an average of 7.0%, driven mainly by agriculture (+8.2%), livestock (+4.7%) and fisheries (+4.9%), which would benefit from good rainfall and significant investments planned under the 3N initiative. The projections also take into account the resumption of activities in the Lake Chad Basin with the continuation of measures aiming at stocking pools and the intensification of programs to support pastoralism.

As for the secondary sector, activity is expected to grow by an average rate of 11.8% due to the start of crude oil exports. Thus, oil activities would be up 43.6% on average. The growth in the secondary sector is also due to construction activities (+8.2%), electricity and water production (+9.3%) and manufacturing activities (+7.3%). The other branches of the secondary sector would benefit from the induced effects of new projects on road infrastructure (construction of paved roads and rural roads), rail and energy. Regarding the energy subsector, the projects include the construction of the 330KV WAPP (West African Power Pool) North Ridge transmission line, the Haské project and policies to increase the use of domestic gas. Finally, projects on water include the increase of the production capacity of the Goudel water treatment plant and numerous drinking water supply projects that will be implemented. The tertiary sector would benefit from the spillover effects of the primary and secondary sectors. It should also be driven by strong growth in transportation (+17.8%), trade (+7.4%), ICT companies (+7.3%), hotel and restaurant activities (+6.8%) and other services (+4.2%). The average annual growth rate of this sector would be 7.1% over the ESDP period, driven by the completion of the installation of the national fiber-optic backbone, which will improve the quality of telecommunications services, new policies to promote tourism and the development of the transport sector, and the start of crude oil exports. Other factors include the promotion of financing of the economy through an adequate allocation from the Support Fund for SMEs / SMIs and increased access for disadvantaged populations to the financing of their activities through the operationalization of the Fund for the Development of Financial Inclusion.

Inflation is expected to remain well below the maximum level of 3% set by the WAEMU under the multilateral surveillance, resulting from efforts to increase local food production, building up food security stocks regularly and developing grain banks. Measures to control imported inflation will also be continued.

In terms of public finances, revenues are expected to increase by 17.5% per year on average over the period. This increase would result from the increase in tax (+16.9%) and non-tax (+32.7%) revenues, thanks to more effective public financial management reforms. The tax ratio is expected to improve over the period (12.7% of GDP on average) but will remain below the minimum Community standard of 20%. Public spending is expected to grow at an annual average rate of 11.1% over the period 2022-2026 and stands at 23.3% of GDP. This increase can be explained by both current expenditure (10.2%) and investment expenditure (+10.4%). The overall balance (including grants) is expected to improve from -7.4% of GDP in 2022 to -2.6% in 2026.

The pessimistic scenario (the low assumption) assumes that security, health and climate shocks continue to have a strong impact on the economy with less external resource mobilization, a weak impact of ongoing reforms in terms of domestic revenue mobilization and incentives for private investment, as well as a reduction in public spending in order to preserve macroeconomic balances. Under this scenario, the growth rate of the economy would be only 5% on average over the period of the Plan.

2.4. Strategic axes and programs of the ESDP 2022-2026

The diagnostic analysis of the economic and social situation has highlighted challenges and issues. To address these issues, 3 strategic axes are defined: (i) Human capital development, inclusion and solidarity; (ii) Consolidation of governance, peace and security and (iii) Structural transformation of the economy.

2.4.1. Axis 1: Human capital development, inclusion and solidarity

Human capital is one of greatest potential resources for any country. In view of the challenges inherent in building human capital, the ESDP aims, through the first strategic axis, to act on the quantity and quality of human capital, but also to ensure its full valorization. Human capital development will include education and training, health, access to safe drinking water, hygiene and sanitation, social protection, employment, gender, youth, sports and culture, research and innovation for the structural transformation of the economy. The development of human capital will be achieved through the implementation of six (6) programs.

Program 1: Improving Equitable Access to High-Quality Education and Training

Education and training appear to be at the heart of the authorities' concerns, as they allow an optimal development of human resources and constitute an important instrument in reducing poverty, increasing the well-being of the population and the competitiveness of the economy.

