

SENEGAL:

FINAL EVALUATION
RURAL DECENTRALIZATION
SUPPORT PROGRAM
(PADMIR)

SUBMITTED TO:
UNITED NATIONS
CAPITAL DEVELOPMENT FUND

FINAL REPORT

06 JUNE 2007

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“The analysis and recommendations of this report do not necessarily reflect the view of the United Nations Capital Development Fund, its Executive Board or the United Nations Member States. This is an independent publication of UNCDF and reflects the views of its authors”

LIST OF ACRONYMS

AIP:	Annual Investment Plan
AWP:	Annual Work Plan
CCPSD:	Coordinating Cell for Projects Supporting Decentralization
CIB:	Consolidated Investment Budget
DLA:	Directorate of Local Authorities
DTS:	Decentralized Technical Services
ECI:	ECIAfrica Consulting (Pty) Ltd
ECOLOC:	Local Economy (<i>Economie Locale</i>)
ENEA:	National School of Applied Economy (<i>Ecole Nationale d'Economie Appliquée</i>)
EU:	European Union
FPGL:	Foundation Paul Guérin La Joie
GCO:	Grassroots Community Organizations
GMO:	Community groups undertaking public work (<i>Groupement Communautaire de maîtrise d'Ouvrage</i>)
HDI:	Human Development Index
ICT:	Information and Communication Technology
IDRC:	International Development Research Centre
IDRP:	Integrated Development Regional Plan
IVDC:	Inter-Villages Development Committee
LA:	Local Authorities (<i>Collectivités locales</i>)
LAFIAS:	Local Authorities Financial and Institutional Management System
LDF:	Local Development Fund
LDH:	Local Development House
LDP:	Local Development Program
LED:	Local Economic Development
LGC:	Local Granting Committee
LIP:	Local Investment Plan
LPP:	Local Participative Planning
MC:	Management Committee
MES:	Monitoring and Evaluation System
MFP:	Multifunctional Platform
MDG:	Millennium Development Goals
NARC:	National Association of Rural Councilors
NCDLA:	National Council for the Development of Local Authorities

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NGO:	Non Government Organization
NPC:	National Pilot Committee
NPLD:	National Program for Local Development
NRM:	Natural Resources Management
OP:	Operational Plan
PADMIR:	Rural Decentralization Support Project (<i>Programme d'Appui à la Décentralisation en Milieu rural</i>)
PAREP:	Support Program for Poverty Reduction (<i>Programme d'Appui à la Réduction de la Pauvreté</i>)
PAPIC:	Priory Action Plan Intercommunities
PMD:	Partnership for Municipal Development
PNIR:	National Program for Rural Infrastructures (<i>Programme National d'infrastructures Rurales</i>)
PRC:	President of the Rural Council
PRODOC:	Project Document
PSIDEL:	Support Program for Local Development Initiatives (<i>Programme de Soutien aux Initiatives de Développement Local</i>)
RC:	Rural Community
RDA:	Regional Development Agency
SCLD:	Support Centre for Local Development
TAU:	Technical Assistance Unit
ToR:	Terms of Reference
UNCDF:	United Nations Capital Development Fund
UNDAF:	United Nations Development Assistance Framework
UNDP:	United Nations Development Program
UNEP:	United Nations Environment Program
UNOPS:	United Nations Office for Project Services
VCD:	Village Committee for Development
WB:	World Bank
WG:	Women's Group

SENEGAL FINAL EVALUATION REPORT: PADMIR**1 PROGRAM SUMMARY**

Project number:	SEN / 98 / C01 (UNCDF) SEN /98 / 001 (UNDP)
Project title:	Rural Decentralization Support Project (PADMIR)
Government agency:	Directorate of Local Authorities, Ministry of Home Affairs
Executive agency:	United Nations Office for Project Services (UNOPS)
Date of signature for the project document:	30 June 1999
Date of starting the activities in Senegal:	January 2000
Planned duration:	5 years, revised to 6 years and 6 months
Project closing date:	June 2007
Initial budget:	\$7.500.000
Of which,	
UNCDF:	\$ 6.000.000
UNDP:	\$ 1.500.000
Additional Budget:	\$2.888.150
European Union:	XOF1 Billion ¹
Government (Fiscal transfer):	XOF 147 Millions
Nature:	XOF 103 Millions
Local authorities:	XOF 123 Millions
Micro finance institutions:	XOF 104.161.491
Actual total budget:	\$10.389.000
Date of mid-term evaluation:	December 2001
Last tripartite review of PADMIR:	21 November 2006

¹ Currency is the CAF Franc (XOF). Exchange rate : 1 \$US=XOF542.40

2 PURPOSE OF THE EVALUATION

2.1 Evaluation purpose

The purpose of the evaluation of the PADMIR project is described, on the one hand in the Terms of Reference (ToR) developed by the United Nations Capital Development Fund (UNCDF)², and on the other hand in the “Evaluation Manual for the UNCDF Local Development Programs” produced by ECIAfrica (ECI). It is broken down as follows:

- To assess whether the PADMIR anticipated results have been achieved, compared to the project design and to the logical framework as revised in 2003, focusing specifically on the dialogue mechanisms put in place by the project and on the potentiality for increasing internal resources in rural communities in order to boost the local economy.
- To grapple with the issue of allocation and productivity effectiveness of PADMIR compared to other strategies or approaches.
- To assess how relevant PADMIR has been in terms of its expected impact on local governance, Provision of Infrastructures and Services (PIS), Natural Resources Management (NRM), Local Economic Development (LED) and on the decentralization policy in Senegal.
- Evaluate PADMIR performance compared to the indicators set in the United Nations Development Assistance Framework (UNDAF).
- Review the impact of PADMIR on poverty reduction.
- Give an opinion on the main orientations that could be developed for supporting decentralization and local development within a future UNDP and UNCDF program.
- Comment on the strategy of a new Program, which has been described in a conceptual document submitted to the UNCDF in June 2006³.

At the core of this final evaluation we find the following question, as spelled out in the Evaluation Manual:

“Is it true that the utilization of investment funds, as Local Development Funds (LDF), channelled through the local authorities, (A) improve governance, build and develop institutional capacity, increase the efficiency of service provision and (B) can sometimes contribute towards a broader and more ambitious objective, which is to decrease the hurdles to poverty reduction in its broader meaning?”

² Terms of Reference, Annex 1.

³ *Programme d'appui au développement institutionnel, économique and technologique des collectivités locales* (program to support the institutional, economic and technological development of local institutions), Conceptual Document, Christian Fournier, Regional Technical Advisor, June 2006.

2.2 Program Cycle

Although approved in June 1999, PADMIR effectively started in January 2000, with an initial duration of five years. There was a mid-term evaluation of the Project in November 2001. Following the recommendations of the tripartite review in 2003, a decision was taken to extend the duration of PADMIR by two years, in order to ensure that the activities continue and are taken over. Initially planned for December 2006, the Program closure will be effective in June 2007. This evaluation is therefore the final evaluation of the Program.

3 EVALUATION METHODOLOGY

3.1 Evaluation methodology and tools

The evaluation methodology was based on the “Evaluation Manual for the UNCDF Local Development Programs” developed by the ECI team in charge of evaluating the Local Development Programs (LDP) during the first phase. This includes the conceptual framework which underlies the UNCDF approach, spells out the main issues within the evaluation, and provides interview templates adapted for different categories of stakeholders and a detailed structure for the final report. It also introduces participative assessment tools.

The members of the evaluation team therefore benefited from a detailed framework to conduct this assignment. Based on the manual, the team leader adapted the interview guide to fit with the specific Terms of Reference (ToR) and to take into account the findings of the mid-term evaluation.

3.2 Work plan

The assignment, over a period of three weeks, included the following activities⁴:

At national level:

- An internal workshop for the evaluation team members, with the objective to formulate some hypotheses related to the program, based on available documents. These were the starting points to structure the field work and their validity was regularly tested by the team members.
- Working sessions were held with the UNCDF and UNDP representatives. These sessions enabled the team to understand PADMIR better, to appreciate the significance of the evaluation, to confirm the list of the main stakeholders and to discuss the use of the evaluation tools.
- A working session was organized at the beginning of the assignment with the National Pilot Committee (NPC), which was followed by individual meetings with some of its members (Directorate of Planning, Directorate for Support to Local Development, Executive Secretariat for the Local Development National Program⁵).
- Interviews with all the main development agencies intervening in the area of decentralization⁶.
- A feedback session on the main findings of the assignment was held with the NPC members and the UNCDF/UNDP representatives, which allowed for the gathering of comments that were integrated in the draft report.

⁴ Work Plan, Annex 2.

⁵ As a co-opted NPC member.

