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FOR CONSIDERATION

MEMORANDUM

TO : THE BOARD OF DIRECTORS

**FROM : Cheikh I. FALL
Secretary General**

SUBJECT : MALI : BANK GROUP COUNTRY ASSISTANCE EVALUATION*

Please find attached hereto, the above-mentioned document.

Attch.

Cc : The President

*** Questions on this document should be referred to:**

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SCCD.C.H.

**African Development
Fund**



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MALI: BANK GROUP COUNTRY ASSISTANCE EVALUATION

OPERATIONS EVALUATION DEPARTMENT

TABLE OF CONTENTS

TABLE OF CONTENTS	i
PREFACE.....	iii
EXECUTIVE SUMMARY	iv
I. INTRODUCTION	1
1.1 Aim of Evaluation.....	1
1.2 Methodological Approach	1
II. COUNTRY BACKGROUND.....	2
2.1 Socioeconomic Developments.....	2
2.2 Main Constrains to Country’s Development	3
2.3 Mali’s Dependence on External Aid and Relative Share of Bank.....	3
III. BANK GROUP ASSISTANCE TO MALI: PRODUCTS AND SERVICES	3
3.1 Bank’s Strategy and Relevance	3
3.2 Implementing the Strategy: Lending Operations.....	8
3.3 Implementing Strategy: Analysis and Advisory Services	10
IV. DEVELOPMENT EFFECTIVENESS OF BANK ASSISTANCE	12
4.1 Growth and Macroeconomic Stabilization	12
4.2 Poverty Reduction and Other Millennium Development Goals.....	16
4.3 Impacts on Cross-cutting Aspects	20
V. PERFORMANCE OF DEVELOPMENT PARTNERS.....	22
5.1 Bank Group Performance	22
5.2 Performance of Government and Executing Agencies.....	23
VI. OVERALL ASSESSMENT AND COUNTERFACTUAL ANALYSIS	24
6.1 Relevance.....	24
6.2 Efficacy.....	24
6.3 Efficiency.....	24
6.4 Impact on Institutional Building.....	24
6.5 Sustainability	25
6.6 Overall Assesment and Counterfactual Analysis	26
VII. LESSONS AND RECOMMENDATIONS.....	26
7.1 Lessons	26
7.2 Recommendations.....	27

List of Annexes:

- Annex 1 Rating of Bank Group Assistance in Mali
- Annex 2 Main Macroeconomic Indicators
- Annex 3 Social Indicators
- Annex 4 Mali - Bank Group Operations (as at 8/11/2004)

This Bank Group country assistance evaluation report was prepared by Mr. H. RAZAFINDRAMANANA, Principal Post-Evaluation Officer, OPEV, Ext. 2294, with the support of a consultant, following a mission to Mali in March 2004. Questions on this report should be addressed to Mr. G. GIORGIS, Director OPEV, Ext. 2041.

ACRONYMS AND ABBREVIATIONS

ADB	: African Development Bank
ADF	: African Development Fund
AFD	: French Development Agency
APPR	: Annual Portfolio Performance Report
BCEAO	: Central Bank of West African States
BDM	: Development Bank of Mali
CEPRIS	: Health Infrastructures Project Rehabilitation and Implementation Unit
CRES	: Regional Solar Energy Centre
CSCOM	: Community Health Centre
CSP	: Country Strategy Paper
CSREF	: Referral Health Centre
DEP	: Directorate of Studies and Planning
DWS	: Drinking Water Supply
ECOWAS	: Economic Community of West African States
EMEP	: Malian Survey on Poverty Assessment
EPCP	: Economic Prospects and Country Programming
EU	: European Union
FAO	: Food and Agriculture Organization
FNE	: National Water Fund
GDP	: Gross Domestic Product
GNP	: Gross National Product
HDI	: Human Development Index
HIPC	: Heavily-Indebted Poor Country
HIV/AIDS	: Human Immuno-Deficiency Virus / Acquired Immuno-deficiency Syndrome
IDA	: International Development Association
IDWSSD	: International Drinking Water Supply and Sanitation Decade
IMF	: International Monetary Fund
IRD	: Integrated Rural Development
LDC	: Least Developed Country
MDG	: Millennium Development Goal
MFI	: Micro-finance Institution
NGO	: Non-governmental organization
NPV	: Net Present Value
ODA	: Official Development Assistance
OPEV	: Operations Evaluations Department
PCR	: Project Completion Report
PIP	: Public Investment Programme
PPER	: Project Performance Evaluation Report
PRODEC	: Ten-Year Education Development Programme
PRODESS	: Health and Social Promotion Development Programme
PRR	: Portfolio Review Report
PRSP	: Poverty Reduction Strategy Paper
RMC	: Regional Member Country
SAP	: Structural Adjustment Programme
SME	: Small and Medium Scale Enterprise
SMI	: Small and Medium Scale Industry
TAF	: Technical Assistance Fund
UA	: Unit of Account

UNDP : United Nations Development Programme
UNESCO : United Nations Educational, Scientific and Cultural Organisation
UNHCR : UN High Commission for Refugees
UNICEF : United Nations Children's Fund
US : United States (of America)
WAEMU : West African Economic and Monetary Union

EXCHANGE RATE (March 2004)

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UA 1	EUR 1.19188
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PREFACE

This report evaluates Bank Group assistance to Mali for the 1994-2004 period. It was prepared under very difficult conditions. The process, which began in 2002, was suspended after two missions to the country in October and December 2002 due to the poor performance of the team of consultants and relocation of the Bank. These missions resulted in the production of various thematic and sector notes. The evaluation, which resumed in 2004, was entrusted to another team to complete, update and validate the data and analyses for the preparation of an overall evaluation report. Subsequently, the report was re-organized and complemented with the new guidelines on country assistance evaluation formulated at end 2004. The time-table for finalizing this report took into account the need to draw useful lessons and recommendations for the next country strategy paper (CSP).

Several factors led to the inclusion of Mali, in 2002, among the first batch of countries to undergo a country assistance evaluation. These included its high level of poverty, relatively sound economic performance and significance share of the Bank Group's lending portfolio. Moreover, Mali is amenable to pilot experiences and, notably in 2002, featured among the first countries to adopt the Poverty Reduction Strategy Paper. (PRSP).

However, the evaluation was hampered by serious deficiencies in the system of information, monitoring and evaluation both at the Bank and in the country. Despite these impediments, considerable effort was made to apply the Bank's country assistance evaluation methodologies using the best practices in this area. However, it is worth noting that (i) these methodologies may change and can be adjusted in view of the complexity of this kind of evaluation and peculiarities of countries and (ii) the outcomes of their implementation depend on the available systems of information and monitoring-evaluation.

EXECUTIVE SUMMARY

1 The aim of the evaluation is to assess the efficacy of the Bank Group's assistance in Mali and its impact on the country's development for the 1994-2004 period. The report will also put forward useful lessons and recommendations to guide the next country strategy paper (CSP).

2 Mali is one of the poorest countries in the world and nearly 80% of its population derives its main income from agriculture or livestock rearing. The country's domestic production is dependent upon the rural sector although the latter's contribution to the GDP is on the decline (from 48% in 1994 to 41% in 2004). Despite the improvement in major social indicators, the levels of education and literacy as well as the health status of the people are worrying, particularly in remote areas. In 2004, Mali was ranked 174th out of 177 countries on the Human Development Index (HDI).

3. On the whole, the Bank's strategies were relevant and consistent, focusing on areas that were priorities for the Government and the people. The Bank responded to the Government's request, indicating its receptiveness to the country's expectations. Currently, the Poverty Reduction Strategic Paper (PRSP) constitutes the reference framework for sector policies and strategies. The recent CSPs have seen improvements, notably more solid links with the PRSP, a greater participatory approach and better treatment of cross-cutting issues such as governance. However, the CSPs have demonstrated their limitations at the strategic level in view of their lack of selectivity and precision due to the dearth of good quality economic and sector studies. Such studies would have enriched the Bank's strategy, the quality of its portfolio and its contribution to policy dialogue and aid coordination. Linkages between the analytical portion and the proposed strategy were inadequate and the choice of priority intervention areas was also largely dictated by the principle of relating assistance to the overriding needs and priority sectors of the country. The objectives of the CSP were inordinately vague and void of any precise monitoring/evaluation indicators.

4. The Bank was unable to significantly influence policy guidelines and the institutional framework in view of the lack of synergy between its various intervention sectors and between the various instruments used such as policy-based support, project loans and grants for studies and institutional support. However, the country strategy papers (CSP) of Mali have shown continuity by focusing on the same priority areas of intervention namely, the rural sector, social development, public utilities as well as policy-based lending. Although cross-cutting issues were taken into account in the CSPs, they were not backed by sufficient concrete actions, except in the area of good governance where the Bank recently intervened with the Good Governance Support Programme.

5. Activities relating to non-lending assistance improved over time. But the Bank's intellectual input to macroeconomic and structural reforms as well as the formulation of sector policies was inadequate. The lack of local representation of the Bank Group impeded its participation in the already deficient aid coordination in the country.

6 Nearly all the projects suffered significant delays in start up and implementation. The cumulative effect of the delays was to extend the life cycle of the bulk of projects from the initial estimate of 5 years to about 10. However most projects attained their physical objectives quantitatively and, to a lesser extent, qualitatively. The delays generated extra costs for Mali and the beneficiaries. Some of the causes relate to the slow ratification procedures, difficulties in fulfilling some conditions precedent and lack of familiarity by project managers with the Bank Group's rules and procedures. Some delays were attributable to the Bank's slowness in processing requests.

7. Project supervisory or implementation organs received support that enabled them to equip their units and upgrade their staff. There were a few cases of successful institutional strengthening, but the non-financing of recurrent costs and the mobility of the staff reduced the rate of institutional capacity building. Little provision was made for the institutional strengthening of beneficiary organizations.

8. In terms of physical outputs, the projects yielded lasting results. For several activities such as provision of water points or use of community infrastructure, the issue of sustainability related more to management capacities than the physical quality of the structures. Thus, the inadequate attention paid to support measures in several projects and the poor performance in the area of institution building constitute threats to sustainability. The portfolio review missions were irregular and few. The number of supervision missions improved, however such missions were essentially limited to assessing the progress of activities to the detriment of development outcomes.

9. In light of the foregoing and the context of the country, it can be concluded that the performance of Bank Group assistance for the 1994-2004 period was generally satisfactory despite the number of shortcomings noted. Nevertheless, the Bank and Mali must continue to pursue sound policies in a more concrete manner. Thus, the impending opening of a country office of the Bank in Mali provided with the necessary resources and mandate, should accelerate the pace of implementation of projects and foster a better coordination of activities on the ground. The introduction of results-based management practices should contribute to enhancing the effectiveness of the Bank's assistance in Mali.

10. The recommendations advocate the implementation of a more selective strategy geared towards PRSP priority sectors where the Bank can contribute effectively to the country's development. The Bank should make greater efforts to combine in a complementary and consistent manner its operations in the various sectors with its intervention instruments namely: studies, policy-based lending, investment and institutional strengthening. The future strategy of the Bank should be based on in-depth economic and sector studies capable of enhancing dialogue on economic and sector policies as well as the project portfolio. Priority should be given to growth potential and social sectors to enable the achievement of sustainable growth and reduce poverty. To this end, the Bank should contribute to: (i) improving agricultural productivity and diversification; (ii) support the country for an effective and transparent management of public resources for poverty reduction; and (iii) support the social sectors (health, education, women's promotion). Also, the Bank should: (i) strengthen monitoring/evaluation mechanisms, performance and development indicators in the country and at the Bank; (ii) manage the project cycle better through improved preparation and closer monitoring; and (iii) build the capacities of all the stakeholders; and (iv) promote good governance in the country.

I. INTRODUCTION

1.1 Aim of Evaluation

The aim of the evaluation is to assess the efficacy of Bank Group assistance in Mali and its impact on the country's development for the 1994-2004 period. The report will also put forward useful lessons and recommendations to guide the next country strategy paper (CSP).

1.2 Methodological Approach

1.2.1 The evaluation was carried out at country level to give an overall assessment of the outcomes of the Bank's assistance programme over a ten-year period. It focuses on the relevance, efficacy, efficiency, impact on institutional development and sustainability of the Bank's assistance in Mali as well as on the performance of stakeholders. The evaluation reviews the Bank's assistance in terms of strategies implemented namely lending and non-lending operations.

1.2.2 However, the evaluation was hampered by considerable deficiencies in the system of information, monitoring and evaluation both at the level of the Bank and that of the country. Four CSPs were prepared during the period under review, but there were few project completion reports, portfolio review reports and economic and sector studies. These inadequacies were compensated for through numerous work sessions with the main stakeholders both at the country level and in the Bank to validate the preliminary analyses. These sessions also dealt with the perception by the various stakeholders of the outcomes and impacts of the Bank's operations.

1.2.3 The evaluation was based on documentation available at the Bank, in the country and with the partners: policy papers (CSP, poverty reduction, macroeconomic and sector policies etc.) and projects (project appraisal, supervision and completion reports). It is also based on interviews with the various project managers, partners and all the stakeholders of the Bank's interventions. Lastly, the mission to Mali in March 2004 enabled the validation of the preliminary data and analyses.

1.2.4 In addition to the introduction (Chapter 1), this report comprises five other chapters. Chapter 2 describes the socioeconomic context of the country highlighting the major constraints hampering its development. The following chapter assesses, from different perspectives, the performance of the Bank Group strategy in Mali in terms of design and implementation. Chapter 4 evaluates the outcomes and impacts of the Bank's assistance on the country's development and Chapter 5 deals with the performance of partners. The last chapter draws lessons from the Bank's experience in Mali and formulates recommendations that could contribute to enhancing the effectiveness of the Bank's intervention in ensuring a greater impact on development.

II. CONTEXT OF COUNTRY

2.1 Socioeconomic Developments

2.1.1 Mali is classified among the least developed countries (LDCs). The majority of the population derive their main incomes from agriculture (including livestock rearing), which is dependent on climatic conditions, notably the rainfall pattern. In the 1980s the economy was hit by a serious crisis resulting from the application of inappropriate interventionist economic policies. The 1994-2004 period was marked by the implementation of major structural and sector adjustment programmes that helped improve the macroeconomic environment. Real gross domestic product (GDP) grew by an annual average of 5%, yielding an average 2.5% growth in per capita incomes annually over the 1994-2004 period.

2.1.2 The development of Mali's domestic output is highly dependent on the rural sector, especially agriculture, although its contribution to the GDP has been declining steadily (it fell from 48% in 1994 to 41 % in 2004). This decline mainly benefited the secondary sector which grew (25% in 2004 as against 16% in 1994) notably with the expansion of mining activities following the adoption of more liberal economic measures. The country's development is however impeded by the increase in the costs of inputs stemming mainly from its landlocked nature (higher transport costs) as well as inadequate availability of resources, despite the improvement in energy supply.

2.1.3 Mali's efforts were supported by the donors in the form of financial support for development projects and programmes, as well as debt relief. They enabled the country to obtain a net present value (NPV) debt relief of \$ 539 by the end of 1998. The Bank Group contributed \$ 83.94 million in terms of nominal value (\$ 68.10 million in NPV terms) covering the 2000 to 2020 period.