The major actions of the program will consist of: (i) increasing equitable and inclusive access to education and training; (ii) improving the availability of infrastructure and teaching staff; (iii) improving the quality of education and training; (iv) supporting the occupational integration and providing support to young people; (v) fostering renovated learning and non-formal education; (vi) strengthening higher education, including private higher education; (vii) strengthening the governance of the education system, in particular by increasing the share of the budget allocated to the education and training sector to 22% per year on average and (viii) promoting research and technological innovation.

The goals will help achieve SDG4 *"Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all"*.

Program 2: Improvement of the health and nutritional status of the populations and demographic factors

The implementation of the National Health Policy (PNS) 2016-2035, adopted in September 2017, will be continued. It aims to provide high-quality care and services to the populations, particularly vulnerable groups, in accordance with international standards. To this end, a new Health Development Plan (PDS) 2022-2026, which is its second five-year version and consistent with the ESDP 2022-2026, has been adopted.

The major actions of the program will consist of: (i) improving access to and quality of health services and care; (ii) improving reproductive health and strengthen the availability and operational capacity of family planning in health facilities; (iii) improving the health and nutritional status of mothers and children; (iv) intensifying prevention, response, surveillance, management and vaccination actions to combat major communicable diseases; (v) institutionalizing the Universal Health Coverage for the benefit of populations and the promotion of mutual health insurance; (vi) strengthening the governance and leadership of the Ministry of Health and local communities; (vii) promoting research in health issues and (viii) developing the interrelations between population-and development.

The implementation of this agenda will contribute to the achievement of SDG3 *"Ensure healthy lives and promote well-being at all ages"*.

Program 3: Improving access to clean water, hygiene and sanitation

Access to drinking water and sanitation for all is one of the priorities for investment in human capital development and will be ensured, particularly at the level of economic growth poles. To respond effectively to this challenge, the Water, Hygiene and Sanitation Sector Program adopted on May 9, 2017, will continue to be implemented to improve access to drinking water and sanitation services.

The major actions of this program are: (i) increasing equitable and sustainable access to drinking water supply services in rural and urban areas; (ii) increasing equitable and sustainable access to hygiene and sanitation services in rural and urban areas and (iii) strengthening the governance of the sector. These actions will include village water, pastoral, and urban water systems as well as hygiene and sanitation services.

The implementation of these actions will contribute to the achievement of SDG6 which aims to *"Ensure availability and sustainable management of water and sanitation for all"*.

Program 4: Promotion of Social Inclusion, Employment and National Solidarity

As part of the implementation of this program, the major actions are as follows: (i) strengthening the mechanisms for the protection and social and economic integration of specific groups; (ii) strengthening the protection and promotion of the rights of children and persons

with disabilities; (iii) empowering vulnerable groups; (iv) fostering employment, the application of labor standards and enhancing national volunteerism for development; (v) improving the effectiveness of disaster and humanitarian emergency management; (vi) improving the governance of the sector.

Program 4 will contribute to: (i) SDG1 *"End poverty in all its forms everywhere"*; (ii) SDG5 *"Achieve gender equality and empower all women and girls"*; (iii) SDG8 *"Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all"* and (iv) SDG10 *"Reduce inequalities within and between countries"*.

Program 5: Reducing Gender Inequalities

The realization of this commitment is based on the implementation of the following actions: (i) reducing the socio-cultural constraints on girls and women; (ii) promoting the economic empowerment of women and girls, including those with disabilities; (iii) strengthening the employability and access of women, girls and those with disabilities to decent and secure jobs; (iv) reducing gender-based violence and (v) increasing access for women and girls to decision-making and management bodies at national, regional and local levels.

The implementation of Program 5 is part of achieving SDG5 *"Achieve gender equality and empower all women and girls"*.

Program 6: Youth Development and promotion of Sports and Culture

The major actions of the Program include: (i) promoting youth development; (ii) developing sport; (iii) promoting culture and (iv) improving governance of the sector.