⁶ The European Union, the German Cooperation, the Canadian Agency for International Cooperation (CIDA) and the Canadian Embassy, the French Cooperation Agency, the World Bank, the Japanese International Cooperation Agency.

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- A “global debriefing” with the UNCDF headquarter through a teleconference allowed the authors to gather comments on the executive summary and the draft report; these comments have been taken into account in the final report.

At local level:

- In each zone where PADMIR has been active, working sessions took place with the Technical Assistance Units’ staff (TAUs) and the Regional Development Agencies (in Louga and Kaolack). Interviews were also organized with representatives of the Decentralized Technical Services (DTS)⁷ and the *Crédit Mutuel du Senegal* (CMS)⁸ in Kaffrine.
- 16 sites were visited in which focus groups were organized with the beneficiaries as well as interviews with the management committees (MC). The selection of sites and rural communities visited was made in coordination with the TAU staff, taking into account amongst other things the geographical accessibility, given the limited time available for this exercise.

Table 1: Geographical spread of the evaluation

DEPARTMENT	Kébémér	Kaffrine	TOTAL
Rural Communities	Sagatta, Gueoul	Boubel, Kayi	4
Infrastructure sites	Communal water taps in Ndamé Thilla and Barga, multifunctional platform in Kandall, cereal storage facility in Ngaraff Wolof MC drilling 1 group managing public work in Ngaraf Wolof	Plateform in Khore, 2 communal water taps, 1 individual connection to water, 1 drinking trough, 1 vaccination station, 2 health hut, 1 cereal storage, 1 classroom, 1 multifunctional platform in Haffi	16
Number of income generating micro-projects	Ngaraff Wolof, 1 women’s group (WG) in Darou Marnane (Natural Resources Management)	3 women’s groups (Ngodiba, Diakhako Saloum, Khore)	
Number of focus groups	8	10	18

⁷Departmental services supporting local development and departmental tax revenue offices.

⁸Senegal Credit Union.

- Two **meetings with the expanded rural councils** were organized and were attended by Presidents of Rural Councils (PRC), community assistants, rural councilors, Local Granting Committee⁹ on micro-projects (LGC) and Women's group (WG) involved in Income Generating Activities (IGA).
- Some **feedback workshops** were held at Department level in Kébémér (chaired by the Department Deputy-Prefect) and at regional level in the Kaffrine area (chaired by the Kaolack RDA Director). The purpose of these workshops was to present and validate the main results at local level.

3.3 Methodological issues

A number of methodological issues arose during this evaluation exercise, amongst which:

- Access to quantitative data related to the cost of developing infrastructures: the team tried without success to meet with sectoral ministries, such as the Ministry of Health, the Directorate of School Equipments and Constructions, as well as other structuring programs dealing with poverty reduction, such as the National Program for Rural Infrastructure (*Programme National d'Infrastructures Rurales* - PNIR) and the Social Development Fund Program (*Programme du Fonds de Développement Social* - PFDS). Therefore, the infrastructures development costs mentioned in this report come from sources of information that were not directly involved in these structures.
- The limited time devoted to field work (3 days in the Kébémér Department and 4 days in the Kaffrine Department) was not enough to get an extensive view of the various types of work developed by the program. It was also not possible to meet with local entrepreneurs, as initially envisaged. Only one telephone interview with an entrepreneur was undertaken.
- The evaluation team could not get any mapping of the zones where the program was active that would have shown for instance the spatial repartition of the investments; this was a limitation factor on choosing reliably which sites to visit.
- During the field work in the Kébémér Department, the first focus groups gathered more people than initially planned¹⁰ which made information recording more difficult within the limited time.
- The last week of the in-country work which was initially planned for meetings at national level, mostly to gather information on other programs and to meet with sectoral Ministries, was disrupted by the proclamation of 2 extra days off, over and above the regular holiday celebrating Independence Day.
- In spite of numerous attempts by the UNCDF local office, we could not meet with some key stakeholders, such as the Luxembourg Agency for Development Cooperation, although it is

⁹ *comité d'octroi*

¹⁰ Around fifty people during the expanded rural council in Sagatta.

directly involved in the PADMIR implementation or the Directorate of Treasury which had no representative present in the working session with the NPC.

- The evaluation manual plans that a questionnaire adapted to the program context should be sent to the UNCDF Program Officer, roughly two weeks before the evaluation starts. The idea is to improve the evaluation tools, to finalize the list of main stakeholders and to define the priority areas for the evaluation. Because of the tardy delivery of the evaluation manual (only two days before starting the assignment), it was not possible to send this questionnaire.
- The evaluation manual also plan for organizing some initial workshops at local level. It was not possible to organize these workshops because of time constrains. Courtesy visits were however set up by the evaluation team before starting the field work, to introduce the purpose of the evaluation and to mobilize the departments' resources.

3.4 Team composition

The evaluation team included three persons, amongst which two local consultants, Mr. Seydou Sow and Mr. Ibrahima Gaye and an international consultant, Mrs. Valérie Hindson, acting as project leader.

Mr. Sow, expert in public infrastructure, planning and environmental issues, was responsible for the areas related to infrastructures and local development funds.

M. Gaye, lecturer on project monitoring and evaluation and on rural economy at the National School of Applied Economy (*Ecole Nationale d'Economie Appliquée* - ENEA), was responsible for the areas related to IGA, micro finance and the monitoring and evaluation system.

Mrs. Hindson, LED specialist, was more specifically responsible for the areas related local participative planning and the promotion of local economy.

Acknowledgements:

The evaluation team wishes to thank Mr. Boubacar Fall, the UNCDF Program Officer, as well as Mrs. Astou Ba Diallo, for their welcoming and constant support and for making sure that this assignment took place in the best possible conditions.

The team also wishes to thank all PADMIR staff, particularly Mr. Oumar Wade and Mrs. Salimata Boye at National Coordination level as well as Mrs. Awa Kane Sarr and Mrs. Atoumane Agne at project local office level. They have with all their colleagues, facilitated the field work organization and made possible for the assignment to take place in a friendly and constructive atmosphere.

4 PROGRAM PROFILE

4.1 Understanding the Context

4.1.1 Country context:

Senegal is situated in the Sahel region and is the most westerly country of the African continent. It has a total land area of 196 200 km². The population is estimated at 10,8 million inhabitants amongst which 58% are less than 20 year-old. Senegal has a high fertility rate¹¹.

During the last ten years, the Senegalese economy has registered some good performance¹², such as in the tertiary activities (trade, telecommunications) and in agriculture. However, this has not been sufficient to contribute meaningfully to poverty reduction. Thus, the Human Development Index (HDI) is relatively low (0,458) and if the impact of poverty has been reduced¹³, important geographical, spatial and gender disparities remain with higher levels of poverty in rural areas and for women.

Except for telecommunications, physical infrastructures remain under-developed and the energy sector is characterized by a production deficit which could undermine the good prospects of increased GDP. If the HIV/AIDS prevalence rate is exceptionally low (0,8%), some constraints remain in the fight against malaria, with low levels of hygiene and sanitation.

Desertification, deforestation and soil erosion are major challenges for the country, especially in terms of sustainable economic growth and poverty reduction.

4.1.2 Political Environment:

Senegal has been through a major political transition as democratic change-over has brought Mr. Abdoulaye Wade to the presidency in March 2000. A new Constitution has been approved through a referendum and parliamentary elections were brought forward in 2001. These were two major events that followed the presidential change and the victory for the government coalition that was formed with the *Parti Démocratique Sénégalais* (PDS) in a leading role. At local level, municipal and rural elections took place in 2002, confirming the leading position of the PDS within the local authorities.

During the last three years there have been political tensions and more difficult relationships between the majority and the opposition, particularly concerning the parliamentary elections, the imprisonment of some opposition leaders and some institutional changes linked to the modification of the electoral Law. These tensions have had a negative influence on the way Local Authorities function, as politically-biased opinions have sometimes been expressed, and have led at national level to frequent changes of Ministers. The re-election in the first voting round, of President

¹¹ Five children per woman.

¹² With an average increase of the Gross Domestic Product (GDP) of 5,5%.

¹³ This went from 67,9% in 1994/95 to 57,1% in 2001/02.

Abdoulawaye Wade, in March 2007, happened in a relatively quiet atmosphere. The country is presently in a period preceding new parliamentary election which will take place in June 2007.

4.1.3 PADMIR institutional environment:

The decentralization was started a long time ago in Senegal, with municipalities instituted as early as 1872. A second wave in decentralization happened in the 1970s, with the creation of Rural Municipalities¹⁴ (RM), followed by the first Local Development Plans (LDP) and Municipal Investment Plans (MIP) for the RC, as well as the Integrated Development Regional Plans (IDRP) since 1985. In 1996 because of pressure from the local entities and from donors, the decentralization process made some decisive progress, with the adoption of legislation that established the principle of regionalization in the country and the principle of LA self-management. 11 regions, 60 urban municipalities¹⁵ and 320 RC have therefore been created; there is no hierarchical order between these 3 levels of LA. Nine competency areas have been transferred to these LAs, amongst which planning, education, health and environment¹⁶.