2.1.4 Despite these efforts, Mali remains a poor country, with an estimated GNP of \$ 230 per capita in 2001. However, the incidence of poverty fell from 69% in 1998-2000 to 63.8% in 2003-2004 (almost a third of the entire population lives in abject poverty). Poverty affects 75.9% of rural dwellers compared to only 30.1% of the urban population. An estimated 88% of the population is located in the rural area where poverty affects women more than men. However, there are wide disparities, with poverty ratios varying from 28.6% in Bamako to 92.8% in Kidal. In 2004, Mali ranked 174th out of 177 countries on the Human Development Index (HDI). The socioeconomic situation therefore remains worrying in view of the scale of structural constraints affecting development.

2.1.5 Estimated at 10.2 million inhabitants in 2001 by the Malian poverty assessment survey (EMEP), the country's population is essentially rural (73 %), very young (46 % of under 15-year olds) and less and less nomadic (barely 3 %). Population density varies considerably from region to region, reflecting the rigours of the climate and the economic potential of various regions: 0.3 inhabitant per km² for Kidal to over 25 inhabitants per km² for Ségou and Sikasso.

2.1.6 Social indicators have seen a remarkable improvement particularly over a long period of time (cf Annex 4). However, the level of education and literacy as well as the health status of the country remain worrying, particularly in rural regions where limited access to basic social services (education and primary health) hampers the improvement of indicators.

2.2 Main Constraints to Country's Development

The realization of the country's development potential is impeded by a number of major constraints. Agricultural productivity, food and cash crops, is limited partly because of its vulnerability to climatic conditions and in view of its low level of technical modernization. The poor diversity of export commodities (cotton, cattle and gold) has deepened Mali's dependency, thus affecting the terms of trade. Inter-sector linkages, notably between agriculture and industry are weak. The private sector is relatively young and is hindered by the mismatch between the qualifications of management level staff and the vacant specialist posts in growth bearing areas. The low level of human resource development, the landlocked nature of the country, high costs of inputs related to the weak basic infrastructure, problems of water control and limited administrative capacities in the area of economic management compound the country's difficulties impeding the expansion and diversification of the productive apparatus. These structural factors have been worsened by unfavourable conditions the most significant of which has undoubtedly been the ongoing Ivorian crisis.

2.3 Dependency of Mali on External Aid and the Relative Share of the Bank

Like most Sahelian countries, Mali is a poor country with limited autonomous financing capacities. Consequently, it depends heavily on external resources to finance its investments. UNDP data estimates Mali's annual per capita dependency at US\$ 47 measured in terms of per capita net official development assistance (ODA) in 1997. The ratio was US\$ 98 for Mauritania, US\$ 40 for Senegal, US\$ 17 for Morocco and US\$ 23 for the continent. Internal financing now accounts for 25% compared with 15% in 1994, indicating a relative decline in external contributions to the financing of programmes. Most donors, notably bilaterals, tend to devote a greater proportion of their aid to LDCs in the form of grants. The attitude of these donors who often cancel the debts owed them by developing countries however results in a reduction of their aid resources. Also, the composition of developing countries' debt over the last decade witnessed a greater role of multilateral institutions in the financing and indebtedness of countries. The Bank's share in external financing is currently estimated at 4%, which classifies it among the ten leading donors of Mali and ranks it the second leading multilateral next to the World Bank.

III. BANK GROUP ASSISTANCE IN MALI : PRODUCTS AND SERVICES

3.1 Bank Strategy and Relevance

Main Objectives of Country Strategy Papers

3.1.1 Four country strategy papers (CSP) were prepared by the Bank during the 1994-2004 period. The table below provides a summary of the main objectives of these CSPs which were relevant in so far as they captured the country's major trends and constraints, its development programmes and the Bank's intervention strategies. The latter conformed to the orientations and priorities defined by the Malian authorities.

Table 3.1 – Main Objectives of CSPs of Mali

	CSP 93-95	CSP 96-98	CSP 99-01	CSP 02-04
General Objectives		Poverty Reduction	Poverty Reduction	Poverty Reduction under PRSP
Rural	Promote agricultural sector production	Diversify production and exports. Develop irrigated agriculture (irrigation schemes)	Ensure food security through intensification and diversification. Develop irrigated agriculture (irrigated schemes). Protect agricultural income	Develop irrigated agriculture (irrigated schemes)
Public Utilities			Improve access, urban and rural, to drinking water. Improve and safeguard energy supply	Review the issue of rural electrification
Road Infrastructure	Open up farming areas and strengthen country's regional integration	Support internal and external opening up. Improve rehabilitation and maintenance capacities		
Social	Improve the quality of human resources and safeguard income levels	Develop basic education and vocational training. Improve access to, and quality of care. Modernize health administration and support the district health system	Support pre-school, literacy, and basic education. Support the enrolment of girls and literacy education for women. Give greater importance to private sector. Support the PPDSS	Support sector programmes in education (PRODEC) and health (PRODESS)
Institutional Reform	Support structural adjustment and build administrative capacities	Pursue structural and sector reforms (public enterprises, resource management, private sector)	Pursue structural and sector reforms (public enterprises, education, health)	Pursue reforms and re-organization of the cotton sub-sector; institutional development and governance, private sector promotion
Mining	Harness mining potential			

Source: Various CSPs.

3.1.2 CSPs have improved considerably in view of their more solid links with the PRSP, better treatment of delicate issues concerning economic and political governance, increased participation of national actors from the administration and civil society. In this regard, the treatment of governance in the 2002-2004 CSP may be considered to be exemplary. However, further efforts are needed to improve the representation of target communities (notably the rural community and women) in the preparation of CSPs, increase budget allocated to the exercise, extend the relatively short deadlines and reduce the risk of spreading resources too thinly in view of the immensity of priorities.

3.1.3 The CSPs of Mali have shown continuity by focusing on the same priority areas of intervention, except for the mining sector that only appeared in the first CSP (1993-1995). Thus, the rural sector, social development (education and health), public utilities and transport as well as policy-based lending are constants whose proportions vary little from one CSP to another (refer to Table 3.2).

3.1.4 However, the CSPs have demonstrated their limitations at the strategic level with their lack of selectivity and precision. Linkages between the analytical portion and the strategic proposal are inadequate and the choice of priority intervention sectors was more or less dictated by the principle of matching the country's major needs and the priority sectors. As one of the least developed countries (LDC), Mali's needs in the economic and social activity sectors were enormous and they all constituted priorities for the Government who proposed them to the Bank Group for financing. The CSPs did not offer a suitably structured analysis of the country's development capacities and the relationship between intervention areas and between the Bank's instruments, resulting in a dispersal of efforts. These shortcomings stem from the fact that the CSPs were not based on in-depth economic and sector studies and did not sufficiently consider risks that could hamper the attainment of the objectives. Moreover, these objectives were too vague and void of precise development indicators for an effective assessment of the Bank's assistance and its impact on the country's development.

3.1.5 Despite the improvements made in the CSPs, the development goals indicators aimed at by the Bank's intervention strategy were not clearly defined thus making it impossible to verify whether or not the strategy had achieved its objectives. This accounts for the fact that the section of the CSPs dealing with an assessment of the previous strategy only dwelt on the operational aspects of the latter without considering the impacts on the country's development.

Sector Goals of Country Strategy Papers

3.1.6 For the rural sector, the goals were agricultural intensification and diversification geared toward food security (1993-1995, 1996-1998 and 1999-2001), development of irrigated farming and schemes (1996-1998, 1999-2001 and 2002-2004) and better protection of agricultural incomes (which appeared only in the 1999-2001 CSP). In the area of transport, the strategic priorities concerned the rehabilitation and maintenance of networks to ensure the country's external and internal opening up, notably agricultural areas. Mali was also the beneficiary of a multinational road construction operation with Guinea. For public utilities, the main concerns related to the supply of drinking water in rural and urban areas, development of hydro-electric potential, regional integration in the area of energy and, more recently, rural electrification, in the social sector. Strategic priorities aimed at increasing health and education delivery, mainly through the construction of new infrastructure. The novelty in this sector was its dependency since 1999, on sector programmes notably the ten-year education development programme (PRODEC) and the health and social development programme (PRODESS).

3.1.7 The pursuit of structural and sector reforms remained a priority, with special emphasis on Government disengagement and streamlining of the cotton sub-sector (in view of the interests and investments of the Bank in the rural sector). It is also worth noting the focus given by the CSP 2002-2004 to the four studies to serve as frameworks for future sector interventions.

Table 3.2 – Sector Allocations of CSPs of Mali

	93-95 CSP	96-98 CSP	99-01 CSP	02-04CSP
Agriculture and Rural Development	35 %	30 %	22.6 %	23.1 %
Public Utilities & Road Infrastructure ^a	25 %	20 %	11.9 %	24.0 %
Social Sector	20 %	25 %	28.2 %	19.2 %
Multisector	10 %	25 %	37.4 %	33.7 %
Mines	10 %			

Note: a) The 1993-1995 CSP mentions road and energy infrastructure, which complicates the issue of separation of public utilities (water & energy) from road infrastructure. The data for 96-98 concerns roads and that of 99-01 water. The 2002-2004 CSP does not provide a breakdown of allocations for the period by sector, however its update provided the data in the table.

3.1.8 The relevance of the Bank's strategies to Mali's development should be viewed from various angles: i) their conformity with policies and strategies formulated by the Malian authorities; ii) their complementarity and synergy with the operations of other technical and financial partners of Mali; and iii) their consistency with the needs expressed by the communities and solutions envisaged by them.

Relevance in Relation to the Government's Policies

3.1.9 In this regard, the Bank Group's strategies were relevant on the whole. They developed along with the country's policies which, under the adjustment programmes, were directed toward redefining the role of Government, private sector promotion, liberalization of the economy and the start of decentralization. Now, with a concerted poverty reduction approach (PRSP), the major challenges concern effective decentralization with particular emphasis on good governance and equity, stabilization/safeguarding of rural sector production, diversification of the economy, control over input costs and human development. This relevance of the Bank's strategies to those of the country are also found in most of the sectors.

3.1.10 The Bank has taken into consideration the country's agricultural development strategy driven by the rural development master plan adopted in 1992 and updated in 2001 to better meet the national challenges for sustainable development as well as provide a more coherent reference for medium and long term interventions in the sector. The revised version identified the following areas of intervention; i) food security; ii) restoration and preservation of soil fertility; iii) water control through the development of irrigation schemes; iv) increase in the volumes of production; and v) support to research, extension, advisory and training activities and other support measures for the sector.

3.1.11 Similarly, for health, the Government of Mali adopted a sector policy based on the primary health care strategy as well as the Bamako Initiative which advocated the decentralization of services. Despite a significant improvement in health statistics, the performance of health services needs to be upgraded through care delivery that guarantees better geographic access especially in poor regions and in the rural areas. A ten-year health and social development plan was formulated in 1999 through the PRODESS aimed at: (i) expanding health coverage, (ii) improving the quality of health services, (iii) reducing mortality and morbidity of priority diseases and (iv) guaranteeing a more equitable and sustainable financing of health infrastructure.

3.1.12 For a long time, education has been a priority sector in the country's socioeconomic development. Increased public spending on education and the priority given to basic education aimed to significantly raise the number of classrooms and pupils as well as gross enrolment rates. Under the PRSP, the PRODEC focused on the link between school and the community geared toward achieving the basic objective of "one village, one school". Its main actions related to: i) access to enrolment; ii) improvement in the quality of education; iii) implementation of cross-cutting measures such as an education/gender policy; and iv) better provision of human and financial resources.

3.1.13 In the area of public utilities, the Malian authorities made access to drinking water a priority for both urban and rural dwellers (boreholes fitted with hand pumps and wide-diameter wells). Considerable financial commitments were made towards this both by governmental authorities and the donors resulting in the rapid satisfaction of needs. In contrast, little progress was made in the area of sanitation which was only recently included in the priority concerns with the creation in 1998 of a national directorate of sanitation. The adoption of the Water Code in 2000 defined a legislative and regulatory framework adapted to the context of decentralization to govern the water sector. The strategic objective of the water code is to better satisfy the actual drinking water needs of the people by involving communities, encouraging investments in the national private sector, creating a stimulating legal and tax framework and by fostering the effective transfer of competencies to the communes and other relevant structures.

3.1.14 The energy sector is characterized by the absence of petroleum resources, insufficient harnessing of hydro-electric potential, gradual depletion of forestry resources and the inadequate use of new and renewable energy sources. In the last three decades, priority energy strategies related initially to the protection of forestry resources and, subsequently, the search for alternative energy sources with the expansion of the supply capacity of the urban population and, lastly, the start of the privatization of enterprises in the sector. Current strategic priorities still take into account these factors to which may be added the increased use of water resources, development of a sub-regional cooperation policy, transfer of some competencies as well as the putting in place of an electricity sub-sector regulatory body. Although the relationship between electrification and development of processing activities was often made, rural electrification was not considered among the country's strategic priorities.

3.1.15 The priority given to the opening up of the country is relevant because Mali's transport infrastructure is one of the least developed in the world. This weakness in infrastructure accounts for the fact that the share of transport represents between 27 and 30 % of the cost of goods conveyed (imported inputs or exported goods). The objective of investments in this sector was and continues to be the enhancement of the competitiveness of the economy through: i) internal and external opening up; ii) reduction of transportation costs; and iii) improvement in the quality of interventions and effectiveness of operators. Strategic measures identified recently to encourage the development of the sector include stimulating the private sector for the production and maintenance of transport infrastructures. The multinational Mali-Burkina Faso-Ghana corridor project is part of the policy to open up the country and mitigate the effects of the Ivorian crisis.

3.1.16 Following the emergence of inter-community conflicts and organized crime in the 1980s in the poor regions of the North, the Malian authorities showed greater sensitivity to the spatial distribution of projects and the need to narrow regional disparities. For a long

time, gender and decentralization have become part of the strategic discourse (since the 87-91 five-year plan). With the approach of the PRSP, these cross-cutting areas can now be embodied in the operational strategies of projects and programmes. This is also valid for other cross-cutting issues such as governance, private sector support and regional integration that were better integrated in the latest generation of projects in Mali.

Relevance to Needs of Communities

3.1.17 The Bank Group strategies are relevant since they lay emphasis on satisfying the priority needs of communities (agricultural production, livestock, water, health and education). However, despite the progress made, the participatory approach should be strengthened. The inadequate level of consultation of communities in project preparation sometimes resulted in lapses such as over-sizing of some infrastructures, lack of equipment for others, inadequate consideration of some cultural aspects, absence of support measures or low internalization of post-project management capacities.