The implementation of this program will contribute to achieve Goal 16 of the African Union's Agenda 2063 *"Engaged and Empowered Youth and Children"* and Goal 14 *"African Cultural Renaissance reaches its peak"*.

2.4.2. Axis 2: Consolidation of governance, peace and security

Through this axis, the objective is to make Niger a stable, strong and resilient democratic state. This State, built on the architecture of the Constitution of November 2010, is a united Republic covering the current territorial space in its entirety. This State, strengthened by its stability, will be able to guarantee the rights and freedoms of citizens and to ensure them the conditions of individual prosperity while remaining demanding on the fulfillment of their individual and collective duties, and firm on the respect of the law. To achieve this goal, emphasis will be placed on good political, economic and administrative governance and the promotion of fair and accessible justice for all. This axis aims, on the one hand, to guarantee peace, security, justice and human rights and, on the other hand, to increase the effectiveness of the interventions of the State and its partners, with a view to stimulating new economic and social dynamics. This goal is divided into 6 programs.

Program 7: Improvement of Development Management

The major actions of the Program are: (i) improving the framework for economic analysis; (ii) improving public financial management; (iii) strengthening planning, programming and monitoring and evaluation; (iv) Monitoring and improving the performance of development projects; (v) strengthening the National Statistical System.

The implementation of Program 7 will contribute to the achievement of SDG8, SDG10 and SDG17.

Program 8: Improving Legal and Judicial Governance and Reinforcing the Fight against Corruption

The major actions of this program are: (i) promoting equitable access to justice, including through legal and judicial assistance and the operationalization of new courts created at the level of departmental capitals; (ii) Promoting and protecting human rights and fundamental freedoms; (iii) improving prison management and (iv) strengthening the fight against corruption, money laundering and related offences.

The implementation of Program 8 will contribute to the achievement of SDG16, in particular through: (i) the promotion of the rule of law at the national and international levels and ensure equal access to justice for all and (ii) provide legal identity for all, including birth registration.

Program 9: Improvement of Political and Administrative Governance

The main interventions of this program are: (i) strengthening democracy, human rights, and peace; (ii) improving the performance of institutions and public administration; (iii) promoting good administrative practices; (iv) strengthening diplomatic actions and (vi) modernizing the civil registration system.

The implementation of Program 9 will contribute to the achievement of SDG16 which aims to *"Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels"*.

Program 10: Strengthening Security Governance

The major actions of this program will aim at: (i) improving the strategic framework for security governance; (ii) strengthening the presence of security and defense forces throughout the territory; (iii) fostering the security of borders; (iv) strengthening military cooperation; (v) promoting peacebuilding actions and development initiatives and (vi) strengthening actions to combat new forms of crime.

The objectives of this program will contribute to the achievement of SDG16 through, among other things, the significant reduction of all forms of violence and related death rates everywhere.

Program 11: Strengthening Migration Management

The major actions of this program, which correspond to the strategic axes of the National Migration Policy, are: (i) the exploitation of opportunities related to migration; (ii) protection and assistance to migrants, refugees and host populations and (iii) management of migration flows.

This program also aims to achieve SDG10 "*reduce inequalities within and between countries*".

Program 12: Strengthening local governance and spatial planning

The major actions of the program are: (i) improving the management of devolved and decentralized entities; (ii) strengthening regional, local and community development and (iii) reinforcing spatial planning.

This program contributes to the achievement of Goal 11 of the African Union's Agenda 2063, which aims to build capable institutions and transformative leadership at all levels of the African Union, particularly in the areas of participatory development and local governance.

2.4.3. Axis 3: Structural transformation of the economy

This third strategic axis aims to boost promising sectors (agriculture, livestock, ICT, energy, transport, trade, tourism/crafts, mining, oil, construction) for strong, sustainable, inclusive, more resilient growth that creates decent jobs. Thus, given the diagnosis of the national productive system, the potentialities and opportunities identified, Axis 3 is structured in 4 programs.