If decentralization in Senegal now seems irreversible, the process has however taken some steps backwards from 2001, as the LAs were dissolved and local representatives were renewed in 2002, under some influence from the President's party. There were also many ministers' substitutions which made it impossible to get some clear guidelines from the Senegalese Government and did not allow the development partners to provide good support to the process. Added to that, some sectoral Ministries resisted the process (as in the areas of health and education). Also, despite some initiatives from the associations of local representatives¹⁷, the LAs have not yet managed to be seen as significant and organized players in their relationship with the central Government; the reasons for that have been internal tensions, the low level of educations of local representatives and the fact that preoccupations specific to each level of LA were higher on the agenda than the principle of solidarity. To this day, building capacity of local representatives' associations has been done only by one donor (The Canadian Cooperation).

¹⁴ They have a Rural Council and a President and are defined as a territorial unit including a number of villages linked by some solidarity ties and common interests. From 1972 to 1990, the Prefect managed the RCs. It was only in 1990 that the PRC were entitled to manage the RC. The difference between this level of LA and Local communities need to be stressed, as the later are most of the time organised as Grassroots Community Organisations (GCO).

¹⁵ In Senegal, the concept of local development does not mirror the urban/rural dichotomy; urban municipalities also belong to some rural areas.

¹⁶ Education and professional training, health and social development, land management and utilization, public infrastructures, culture, environment and natural resources management, youth, sports and leisure, urbanism, housing and planning.

¹⁷ There are three national associations of local representatives: the Association of Mayors in Senegal (AMS), the Association of Regional Councillors (ARC) and the National Association of Rural Councillors (NARC) which together form the United Association of Local Representatives (UAEL - *Union des Associations des Elus Locaux*).

Thus, decentralization remains a strong political stake in Senegal and still poses important challenges in terms of LAs taking effective responsibility for local development. In particular, institutional progress induced by decentralization policy has not had the expected impact in terms of Local Economic Development (LED).

The recent implementation - in March 2006 - by the Senegalese Government of the National Program for Local Development (NPLD), a reference framework which coordinates the interventions dealing with poverty reduction and local development, as well as restructures the Regional Development Agencies (RDA) seemingly shows a renewed Government willingness to strengthened the process of decentralization and local development with support from all development partners.

4.2 Program summary

4.2.1 Program hypothesis

PADMIR is based on an action-research philosophy based on the following principal hypothesis: ***“Decentralized planning and funding of local public investments lead to improved efficiency in providing public infrastructures and services and promoting economic development in rural areas”***.

Two immediate objectives, which correspond to the two essential components of the program, were defined as follows:

- Component A: “To produce and document a noticeable improvement in delivering infrastructures and services in view of development in the RCs, through a mechanism of decentralized funding (LDF) supported by a local participative planning process”.

To this objective was added the sub-project “Local Economic Governance”, integrated to PADMIR in 2001 aiming to “contribute to the birth of local economic dynamics”.

- Component B: “Supporting the Senegalese Government, through the instigation of a national political debate, adopting concrete legal and regulatory measures to institutionalize and strengthen decentralized planning and funding for rural development”.

4.2.2 Intervention strategy

PADMIR’s objective is to promote “sustainable human development” for people in 37 RC in the Kébémér and Kaffrine Departments¹⁸ by, on the one hand improving local governance through better provision of local public infrastructures and services (PIS) and support to changes in the decentralized planning and funding system and policies and, on the other hand by promoting the birth of local economic dynamics by supporting local economic investments.

This objective should be reached through investments in three main areas:

¹⁸ Situated respectively in the Louga and Kaolack regions.

- i. The implementation of a basic socio-economic priority investment program,
- ii. The promotion of LED,
- iii. The protection of the environment and the decentralized management of natural resources.

PADMIR promotes an approach which makes local and national stakeholders more responsible, and institutions sustainable, through for instance putting in place cooperation structures and building the capacity of national decision makers, RCs and exiting structures supporting and advising Local Authorities. Mobilizing RCs' own resources is the major building block for the sustainability of existing projects. There is also a specific focus on creating an institutional framework at national level, by learning from experience and disseminating these lessons from the pilot projects.

4.2.3 Main strategic changes adopted during the implementation

Initially planned for a five-year period, PADMIR was extended for 2 more years in 2004, following the recommendations made by the tripartite review in order to encourage a dynamic of take over of the program. There has not been any major strategic change during the program implementation.

4.2.4 Anticipated outputs

The anticipated outputs are defined in the revised logical framework, January 2003¹⁹. They are as follows:

Component A:

- i. To design and to introduce a process of local participative planning (LPP),
- ii. To design and to introduce an adequate fund transfer mechanism to finance the public infrastructures and services of local interest,
- iii. To improve local authorities' capacity for sustainable management of the LAs (planning, budgeting and implementing development projects),
- iv. To implement local community investments within the planning limitations of the LDF (infrastructures, IGA and management of natural resources),
- v. To conceptualize and to implement a MES in connection with the national stakeholders/decision makers.

Besides, the sub-project "local economic governance" includes the following anticipated results:

- i. To renew and to improve infrastructures, as to create favorable conditions for LED,
- ii. To promote job creation and economic competitiveness,
- iii. To ensure that infrastructures are rule-compliant,
- iv. To promote experimentation with new approaches.

¹⁹ Logical framework, Annex 3

Component B: To support the decentralized rural development policy:

- i. To support the operational capacity of the National Council for the Development of Local Authorities (NCDLA),
- ii. To develop a proposal for reforming the Local Authorities Equipment Fund (*Fonds d'Equipement des Collectivités Locales - LAEF*),
- iii. To develop a proposal for reforming the local planning tools and procedures.
- iv. To support the authorities in charge of decentralization.

4.2.5 Program extension and areas

PADMIR works in two departments (Kaffrine and Kébémér), where there are project's local offices called Technical Assistance Units (TAU). The choice of these areas was made based on some research undertaken by the Directorate of Planning, the analysis of development activities existing in the two areas and the pre-project study undertaken by UNCDF in February 1998. These areas were chosen because of a high poverty rate and a low HDI. PADMIR also includes a National Coordination Unit, responsible for encouraging the national political dialogue and for coordinating the work of the two TAUs.

The program started with a pilot phase in nine RCs (corresponding to the Ndande districts in Kébémér and the Nganda District in Kaffrine), that essentially focused on conceptualizing and implementing the LPP process. In 2002, the program was extended to all the RCs (37 in total), representing a total population of around 600 000 inhabitants.

4.2.6 Broader context of the program

The national context is characterized by the implementation of the one hand of the NPLD, supported by the World Bank and on the other hand, of the second Strategic Document for Poverty Reduction 2006-2010 (*Document Stratégique de Réduction de la Pauvreté 2006-2010 - DSRP II*). This document is based on the Millennium Development Goals (MDG) and it aims to consolidate some national strategic orientations (such as the Accelerated Growth Strategy²⁰ and the Good Governance National Program²¹).

The NPLD's objective is to continue the decentralization and local development process by creating a unique policy and implementation framework which the development partners are encouraged to use for their interventions. Until recently, actions supporting decentralization were pursued independently by development partners; the consequence was that the impact was fragmented in the country and led to a substantial transaction cost increase for the national decision makers and stakeholders. In parallel with PADMIR, other structuring programs focusing

²⁰ *Stratégie de Croissance Accélérée.*

²¹ *Programme National de Bonne Gouvernance – PNBG.*

on poverty reduction were put in place by the World Bank for instance, through the National Program for Rural Infrastructure (PNIR)²² and the Social Development Fund Project (PFDS)²³.

The development of the NPLD is in accordance with the Paris Declaration on Aid effectiveness in March 2005²⁴, as its aims to support (1) the national strategy for decentralization and local development and the operational framework linked to that (planning, budgeting and performance evaluation), (2) a stronger alignment between donors' interventions and the national priorities, systems and procedures, (3) capacity building and, (4) a better coordination of donors policies and procedures. As it will be shown in this report, the UNCDF is in an excellent position to support this objective, given its proven experience as a "laboratory for decentralization" and a "pioneer" in terms of budget support, through PADMIR.