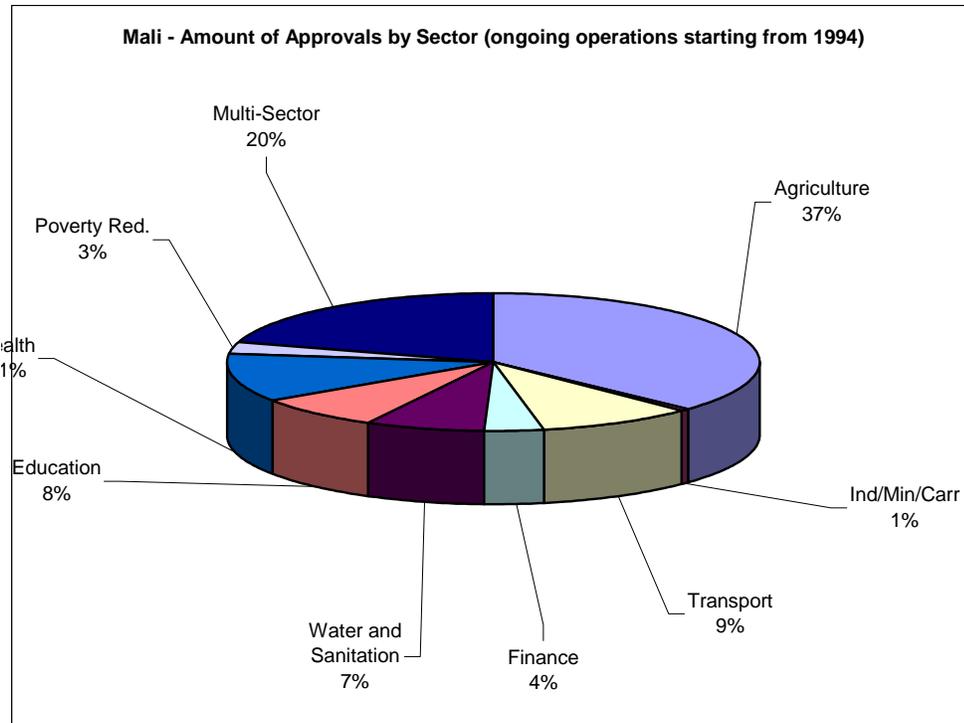
Relevance to Interventions by Other Partners of Mali

3.1.18 The lack of representation of the Bank in Mali prevented the country from participating actively and continuously in partners' coordination activities. However, the Bank took cognizance of the activities of other donors and the Malian authorities identified projects/programmes to be submitted to the Bank. Thus, the Bank was called upon in the 1990s to provide significant assistance to the poor regions of the North in order to develop infrastructure that would facilitate access to social services and build production capacities of local economies. Overall, the Bank Group's strategies proved to be relevant to the interventions of other partners of Mali.

3.2 Implementing the Strategy: Lending Operations

Characteristics and Composition of Portfolio

3.2.1 Since its first intervention in 1974, the Bank Group has granted 85 loans and grants to Mali amounting to UA 573 million net-of-cancellations as at 31/12/2004. Fifty-seven operations representing 58% of the portfolio and 90% of disbursements have been completed. The interventions of the Bank Group concerned all the sectors, but the bulk related to agriculture with 37% of net commitments, the social sector with 22% and multisectoral operations with 20%. The 2 private sector operations for the industrial sector approved in the years 1990s were cancelled.



3.2.2 The rate of disbursement of the active portfolio, which was 25.5% as at 31/12/2004, has fallen to 15.5% with the inclusion of recently approved operations that have not yet undergone an initial disbursement.

Implementation Performance

3.2.3 Total disbursements stood at nearly UA 400 million as at 31/12/2004, that is 70% of commitments excluding cancellations: the disbursement rate was lower than this average in the agricultural (50%) and social sector (59%) in view of the complexity of these sectors.

3.2.4 This relatively good performance however masks a number of major problems shared by the majority of projects. Virtually all the projects suffered considerable delays both in their start up phase and their implementation. The lead-time between approval and effectiveness of the loan ranged between one month and 5 years. In view of their urgent and fungible nature, (support to adjustments), multisectoral interventions are more rapid to effect with an average duration of 6 months whereas public utilities were the slowest with an average of three years. The cumulative effect of these delays was to extend the life cycle of many projects from the initial estimate of 5 years to up to 10 years.

3.2.5 The causes of these delays include the time-consuming ratification procedures and difficulties in fulfilling some conditions precedent. Often, project managers were not proactive enough in managing these two stages and rather chose to wait for ratification before taking steps to fulfil the other conditions. Nevertheless, it is worth noting a recent trend towards the easing of loan effectiveness conditions.

3.2.6 In the majority of projects, familiarity with procurement procedures (tender award) as well the disbursement by the project management staff was inadequate. Generally, one of the conditions of project effectiveness is the recruitment of project management staff, a process that already requires the application of Bank procedures, which often constitutes a factor of delay.

3.2.7 Missions to launch new projects and training seminars on rules and procedures intended for new staff helped mitigate the problems although they were not able to eliminate them. Sometimes, the launch missions were not in accordance with the guidelines, particularly with regard to their composition. Also, the training seminars did not follow the advertised frequency (a seminar in April 2000 but the next one in September 2003) despite a high demand for participation.

3.2.8 Furthermore, some project managers lacked the necessary capacity for managing the schedule of activities based on the Bank's procedures. Difficulties in following procedures resulted in the exchange of numerous correspondence and documents between Mali and the Bank. But, at times, the relevant Bank units did not have the requisite staff to carry out the tasks assigned them, hence the delays in following up on project requests at the Bank. These delays in turn affected the implementation of projects and, consequently, contributed to reducing their efficacy and outcomes. The delays worsened with the Ivorian crisis and the relocation of the Bank to Tunis.

3.3 Implementing the Strategy: Analysis and Advisory Services

Economic and Sector Studies

3.3.1 The Bank financed the Mali 2025 national long-term prospective study aimed at providing a better insight into the country's long-term development. This study, carried out between 1997 and 1999 is often cited as a reference for the formulation of the PRSP. For some projects, engineering studies were planned during the implementation phase. These studies often required long implementation periods resulting in delays and cost overruns.

3.3.2 Despite the notable efforts made, the dearth of quality economic and sector studies hindered the Bank's intervention during the period under review in the areas of strategy, policy dialogue and aid coordination. The use of studies by partners undoubtedly helped alleviate this problem, but the Bank lacked foresight in basing its strategies on those of other donors. Since then, the Bank has taken cognizance of these shortcomings and the CSP 2002-2004 recommended economic and sector studies that would provide a better framework for future sector interventions.

Policy Dialogue

3.3.3 The CSP constitutes a preferred instrument of policy-dialogue between the Bank and the Malian authorities. However, preparation of the CSP was generally limited to the central authorities and did not sufficiently involve the civil society and grassroots communities targeted by the projects and programmes. Furthermore, the lack of resources by the Bank team responsible for the CSP and absence of a Bank representation in the country restricted opportunities for policy dialogue. The monitoring of the CSP was hampered by the lack of development targets and performance indicators as well as the lack of monitoring/evaluation mechanisms.

3.3.4 The Bank conducted several dialogue missions and it actively contributed to the PRSP process, however, portfolio reviews, were carried out in an irregular manner, with the last finalized report dating from 1999. More regular portfolio reviews using the participatory approach and supported by the country office of the Bank due to be opened soon in Mali should contribute to improving the performance of the portfolio.

Aid Coordination, Co-Financing and Resource Mobilization

3.3.5 Aid coordination in Mali was inadequate, despite the numerous efforts made by the country's partners. The findings of the in-depth diagnosis on the issue conducted in 1997 by the Government and the Development Aid Committee of the Organization for Economic Cooperation and Development (OECD) are still valid on the whole, namely lack of effectiveness, saturation and inflation of offers of assistance stemming from the inability of the Government to coordinate the latter and inadequacy of objectives and strategies. The main causes are the institutional weakness of the country and a lack of firm willingness by donors to coordinate their activities. The functional organization of ministries still gives rise to overlaps in the management of external aid between three Ministries: (i) Economy and Finance; (ii) Planning; and (iii) Cooperation and Foreign Affairs.

3.3.6 Several attempts at aid coordination were, however, made. A multi-donor mechanism was launched at the last Geneva Round Table Conference in March 2004, to explore the possibility of joint and coordinated intervention for the PRSP, sector policies and a governance programme. At sector level, coordination was strengthened for programmes on soil fertilization, desertification control, water supply, decentralization and good governance. The PRSP process aimed at assigning a key role to the country was conducted satisfactorily and this needs to be pursued.

3.3.7 It was against this background that the Bank participated in parallel co-financing under the PRSP and sector programmes such as the PRODEC (education), PRODESS (health) and governance (public sector, decentralization and privatization). In other sectors, the Bank Group provided assistance: i) in the agricultural sector, in support of land management and protection of natural resources as well as strengthening of agricultural services within a framework defined with the World Bank; ii) in the energy sector with the Canadian International Development Agency (CIDA); iii) in the transport sector with the World Bank and the European Union. Governance-related activities were based on a collective or bilateral programme in accordance with the interests of the partners: collaboration developed with the Bretton Woods institutions, but also with the bilateral partners on specific decentralization issues.

3.3.8 The instructions given to various Bank missions to contact the other partners, as well as the Bank's participation in round table and thematic meetings helped maintain some degree of consultation and avoid duplication. However, the missions generally ran tight schedules and only focused on specific concerns that partly related to aid coordination aspects. Moreover, the Bank's participation was subject to the availability of the experts concerned. The impending opening of a country office should significantly impact on aid coordination and improve this situation in so far as it will be provided with the necessary resources and mandate.

IV. OUTCOMES AND IMPACTS ON DEVELOPMENT OF BANK'S ASSISTANCE

4.1 Growth and Macroeconomic Stabilization

4.1.1 The Bank contributed to the country's growth and macroeconomic stabilization through support to economic reforms, including the cotton sector, growth sectors such as agriculture and support infrastructures notably roads and energy. Although this chapter is affected by the limitations of the CSPs, particularly the lack of development goals and indicators, it will attempt to assess the outcomes and impacts of the major areas of the Bank's operational strategies.

Policy-based Lending

4.1.2 The Bank's support related to reforms required in key areas such as public finance, good governance and the cotton sector with its sizable economic weight (over 10% of the GDP, 20% of Government revenues and 40% of export revenues).

4.1.3 The Bank granted Mali several structural adjustment loans (SAP). The most recent one, SAP III, was implemented over the 2001-2003 period, jointly with the Bretton Woods Institutions, European Union and partners of the cotton sector (France and Netherlands) following the cotton crisis of the 1999-2000 period. Under SAP III, the partners' support contributed to reducing the costs and operating deficit of the Malian Textile Development Company (CMDT) by focusing the company's business on cotton, to the detriment of public service tasks and associated activities (transport, supervision, credit and distribution of inputs). The arrears of the CMDT were cleared and a flexible price based on international prices was put in place. Public finance management was strengthened with the adoption of two budgetary nomenclatures at the central and decentralized levels and streamlining of public expenditure in general pending the intra-sector prioritization and decentralization of the expenditure channel. With regard to governance, the budget law is henceforth monitored through the budget review laws with the assistance of the Audit Office which is about to be upgraded to an Auditor-General's Office. These measures resulted in the revival of cotton production, better matching of budgetary spending with the objectives of the PRSP and a greater impetus for combating corruption.

4.1.4 The above-mentioned efforts accounted for the sustained annual economic growth of 5%, recorded over the 2001-2003 period. Some measures accompanying the divestiture of CMDT, outlined in SAP III were subjected to exploratory studies that were only completed in 2003, and the functions transferred by the CMDT have not been fully absorbed by the Ministry of Agriculture or the private sector. Privatization of state-owned enterprises has been postponed due to delays in finding a buyer as a result of the unfavourable market conditions. Although the Government had prepared enterprises to the selling stage, the successful bidders drew attention to the increased costs in cotton trading and the induced impacts of the sub-regional crisis. Consequently, the disbursement of the second tranche of the ADF loan could only be effected following a waiver granted by the Board of Directors. The impact of the sub-regional crisis compelled the Bank to grant a supplementary loan of UA 8.6 million in June 2004, to mitigate the consequences of the crisis on public finance, poverty and intra-regional trade links with the cost increases resulting from the break in communication channels. Lastly, the programme budgets of the PRSP priority sectors do not depend on medium-term expenditure frameworks (MTEF) neither are they backed by an efficient system of monitoring and evaluation of the PRSP performance indicators.

4.1.5 Prior to SAP III and the supplementary loan, the Bank had granted 5 other loans to Mali amounting to a total of UA 91.13 million to finance the public enterprises adjustment programme (PASEP: 1988-90) and four structural adjustment operations. Following the socio-political crisis that occurred during the adjustment period, SAP I (1991-92: UA 13.82 million) was consolidated (consolidated SAP I; UA 5.53 million) over the 1991-94 period and enhanced (enhanced SAP I: UA 21.78 million) over the post-evaluation period 1995-96, with additional support measures. The three operations (SAP I, Consolidated SAP I, Enhanced SAP I) were followed by an Economic Management Support Programme (PAGE, 1996-98) amounting to UA 15 million. All these programmes contributed to the country's growth and macroeconomic stability.

4.1.6 The five operations broadly aimed at restructuring public finances, restoring and enhancing the bases for macroeconomic stability and creating an enabling environment for private sector investment set to become the engine of development. Regarding results, the reform of the public enterprises sector enabled the Government to off-load over 60% of industrial, commercial and service enterprises, and restructure and privatize banks. The measures introduced contributed to strengthening transparency in the privatization strategy and clarifying the legal, regulatory and institutional framework of private sector businesses. The Government reduced its spending in the PRSP priority sectors through the reduction, or progressive elimination of subsidies and systematic use of the banking sector. Enterprises remaining in the Government portfolio are linked to their supervisory bodies through programme contracts that spell out, inter alia, the area of competency, performance targets for an effective management of public resources and enhanced competitiveness of liberalized sectors. The economic and financial reform measures were accompanied by social plans, essentially compensatory and re-integration programmes.

4.1.7 Overall, macroeconomic stabilization and growth resulting from the liberalization measures and economic incentives contributed to improving supply conditions. Mali has become a cereal exporter, a leading cotton producer and the third leading gold producer in Africa. With regard to public resource management, more efficient systems have been put in place to streamline and decentralize public resources, with the implementation of programme budgets. Lastly, the reforms have enabled the countries to achieve continuous good performance since 1994, which made it eligible for the HIPC initiative in 1998 and attain the completion point in March 2003. To this end, Mali was granted debt relief of US\$ 523 million in net present value of which \$ 70 million was provided by the Bank Group which had already provided US\$ 30.67 million (in nominal value), representing 35.5% of the assistance as at May 2004, that is US\$ 28.33 million in net present value of 1998. The net present value of Mali's debt was estimated in 2004 at 108.6% of goods and services exports as against 205.6% in 2000.

4.1.8 However, the Malian economy is vulnerable to exogenous factors stemming from the global economy and, notably, regional political conditions, in view of the fact that 70% of the country's external trade passes through Côte d'Ivoire. The sustainability of the impacts of the assistance is therefore uncertain, even though Mali has embarked on a reform process under the PRSP. Problems of ownership and institutional capacity have hampered the implementation of the reforms. Consequently, it is necessary for the Government to create a lasting and effective framework to monitor and coordinate the reforms. The investment programmes supported by the reforms have been beset by delays and problems of governance and ranking of priorities that have reduced their impact. These problems are more significant in the agriculture, infrastructure, education and health sectors.

4.1.9 As the second multilateral donor of Mali next to the World Bank, the Bank is expected to play a leading role in the financing of policy-based programmes. It rose to this expectation and contributed, together with the other donors, to the significant results achieved. Generally, the support provided by the Bank was appreciated by the Malian authorities. The possibility of accelerated disbursements and the flexibility of the Bank in this regard helped provide appropriate and timely responses to the country's budgetary and financial problems. The Bank's attitude was sometimes deemed to be a positive factor for overcoming some difficulties in the country's dialogue with the Bretton Woods Institutions. However, the role of the Bank was limited by the absence of local representation and especially, the lack of economic and sector studies as well as the lack of human resources capable of providing more active intellectual input both in the design and monitoring of the programmes.