Program 13: Private Sector Development

The role of the private sector is fundamental to further boost wealth and job creation in the medium and long term. Therefore, the ESDP 2022-2026 focuses on improving the business climate, expanding trade, promoting SMEs and youth entrepreneurship, protecting investments, industrial development, developing the financial system and facilitating access to credit as well as the optimal exploitation of tourism and artisanal potential, mining and oil.

The objective of the transformation of the economy also requires the implementation of structuring projects, including the completion and operationalization of the Kandadji Dam, the promotion of Regional Economic Development Poles as well as the projects identified as priorities in the Banque de projets.

The major actions envisaged for this program are: (i) developing industrial and Economic Activity Zones (ZAE); (ii) improving the competitiveness of tourism and crafts trade; (iii) developing creative and cultural industries; (iv) developing infrastructure (road, rail, air and river) and transport services; (v) developing energy infrastructure and services; (vi) developing civil nuclear power infrastructure and services; (vii) developing telecommunications, communication and postal infrastructures and services; (viii) developing trade, financial

services and access to credit.

The objectives of this program are: (i) SDG7 “ensure access to affordable, reliable, sustainable and modern energy for all” through the development of energy infrastructure; (ii) SDG8 “promote sustained, inclusive and sustainable economic growth, and full employment for all” and (iii) SDG9 “build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation”.

Program 14: Rural sector modernization

The major actions are as follows: (i) increasing and diversifying agroforestry and fisheries production and (ii) improving financing in rural areas

The implementation of integrated initiatives, such as the Great Green Wall, which combines the rehabilitation of degraded lands, the development of non-timber production with high value-added potential and the development of value chains, will promote the development of an ecosystem conducive to the fight against climate change and the creation of jobs (especially for women and young people).

The implementation of this program aims to achieve the following objectives: (i) SDG1 “end poverty in all its forms everywhere”; (ii) SDG2 “End hunger, achieve food security and improved nutrition and promote sustainable agriculture”; (iii) SDG8 “promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”; (iv) SDG9 “Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation”; (v) SDG10 “reduce inequalities within and among countries” and (vi) SDG12 “establish sustainable consumption and production patterns”.

Program 15: Improving the exploitation of oil and mining potential

The major actions of this program are: (i) developing the value chain of the oil sector; (ii) developing the value chain of the mining sector and (iii) improving the governance of the oil and mining sectors.

The implementation of this agenda will contribute to: (i) SDG8 “promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all” and (ii) SDG12 “establish sustainable consumption and production patterns”.

Program 16: Sustainable Environmental Management and Building Resilience to Climate Change

Major actions aim at: (i) sustainable management of land, water and biodiversity; (ii) promoting integrated water resources management; (iii) strengthening the resilience of the production system and populations to climate change; (iv) improving the quality of life in local communities and (v) improving the governance of the sector.

The objectives of this program are to achieve: (i) SDG11 “Make cities and human settlements

inclusive, safe, resilient and sustainable" and (ii) SDG13 "take urgent action to combat climate change and its impacts".

2.4.4. Overall cost of the ESDP 2022-2026

The determination of the overall cost of the ESDP 2022-2026 is based on the optimistic scenario, which reflects the ambition of the President of the Republic and the Government through the Renaissance Program Act 3. Thus, the overall cost of the ESDP 2022-2026 is estimated at FCFA 19,427.6 billion, or about \$30 billion. This amount is comprised of FCFA 8,757.0 billion of public resources; FCFA 6,742.3 billion expected from Technical and Financial Partners and FCFA 3,928.3 billion from the private sector.

The financing gap of the ESDP 2022-2026 thus amounts to FCFA 10,670.6 billion.

This overall cost of the ESDP could be revised following the mid-term review of the Plan in 2024.

The cost structure by axis, program, major action and funding status is presented in Volume 3 "Priority Action Plan and Results Measurement Framework".

CHAPTER THREE: INSTITUTIONAL MECHANISM FOR COORDINATION, IMPLEMENTATION, AND MONITORING AND EVALUATION

3.1. Institutional framework

Based on the lessons learned from the final evaluation of the ESDP 2017-2021, the institutional set-up of the ESDP 2022-2026 is defined in line with the decentralization process. Thus, it includes 4 levels, namely: the national level, the regional level, the departmental level and the communal level.