In the same time, the context in which the United Nations System (UNS) operates has changed with the "Declaration of Eight MDG", with specific objectives to achieve by 2015 in the following areas: education, health, genders' equity and environmental sustainability. These objectives provide a framework for national policies with measurable results which need synchronizing between government and donors' initiatives, better use of resources and focused efforts on universally agreed objectives. Taking into account the MDG and the Paris Declaration, the UNS has developed a strategy on supporting sectoral approaches²⁵ which includes both opportunities and challenges for the UNCDF Local Development Programs (LDP). A sectoral approach allows for a better alignment between the MDG and the national strategies in development. Because of that, an increasing part of donors' assistance should be budget support flowing through National Treasury to sectoral programs which are consistent with the MDG. This begs the question as to whether sectoral approaches should be accommodated within the LDP, as this would have some consequences on conceptualization and implementation. Another question would be whether piloting such approach would be justified based on the support for developing national policies and on the implementation of decentralization in a way that enhance the national sectoral programs.

In order to take into account this general context, the UNS in Senegal has defined a Development Assistance Framework in Senegal (UNDAF) for the period 2007-2011. This framework is based on three strategic axes of cooperation, as per the Strategic Document for Poverty Reduction (DSRP II) priorities:

²² *Programme National d'Infrastructures Rurales*. This program is based, as PADMIR, on the principles that the Rural Council controls public work and using the Public Treasury channel.

²³ *Programme du Fonds de Développement Social*; focuses on capacity building for grassroots organizations, local representatives and other local development stakeholders, through funding basic infrastructure micro-projects.

²⁴ High Level Forum (2005) Paris Declaration on Aid Effectiveness : Ownership, harmonisation, alignment, results and mutual accountability, Paris 2005.

²⁵ Sector Wide Approaches (SWAs).

- i. "Wealth creation and fight against hunger and poverty to achieve sustainable development"²⁶
- ii. "Promoting basic social services"²⁷
- iii. "Governance and the promotion of development partnership".²⁸

4.2.7 PADMIR expected value-added

PADMIR was planning to introduce a LPP system, to support the utilization of an investment fund to build small-scale local infrastructures, by putting in place some cooperation structures involving the local population. A budget support mechanism benefiting Local Authorities (LAs) was also supposed to be introduced, with the objective to build the RC financial capacities. Promoting the LED in the Kébémér Department also aimed to promote some experimentation with new approaches to get a better coordination between decentralization and the revival of the local economy. Finally, PADMIR was to contribute to the establishment of a national political debate on decentralization that would have led to achieving some priority institutional reforms.

4.2.8 Partnerships

In the PRODOC it was intended that some partnerships would be set up with a number of national institutions responsible for decentralization policies, such as the Directorate of Local Authorities (*la Direction des Collectivités Locales - DLA*), which is the operational arm of the decentralization process (and therefore responsible for PADMIR's implementation and more specifically for managing the LDF), the Directorate of National Planning, responsible for monitoring and validating proposals from PADMIR regarding the LPP, the Directorate of Rural Growth (*Direction de l'Expansion Rurale - DER*), responsible through its decentralized structure for expanding the LPP process to the RCs, the Directorate of Treasury, in charge of the LDF financial management and having a leading role in facilitating fiscal decentralization. It is with these various partnerships in mind that PADMIR created the National Pilot Committee (NPC)²⁹, which would play a central role in the program implementation.

The PRODOC also envisaged a partnership with the association of the Presidents of Rural Councils (*Association des Présidents de Communautés Rurales - APRC*)³⁰, the National

²⁶ Particularly with the objective of a « pro-poor » growth based on an accelerated growth strategy and on re-defining sectoral policies which can enhance and accompany wealth creation.

²⁷ Through valorisation of human capital, natural environment and capacity building.

²⁸ By backing the rule of law in a democratic society, promoting efficiency and transparency in economic and social management and decentralization of local development.

²⁹ Which includes the Directorate of Local Authorities, the Directorate of National Planning, the Directorate for Rural Expansion, the Directorate for Regional Development, town and country planning (*Aménagement du Territoire*), the Directorate of Treasury, the National Committee for Rural Dialogue and National Solidarity.

³⁰ Responsible for chairing the meetings of the Departmental Appraisal Committees of the MDF.

Committee for Rural Dialogue (*Comité National de Concertation des Ruraux* - CNRC), an institution representing civil society in PADMIR's implementation and finally, the RCs as direct beneficiaries from PADMIR technical and financial assistance.

Within the ambit of technical and financial assistance, the following partnerships need to be mentioned:

- the UNCDF Head Office, responsible for the program general and financial supervision as well as technical monitoring,
- The United Nation Development Program (UNDP), its Resident Representative being responsible for in-country monitoring of the program implementation and for administrative support to PADMIR,
- The United Nation Office for Project Services (UNOPS), responsible for authorizing certain types of funding as defined by specific budgetary items³¹.

4.2.9 Specific Partnerships

Besides the Partnerships envisaged in the PRODOC, other specific partnerships were created during the life of the program. In 2001 for instance, a memorandum of understanding was signed by the UNCDF and Luxembourg, with the objective to implement the sub-project "Local Economic Governance", which led to amending the PRODOC. Second, a funding partnership was carried out with the European Union (EU), through the Support Program for Local Development Initiatives (*Program de Soutien aux Initiatives de Développement Local* - PSIDEL), for a total amount of XOF1 billion, which was evenly divided between the two PADMIR's implementation areas. Some partnerships with credit unions were created in order to get top-up funding for the IGA benefiting Grassroots Community Organizations (GCO). Finally, some partnerships were initiated for specific activities with a range of various organizations: the Konrad Adenauer Foundation, SOS SAHEL, the Decentralized Spanish Cooperation, World Vision, Alcatel and the International Development Research Centre (IDRC).

³¹ Recruitment of staff for the Technical Assistance Units and purchase of equipment and transportation vehicles.

4.3 Program Status

4.3.1 Program status against plan:

The results linked to component A have been achieved (Except for the anticipated result within the sub-project Local Economic Governance, linked to job creation and economic competitiveness).

As for the results linked to component B, only the support to the authorities responsible for decentralization could be achieved, the other results were affected by some factors outside of the ambit of PADMIR's implementation.

4.3.2 Fiscal status and performance:

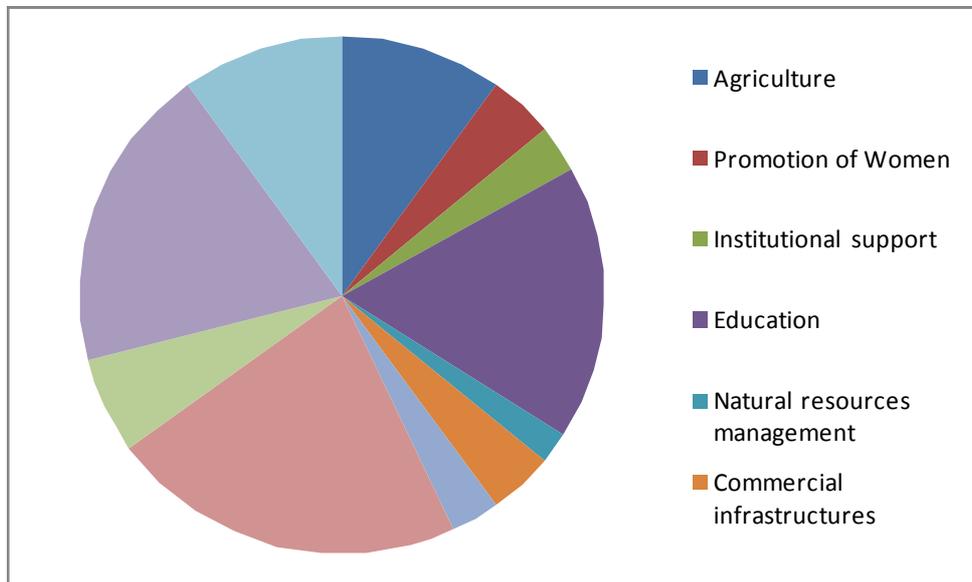
The micro-projects accounted for over half of the total expenses in 2004 and were more particularly active in areas related to water management, health and education.

Table 2: UNCDF / Total expenditure

	\$	XOF
PADMIR total expenditure		
UNDP*	1875000	1016992521
UNCDF	4456900	2417404783
Total	6. 331900	3434397305
Investments in micro-projects		
LDF	1178290	639100000
PSIDEL	1832609	994000000
RCs matching contributions	499100	270710000
Total	3510000	1903810000
Micro-projects/ Total expenditures		55.43%
UNCDF/ Total expenditure		70.39%

*UNDP expenditures in 2004 are an estimate

Graph 1: Investments in micro-projects PADMIR 2002 – '04



5 EVALUATION

5.1 Results Achievements

Finding 1: Conception and promotion of a Local Participative Planning process (LPP)

The implementation of a LPP process was born from the requirement for the RCs' investment expenditures to be part of the multi-year program framework, in order to promote more significant and better quality realizations. The conception and promotion of the process started within a pilot phase in 9 RCs spread over both departments. The TAUs were involved in that first phase; they were assisted by the Centers for Rural Expansion (*Centres d'Expansion Rurale - CERP*)³², various DTS as well as some consultants in local planning and participative methodologies. A contractual phase started in 2002 with the application of the LPP process and mechanism in the 23 remaining RCs and support from private consultants, which has led to lower costs for the realization of the LDP. During this second phase, the process was assisted by "Guidelines of the LPP process for the RC" that were drafted by a consulting firm.