Support to Agriculture and Rural Development

4.1.10 Quantitatively and in terms of financial volume the agricultural sector rightfully ranks first in the Bank's portfolio. On the whole, the Bank's interventions in the sector have been relevant. However, delays in the implementation of projects have reduced their efficacy and impacts even though the latter are difficult to measure given the lack of data on the initial situation and the development goals.

4.1.11 The Bank has supported strategic objectives such as agricultural intensification and diversification aimed at food security, as well as the development of irrigated crops and irrigation schemes. To this end, it has contributed to improving access by farmers to inputs, quantitatively and qualitatively (including seeds and livestock), as well as developing better water control (through partial or total immersion techniques). These factors constitute major constraints to the development of the agricultural sector. As a result, the projects achieved significant results: quality land areas have increased as well as herd sizes, and irrigation has helped improve yields and productions. The projects have resorted to different credit mechanisms to address the problem of access to other inputs such as seeds, fertilizers, small ploughing implements, agricultural equipment etc. In general, the projects have sought to capitalize on existing micro-finance institutions (MFI) by using them as micro-credit agencies rather than creating new ones. To some extent, they also took into consideration the additional costs that the new services they were expected deliver could generate. On the other hand, they did not consider measures to support and improve the efficacy and efficiency of these MFIs: the project staff did not have the requisite skills to assess such needs and the administrative services responsible for these institutions did not have the wherewithal to carry out their tasks. This explains why the establishment of credit mechanisms encountered problems and, once they had become operational, performed poorly financially (low credit recovery rates) and were unable to maintain their initial level of capitalization.

4.1.12 Currently, in the PRSP, for the rural sector, the strategy consists in strengthening the investment plan for the sector to support water control, rural electrification and opening up of rural areas. It also entails the development of major agricultural production sub-sectors to ensure food self-sufficiency. At the level of agricultural, animal, forestry and fish production, the PRSP seeks to prioritize the development of the following major sub-sectors: cereals (particularly rice), cotton, livestock-meat, as well as the poultry, horticultural and fisheries sub-sectors.

4.1.13 Some projects were affected by institutional problems: this was the case of South Mali II project whose management was transferred from the CMDT to departments of the

Ministry of Agriculture. This resulted in complicating the management process by involving several decision centres depending on the component. The handing over process resulted in unexpected delays in view of the CMDT's pooled management of the project with that of its own resources. The programming of several projects was inordinately optimistic resulting in an unduly tight implementation schedule practically without any room for manoeuvre. Slippages that occurred for some preliminary activities (infrastructures) in turn delayed subsequent activities, particularly production and/or training. Sometimes, this resulted in losses for farmers who could not cultivate previously farmed lands for a season or two. Some irrigation projects encountered technical problems (such as erratic layouts in some places) that led to inadequate land smoothing that rendered farming less attractive than before the scheme. Be that as it may, these problems were only temporary, as the project sought to remedy them. Community involvement was low at the identification and preparatory phases, partly resulting in protests by some communities (supported by an American NGO) especially in the case of the Middle Bani.

4.1.14 Training activities designed for farmers and their supervision led to the adoption of more productive farming or pastoral methods. The food situation improved (between 1994 and 2004, daily per capita calorie intake rose from 2 300 to 2400 calories) and the increased yields bolstered quantities put on the market. Farmer incomes, as well as supplies to urban dwellers improved. Literacy activities helped strengthen farmer organizations, although these were not adequate enough to enable them to effectively manage key facilities or complex activities (such as collective marketing).

Transport

4.1.15 The Bank's assistance for the period under review essentially aimed at improving the operation of the Bamako District transport network, as well as opening up the country to (i) provide adequate linkage between Bamako and the Port of Abidjan in Côte d'Ivoire through which nearly 70% of Malian exports and imports pass; (ii) enable the marketing of agricultural production (30% of the national output), livestock (3.5 million head) and industrial production (5 cotton ginning and cotton and groundnut oil mills); and (iii) relieve traffic congestion on the urban portion of the approach to Bamako. Prior to this period, the Bank's support was geared toward opening up other productive regions of the country, notably Sikasso, Gao and Marrakala. Lastly, the Bank was also interested in maintaining roads by promoting a Road Authority responsible for overseeing the management of a road maintenance fund.

4.1.16 Virtually all these construction and rehabilitation projects encountered loan effectiveness and implementation problems, which delayed and diminished the expected impacts. To promote the development of national enterprises, the works were split up into several small lots to enable these enterprises to bid for their execution. Thus, several Malian enterprises or those from countries in the sub-region secured contracts on some projects. Unfortunately, most of the enterprises encountered problems in the execution of their contracts, which highlighted their weaknesses and shortcomings, notably their lack of equipment and qualified staff. If Mali expects, and rightly so, to take advantage of the implementation of projects to develop its productive base, it should agree with its financial partner to embody this expectation in the project objectives. In this context, the appraisal of projects will increasingly take into account the implementation capacity of national enterprises and identify the means for supporting or building the capacities of the latter.

4.1.17 Despite these shortcomings, the projects helped provide better roads, which translated into savings in time and maintenance of vehicles by the users. Furthermore, the main goal of facilitating trade (regional and transit) between Côte d'Ivoire and Mali was

achieved as testified by the current traffic and volume of trade between the two countries (over 60% of the Mali's transit traffic and most regional trade). These projects have improved road safety and reduced vehicle operating costs as well as travel time. They did not create significant negative impacts, because they involved the rehabilitation or improvement of already existing roads.

4.1.18 Although the creation of the Road Authority responsible for overseeing the management of a road network maintenance fund was long overdue, it should contribute to improving the management of road maintenance. The resources of the Authority derive from two specific taxes (on petroleum products and axle load). Road maintenance contracts should be subject to competition that is open to local and sub-regional contractors. Support measures should be put in place for enterprises to enable them to bolster their development and expansion capacities. At the same time, works supervision and control measures should be strengthened to ensure rigour in the services and access to a quality network for users.

4.1.19 According to representatives of the Borrower, the Bank Group's procedures require the use of the international competitive bidding procurement method, which, in the absence of an affirmative action regarding the origin of the bidder, does not ensure adequate support for the local private sector. Although this sector is fast growing, its capacity to deliver quality services is hampered by the weaknesses and deficiencies of the actors.

Energy

4.1.20 At the energy level, the Bank's assistance during the period under review mainly related to the rehabilitation and extension of the energy distribution network of the cities of Bamako and Kati. The project aimed at: (i) improving the quality of service of Mali Electricity Company (EDM), through the rehabilitation of distribution networks and substations; ii) reduction of line losses through the restructuring of networks; and iii) meeting the demand of the Bamako-Kati periphery. Prior to this period, the Bank assisted in the supply of hydro-electric power to Bamako and Ségou cities, as well as a few secondary towns with the construction of the Sélingué dam. Their old thermal production plants were closed down, thus contributing to improving the environment, but also reducing the import bills of EDM SA, resulting in reduced average production cost. Access to a sufficient and regular electricity also fostered the growth of enterprises in the new centres supplied. Increased and more regular supply to Bamako (where the urban supply rate is 75%) has contributed to improving the living conditions of its population.

4.1.21 The Bank also contributed to promoting regional integration by supporting the interconnection of the power grid with Côte d'Ivoire, and regional electricity production under the Manantali dam project. However, the high concentration of the Bank's interventions in urban areas (Bamako) cannot continue without widening the gap between urban and rural areas in terms of access to water and electricity resources. Consequently, there is the need to re-direct Bank's assistance to support the Government's policy on regional balance and poverty alleviation.

4.2 Poverty Reduction and Other Development Goals

4.2.1 The Bank has contributed to poverty reduction through its economic growth promotion activities reviewed above, but also through its assistance to social sectors (education, health, support to women and poverty reduction) and the public utilities sector. It

worth recalling that prior to the PRSP (2002), the Bank's assistance essentially supported the country's sector development policies. Furthermore, the CSPs and project documents do not specify the development indicators the Bank's assistance aims to influence, hence the lack of data on the objectives and the initial situation.

4.2.2 The Bank's strategies rightly gave increasing priority to the social sectors from 1996 onwards. They covered health, education and poverty reduction, but the slow pace of implementation of social projects diminished their efficacy and impacts.

4.2.3 **Health:** Projects financed by the Bank in the area of health during the period under review were as follows: (i) Timbuktu health infrastructure; (ii) Koulikoro, Nara and Niafunké health infrastructure study; (iii) Koulikoro, Nara and Niafunké health infrastructure strengthening; (iv) Ministry of Health institutional strengthening studies; (v) Renovation of four health establishments; and (vi) Support to PRODESS (Health IV). The first-generation projects highlighted the construction of buildings and their supply with medical equipment, which corresponded to a real need, because at that period, the other donors showed little interest in this type of investment, which was in fact much needed. In contrast, these projects gave little consideration to the training needs of health workers, both in terms of their capacity to manage infrastructure and to effectively use the equipment. The Timbuktu nursing school, the only major training component among these projects could not be constructed because the project resources were exhausted by health infrastructure cost overruns.

4.2.4 Health facilities initiated before the mid-1990s appear to have been constructed without any set of references, national standards or model plans applicable to buildings and equipment to be put in place depending on the type of health infrastructure. In some cases, this situation led to the installation of inappropriate equipment and buildings. Now, there are model plans for community health centres (CSCOM) and construction and equipment standards for referral health centres (CSREF). They were established by the health infrastructure project implementation and rehabilitation unit (CEPRIS), which stemmed from the implementation units of projects financed by the Bank Group at that period and lasted throughout the 1990s as institutionalized units of the Ministry of Health.

4.2.5 The absence of an organized and functional maintenance unit and of trained staff in health regions poses the crucial problem of maintenance of buildings and under-utilization of equipment. The lack of training can partly explain the problem of lack of maintenance of buildings and the under-utilization of equipment. This is also due to the erratic management of contracts: suppliers were paid without providing training in the use of the equipment procured or supplying parts required for its operation. Moreover, little attention was given to the preparation of the post-project phase: no self-sustaining financing mechanism for operating and maintenance expenditure was proposed.

4.2.6 At the level of primary health care, the number and skills of community health centre (CSC) teams were strengthened and their working environment enhanced. Health coverage rates improved significantly in the regions concerned, even though they remain very low. The provision of operating theatres in each CSC has improved the management of emergencies as well as obstetrical emergencies, thus positively impacting on maternal and child mortality. Most of these projects are located in poor areas which also lack health infrastructure. The dwellers of these often remote areas, now have suitable health facilities that can respond to their health needs. While fostering regional equity, these facilities also enable the beneficiaries to make savings by reducing travel distances as well as evacuations

to major health centres. Health statistics indicate that the Bank Group projects have resulted in a sharp rise in the number of examinations, consultations and hospitalization days indicating an improvement in the public health conditions of the people. Between 1990 and 2000, the gross mortality rate fell from 19.3‰ to 17.8‰ and infant mortality from 139 to 124 per 100,000. For the same period, life expectancy at birth rose from 48.8 to 51.6 years. It can be reasonably assumed that the Bank Group's interventions contributed to these improvements. The communities in these areas therefore have adequate health structures to respond to their needs. Health workers have received supplementary training to better respond to these needs and better fulfil their public health missions. However, despite these positive aspects, not enough emphasis was laid on improving the quality of care and the problem of lack of maintenance of equipment persists. Environmental impacts have been relatively positive with the construction of sanitation systems and latrines, as well as supply of drinking water. On the other hand, since the CSCs are not equipped with hospital incinerators, hospital wastes cannot be disposed of. Although the principle of financial participation by the communities in health care is currently well-established throughout the country, financial problems persist in the health structures of the project resulting from the failure to increase budgetary allocations in line with the investments. The project structures are adequately staffed with health workers, although the number of para-medical and management personnel is inadequate.

4.2.7 **Education:** The portfolio of projects financed by the Bank in the area of education during the period under review comprises the following projects: (i) training of basic education teachers; (ii) University of Mali study; (iii) support to basic education; and (iv) Education III Project. Education IV Project approved in September 2003 is too recent to be evaluated. Priority was rightly given to basic education. The study on the relevance of a university in Mali constituted a positive input for the implementation of the University of Mali project, which has now become a reality.

4.2.8 As in the health sector, apart from the study on the needs of Mali in university education, the Bank Group's assistance in the education sector highlighted infrastructure construction. Over time, the Bank has developed expertise at this level that provides it with a comparative advantage over other financial partners of Mali. As a multilateral financial institution, it also has the capacity and is prepared to undertake large scale financing, something infrastructure lends itself well to.

4.2.9 Slippage on the implementation of some activities stemmed essentially from bureaucratic red tape, frequent transfer of project managers and poor communication between the education projects office (BEP) and AGETIPE-Mali. Despite problems with a few construction firms that exhibited limited technical capacities in executing contracts awarded them, the infrastructures produced under the projects proved to be of good quality. The two general education institutes (IPEG) intended to cater for 350 students each in fact cater for about one thousand each. The infrastructure is therefore fully used, if not over-used: rooms are used for purposes other than those intended (boarding) and transformed into classrooms in order to meet the growing demand. This over-use deepened the maintenance problems, since students no longer take on such tasks at this level, contrary to the initial planning. Primary schools, constructed or rehabilitated, are also fully used. Their commissioning contributed to the near-doubling of the number of first cycle pupils between 1993 and 1999, increasing gross primary enrolment from 26.5% to 58.7% between 1990 and 2001.

4.2.10 The Bank's assistance enabled the country to increase the number of basic cycle teachers thereby positively contributing to the Government's education and training

programme. It also enabled the construction and rehabilitation of classrooms, notably it financed nearly 40% of new classrooms built in Bamako between 1993 and 2001. This appreciable contribution was however inadequate to meet the high demand for school education in the Bamako district during the period. While the basic education support project projected a 20% growth in pupil numbers over the period, it in fact rose to 145%, resulting in a degradation of teaching conditions.

4.2.11 While the results are good quantitatively, they are poor in qualitative terms. Consideration for factors of quality of education was only secondary with the latter receiving only a paltry portion of the investments. It was only recently, notably under Education III, approved in November 1997 and made effective in September 1999, that quality concerns, especially the upgrading of teachers, supply of basic equipment to pupils as well as issues relating to orientation and continuing professional training for basic education teachers, training of planners, education administrators and managers and promotion of girls' education were taken into account.

4.2.12 Three major lessons may be drawn from the Bank's interventions in the basic education sub-sector in Mali. Firstly, the great mobility of project management staff impacted negatively on the activities. Secondly, the project management responsibility devolved to the AGETIPE did not yield the expected results in terms of the delivery deadlines as well as the quality of school equipment. Thirdly, the integration of projects into a sector investment programme renders cooperation between development partners more coherent and effective, enhances synergy between them and facilitates dialogue with the Government. This option was however considered to be provisional pending the Bank's joining the Malian education partnership arrangement.

4.2.13 **Public Utilities:** The Bank's interventions mainly concerned the electricity, water and sanitation sub-sectors. Although the majority of projects had been approved in the pre-1994 years, their implementation and completion occurred in the second half of the 1990s. The Bank concentrated its assistance in the urban areas, in view of the high urbanization rate of major cities in Mali. Consequently, the Bank's strategy was relevant and in line with the Government's policy. However, as observed recently, it has become necessary to re-direct the Bank's assistance towards the rural areas in order to reduce the disparities between localities and boost the country's decentralization policy.