It is made up of the coordination bodies, the technical and support bodies for the implementation and monitoring and evaluation of the Plan, as well as the consultative bodies. The responsibilities, composition and functioning procedures of the bodies were specified by a decree taken during the Council of Ministers of June 22, 2022.

3.1.1. Coordination bodies

The coordinating bodies consist of the Council of Ministers and the National Council of Orientation. **The Council of Ministers** is composed of the members of the Government. It is the body responsible for adopting the comprehensive proposals made by the National Council of Orientation. It is the final decision-making body.

The National Council of Orientation (CNO), chaired by the Prime Minister, is composed of members of the Government, representatives of the Institutions of the Republic, two representatives of civil society organizations, four representatives of the private sector, the President of the Association of Regions of Niger, the President of the Association of Municipalities of Niger, the President of the High Council of Nigeriens Abroad and the members of the TFP Coordination Bureau. The CNO is responsible for monitoring the implementation of the ESDP and proposing possible new orientations on the basis of the major outcomes achieved, and international, regional and sub-regional challenges.

3.1.2. The technical and support bodies for the implementation, and monitoring and evaluation of the ESDP

Technical bodies

The technical bodies are composed of: (i) the National Technical Committee, chaired by the Minister of Planning; (ii) the Technical Secretariat; (iii) Sectoral Coordination Committees; (iv) Regional Coordination Committees; (v) Departmental Coordination Committees and (vi) Communal Coordination Committees.

Support bodies

The supporting bodies include: (i) the General Directorates of the Ministry of Planning; (ii) the Unit for Public Policy Analysis and Assessment of Government Action, an affiliate of the Prime Minister's Office and (iii) the National Institute of Statistics.

3.1.3. Consultative bodies

At the sectoral level, the consultative bodies ensure joint sectoral reviews, with the purpose being to examine the programming and implementation of interventions.

At the national level, the State/Technical and Financial Partners Committee has the mission to promote the coordination and harmonization of the interventions of the various stakeholders, to facilitate the mobilization of financial and technical resources and to ensure the alignment of support with the budget cycle. It also serves as a unique framework for dialogue between the government and its partners in the process of monitoring the implementation of the ESDP, including the use of credits, the harmonization of administrative, financial, accounting and procurement procedures.

3.2. Implementation instruments

The main implementation instruments are arranged at the central, sectoral and decentralized levels. At the central level, the instruments are composed of the ESDP Action Plan, the Multiannual Budgetary and Economic Programming Document, the Finance Law, the Strategic Reform Matrix, and the Communication Strategy.

At the sectoral level, the instruments include sectoral policies and strategies, sectoral development plans, sectoral programs, development programs and projects, and sectoral priority action plans. At ministerial level, the instruments are the Multiannual Expenditure Programming Documents and the Annual Performance Projects.

At regional and local level, the instruments include the Regional Development Plans (RDPs) for regions and Communal Development Plans (CDPs) for municipalities.

3.3. Implementation bodies

The implementing bodies include the State, local authorities, the private sector, civil society, technical and financial partners (TFPs) and the Diaspora.

3.4. The monitoring and evaluation system

The monitoring and evaluation system includes: (i) monitoring the implementation of the ESDP 2022-2026 programs; (ii) the annual review of projects and programs by ministry; (iii) monitoring of the outcomes of the ESDP; (iv) the review of public expenditure; (v) evaluation of the performance of public development policies and (vi) mid-term and final evaluations.

3.5. Principles of implementation and monitoring and evaluation

Five guiding principles will guide the implementation of the ESDP 2022-2026, including the Results-Based Management (RBM), cross-sectoral approach, inclusiveness, partnership and empowerment/accountability.

3.6. Risk analysis, mitigation measures and financial impact for the ESDP

The implementation of the Plan could be hampered by risks from exogenous and endogenous sources. Key risks have been identified and mitigation measures proposed.