In total, 32 RCs (compared to 37 initially targeted) have been able to benefit from Local Development Plans (LDP) and Local Investments Plans (LIP), developed by the local population through the dialogue structures, validated and approved by local and administrative³³. After the development of those planning documents, "simplified LPP guidelines" could be drafted³⁴. The dialogue structures put in place by the program (Village Committees for Development³⁵ and Inter-Villages Committees for Development³⁶) following a homogenous territorial division started a dynamic process of mobilizing rural people, in which the RCs played a crucial role. We also note that women were represented fairly well in the dialogue structures.³⁷

Generally speaking, we can say that the LPP process has taken into account priority needs of the poor. As the evaluation team could observe, the infrastructures that were developed (such as in the areas of hydraulic work and health) responded to essential priorities, particularly for women, which is an important achievement towards the UNDAF 2³⁸. However, there was some interference

³² The CERP have since become the Support Centres for Local Development (*les Centres d'Appui au développement local - SCLD*).

³³ PADMIR limited its interventions to 16 RCs in the Kaffrine Department as to let the LDP for the Mabo RC to the Peanut Basin Program undertaken by GTZ and the LDP for the 5 other RCs to the PNIR.

³⁴ Based on the « Guide for LPP procedure for the RCs » developed in 2002, during the transition to the extension phase.

³⁵ *Comités Villageois de Développement (VCD)*.

³⁶ *Comités Inter-villageois de Développement (IVDC)*.

³⁷ More than 35% in the VCD and around 55% in the IVCD.

³⁸ "Vulnerable people in the UNS targeted areas have access and use basic social services of good quality, contributing to the achievement of MDG 2, 3, 4, 5, 6 and 7".

by the local elites during the need identification process, for instance regarding for-profit infrastructures, although it was a marginal phenomenon.

Amongst the planning documents that were developed, the LIP integrating priority investments that were undertaken during a first three-year period, and the Annual Investment Plan (AIP)³⁹, have been relevant tools for piloting investments in the RCs, as the PRCs found them easy to use.

On the contrary, the LDPs that were supposed to take into account the RC development needs on a 6-year horizon, have shown some weaknesses, such as for the notion of “local public services”, taking into account recurring costs, promoting local economic potential, considering the environmental issues and prospects for activities involving several communities.

We also note that if PADMIR has been careful to coordinate its actions with the sectoral policies and regional planning during its own planning phase⁴⁰, the LPP process in both departments has sometimes been hindered by bad coordination with the sectoral Ministries’ interventions, leading to some duplication in developing infrastructures.

Finally, the LDP action plans have generally not been complied with⁴¹, begging the question of whether they were relevant for implementing inclusive strategies for local development, keeping in mind the LPP reform and the takeover by the NPLD.

The cost of implementing the LPP by PADMIR was lower than other programs (such as PNIR)⁴², especially for the second phase. There is however a common acknowledgement that the process was slow (nine months for developing the LDP) and heavy. Other programs managed to develop the LPP in a much shorter schedule⁴³. For that reason we wonder whether the time and resources allocated by PADMIR were used efficiently if we compare them to achieved results.

There is no doubt that one of PADMIR’s achievements has been breaking down the LDP in LIP and AIP, which allow for a better execution of the LDP and a faster updating process of the LIP, as well as connecting these tools with the national planning system. This last element could be a positive factor regarding the RCs participation in the PADMIR intervention area to the

³⁹ Constituted by some elements from the LIP integrated in the investment section of the budget for the relevant year.

⁴⁰ For instance, by taking into account during the development of the LDP, reference documents such as the IDR, the DSRP II and the Regional Plan for Territorial Infrastructure (*Schéma Régional d’Aménagement du Territoire*), as well as the health and schooling map (*carte sanitaire and scolaire*), and involving the regionalized technical services in validating the planning results, leading to a « re-reading » of the development options and major orientations in the LDP.

⁴¹ With a delay in implementation which was often as long as one year compared to the initial schedule.

⁴² Around XOF4 millions for PADMIR against XOF6 to 8 millions.

⁴³ The DGL-FELO, a USAID program supported the design of de strategic plans in a day, with apparently good results.

decentralized management of the consolidated investment budget (Consolidated Investment Budget - CIB).

Another of PADMIR's major achievements was to be able to mobilize various development partners around the LIP, for instance through "Partners' Forums" organized by the TAUs, therefore contributing to harmonizing various planning approaches⁴⁴, following the principle established by the Paris Declaration and enabling the elected representatives to better choose which investments to submit to the LDF.

Finding 2: Conceptualization and introduction of a funds transfer mechanism for financing local public infrastructures and services

PADMIR's major challenge was to introduce an investment fund, which would be a mechanism to improve local governance, to strengthen RC budget capacity and develop basic infrastructures and services of better quality in the poor RCs, which have weak capacity regarding municipal management. To this effect, funds were made available to the Treasury to be transferred to the RCs but the program had to overcome some obstacles. This was due to the complexity of the system of public expenditures, characterized by delays and temptations to use these funds for other purposes, which appeared as more urgent in the eyes of the State technical services. There was also a need to pilot a restructuring exercise for LAEF, within the broader framework of reforming the local tax system as planned by the Senegalese Government.

Thus, enabling the Local Development Fund (LDF) to be operational as both an innovative system of budget support for the LAs and a mechanism to undertake local investments, through using the Public Treasury channel⁴⁵, is certainly PADMIR's most innovative achievement. It also shows the way forward for the UNS which pledged to increase direct budget support as a mean to strengthen the development partners' ownership over programs. It therefore provides a model for decentralization support. Initially perceived as a "daring" approach, the LA budgetary support was considered as a true "breath of fresh air" by the RC, as it allowed them to use their budget for investment expenditures, and promote their responsibility since they pay their part. Since PADMIR introduced this system, it has inspired some donors in Senegal such as the WB (through the PNIR and the future NPLD) and the EU (through PSIDEL). To this extend, PADMIR managed to catalyze some interventions from other development partners, by providing a coherent framework for testing and using their own funding, therefore promoting the objectives of the Paris Declaration.

Making the LDF operational have also brought forward other possible sources of funding, as mentioned in the mid-term evaluation, such as the decentralized cooperation⁴⁶ and remittances from the Senegalese people based overseas which have allowed to develop some infrastructures

⁴⁴ For instance, the PNIR and World Vision have built their operations on working with the LDP supported by PADMIR in the Nganda District (Kaffrine). The PNIR also participated in the diagnosis, feedback, validation and other phases of the LPP.

⁴⁵ Within an agreement signed by the UNCDF, the UNDP and the Senegalese State.

⁴⁶ See the example for the Guéoul RC with the Basque Cooperation.

complementary to PADMIR⁴⁷. However, few RCs have managed to harness such potential and the use of further sources of funding by the RCs has been limited.

Regarding the repartition of the LDF, we have to note the beneficial introduction in 2003 of performance criteria for LA linked to local finance and administration⁴⁸. That was one of the major recommendations of the mid-term evaluation. However, using this system has proven to be complex and has had for consequence a “disintegration of the LDF”, which hindered the completion of projects. Since 2005, only the “densification” criteria have been retained, in order to develop a number of public works which are subsidiary and complementary to previous work. Despite this adjustment regarding the LDF repartition criteria, it has not been possible to learn from the knowledge gained by monitoring the LA performance and that has weakened the objective of the LDF to transform that into a tool to build on RC budget capacity.

We note that the rate of what could be realized with the LIP within the LDF framework has been very variable: A good level of achievement has been reached in the RCs where several partners were present (reaching up to 100%)⁴⁹, a very weak level was reached in the RCs where only PADMIR was present (between 20% and 50%), which beg the question of whether such result is reasonable within the implementation of a LPP process⁵⁰.

Regarding the use of the Public Treasury channel, we need to underline a number of constrains which weakened the efficiency of the budget support to the LAs, such as:

- **Difficulty for the different stakeholders to master the LDF channel:** In spite of the fact that PADMIR provided some accountants, the tax revenue offices still lacked motivated and competent staff to implement the mechanism. To that was added the frequent mobility of tax payers (such as in Kébémér) which did not provide for the continuity required for implementing such an innovative mechanism.
- **Complex procedures for implementing public expenditures:** These procedures were not mastered well enough by the RCs, leading to difficulties in implementing and paying for services contracted by the RCs to the Community Groups undertaking public work and for work done by the State technical services.
- **Delays in LDF transfers and payments:** Since its introduction, the LDF has not been in sync with the financial years⁵¹: delays and slow progress were noted during all phases of transfer and

⁴⁷ Such as housing for medical staff close to the medical huts.