4.2.14 Interventions in water supply aimed at improving the supply of drinking water to communities. The first project (wells operation phase II) aimed at building local and decentralized capacity in the area of rural water supply. To this end, it was proposed that only local, public or private enterprises could be used for the execution of works. The training provided and the infrastructure and equipment procured should serve as a basis for the building of an autonomous Malian capacity in rural water supply. Studies were also financed to build this capacity. Interventions in the area of drinking water supply (DWS) in urban areas aimed at supporting the Government's policy on drinking water, as summarized in the water resource development master plan (1992-2012). The projects financed were more efficient and effective although the implementation suffered slippages and difficulties relating to compliance with Bank procedures.

4.2.15 On completion of the projects, the wells had generally facilitated access by the communities in the areas concerned to safe water. At the national level, the percentage of the population with access to drinking water practically increased six-fold during the period under review, from 11% in 1990 to 65% (74% in urban areas and 61% in rural areas) in 2000.

Although it is impossible to isolate the Bank's contribution to the attainment of these results, its positive contribution is not in doubt. However, the sensitization of people and the training provided to users' associations expected to manage the structures provided were inadequate resulting in deficiencies in the mobilization of revenues for their maintenance. After some time, several wells were virtually abandoned and the quality of water deteriorated. The National Water Fund (FNE) which was to be put in place for the maintenance of structures did not materialize. DWS projects were more successful and communities in urban areas now have access to safe water.

4.2.16 In the area of sanitation, a general study on Bamako city was financed and used in the preparation of the Bamako sanitation master plan. From the end of the study in 1994 to the beginning of 1998, in line with the master plan, primary and secondary pipelines (25 km) estimated at CFAF 9.5 billion were constructed as part of AGETIPE activities. The construction of these structures resulted in reduced morbidity due to stagnant water, as well as improvement of the general environment of Bamako neighborhoods.

4.2.17 Under the 2002-2004 CSP, the Bank attached great importance to drinking water supply in rural areas for a more equitable development of the regions in accordance with the country's new decentralization and regional balance policy. This policy is in line with the Bank's contributions to achieving the millennium development goals through the initiative for the rural water and sanitation sector. The programme is based on the new national water policy adopted by the Government.

4.2.18 **Poverty Reduction Project:** In order to combat poverty directly, the Bank has implemented a poverty reduction project specifically aimed at promoting income-generating activities for target communities, building their managerial capacities and improving their access to basic socioeconomic services. To this end, the Government established a social development fund (SDF) in response to the needs expressed by the village communities and set within the context of decentralization.

4.2.19 The project suffered a start up delay. Even though the loan agreement was signed on 18 May 1999, the project only began in May 2001. At end 2004, it had an overall implementation rate of only 65%. Financing for the implementation of 600 micro projects (at least one micro-project per village) became insufficient in view of the costs of infrastructure that doubled in relation to the estimate at the appraisal.

4.2.20 However, concrete results were obtained on the ground, notably the level of involvement of women in the development process. These women manage to earn sufficient revenues and make savings. The structures of the credit fund are well organized to the extent that for the moment, the credit repayment rate mainly for livestock rearing and fattening activities (51%) and petty trading (36%) is 100%.

4.3 Impacts on Cross-Cutting Aspects

4.3.1 Most cross-cutting themes were incorporated in the CSP. However, this did not always translate into concrete actions at the implementation and monitoring levels. In recent years, the Bank has mainstreamed the participatory approach in the design and implementation of projects. This should enhance the impact of its operations on women, the environment, good governance and regional integration for the purpose of reducing poverty.

4.3.2 **Gender:** The Bank has taken into consideration the gender dimension of development which is particularly important in a country such as Mali. This materialized in the form of assistance to the women's promotion and poverty alleviation project implemented from 1996 to 2002. The project aimed at improving the living and working conditions of Malian women, with a view to increasing their participation in the country's socioeconomic development and alleviating the poverty of the people. It was formulated in the CFA franc post-devaluation period that proved to be particularly difficult for Malian women. The creation of structures for the promotion of women had not improved the latter's situation because of the institutional weaknesses of the Commission for Women's Promotion (CPF) which lacked human, material and financial resources required for the management of problems of the sector. The conditions of women living in the rural areas were difficult and this hampered their ability to sell their produce and gain access to inputs such as land, capital and appropriate technologies. Their plight was compounded by discriminatory legislations on marriage rights, ownership of goods and inheritance.

4.3.3 The Bank's assistance under this project enabled the country to implement its women's promotion policy. However, the implementation of the project suffered delays. Difficulties related to the fulfillment of conditions precedent were worsened by the red tape involved in national procurement procedures, frequent change in project officers at the Bank and the dearth of ADB supervision missions. Lead-time between the planned and effective schedules lasted up to four years for some activities and the implementation of the project lasted seven years instead of four.

4.3.4 However, upon closure the project had achieved its goals which were to improve the living conditions of women and alleviate the poverty of the people. The project had an impact at both the local and national levels. The institutional capacity of the Ministry of Women's Promotion and its regional structures improved through the rehabilitation of buildings, training of at least 74 officials and workers and provision of equipment and vehicles. The promotion of Malian women is conducted in a more harmonious manner through the same structure and its regional offices. The literacy programme trained 1401 neo-literate women who constitute a nucleus of women who can read, write and communicate with one another as well as with neighbouring villages, keep accounts and manage their loans. At least 11000 women were covered by the literacy campaigns. Over 7600 women have had access to loans in 172 villages through the micro-credit programme that has been operating under the supervision of a national expert in collaboration with NGOs. The 100 villages initially targeted have all benefited from household chore alleviation technologies. A documentation and information centre on Malian women (CNDIF) now exists and is used by researchers and students. Lastly, the Aoua Keita Centre (CAK), now well-known throughout the country, has trained over 400 out-of-school girls who have subsequently found employment in the private sector or have set up their own businesses .

4.3.5 This project shows that the Government can establish solid bases for human development by targeting rural women through well-defined programmes. Firstly, women who benefited from the project are beginning to take a more active part in local development activities and to discuss local problems in public with men, which constitutes a novelty. Secondly, it is clear that with a good strategy, targeting women initially can pave the way for adopting a better gender approach in conservative areas. In this project, men felt marginalized and ended by working with women in order to gain access to resources. This project also helped lay the groundwork for the decentralized management of resources in rural areas and to teach how to save.

4.3.6 **Good governance:** Mali features among countries commended for embarking on a democratic process. Despite an encouraging positive trend, good governance remains a serious problem, especially with regard public finance. The stakes are high in view of the country's heavy dependency on external aid and the high incidence of poverty does not make it possible to reap the expected lasting benefits.

4.3.7 The attention given by the Bank to governance is recent and encouraging. The Bank formulated a governance profile to guide its capacity building and reform programme in Mali in this area. This led to the implementation of a good governance support programme geared toward greater and more effective transparency in public finance.

4.3.8 **Environment:** The mainstreaming of environmental issues in the Bank's CSPs and project appraisal reports is relatively old. Virtually all on-going operations received an environmental classification prior to their appraisal. This classification culminated in the inclusion in the appraisal reports of measures to mitigate the environmental impacts. The Bank has made efforts to sensitize the Government and executing agencies on the need to apply these measures. Despite its relevance, this assistance lacked synergy with regard to inter-sector actions and other development actors. The reasons are attributable to the lack of coordination of activities in this area.

4.3.9 **Regional Integration:** Given its landlocked nature, Mali stands to benefit from better regional integration. However, the country and the Bank have paid inadequate attention to this area where the Bank's assistance essentially concerned a few transport infrastructures. With the advent of the New Partnership for Africa's Development (NEPAD), the Bank is currently preparing multinational road projects to facilitate links with neighbouring countries (Mauritania and Senegal). A review of the sub-regional environment indicates the benefits Mali obtains from a regulatory convergence policy with the West African sub-region (UEMOA and ECOWAS) and its membership of the Organization for the Harmonization of Business Law in Africa (OHADA), particularly in terms of stimulating sub-regional external investment and opening up of new markets.

V. PERFORMANCE OF DEVELOPMENT PARTNERS

5.1 Bank Group Performance

5.1.1 The Bank's performance is generally deemed to be satisfactory. The CSPs improved significantly particularly as a result of their more solid linkages with the PRSP and the greater focus given to delicate issues concerning institutional and cross-cutting aspects such as governance. However, the integration of result-oriented management principles is likely to improve the performance.

5.1.2 The Bank has exhibited inadequate control over the project cycle. Often the time allotted to the preparation of projects was unduly long and the grassroots communities who were the ultimate beneficiaries were not sufficiently involved in the exercise. The Bank is responsible for some of the delays caused, as exemplified by some inappropriate effectiveness conditions and long delays in reacting to non objection requests. The dearth of portfolio review reports, the last of which dates from 1999, hampered the timely search for solutions to the problems encountered.

5.1.3 The projects and their related indicators have broadly defined specific medium or long term sector goals. Interim outcomes were (only) formulated as physical outputs of activities and not as development outcomes. Some projects were not based on detailed economic and sector studies and did not take into account risks that could impede the attainment of goals. The latter were too general and, as such, did contribute to the identification of precise and objectively verifiable development indicators.

5.1.4 Supervisory and monitoring activities essentially covered the execution of activities and the rate of disbursement. Concerns for developmental outputs were only incidental. The lack of human resources resulted in the use of expedient arrangements that did not provide appropriate responses to the problems encountered. Thus, to obtain an annual project supervision rate of 1.5 per project, the number of projects supervised per mission was increased without making the necessary adjustment to the duration.

5.1.5 In the area of institutional strengthening, the Bank's interventions chiefly targeted project supervisory or implementation entities. They helped provide better equipped services and more qualified staff. But the lack of adequate financing of recurrent costs and high staff mobility did not allow the initial impetus created by the project to generate greater institutional capacity building. Very few institutional strengthening activities were assigned to grassroots beneficiary organizations or farmer or users' associations, to the extent that one cannot speak of institutional strengthening at their level.

5.1.6 The absence of a local representation of the Bank impeded its level of participation in aid coordination with the Malian authorities. The mitigative measures found (contacts made by visiting missions, Bank's participation in various workshops and forums) did not make for full and thorough participation in aid coordination and policy dialogue.

5.2 Performance of Government and Executing Agencies

5.2.1 Mali's adherence to its cooperation ties with the Bank is a favourable factor. The Government has pursued appropriate macroeconomic and sector policies, despite the fact that their translation into concrete actions was sometimes difficult. Delays suffered by projects stem from several causes some of which are attributable to the Borrower, such as the slow ratification process and some degree of passiveness in fulfilling other conditions precedent. Often, the project managers were not proactive enough in managing the various stages, but opted to await the fulfilment of a given condition before tackling the next one.

5.2.2 In the area of the procurement of goods and services, almost all the projects encountered difficulties in applying the Bank Group's relevant procedures. This is also true, though to a lesser degree, for disbursement requests. These problems generally resulted in delays in the implementation of projects and the postponement of the expected benefits for the beneficiaries.

5.2.3 Harnessing of Mali's development potential is hampered by a number of major constraints including a lack of institutional capacities: a young private sector hampered by a mismatch between training on offer and the needs of the available specialists jobs, weak level human resource development, limited administrative capacities in economic management, lack of a culture of transparency, absence of reference standards, confusion of roles, duplication between ministries and weak mechanisms of accountability.

VI. OVERALL ASSESSMENT AND COUNTERFACTUAL ANALYSIS

6.1 Relevance

6.1.1 The Bank has geared its assistance to meeting the Government's priorities. Overall, the CSP and choice of operations financed were in line with the country's priorities. This strategy was pertinent in so far as it aimed at the priority areas of the country's economy and people. The Bank actively contributed to the establishment of the PRSP. Its adaptation to the CSPs confirms the aptness of the Bank's choices and, consequently, constitutes an improvement. To that may be added the adoption, by both parties, of the participatory approach.

6.1.2 However, the weaknesses of the CSPs lay in the fact that they focused more on resource allocation than defining economic policy guidelines to address the country's development problems. The definition of strategic objectives was consequently too vague and void of any precise indicators to enable an accurate assessment of the effectiveness of the Bank's assistance. As for lending operations, they lacked a sector development strategic framework that could relate them to a more general and integrated process.

6.2 Efficacy

6.2.1 Most of the operations attained their goals, albeit with protracted delays. Monitoring-evaluation was not effective enough to enable both parties to ensure a better implementation of the programmes through corrective measures. Reviews were carried out at relatively long intervals, coordination with other cofinanciers was difficult and the national party did not internalize the process sufficiently to make it an effective management control tool.

6.2.2 However, in view of the results obtained in terms of physical outputs, the efficacy of the Bank's assistance was fairly satisfactory. Its interventions contributed to economic growth and poverty reduction and they helped the Government meet the urgent demand for social services. They also contributed to improving the living conditions of the rural communities concerned.

6.3 Efficiency

On the whole, the Bank's project had positive impacts on the beneficiary communities though on a less-than-expected scale. Delays suffered by virtually all the projects resulted in additional costs, notably those relating to commitment charges for Mali and opportunity costs for the beneficiaries in terms of enjoyment of the benefits. Overall, this was due to inefficiencies.

6.4 Impact on Institutional Building

6.4.1 The Bank's assistance contributed to the creation and operation of new institutions in the various sectors, in view of the importance attached to the infrastructure component in its operations. But institutional development through capacity building was not fully incorporated in the operations. Consequently, the weak administrative apparatus seriously reduced the impacts of the Bank's assistance on development. The grassroots beneficiaries such as farmer organizations, stock breeder associations, women, etc., did not receive any specific institutional support to build their technical and financial management capacities and enhance their bargaining power.

6.4.2 In the area of institutional strengthening, the target clients were essentially made up of project supervisory and implementation bodies. The latter received varying levels of support depending on the projects and periods, in training, technical assistance, equipment and materials. It led to better equipped services and better qualified staff. But this only constitutes a first step towards institutional building. Some activities such as technical training or studies helped develop or enhance specific capacities in the beneficiary structures. However, to the extent that the actions undertaken did not result in an overall improvement in the effectiveness of these structures, they cannot truly be deemed to be successful. There were a few cases of successful institutional strengthening such as the institutionalization of the CEPRIS, as a department of the Ministry of Health, which resulted in an improvement in the development conditions of the health care network. In several cases, the lack of adequate financing of recurrent costs as well as the mobility of the staff diluted the institutional impact.

6.4.3 At the level of grassroots beneficiaries, the projects mainly strove to develop their technical capacities and paid little attention to strengthening their organizational capacities. These beneficiaries' organizations, like the farmer organizations or users' associations, received a paltry portion of institutional support. Recent projects point to positive changes both at the level of the Bank and the administrative organs of Mali in favour of poverty reduction and participatory approach. At the level of institutional building, the outcomes of the Bank Group assistance in Mali were mixed.

6.5 Sustainability

6.5.1 The Government's commitment to pursue and consolidate the reforms through the PRSP constitutes a guarantee of sustainability. However, the country's high vulnerability to exogenous factors such as external aid, fluctuations in world prices, the sub-regional situation and climatic conditions, as well as problems of good governance, notably those affecting public resources render the progress made fragile.