The effectiveness of some risks, particularly those related to climate and security shocks, would

increase the overall cost of the Plan. For example, the financial impact of an extreme climate shock, similar to that of 2021 when agricultural production fell by nearly 39%, was estimated at FCFA 439 billion. As for the occurrence of a security shock, which could result in a deterioration in the security situation that could compromise the effective collection of revenues and delay the start of crude oil exports, it would imply an additional financing requirement of FCFA 272.3 billion per year.

Appendix: Main macroeconomic indicators of the ESDP 2022-2026

	2017	2018	2019	2020	2021	Average 2017-2021	2022	2023	2024	2025	2026	Average 2022-2026
Current GDP (FCFA billion)	6 494.7	7 138.6	7 610.4	7 909.3	8 272.0	7 485.0	9 158.8	10 311.5	11 986.6	13 218.4	14 377.8	11 810.6
Nominal GDP growth rate	5.9%	9.9%	6.6%	3.9%	4.6%	6.2%	10.7%	12.6%	16.2%	10.3%	8.8%	11.7%
Population (million)	20.4	21.2	21.9	22.8	23.6	22.0	24.5	25.4	26.3	27.3	28.3	26.3
GDP per capita (in FCFA)	318 244	337 337	346 828	347 618	350 616	340 128.7	374 382	406 493	455 705	484 645	508 385	445 922.2
Real GDP growth rate	5.0%	7.2%	5.9%	3.6%	1.4%	4.6%	7.9%	10.2%	13.9%	8.1%	6.6%	9.3%
Contribution to growth (pp %)												
<i>Primary sector</i>	1.8	2.5	2.2	2.7	-1.6	1.5	2.6	2.4	2.2	2.3	2.4	2.4
<i>Secondary sector</i>	1.0	1.5	1.2	0.4	0.9	1.0	1.4	4.3	7.5	2.1	1.1	3.3
<i>Tertiary sector</i>	2.2	3.2	2.5	0.5	2.1	2.1	4.0	3.5	4.1	3.8	3.2	3.6
Inflation rate (annual average)	0.2%	2.8%	-2.5%	2.9%	3.8%	1.4%	4.4%	3.0%	2.5%	2.4%	2.4%	2.9%
Gross Investment Rate	27.2%	30.2%	30.7%	29.9%	31.7%	30.0%	35.2%	36.8%	37.9%	38.2%	39.1%	37.4%
<i>Public</i>	9.2%	11.0%	10.4%	10.7%	11.2%	10.5%	12.6%	13.3%	13.7%	14.9%	16.1%	14.1%
<i>Private</i>	18.0%	19.2%	20.3%	19.2%	20.5%	19.4%	22.7%	23.5%	24.2%	23.3%	23.0%	23.3%
Balance of Payments												
Trade balance (% of GDP)	-6.6%	-7.9%	-9.2%	-9.8%	-10.8%	-9%	-11.2%	-9.0%	-4.9%	-3.2%	-2.6%	-6.2%
Current account balance (% of GDP)	-11.3%	-12.7%	-12.1%	-13.2%	-14.1%	-13%	-14.0%	-12.0%	-8.0%	-6.7%	-6.6%	-9.5%
Overall balance (% of GDP)	-2.0%	-1.7%	4.2%	-1.0%	1.7%	0%	-1.4%	0.7%	2.6%	1.8%	1.7%	1.1%
Monetary situation												
Money supply (% of GDP)	17.7%	15.8%	17.0%	19.2%	19.9%	18%	21.7%	22.2%	22.7%	22.0%	22.4%	22.2%
Credit to the economy (% of GDP)	13.7%	11.9%	12.7%	13.2%	14.6%	13%	15.4%	16.6%	17.0%	17.1%	17.2%	16.6%
Public finance												
Fiscal balance (% of GDP)	-4.1%	-3.0%	-3.6%	-5.3%	-5.9%	-4%	-7.4%	-3.7%	-2.2%	-1.3%	-0.9%	-3.1%

Source: Ministry of Planning