⁴⁸ These include the collection rate of rural tax during the three last years, the participation level of inhabitants and emigrants and, the quality of administrative records. A criterion linked to the disbursement rate for the investment budget was introduced by the TAUs but was not accepted by the RCs.

⁴⁹ Thanks to the significant contribution from the PNIR (33 % of the total allocated), from PADMIR (23 %) and from NGOs (17 %) in mobilizing funding for the micro projects.

⁵⁰ See Record on comments, Annex 9, Sections 1A and 2A.

⁵¹ The first disbursements took place with an 8-month delay.

payment⁵² (request for funding to the UNCDF Headquarter, transfer to Treasury at national level and transfer from the Treasury to the accounts of the departments' tax revenue offices). However, according to testimony from the TAU staff and departments' tax revenue offices, the main bottleneck seems to have been at the level of Treasury services. Liquidity problems at National Treasury level since November 2006 were also mentioned⁵³. As a consequence, the funds from PADMIR became unavailable to pay for expenditures under the LDF, after being utilized by the departments' tax revenue offices for other expenses (such as teachers' salaries), by virtue of the "consolidated revenue principle"⁵⁴ (*unicité de caisse*). To these delays and unavailable funds was added the fact that the Treasury Agents were particularly "careful" regarding payments linked to the LDF, for instance in terms of the IGA.

- **Utilization of different level of matching contribution and criteria of funding attribution:** The intervention of several development partners in some RCs, using various levels of matching contribution and criteria for funds made it difficult for the RC to pay their matching contribution to the LDF (this was the case in Kaffrine); that decreased their level of ownership in the development of public work⁵⁵. Also we note that because there was no LAEF available, the matching contribution was sometimes taken from the RC operational budget which had an opposite effect to the LDF objective i.e., increase the RC capacity to contribute to infrastructure investments and their maintenance.

⁵² Hence, the MDF 2002 was out in November 2002 to be implemented in 2003 and the MDF 2003 was only out in December 2005. As for the MDF 2005, it has to this day only been partially implemented in the Kébémér department.

⁵³ This is actually the case in Kébémér.

⁵⁴ See record of comments, Annex 9, Section 1B.

⁵⁵ A matching contribution of 10% was requested from the RC to participate in the MDF, while the payment was 20% for PSIDEL funding,

Finding 3: Improving local authorities' capacity to sustainably manage LAs (planning, budgeting and undertaking development projects)

The LPP and LDF's operations has been sustained by the TAUs' effort to build technical and managerial capacity of local stakeholders⁵⁶, for instance through training on the LPP and on budget development⁵⁷. After the development of the LDP, the TAUs created training programs on the basis of an institutional diagnosis in each RC. The training modules dealt for instance with how to proceed public expenses, IT management, public work tendering, IGA funding and sustainable management of infrastructures⁵⁸. PADMIR has also undertaken the rehabilitation of "community houses" (nine in total).

Also, some communication activities have been embarked on, particularly through using "traditional communicators"⁵⁹, organizing radio programs on the theme of decentralization, distributing media material and translating didactic material in local language⁶⁰.

Above all, with a view to encourage the taking over of the funding born by the program, PADMIR provided since 2004 some strong support to raising local funding in eight RCs through the following activities: determining the potential of weekly markets, organizing one-day pilot to test the collection of the rural tax and holding "feedback Forums" within targeted RCs⁶¹, as well as adopting "resources mobilization work plans" in the RCs. Also, in 2006 the TAU in Kaffrine initiated a study on the Local Authorities Financial and Institutional Management System (LAFIAS) which looks promising as for establishing a diagnosis tool on RC fiscal potential, even if it is still too early to measure any result.

⁵⁶ PRC, RC sectoral committees, community assistants, GCO, Support Centres to Local Development (SCLD)

⁵⁷ 10 modules per TAU.

⁵⁸ 31 training sessions were organized in Kaffrine during the program implementation period; 2 000 persons have attended, with however little female participation (16%).

⁵⁹ Such as the development and implementation of public work management action plans.

⁶⁰ "Guidelines for the Local Grant Committee regarding Micro-Projects", "Roles and Functions of Sectoral Commissions" and "Sustainable Management of Local Infrastructures and Equipments".

⁶¹ All main stakeholders were involved in these workshops (tax revenue offices, PRC, SCLD, community assistants, administrative authorities).

Finding 4: Development of local community investments up to the planning ceiling established by the LDF (infrastructures, IGA and NRM)

One of the major challenges was for PADMIR to demonstrate that introducing a better system of local governance could lead to better PIS that would satisfy the priority needs of poor people and would contribute to poverty reduction. To this effect, it was decided to use local entrepreneurs⁶², who could deal more effectively with building and maintaining the infrastructures, in connection with local communities and within the context of public work managed by the RCs.

There were in total 418 public work developments that were developed between 2002 and 2006 in the various sectors covered by the LDF⁶³. Since 2005, the focus was on rehabilitation and densification of these public works, in order to improve quality and to provide “local public services”. An analysis focusing on the state of equipments undertaken by the TAU in 2006, shows that most of the equipment was in good working order⁶⁴, except for the multifunctional platforms (MFP) and the cereal storage facilities; the evaluation team was able to confirm that based on the sample of visited infrastructures. Concerning the quality of workmanship, the team believes that it was quite acceptable, despite some visible defects on some works (such as the zinc roof on the cereal storage facilities)⁶⁵.

We would like to mention the successful partnership with PSIDEL, which helped to increase significantly the LDF funding capacity⁶⁶, to consolidate the budgeting support mechanisms, to increase the program visibility, to start up a new type of synergy and to coordinate development partners’ interventions in the field.

Thus, the development of these local investments has improved the coverage rate of infrastructures, as shown in the table below.

⁶² As opposed to previous experiences or other programs which undertook work themselves or, using entrepreneurs based in Dakar or executing agencies, such as the Public Works’ Executive Agency against unemployment (AGETIP).

⁶³ Investments spread per department, Annex 4.

⁶⁴ 86% of public works.

⁶⁵ See Report on comments, Annex 9, section 2C.

⁶⁶ The ceilings on the RC indicative financial allocation was changed from XOF8 millions in average to over XOF20 millions.

Table 3: Impact of the LIP on progress towards the MDG in the Nganda District (pilot area), Kaffrine Department

Indicators	Situation in 2001	Situation in 2005	Variance
Coverage rate of health infrastructures	40%	68%	+28%
Coverage rate of school infrastructures	77%	86%	+8%
School attendance rate	23%	29%	+6%
Access to water	27%	56%	+27%
Proportion of people that benefited from IGA	-	32%	
Average income generated by IGA per household /credit cycle (gross margin in XOF)	-	28.000	Three-month cycle

As the team could find out through the users' focus groups, there was a high level of beneficiaries' satisfaction with the developed infrastructures⁶⁷. Another finding was that the access to the new infrastructure was delivered at an affordable price for the population⁶⁸.

We can also say that the cost for developing the infrastructures by PADMIR was comparable to other programs, such as the PFDS or the PNIR⁶⁹ (for instance for the health huts and the storage facilities). However, the team visited some developments undertaken by some NGOs or WG for which the costs were lower and the quality seemingly higher than the infrastructures delivered by the program. The delivery time was generally longer than in other programs, because of issues linked to the LDF management but also because some entrepreneurs did not comply with the contractual schedules.

Generally speaking, we note that PADMIR has without a doubt strengthened the public work management capacity of the RCs, by using some selection procedures for attributing the local public tenders and by promoting the principles of transparency and responsibility of municipal staff⁷⁰. The Program has also contributed to increasing significantly investment expenditures compared to total expenditures (28% in Kaffrine), and has promoted adequate utilization of local

⁶⁷ Such as water infrastructures which were an essential priority for the female population.

⁶⁸ XOF5 for a 20 litres drum of water from the communal water tap; XOF2 000 for child delivery; medical consultation voucher: XOF200 per adult and XOF100 per child.

⁶⁹ See comparative table for infrastructures costs, Annex 5.

⁷⁰ Despite a few cases of complicity between the PRC and local entrepreneurs that were mentioned by the TAU staff. About this, see Report on comments, Annex 9, Section 1C. .

service providers⁷¹, which is to be commended as it enhanced the ownership of local development by local entities and energized local economies.