6.5.2 A sizable component of the majority of projects was on infrastructure. These facilities were generally constructed with durable materials and supervised by qualified personnel. They were also constructed with quality in mind so that they should withstand the test of time, in the absence of regular maintenance. Seen from the perspective of physical achievements, there is no doubt that the projects have achieved lasting results. This holds also for the technical capacities of the beneficiaries in terms of productive activities such as farming. On the other hand, in terms of institutional capacities of administrative services or the grassroots beneficiaries, the results are different for several activities such as water points or use of public utilities. The issue of sustainability relates to both the management and physical quality of structures. This is borne out by the fact the main sustainability measures envisaged by the projects did not attain the desired level of implementation: the National Water Fund was not implemented and the Road Maintenance was only applied belatedly in the form of the present Road Authority.

6.5.3 Sustainability implies that the impacts of the Banks' operations would persist and even grow. But the little attention given to support measures by several projects and the poor results achieved in institutional building mean that these impacts could wane with time rather than last. Lastly, Mali's vulnerability to exogenous factors such as the climate, sub-regional situation, international trade and foreign aid remains high.

6.6 Overall Assessment and Counterfactual Analysis

6.6.1 In view of the foregoing, it can be concluded that the Bank Group assistance in Mali for the 1994-2004 period was satisfactory on the whole, despite several noted shortcomings. The Bank's strategies were relevant, but lacked precision. The Bank was receptive to the country's expectations but did not have sufficient influence on policy dialogue and aid coordination. The recurrent delays in the implementation of projects diminished their impacts. In future, the Bank should put greater focus on economic and sector studies as well as on the synergy between its intervention sectors and between available instruments to ensure greater impact on the country's development. Adoption, at country level and in the Bank of result-oriented management practices and the impending opening of an ADB country office in Mali should also contribute to improving the efficacy of this assistance.

6.6.2 The contributions and shortcomings of the Bank have been outlined above. The involvement of many partners in the country's development and the relatively low level of the Bank's contributions in terms of resources, advice in strategic orientation and dialogue make it difficult to assess its real impact. This is compounded by the lack of interim development objectives and an adequate system of monitoring and evaluation of the outputs and impacts of the Bank's assistance. However, the present report has shown that, despite its limitations and difficulties regarding project cycles, the Bank has contributed to the development of the country and its people.

VII. LESSONS AND RECOMMENDATIONS

7.1 Lessons

7.1.1 The Bank cannot significantly influence the country's development, its economic and sector policies as well as institutional framework, if it does not pursue a more selective strategy and in the absence of synergy between its intervention sectors and between the instruments it uses: policy-based support, project lending, grants for studies and institutional support (cf. Paragraphs 3.1.3, 3.1.4, 4.1.9 and .6.1).

7.1.2 Where the Bank's strategy is not based on in-depth economic and sector studies, it lacks precision and the Bank's role in policy dialogue and coordination becomes limited (cf. Paragraphs 3.1.4, 3.3.2 and 6.6.1).

7.1.3 Good governance is necessary to improve the country's economic performance and sustainability (cf Paragraphs 4.3.6 and 4.3.7)

7.1.4 Slippages in project cycle and the resultant changes of contexts and costs can be avoided if greater attention is to be given to preparatory studies, close monitoring and the participation of beneficiary communities (cf. Paragraphs 3.3.1, 5.1.2 and 6.2.1).

7.1.5 The inadequacies of the monitoring-evaluation system of CSPs and projects and the lack of development goals and indicators hamper the taking of corrective and timely measures as well as the evaluation of the Bank's contribution to the country's development (cf Paragraphs 3.1.4, 3.3.4 and 6.6.2).

7.1.6 The inadequate management capacities of grassroots beneficiaries and the negligence of their role in taking charge of the results obtained threaten the sustainability of the results (cf. Paragraphs 6.4.1 and 6.5.2).

7.1.7 The lack of local representation of the Bank and insufficient coordination of donor activities are prejudicial to the efficacy of the Bank's assistance to the country (cf. Paragraphs 3.3.5, 3.3.8 and 6.6.1).

7.2 Recommendations

The major recommendations to the Bank are as follows:

1. Make more selective interventions by combining all the available instruments in a complementary and coherent manner to support growth potential areas and the social sectors under the PRSP, in order to ensure an enhanced impact on the country's development and poverty reduction (cf Paragraphs 3.1.3, 3.1.4, 4.1.9 and 6.6.1);
2. Target niches that are more auspicious for the poor such as rural drinking water, microfinance, women's promotion and agriculture including livestock rearing (cf 4.1.11, 4.2.17, 4.2.19, 4.2.20 and 4.3.5);
3. Undertake appropriate economic and sector studies to support the Bank's assistance strategy, its participation in policy dialogue and portfolio of projects (3.1.4, 3.3.2 and 6.6.1);
4. Assist the country to establish a lasting and effective coordination of policy-based lending (cf Paragraph 4.1.8);
5. Actively assist the country to put in place a transparent and effective management of public resources for their effective use for poverty reduction under the PRSP while ensuring the diversification of the country's exports as well as strengthening its institutional capacities in development management (cf. Paragraphs 4.1.8, 4.3.6 and 4.3.7) ;
6. Promote good governance in the country, particularly in the areas of public resource management, procurement and combating corruption (cf. Paragraphs 4.1.8, 4.3.6 and 4.3.7);
7. Improve project cycle management through better preparation backed by preliminary studies and a closer monitoring facilitated by the impending opening of the Bank country office in Mali (cf. paragraphs 3.3.1, 5.1.2 and 6.2.1);
8. Strengthen mechanisms for the monitoring-evaluation of CSPs and projects as well as development indicators in the country and the Bank (cf. paragraphs 3.1.4, 3.3.4 and 6.6.2);
9. Systematize portfolio reviews within a participatory framework so that stakeholders can own them (cf. 5.1.2);

10. Ensure that the issue of sustainability of the project outputs is addressed through support measures such as building the capacities of all the stakeholders and putting in place a post-operation monitoring policy (cf. paragraphs 6.4.1 and 6.5.2); and
11. Provide the Bank's country office in Mali with the wherewithal to undertake a closer monitoring of operations and ensure better participation in coordination meetings by partners operating in the country (cf. Paragraphs 3.3.5, 3.3.8 and 6.6.1).

Rating of Bank Group Assistance in Mali

BASED ON ASSESSMENT CRITERIA

Rating scheme: 4 - highly satisfactory, 3 - satisfactory, 2 - unsatisfactory, 1 - highly unsatisfactory.

Ratings must be considered to be an attempt to visualize some principal findings of the country assistance evaluation. The shortcomings of monitoring-evaluation impede the application of more rigorous methodologies.

Evaluation Criteria		Rating	Justification
A - Evaluation of Bank assistance strategy			
	Conformity with policies and strategies of Malian authorities	3	The Bank responded to the country's requests in relation to its resources. Its strategies and projects were in line with the Government's policies.
	Complementarity with Mali's other donors	3	Relevant on the whole; this complementarity is assured by the Bank's coordination efforts and by the country's authorities who identify projects to be submitted to the Bank. The Bank does not actively participate in aid coordination activities for lack of local representation.
	Consistency with needs and capacities of communities	3	The Bank focuses on areas of primary interest to the communities (agricultural production, water, health and education) but the inadequate consultation of communities means that the responses envisaged to these needs have some weaknesses or inconsistencies.
	Harmonization with capacities and relative advantage of the Bank Group	3	The Bank's operations in Mali have been naturally directed to the neediest sectors. This concentration of the Bank's assistance has given the Bank a comparative advantage.
Rating Section A		3	
B - Evaluation of lending-related assistance			
	Relevance (conformity with Mali's priorities and Bank's strategies)	3	The vast majority of projects fall under sector priorities of Mali and the Bank. Several projects also were carried out in the Northern regions and thus assisted in reducing the level of dissatisfaction among the people.
	Efficacy (achievements of objectives)	2	The majority of the Bank's projects have yielded the expected results in quantitative and, somewhat to a lesser extent, in qualitative terms. But the achievement of these objectives has almost always been delayed.
	Efficiency (rate of return, cost/benefit ratio, operational performance)	2	Delays generated costs: commitment charge for Mali and opportunity cost for beneficiaries. They also resulted in the loss of significance of or benefit from the grace period.
	Effects and impacts (outcomes at the level of development and on beneficiaries)	2	The impacts on development did not match expectations. Lapses in the monitoring of projects at this level affected the introduction of timely corrective measures to maximize the effects of projects for the people and the country.
	Impact on institutional development	2	Administrative structures and services are better equipped and the skills of their staff have improved. But, the lack adequate financing of recurrent costs and staff mobility hampered the attainment of a higher institutional capacity. Few institutional strengthening activities were carried out for the grassroots beneficiary organizations.
	Sustainability (technical, financial, social and institutional sustainability; sustainability of outcomes)	2	The majority of projects comprised a key infrastructure component that should stand the test of time. But the issue of sustainability depends both on the management capacity and the physical quality of the structures. Moreover, the major sustainability measures envisaged by the projects did not achieve the desired level of implementation.
Rating Section B		2	
Evaluation Criteria		Rating	Justification
C - Evaluation of non-lending assistance			
	Economic and sector policy studies	3	In addition to studies specific to its operations, thematic studies (Mali 2025, University of Mali) made for a better general understanding of the issue of Mali's development and proved to be positive in enabling the Malian

			authorities to push their request forward.
	Aid coordination (Bank's initiatives in the area of national capacities for aid coordination and co-financing initiatives)	2	Absence of local representation by the Bank impedes its participation in aid coordination . The Malian authorities, for the moment, find it difficult to assume responsibilities for this coordination.
	Advisory services including policy dialogue	3	The CSP constitutes a privileged opportunity for policy dialogue between representatives of the Bank Group and the Malian authorities. The significant contribution by the Bank to the reform programme adjustment measures enabled it to actively participate in policy dialogue between the Malian authorities and the donor community despite its limited intellectual involvement..
	Portfolio Review	2	Portfolio reviews were few and irregular. This did not make for the taking of timely corrective measures. This exercise mainly focuses on assessing the rate of disbursement and physical outputs without considering impacts on development. Moreover, the exercise does not involve a participatory approach.
Rating Section C		2.5	
D – Assessment of Bank Performance			
	Preparation (quality of sector studies and taking into account of context)	2.5	The quality of project preparatory studies were generally acceptable although some projects were affected by the shortcomings: weak engineering studies or lack of reference standards, inadequate consideration for cultural aspects, poor involvement of communities.
	Ex-ante evaluation (quality of economic, financial, social analyses, etc.)	3	Overall the analyses were of good quality. Risk analysis could be improved and there are no short-term performance indicators.
	Monitoring and supervision	2	Project documents did not identify intermediate development indicators. Hence supervision and monitoring focused on the rate of disbursement and physical outputs and sought to address problems at these levels. Moreover, human resources were inadequate to meet the Bank's targets in terms of person/days for the supervision and monitoring.
	Self-evaluation	2	The completion reports were not always prepared on time. However, most of them were well-documented and helped draw relevant lessons for the projects and programmes. Changes in Bank practices have resulted in the taking into account of these lessons.
Rating Section D		2.5	
Evaluation Criteria		Rating	Justification
E - Evaluation of Borrower Performance			
	Identification (adherence and participation of policy makers and beneficiary communities)	3	The duration of the identification and preparation of projects was often unduly long and, generally, did not involve sufficient participation by grassroots communities who were the ultimate beneficiaries. Where community consultations were held, they merely entailed the validation of choices already made. In contrast, the ratification process involved a close scrutiny of projects and their approval by the National Assembly.
	Preparation (design, analysis of risks and alternatives, taking into account of lessons from similar operations, association of communities concerned)	2.5	Virtually all the projects were planned to last a period of five (5) years. During preparation, difficulties relating to the efficacy of projects known to all and even those pertaining to implementation in view of the Bank's requirements, were ignored or minimized. Participatory approach was only adopted at the end of the period under review and its application is still at the initial stages.
	Implementation (capacity to complete development programmes and projects)	2	Start-up delays stemmed from various factors including passiveness in conducting the ratification process and fulfilling other effectiveness conditions. In the majority of projects, the Bank's procedures were not closely followed by the project staff. Project managers lacked anticipatory capacities to the extent that the projects were constantly managed as emergencies.
	Monitoring and supervision (use of	2	Short-term results were presented as physical outputs of activities

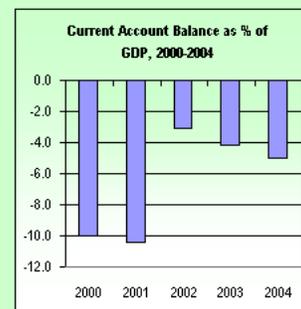
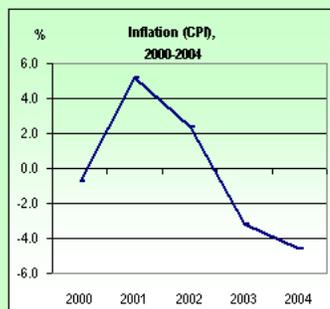
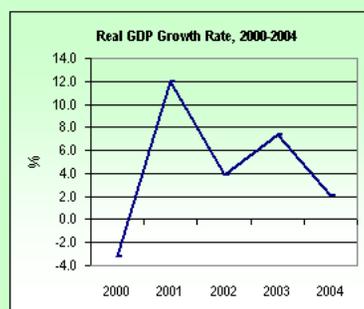
	monitoring and supervision data to improve the implementation of projects and programmes)		(operational or process outcomes) and did not change in relation to their use or otherwise by the beneficiaries. In the absence of the rating over time of development outcomes, supervision and monitoring missions can only be limited to the progress of activities.
	Aid coordination (Borrower initiatives and capacities in donor coordination)	2	Aid coordination remained more at the rhetorical than at the practical level. For the moment, the Malian authorities do not appear to be in a position to assume responsibility for coordination, more so because the functional organization of the ministries is fraught with overlaps in relation to external aid.
Rating Section E		2.5	

Overall Assessment	3	Overall, the Bank's assistance is satisfactory despite deficiencies that need to be reduced with the establishment of a Bank country office in Mali and the introduction of results-based management.
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MALI
SELECTED MACROECONOMIC INDICATORS

Indicators	Unit	1995	2000	2001	2002	2003	2004
National Accounts							
GNI at Current Prices	Million US \$	2 419	2 413	2 464	2 844	..	..
GNI per Capita	US\$	250	240	230	320	420	..
GDP at Current Prices	Million US \$	2 794.7	2 667.8	3 015.5	3 264.4	4 218.1	5 106.2
GDP at 1995 Constant prices	Million US \$	2 794.7	3 459.3	3 872.0	4 022.4	4 319.3	4 410.0
Real GDP Growth Rate	%	2.4	-3.2	11.9	3.9	7.4	2.1
Real per Capita GDP Growth Rate	%	-0.4	-6.0	8.7	0.9	4.2	-1.0
Gross Domestic Investment	% GDP	31.5	22.3	27.0	18.6	23.4	21.4
Public Investment	% GDP	8.2	7.8	6.1	7.0	6.3	7.7
Private Investment	% GDP	23.2	14.5	20.9	11.6	17.1	13.7
Gross National Savings	% GDP	25.2	12.8	16.7	15.6	19.4	16.5
Prices and Money							
Inflation (CPI)	%	12.4	-0.7	5.2	2.4	-3.2	-4.6
Exchange Rate (Annual Average)	local currency/US\$	499.1	712.0	733.0	697.0	581.2	528.3
Real Exchange Rate Index	Base 1995=100	100.0	149.3	150.3	141.8	116.5	108.5
Monetary Growth (M2)	%	7.3	12.2	19.6	27.9	22.7	4.7
Income Velocity (GDP / M2)	%	5.5	4.7	4.5	3.7	3.3	3.4
Government Finance							
Total Revenue and Grants	% GDP	16.6	17.7	17.0	18.9	20.1	19.9
Total Expenditure and Net Lending	% GDP	19.4	20.6	21.1	23.2	21.7	24.5
Overall Deficit (-) / Surplus (+)	% GDP	-2.8	-3.0	-4.1	-4.3	-1.6	-4.6
External Sector							
Exports Volume Growth (Goods)	%	15.6	-1.1	24.9	31.7	-10.4	0.1
Imports Volume Growth (Goods)	%	7.0	-7.4	29.8	-10.4	3.4	7.0
Terms of Trade Growth	%	0.7	-8.6	11.3	-12.6	1.6	7.1
Current Account Balance	Million US \$	-0.2	-0.3	-0.3	-0.1	-0.2	-0.2
Current Account Balance	% GDP	-7.7	-10.0	-10.4	-3.1	-4.2	-5.0
External Reserves	months of imports	7.1	7.7	5.7	10.3	12.6	11.1
Debt and Financial Flows							
Debt Service	% exports	16.4	12.2	6.3	6.0	6.2	6.1
External Debt	% GDP	97.0	99.2	71.2	48.7	35.5	30.2
Net Total Financial Flows	Million US \$	588.1	385.3	332.7	329.8	540.0	..
Net Official Development Assistance	Million US \$	541.3	359.7	353.6	466.7	527.6	..
Net Foreign Direct Investment	Million US \$	111.4	78.4	104.5	101.9	129.0	..



Source : ADB Statistics Division; IMF: World Economic Outlook, SEP.2004 and International Financial Statistics, Jan.2005; World Bank: Live Database, Nov. 2004; United Nations: OECD, Reporting System Division, January 2005.

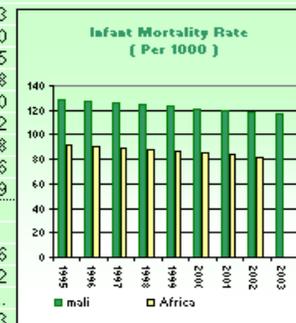
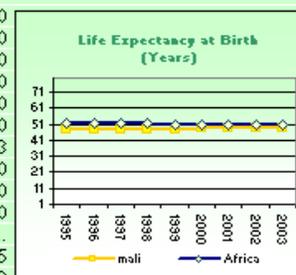
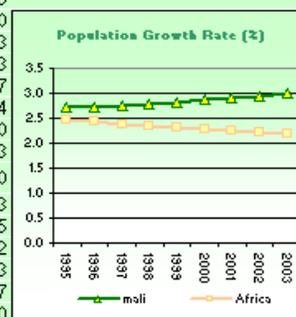
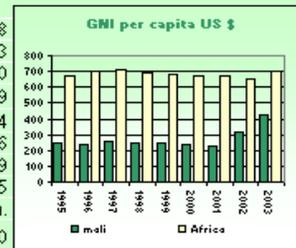
Notes: ... Data Not Available

Last update April 2005

Mali

COMPARATIVE SOCIO-ECONOMIC INDICATORS

	Year	Mali	Africa	Developing Countries	Developed Countries
Basic Indicators					
Area ('000 Km²)		1 240	30 061	80 976	54 658
Total Population (millions)	2003	13.0	849.5	5,024.6	1,200.3
Urban Population (% of Total)	2003	30.0	39.2	43.1	78.0
Population Density (per Km²)	2003	10.5	28.3	60.6	22.9
GNI per Capita (US \$)	2003	420	704	1 154	26 214
Labor Force Participation - Total (%)	2003	46.8	43.3	45.6	54.6
Labor Force Participation - Female (%)	2003	46.2	41.0	39.7	44.9
Gender -Related Development Index Value	2002	0.309	0.476	0.655	0.905
Human Develop. Index (Rank among 174 countries)	2002	174	n.a.	n.a.	n.a.
Popul. Living Below \$ 1 a Day (% of Population)	1994	72.8	46.7	23.0	20.0
Demographic Indicators					
Population Growth Rate - Total (%)	2003	3.0	2.2	1.7	0.6
Population Growth Rate - Urban (%)	2003	4.7	3.8	2.9	0.5
Population < 15 years (%)	2003	51.0	42.0	32.4	18.0
Population >= 65 years (%)	2003	2.5	3.3	5.1	14.3
Dependency Ratio (%)	2003	106.6	86.1	61.1	48.3
Sex Ratio (per 100 female)	2003	98.3	99.0	103.3	94.7
Female Population 15-49 years (% of total populatio	2003	21.9	24.0	26.9	25.4
Life Expectancy at Birth - Total (years)	2003	49.0	50.7	62.0	78.0
Life Expectancy at Birth - Female (years)	2003	49.5	51.7	66.3	79.3
Crude Birth Rate (per 1,000)	2003	49.7	37.0	24.0	12.0
Crude Death Rate (per 1,000)	2003	15.9	15.2	8.4	10.3
Infant Mortality Rate (per 1,000)	2003	116.7	80.6	60.9	7.5
Child Mortality Rate (per 1,000)	2003	177.8	133.3	79.8	10.2
Maternal Mortality Rate (per 100,000)	1994	580	661	440	13
Total Fertility Rate (per woman)	2003	7.0	4.9	2.8	1.7
Women Using Contraception (%)	1996	7.0	40.0	59.0	74.0
Health & Nutrition Indicators					
Physicians (per 100,000 people)	1996	6.3	57.6	78.0	287.0
Nurses (per 100,000 people)	1994	13.1	105.8	98.0	782.0
Births attended by Trained Health Personnel (%)	1996	24.0	44.0	56.0	99.0
Access to Safe Water (% of Population)	2002	48.0	64.4	78.0	100.0
Access to Health Services (% of Population)	1983	20.0	61.7	80.0	100.0
Access to Sanitation (% of Population)	2000	69.0	42.6	52.0	100.0
Percent. of Adults (aged 15-49) Living with HIV/AIDS	2003	2.5	6.4	1.3	0.3
Incidence of Tuberculosis (per 100,000)	2000	37.1	109.7	144.0	11.0
Child Immunization Against Tuberculosis (%)	2003	87.0	81.0	82.0	93.0
Child Immunization Against Measles (%)	2003	68.0	71.7	73.0	90.0
Underweight Children (% of children under 5 years)	1996	26.9	25.9	31.0	...
Daily Calorie Supply per Capita	2002	2 174	2 444	2 675	3 285
Public Expenditure on Health (as % of GDP)	1998	2.1	3.3	1.8	6.3
Education Indicators					
Gross Enrolment Ratio (%)					
Primary School - Total	2001	57.0	88.7	91.0	102.3
Primary School - Female	2001	49.0	80.3	105.0	102.0
Secondary School - Total	1999	14.0	42.9	88.0	99.5
Secondary School - Female	1999	10.3	41.3	45.8	100.8
Primary School Female Teaching Staff (% of Total)	1998	22.9	46.3	51.0	82.0
Adult Illiteracy Rate - Total (%)	2003	72.1	36.9	26.6	1.2
Adult Illiteracy Rate - Male (%)	2002	62.5	28.4	19.0	0.8
Adult Illiteracy Rate - Female (%)	2003	82.0	45.2	34.2	1.6
Percentage of GDP Spent on Education	1998	3.0	5.7	3.9	5.9
Environmental Indicators					
Land Use (Arable Land as % of Total Land Area)	2003	3.8	6.2	9.9	11.6
Annual Rate of Deforestation (%)	1995	1.0	0.7	0.4	-0.2
Annual Rate of Reforestation (%)	1990	27.0	10.9	...	...
Per Capita CO2 Emissions (metric tons)	1998	0.0	1.2	1.9	12.3



Source : Compiled by the Statistics Division from ADB databases; UNAIDS; World Bank Live Database and United Nations Population Division.
Notes: n.a. Not Applicable; ... Data Not Available.

Mali – Social Indicators 1991 - 2001

		1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Population (In Thousands)	8	8 998	9 220	9 446	9 681	9 928	10 186	10 457	10 741	11 039	11 351	11 677
Urban Population (%)		24.6	25.3	25.9	26.4	26.9	27.6	28.2	28.8	29.3	29.7	30.4
Gross Primary Enrolment Rate-Total (%)		28.1	31.5	34.6	37.2	40.5	45.1	48.9	55.2	...	...	58.7
Female (%)		20.7	23.6	26.4	29.7	31.8	35.4	39.7	45.4	...	...	49.1
Gross Secondary Enrolment Rate (%)		7.9	8.0	9.1	10.2	10.7	11.6	12.6	15.0	...	...	26.2
Female (%)		5.0	5.0	6.0	6.0	6.8	7.3	...	10.3	...	...	19.2
Illiteracy- Total (%)		73.0	71.5	69.9	68.4	66.8	65.2	63.5	61.9	60.2	58.6	56.9
Female (%)		79.9	78.4	77.0	75.5	74.0	72.3	70.6	69.0	67.3	65.6	63.9
Infant Mortality Rate (per 1,000)		138.0	137.0	135.6	134.2	132.8	131.4	130.0	128.0	126.0	124.0	122.0
Crude Mortality Rate (per 1,000)		19.2	19.1	19.0	18.9	18.7	18.6	18.5	18.3	18.0	17.8	17.5
Crude Birth Rate (per 1,000)		50.1	50.1	50.1	50.0	50.0	49.9	49.9	49.8	49.8	49.7	49.7
Total Fertility Rate (per woman)		7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	6.8
Life Expectancy at Birth - Total (Years)		49.1	49.3	49.6	49.9	50.3	50.6	50.9	51.1	51.4	51.6	51.9
Male (years)		48.2	48.5	48.8	49.0	49.3	49.5	49.8	50.1	50.3	50.6	50.8
Female (Years)		50.6	50.8	51.0	51.2	51.4	51.6	51.8	52.0	52.3	52.5	52.8
Total Population with Access to Health Services (%)		...	...	...	...	...	...	...	...	...	...	...
Access to Drinking Water – Total Population (%)		...	...	37.0	...	...	48.3	...	...	65.0	65.0	...
Urban Population (%)		...	...	36.0	...	...	55.6	...	...	74.0	74.0	...
Rural Population (%)		...	...	38.0	...	...	20.0	...	...	61.0	61.0	...
Daily Calorie Intake (Per Capita)		2307	2296	2304	2267	2265	2266	2223	2340	2442	2403	...

Source: Based on social statistics of the Bank Group on Mali (Selected Statistics on African Countries, ADB 2003) validated and /or complemented with those of the PRGF (2003), UNDP (2003) and the World Bank (2003).

		1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Population (In Thousands)		6 837	6 994	7 161	7 338	7 523	7 716	7 917	8 126	8 341	8 559	8 778
Urban Population (%)		18,5	19,2	19,9	20,5	21,1	21,6	22,1	22,6	23,1	23,6	24,0
Gross Primary Enrolment Rate -Total (%)		26,3	25,9	26,1	25,4	25,1	24,8	24,6	24,8	25,9	26,0	26,5
Female (%)		18,9	18,7	18,9	18,4	18,4	18,1	18,1	18,2	19,2	19,1	19,4
Gross Secondary Enrolment Rate (%)			8,0	7,2	7,3	6,6	6,3	5,8	5,9	6,6	6,5	7,0
Female (%)		5,0	4,4	3,9	4,1	4,0	4,0	4,0	3,4	3,4	3,7	4,2
Illiteracy- Total (%)		86,3	85,2	84,1	83,0	81,9	80,8	79,5	78,2	77,0	75,7	74,4
Female (%)		91,5	90,6	89,7	88,8	87,9	87,0	85,8	84,7	83,6	82,4	81,3
Infant Mortality Rate (per 1,000)		162,0	156,0	150,0	148,4	146,8	145,2	143,6	142,0	141,0	140,0	139,0
Crude Mortality Rate (per 1,000)		21,9	21,2	20,5	20,3	20,1	19,9	19,7	19,5	19,4	19,3	19,3
Crude Birth Rate (per 1,000)		50,4	50,3	50,2	50,2	50,2	50,1	50,1	50,1	50,1	50,1	50,1
Total Fertility Rate (per woman)		7,0	7,0	7,0	7,0	7,0	7,0	7,0	7,0	7,0	7,0	7,0
Life Expectancy at Birth - Total (Years)		45,6	45,9	46,1	46,5	46,9	47,3	47,7	48,1	48,3	48,6	48,8
Male (years)		44,8	45,1	45,4	45,8	46,1	46,5	46,8	47,2	47,5	47,7	48,0
Female (Years)		46,6	46,9	47,2	47,7	48,2	48,6	49,1	49,6	49,8	50,1	50,3
Total Population with Access to Health Services (%)		20,0	...	...	20,0	...	...	...	...	...	...	...
Access to Drinking Water – Total Population (%)		...	...	...	...	...	17,0	...	...	...	...	11,0
Urban Population (%)		...	...	58,0	...	...	...	...	...	48,0	...	41,9
Rural Population (%)		...	...	19,7	...	...	...	...	...	17,0	...	...
Daily Calorie Intake (Per Capita)		1734	1679	1865	1821	1892	2174	2251	2222	2360	2323	2303

Based on social statistics of the Bank Group on Mali (Selected Statistics on African Countries, ADB 2003) validated and /or complemented with those of the PRGF (2003), UNDP (2003) and the World Bank (2003).