To summarize, the team believes that PADMIR reached one of its immediate objectives which was to improve the PIS, through the LDF mechanism underpinned by the LPP process. However, it is more difficult to form an opinion on the question of whether the PIS as managed by PADMIR, was more effective and efficient than in other programs. Indeed if PADMIR has enabled the development of infrastructures and services corresponding to priority needs of poor people at reasonable costs for them, it has been less efficient than other programs (such as the PFDS) regarding delivery schedules. However, even if we take into account this last point, we also have to consider the nature of the system in place and its probable sustainability compared to others: as opposed to the PFDS and a number of NGOs, PADMIR tried not only to ensure that the PIS reflects people needs, but also to re-enforce the integrity of the local governance system and to transfer the management of public work to the LAs. The PFDS did not have this imperative and could act more quickly and directly than PADMIR. While evaluating PADMIR performance, we also have to consider the position adopted by the UNS and other development partners which favor budgeting support that strengthens government systems and procedures within a strategy of national development, but to the detriment of support to projects that work outside of government systems. Considering these issues, PADMIR's results regarding the PIS can be seen as very positive.

IGA and NRM components

In total, more than 500 GCO benefited from micro-credits to undertake some IGA between 2003 and 2006⁷², in different sectors such as petty trading, animal fattening, agriculture, vegetable growing, agro-processing or cereal banks⁷³. Women and Youth were amongst the most important categories of direct beneficiaries (70%). The implementation by PADMIR of Local Granting Committee (LGC) responsible for appraising the credit applications was quite a success⁷⁴ that contributed to the positive repayment rate⁷⁵.

PADMIR also introduced a major innovation in the IGA during the second phase of micro-projects, by partnering with credit and savings unions represented in the two departments⁷⁶. PADMIR

⁷¹ Over 70% of service providers were living in the Kaolack or Louga regions.

⁷² Representing a total funding of XOF110 millions.

⁷³ Funded projects had to fit in the defined LDP orientations and at least 20% of the MDF amount had to finance IGA as « revolving credit ».

⁷⁴ With a 92% functioning rate in Kaffrine.

⁷⁵ Local Appraising Committee, Monitoring and Evaluation were in charge of appraising the request for finance submitted by the GCO to the RC, to check on the GCO legal status and to submit the selected applications for approbation to the RC.

⁷⁶ Credit and Savings Unions FADEC, NJAMBUR and MEC in Kébémér, CMS in Kaffrine.

facilitated the negotiation of agreements with the RCs, enabling them to secure funding⁷⁷. The RCs were then able to manage the tenders for public work⁷⁸.

Finally, we note that the NRM component, appear as the LDF's "poor relative", as only 2% of LDF was provided for that⁷⁹. The funded activities were limited to making some improved cook stoves (in partnership with the NGO SOS Sahel and the WG in Kébémér), and purchasing small equipment to fight bush fires. In many RCs (for example the Boulel RC), no activities related to environmental issues were undertaken despite the fact that protecting the environment was a development objective in the LDP, at the same level than access to basic services and improvement to local governance.

Promotion of the local economy component

Regarding the implementation of the "local economic governance" sub-project, a diagnosis and prospective study on local economy in the Kébémér department was undertaken by the Partnership for Municipal Development (PMD), using the local economy methodology (*Economie Locale* - ECOLOC), which has allowed to draw an complete profile of the rural economy and gave a better understanding of the local economy within its regional and national context. The ECOLOC study was presented at local level by the PMD consultants but was not presented as it was planned, at national level.

In 2006, a discussion phase followed, with the constitution of a pilot committee for the study and the facilitation of 13 focus groups including the families of local stakeholders. This phase has certainly enabled to mobilize local stakeholders around the issue of promoting the local economy which was an important pre-condition before starting the LED process. In the same time, the TAUs supported in partnership with the Foundation Paul Gerin Lajoie (FPGL), the creation of a LED structure at department level with the objective to "structure local investments".

Generally we can say that this diagnosis of local economy and the mobilization of the main local stakeholders around the LED theme were worthy initiatives, as they underlined the willingness to promote an internal development in the area based on small initiatives. The flexible and iterative approach adopted by the TAU in Kébémér must also been praised as it fits well with the ethos of the LED⁸⁰. Likewise, the principle that the TAU would not become a substitute for existing

⁷⁷ In Kébémér, the TAU assisted the RC to re-negotiate with the MFIs to get the savings remunerated as long term deposit with a 3% annual interest rate.

⁷⁸ By opening an account with these credit unions and depositing the funds intended for the IGA, participating in the appraisal process of GCO requests for finance and in the decision to finance projects.

⁷⁹ Refer to the record of comments, Annex 9, Section 1D.

⁸⁰ This is in that context that an enterprise incubator project as envisaged in the PRODOC was not implemented.

structures in promoting the LED was positive and consistent with the view to enhance the ownership of local stakeholders in the process.

Finding 5: Conception and execution of a monitoring & evaluation system for PADMIR in connection with the national stakeholders/decision makers

We need to remember that the PRODOC only spelt out the basic principles for a Monitoring and Evaluation System (MES) and did not include a baseline which, according to the implementing team, hindered the program monitoring. The conceptualization of the PADMIR's MES started through support projects (between 2000 and 2002) and a regional workshop in Cotonou to prepare the Operational Plans (OP) and the Annual Work plans (AWP), before introducing in 2002 the Management Information System (MIS) developed by the UNCDF Headquarters.

The introduction of the MIS aimed first to strengthened the TAU staff capacity in terms of annual planning and budgeting as well as monitoring and reporting on achieving (or not) expected results. A second objective was to facilitate the team work through better data treatment⁸¹. This is why the software was purposely only installed on a single computer at national level to allow for necessary supervision of data input and to guarantee its quality.

Since 2002, annual⁸² and quarterly⁸³ narrative reports, as well as the AWP 2003-2006 have provided data to the MIS. The PADMIR MES has been complemented by minutes of the NPC field meetings, tripartite meetings (2003 and 2006) and the audit reports as required by the LDF. The baseline for monitoring the program has been provided by the OP (with forecast in terms of quantity and costs), as well as by the participative diagnosis effected while developing the planning documents. Finally, the revision of the PRODOC log frame in January 2003 has introduced some performance indicators, means of verification and activities arising from expected results.

We can say that the objective of building teams' capacity and of facilitating their work through better data treatment has been largely achieved, as for instance the teams' willingness to better master the software, not only regarding data treatment for the UNCDF, but also to progressively broaden data handling in the LAs. In accordance with the recommendations from the UNCDF Headquarters, the MIS implementation was limited to 9 RCs as a pilot to take into account the TAU's limited human resources capacity and also to be able to collect reliable information.

Because it has the advantage to be flexible (by integrating modules deemed indispensable by the UNCDF for monitoring projects but leaving some flexibility for national or local initiatives), the MIS was appreciated by the Senegalese authorities, to the extent that the Ministry in charge of Local Authorities has asked the UNDCF Executive Secretariat if they would share the software. Demonstrations were also organized for the NPLD and the World Bank showed some interest.

⁸¹ In order to make the MIS operational, specific training sessions (in Excel and Access) were organized for the TAUs as well as demonstration sessions for the RDA and SCLD.

⁸² Based on AWP and drafted by the National Coordination Unit (*Coordination Nationale*).

⁸³ Drafted by each TAU agent and put together by the TAU manager.

More recently, dissemination brochures were produced on LPP, IGA and cooperation between municipalities, which tell the story of the evolution of decentralization policy in Senegal, in accordance with the PRODOC objective. We note that besides monitoring PADMIR execution, the MES integrated some impact monitoring at the RC level: For instance, the TAU in Kaffrine was able to collect some data in the RCs within the pilot area and those included in the SAFIC study (for instance data on local funding and on capacity building). It is however a pity that the MIS could not integrate the results of the ECOLOC studies.

It is therefore the team's opinion that the set process has led to an effective monitoring of the program at national and TAU levels. The team believes that performance indicators that were introduced in the revised log frame in 2003 were reasonable and verifiable, except for the indicator that says "at least 60% of income generating projects are economically viable". It was indeed not realistic to try and achieve such a rate, given the context where the IGA were essentially considered as a way to fight poverty and were not part of a strategy of wealth creation.

Finding 6: Support to formulating a national policy on decentralized rural development

The essential condition as expressed in the PRODOC for the success of PADMIR as a pilot project to support decentralization was to "maintain a political will within the Senegalese Government to implement a strategy of decentralized rural development". However, as soon as the program started, the Senegalese Government stopped the decentralization process several times, by for instance dissolving the LAs in 2001 and holding rural and municipal elections in 2002; that resulted in 68% of local representative with a first mandate and with a low level of schooling. Added to that, there was a strong institutional instability regarding the decentralization portfolio, which did not facilitate a strong commitment from the State to implement the planned reforms. All these elements have affected negatively the anticipated results of the PADMIR component B i.e., supporting decentralized rural development.