Mali – Ongoing Bank Group Operations (As At 30 December 2004)

A - Operations Completed Before 1994

No	Sector Name	Long Name	Window	Instrument	Approval Date	Signature Date	Effective Date	Completion Date	Amount of Loan/Grant Approved (UA M)	Net Amount of Loan/Grant (UA M)	Disbursement Rate.	Status
1	Agriculture	Wells Operations (Phase I)	ADF	PL	01/16/1974	03/21/1974	01/31/1975	06/30/1980	3.68	3.68	100.00	Compl'td
2	Agriculture	Wells Operations (Compl.)	ADF	PL	04/30/1975	08/29/1975	03/02/1979	08/30/1975	0.92	0.92	100.00	Compl'td
3	Agriculture	Rural Equipment Works Operations (OTER)	ADF	PL	12/12/1975	02/16/1976	09/20/1976	12/31/1990	4.61	4.47	100.00	Compl'td
4	Agriculture	Selected Seeds Production Development	ADF	PL	10/26/1976	12/13/1976	01/20/1978	12/31/1987	3.96	3.96	100.00	Compl'td
5	Agriculture	South Mali Integrated Rural Development	ADF	PL	04/29/1977	07/21/1977	12/30/1977	12/31/1987	4.97	4.97	100.00	Compl'td
6	Agriculture	Mopti Rice Project	ADF	PL	10/20/1977	12/29/1977	07/05/1979	12/31/1983	5.07	5.03	100.00	Compl'td
7	Agriculture	Wells Operations (Phase II)	ADF	PL	08/27/1982	12/17/1982	02/25/1983	12/31/1989	10.50	10.50	100.00	Compl'td
1	Transport	Sikasso-Kigna Dioila Road Study	ADF	TA	01/16/1974	11/14/1974	01/14/1976	03/31/1982	0.33	0.32	100.00	Compl'td
2	Transport	Seware-Gao Road Construction	ADF	PL	09/10/1981	09/29/1981	11/03/1982	12/31/1987	11.05	11.05	100.00	Compl'td
1	Water and Sanitation	5 Cities Drinking Water Supply	ADF	TA	09/26/1979	11/20/1979	10/12/1981	06/30/1982	0.64	0.64	100.00	Compl'td
2	Water and Sanitation	Mali Drinking Water Supply	ADF	PL	01/25/1984	05/09/1984	03/20/1986	12/31/1989	10.69	10.69	100.00	Compl'td
1	Energy	Selingue Dam Construction	ADB	PL	08/18/1977	08/25/1977	10/27/1977	12/31/1982	5.00	5.00	100.00	Compl'td
1	Finance	ITEMA Equity Participation	ADB	LC	06/04/1970	07/06/1970	02/26/1971	06/30/1971	0.63	0.63	100.00	Compl'td
2	Finance	Line of Credit	NTF	LC	01/15/1986	04/30/1986	07/08/1987	12/31/1992	5.00	4.51	100.00	Compl'td
1	Education	Katibougou Rural Polytechnic Institute	ADF	PL	10/15/1975	02/16/1976	12/30/1977	12/31/1987	4.61	4.61	100.00	Compl'td
2	Education	Katibougou Rural Polytechnic Institute (compl.)	ADF	PL	08/27/1982	12/17/1982	02/14/1984	12/31/1989	2.21	2.21	100.00	Compl'td

Mali - Ongoing Bank Group Operations (As At 30 December 2004)

B - Ongoing Operations from 1994

No	Sector Name	Long Name	Window	Instrument	Approval Date	Signature Date	Effective Date	Completion Date	Amount of Loan/Grant Approved (UA M)	Net Amount of Loan/Grant (UA M)	Disbursement Rate.	Status
1	Agriculture	Selingue Rural Development	ADF	PL	03/27/1980	06/25/1980	11/16/1981	12/31/2000	10.13	10.13	100.00	Compl'td.
2	Agriculture	Mopti Agricultural Development	ADF	PL	10/24/1985	01/06/1986	03/10/1987	06/30/1999	6.29	5.22	100.00	Compl'td.
3	Agriculture	Livestock Development(North East Mali)	ADF	PL	10/26/1987	05/05/1989	01/22/1990	10/30/1999	13.08	12.67	100.00	Compl'td.
4	Agriculture	Daye Plain Irrigation Scheme	ADF	PL	12/15/1987	05/05/1989	06/28/1991	03/31/2000	5.90	5.69	100.00	Compl'td.
5	Agriculture	Daye Plain Irrigation Scheme (Sup.)	ADF	PL	10/18/1988	05/05/1989	06/28/1991	03/31/2000	2.00	1.86	100.00	Compl'td.
6	Agriculture	Baguineda Irrigation Scheme Rehabilitation	ADF	PL	04/19/1989	05/05/1989	04/24/1991	03/31/2000	13.49	12.51	100.00	Compl'td.
7	Agriculture	Rural Engineering Nat. Dir. Institutional Support	ADF	PL	06/12/1989	10/24/1989	04/12/1991	06/30/1996	0.49	0.48	100.00	Compl'td.
8	Agriculture	Rural Eng Nat. Dir. Inst. Support (Grant)	ADF	GI	06/12/1989	10/24/1989	04/14/1991	06/30/1996	0.95	0.94	100.00	Compl'td.
9	Agriculture	Selingue Irrigated Scheme Development	ADF	GA	11/25/1991	04/02/1992	02/28/1994	06/30/1999	1.42	1.29	100.00	Compl'td.
10	Agriculture	South Mali Rural Development II	ADF	PL	05/25/1992	11/03/1992	02/14/1996	09/30/2002	9.21	9.21	79.88	Ongoing
11	Agriculture	Middle Bani Plains Development Bani (I)	ADF	PL	12/15/1997	02/20/1998	03/29/1999	11/30/2004	19.77	19.77	11.78	Ongoing
12	Agriculture	Baguineda II Project	ADF	GA	09/17/1998	10/13/1998	09/28/1999	12/31/2004	0.71	0.71	49.00	Ongoing
13	Agriculture	Ansongo Rural Development Project	ADF	PL	10/27/1999	02/07/2000	02/15/2001	12/31/2005	9.44	9.44	50.14	Ongoing
14	Agriculture	Maninkoura Irrigated Scheme Development	ADF	PL	10/18/2000	12/15/2000	02/18/2002	12/31/2006	12.47	12.47	13.84	Ongoing
15	Agriculture	Maninkoura Irrigated Scheme Development	ADF	GI	10/18/2000	12/15/2000	02/18/2002	12/31/2006	0.44	0.44	72.52	Ongoing
16	Agriculture	Daye-Hamadja-Korioume Scheme Consolid.	ADF	PL	11/03/2000	04/26/2001		12/31/2006	7.84	7.84	0.00	Ongoing
17	Agriculture	Seeds Sub-sector Support Project	ADF	PL	06/14/2001	07/11/2001	12/16/2002	12/31/2007	5.67	5.67	15.92	Ongoing
18	Agriculture	Douentza Irrigation Study	ADF	GA	09/19/2001	10/26/2001	05/06/2002	12/30/2004	0.65	0.65	29.39	Ongoing
19	Agriculture	Mopti Region Rural Dev. Support Project	ADF	PL	10/10/2001	10/26/2001	09/17/2002	12/31/2009	15.27	15.27	5.28	Ongoing
20	Agriculture	Phedie Irrigation Development Study	ADF	GA	04/11/2002	05/28/2002		12/30/2005	0.63	0.63	6.18	Ongoing
21	Agriculture	North-East Livestock Development Support	ADF	PL	09/11/2002	01/23/2003	08/20/2004	12/31/2009	13.72	13.72	0.68	Approved
22	Agriculture	Line of Credit to BNDA	ADF	PL	12/12/2002	02/14/2003	02/24/2004	12/31/2006	15.00	15.00	60.05	Ongoing
23	Agriculture	Djenne District Development Study	ADF	GA	05/19/2004	08/26/2004		06/30/2007	1.06	1.06	0.00	Approved
24	Agriculture	Support to Inland Fisheries	ADF	PL	10/06/2004	11/05/2004		12/31/2012	15.00	15.00	0.00	Approved

Mali - Ongoing Bank Group Operations (As At 30 December 2004)

B - Ongoing Operations from 1994 (Cont'd)

No	Sector Name	Long name	Window	Instrument	Approval Date	Signature Date	Effectiveness Date	Completion Date	Amount of Loan/Grant Approved (UA M)	Net Amount of Loan/Grant (UA M)	Disbursement Rate.	Status
1	Ind/Min/Carr	Malian General Food	ADB	PL	02/28/1994	08/22/1994		12/31/1999	0.54	0.00	0.00	Cancelled
2	Ind/Min/Carr	BEN - CO. Petroleum Product Project	ADB	PL	12/08/1997				2.01	0.00	0.00	Cancelled
1	Transport	Marrakala-Niono Road Construction	ADF	PL	06/07/1978	06/27/1978	08/27/1981	06/30/2000	7.83	7.83	100.00	Compl'td.
2	Transport	Bamako Bougouni Road	ADF	PL	06/17/1985	01/06/1986	11/16/1987	08/30/1998	11.52	11.11	100.00	Compl'td.
3	Transport	Bamako Express Road Construction	ADF	PL	03/04/1993	05/12/1993	06/13/1995	12/31/2003	11.97	11.85	100.00	Compl'td.
4	Transport	Road Maintenance Project	ADF	PL	10/08/1997	11/25/1997	06/02/1999	12/31/2005	14.00	14.00	75.54	Ongoing
5	Transport	Road Maintenance Project	ADF	GA	10/08/1997	11/25/1997	05/03/1999	12/31/2005	0.50	0.50	90.14	Ongoing
1	Water & Sanitati.	Liptako Gourma Water Points Creation	ADF	PL	03/12/1985	03/28/1985	08/07/1989	12/31/1999	11.28	10.80	100.00	Compl'td.
2	Water & Sanitati.	Rural Water (Programme: ECOWAS)	ADF	PL	03/12/1985	03/28/1985	09/25/1986	12/31/2000	5.60	5.60	100.00	Compl'td.
3	Water & Sanitati.	Bamako Sanitation Study	ADF	TA	11/27/1986	04/01/1987	12/30/1992	12/31/1996	1.44	1.42	100.00	Compl'td.
4	Water & Sanitati.	5 Cities DWS Suppl.	ADF	PL	02/22/1989	05/05/1989	05/03/1990	12/31/1996	4.15	4.15	100.00	Compl'td.
5	Water & Sanitati.	Water Studies	ADF	GA	05/06/1998	05/28/1998	01/09/2001	12/31/2004	0.69	0.69	71.16	Ongoing
6	Water & Sanitati.	Rural DWSS Programme	ADF	PL	12/17/2003	03/25/2004		12/31/2008	9.80	9.80	0.00	Approved
7	Water & Sanitati.	Rural DWSS Programme	ADF	GA	12/17/2003	03/25/2004		12/31/2008	2.20	2.20	0.00	Approved
8	Water & Sanitati.	Bamako Sanitation Master Plan	ADF	GA	03/24/2004	08/26/2004		12/31/2006	0.97	0.97	0.00	Approved
1	Energy	Regional Energy Solar Centre (CRES)	ADF	PL	11/24/1983	01/18/1984	04/17/1985	12/31/2000	10.36	10.36	100.00	Compl'td.
2	Energy	Energy Transmission Studies	ADF	TA	04/11/1985	01/06/1986	10/01/1987	12/31/1995	0.89	0.89	100.00	Compl'td.
3	Energy	Electricity II	ADF	PL	08/28/1991	12/20/1991	06/30/1995	06/30/2001	9.21	8.41	100.00	Compl'td.
4	Energy	Rural Electrification Study	ADF	GA	09/24/2003	11/21/2003		06/30/2006	1.13	1.13	0.00	Approved
1	Finance	Line of Credit	ADF	LC	09/29/1986	04/30/1987	06/16/1988	06/30/1994	4.61	4.61	100.00	Compl'td.
2	Finance	Technical Assistance to BDM	ADF	GI	11/21/1989	01/03/1990	02/08/1991	06/30/1994	0.96	0.96	100.00	Compl'td.
3	Finance	Line of Credit to BMCD	ADB	LC	03/23/1992	05/12/1992		12/31/1994	12.00	0.00	0.00	Cancelled

Mali - Ongoing Bank Group Operations (As At 30 December 2004)

B - Ongoing Operations from 1994 (Cont'd)

No	Sector Name	Long Name	Window	Instrument	Approval Date	Signature Date	Effective Date	Completion Date	Amount of Loan/Grant Approved (U A M)	Net Amount of Loan/Grant (U A M)	Disbursement Rate.	Status
1	Education	Basic Education Teacher Training	ADF	PL	04/11/1985	01/06/1986	06/25/1987	12/31/2000	6.01	6.01	100.00	Compl'td.
2	Education	Mali University Study	ADF	GA	09/20/1988	01/27/1989	05/10/1990	12/31/2000	0.55	0.54	100.00	Compl'td.
3	Education	Support to Basic Education	ADF	PL	05/05/1993	05/12/1993	04/23/1996	12/31/2001	6.45	4.98	100.00	Compl'td.
4	Education	Education Project III	ADF	PL	11/20/1997	12/17/1997	09/17/1999	12/31/2004	10.00	10.00	67.19	Ongoing
5	Education	PRODEC Support Project (Educ IV)	ADF	PL	09/24/2003	11/21/2003		12/31/2010	12.00	12.00	0.00	Approved
6	Education	PRODEC Support Project (Educ IV)	ADF	GI	09/24/2003	11/21/2003		12/31/2010	3.00	3.00	0.00	Approved
7	Health	Timbuktu Health Infrastructure	ADF	PL	08/27/1982	12/17/1982	07/07/1983	03/30/1997	8.43	8.37	100.00	Compl'td.
8	Health	Kouliko-Nana-Niafun Health Infr. Studies	ADF	TA	06/23/1983	07/19/1983	09/25/1985	12/31/1995	1.32	1.32	100.00	Compl'td.
9	Health	K.N.N. Health Infrastructure Strengthening	ADF	SI	04/17/1987	06/11/1987	06/29/1988	06/30/1999	9.91	8.88	100.00	Compl'td.
10	Health	Minist. Inst. Strengthening Studies -	ADF	GA	04/26/1988	01/27/1989	03/19/1992	06/30/1998	1.78	1.32	100.00	Compl'td.
11	Health	Renovation 4 Health Establishments	ADF	PL	12/16/1991	11/03/1992	03/29/1994	12/31/2001	11.49	9.63	100.00	Compl'td.
12	Health	PRODESS Support Project (Health IV)	ADF	PL	11/21/2001	01/15/2002		12/31/2007	15.00	15.00	20.14	Ongoing
13	Health	HIV/AIDS Control Support Project	ADF	GA	09/08/2004	11/29/2004		12/31/2009	8.29	8.29	0.00	Approved
14	Poverty Reduct.	Poverty Reduction	ADF	PL	03/24/1999	05/18/1999		12/31/2004	10.00	10.00	68.50	Ongoing
15	Poverty Reduct.	Poverty Reduction	ADF	GI	03/24/1999	05/18/1999		12/31/2004	2.50	2.50	99.86	Ongoing
1	Multi-Sector	Public Enterprises Sector Restructuring	ADF	SA	04/26/1988	11/21/1988	12/14/1988	06/30/1994	32.24	32.24	100.00	Compl'td.
2	Multi-Sector	Structural Adjustment Programme	ADF	SL	06/17/1991	07/16/1991	09/25/1991	06/30/1994	13.82	13.82	100.00	Compl'td.
3	Multi-Sector	Structural Adjustment Programme	ADF	SL	12/15/1992	01/29/1993	07/09/1993	12/31/2000	5.53	5.53	100.00	Compl'td.
4	Multi-Sector	Econ. Manag Support Prog.1996-1998	ADF	SL	10/29/1997	12/17/1997	08/18/1998	12/31/2000	15.00	14.97	100.00	Compl'td.
5	Multi-Sector	3rd Structural Adjustment Programme	ADF	SL	10/16/2002	11/18/2002	12/31/2002	12/31/2004	22.30	22.25	100.00	Ongoing
6	Multi-Sector	Support to Good Governance	ADF	GI	12/20/2002	01/16/2003	10/29/2003	01/31/2006	2.10	2.10	32.61	Ongoing
7	Multi-Sector	SAP III Programme	ADF	SL	07/19/2004	08/26/2004			8.60	8.60	0.00	Approved

PL = Project Loan, LC=Line of Credit, SI= Sector Investment and Rehabilitation,
 SL= Structural Adjustment, SA=Sector Adjustment,
 TI=Institutional Support and Rehabilitation, TA=Project Cycle Related Loan,
 GI=Institutional Support Grant, GA=Project Cycle Related Grant