Despite all this, PADMIR managed to build capacity of national stakeholders and decision makers (such as the NPC, DLA and the Ministry of Decentralization), through for instance the National Coordination and the UNCDF Program Officer. PADMIR also promoted the coordination between development partners and generally contributed to the political national dialogue on decentralization.

This PADMIR important focus was translated into actions as follows:

- The undertaking in 2002 of a feasibility study in order to set up a Technical Secretariat within the Ministry of Decentralization and to examine what would be the best conditions for the CNDCL to be able to fulfill its role of facilitating the national political debate on decentralization.
- To support the creation in 2005 of the Coordinating Cell for Projects Supporting Decentralization (CCPSD), by seconding a Technical Advisor coming from the PADMIR National Coordination Unit. The CCPSD which had however been non-operational for several months was earmarked to be responsible for the knowledge dissemination on PADMIR and to promote the adoption of legislative and regulatory measures.
- The PADMIR significant contribution to the work undertaken by different NPLD commissions,

for instance sharing the work done on the LPP, budget support and the LDF management.

- The active participation within the “Donors Sub-Committee on decentralization”, by systematically sharing the PADMIR experiences with various partners.

On the other hand, we note that the NPC was not expanded to include the other programs supporting decentralized rural development funding and planning (such as the PNIR), as envisaged by the PRODOC. That has weakened the prospects of knowledge dissemination and has not allowed PADMIR to fully play the role of “forum for national stakeholders and decision makers”, to reflect on and create policies on decentralization and decentralized rural development.

Development of a reform proposal for LAEF:

One of the main expected outputs from PADMIR, regarding its support to formulate a policy of decentralized rural development was to develop a reform proposal for LAEF, created in 1977 to facilitate the funding of local public investments⁸⁴ and subsidized on a yearly basis by receiving a percentage of the Value Added Tax (VAT)⁸⁵. In fact, the way the total amount of this fund has evolved has not matched the increasing funding needs for investments in LAs, nor has it matched the positive change in the State fiscal revenue⁸⁶. Besides, there has been no change in the attribution process and everyone agreed that change was necessary.

With the objective to develop some proposal for change regarding LAEF, PADMIR drafted in 2004 some ToR to undertake a study. The ToR suggested to include the Endowment Fund for Decentralization (*Fonds de Dotation de la Decentralization - FDD*)⁸⁷, in order to analyze both main mechanisms used by the State to financially support the LAs (in terms of operations and investment) and to envisage a reform for both funds. One of the crucial questions envisaged by the ToR was to determine whether the FDD should also be used for funding the State regionalized services (as it is presently the case) or be used only for the LAs.

However, despite this initiative, PADMIR has not been directly associated with the study (for which the DLA was responsible), which was jointly funded by the Agency for Municipal Development and the PNIR. The process has been suspended since the realization of the 2005 study but recommendations have been made regarding to the need to increase the amount of LAEF and to

⁸⁴ As a competition fund and credit without interest (the latest has never been granted).

⁸⁵ This cannot be less than the percentage of the total State revenues (minus loans and external aid). Both percentages are decided on an annual basis by the Annual Budget as approved by Parliament (*loi de Finances*), taking into account the changes on competencies transfers.

⁸⁶ While VAT increased by 103% between 1997 and 2004, the LAEF allocated funding went from XOF3,3 billion in 1997 to 6 billion in 2005.

⁸⁷ The FDD allocates some subsidies to the LAs for their operations and to help them fulfilling the responsibilities transferred to them within the ambit of decentralization policies. The amount is defined each year following the same conditions than for LAEF (a grant equal to a certain percentage of VAT).

"rationalize" the criteria for the fund distribution⁸⁸. In this respect, we believe that the LDF management using distribution criteria that changed over time did not lead to a complete success which could have given directions to the LAEF restructuring process, as it was originally intended. This is why the NPL, which should become the implementation framework for these recommendations, has decided to use objective criteria for distributing the funds (such as demography, poverty index and land area). Although it is also envisaged to include a criterion related to the RC performance in the PADMIR intervention areas (in Kébémér for instance) to be part of the effort to consolidate the existing programs, the decision taken by the NPLD shows only partial success for PADMIR in its attempt to reproduce the LDF management.

Development of a proposal to modify the LPP tools and procedures:

The Senegalese Government as well as the development partners agreed on the need to harmonize and to "standardize" the LPP instruments and procedures. Since 2004, PADMIR has supported the establishment of such reform, by learning from its own experiences and disseminating knowledge. To this end, a national workshop was organized in connection with the NPC, during which the "Simplified guidelines for the LPP" were reviewed and validated. In addition, the NCP has entrusted the LPP revision and institutionalization to the ministry of Planning, which had to develop a planning approach connecting national planning and LPP. This approach was presented to the Development Regional Committees for amendment and validation in 2004. A Joint Ministerial Council was supposed to be organized to institutionalize the approach and the tools. To this day, the Council has not been able to meet.

BY the End of 2006, PADMIR had managed to capitalize on the LPP procedure, by taking into account the perception of the targeted population and had organized to this effect, two forums at department level⁸⁹. The objective of PADMIR is now to transform the "Simplified LPP Guide" into a manual to be submitted for approval to the authorities. They should appreciate the need of sharing this important reflection with other development partners, including the German Cooperation and the WB, in the framework of the NPLD as it is supposed to prioritize the harmonization of technical support mechanisms and of planning tools in order to achieve more consistency between interventions.

This is a major achievement and an important indicator of the PADMIR impact on the national policy of local development and on the strategy of implementing the NPLD. Since these were also instruments developed on the basis of the local experience, we can say that a major aspect of the PADMIR pioneering role has been accomplished, particularly through the LIP operations and their links with the annual budget.

⁸⁸ Some solidarity criteria were proposed (demography, land area, poverty index, number of LA) which would allow each local institution to benefit from a LAEF minimum grant. To these would be added more selective criteria based on RC performance (self-funding capacity, mobilization of own regular taxes and control of payroll), aimed at incentivizing local institutions to ensure proper management of their financial resources.

⁸⁹ These included the VCD/IVCD presidents, the DTS, NGOs and projects working in these areas.

Supporting the authorities responsible for decentralization:

The support provided by PADMIR to the authorities in charge of the decentralization has been conducted in close link with the succession strategy put in place by the program since 2004. That was in particular done by strengthening its partnership with the NPC and with some of its internal structures: a Technical Committee monitoring the NPC was established which took over the process of learning from the PADMIR experience on several themes (LPP, budgetary support, cooperation between municipalities⁹⁰).

Locally, PADMIR sought to support the stakeholders that were supposed to take over (DTS at regional and departmental levels and the RCs), through the organization of several workshops and the delivery of "Agreed Plans for capacity building". The AWP were also negotiated with local stakeholders to determine the profile of activities to be carried out jointly.

Finally, PADMIR initiated a major reflection on the establishment of an integration process targeting local stakeholders at department level, through the concept of a "Local Development House" (LDH). Conceived as a space and a tool to enhance participatory local development and to provide local support and advice, the LDH is regarded as an important link that should be strengthened in the process of supporting decentralization and of building the capacity of local stakeholders. If most decentralization stakeholders seem to agree on the principle of its existence, it is not sure that it would be the same for the local elected representatives and their associations.

In summary, we believe that PADMIR has played an essential role in changing the development of the national policy on decentralization in Senegal, in building the capacity of national leaders, in monitoring the projects (through the NPC for instance), which are the privileged orientations for technical assistance as envisaged by the UNS.

5.2 Results Sustainability

Result 1: Conception and promotion of a Local Participative Planning process (LPP)

As already mentioned, the LPP process implemented by PADMIR proved to be long, complex and relatively expensive, making his reproducibility uncertain. Moreover, the TAUs have continued to exercise the leadership in interventions, as there was a lack of financial motivation invoked by the SCLDs to participate in the various interventions and because of the frequent mobility of their agents. The accountability of existing structures and RCs has been limited, even though it was an important condition in the PRODOC, and this to minimize the risk that the LPP would be perceived exclusively as a condition "imposed" by a donor for accessing the LDF funding. Furthermore, it is important to note that the "simplified LPP guide", which should be subject to a validation in the framework of the NPLD, has not yet been translated in the national languages, which has limited the process of increasing the population ownership over the LPP.

⁹⁰ *Intercommunalité*

Regarding the cooperation structures established by PADMIR (VCD-IVCD), it was acknowledged that most of them have not worked beyond the development of the LDP⁹¹: it seems that their roles and responsibilities were poorly defined (as compared to the MC and to the RC sectoral commissions) and that they suffered from a lack of legitimacy compared to those other institutions. They were also sometimes the subject of resistance from local representatives, being perceived as limiting their discretionary power. Finally, the overlay of all these institutions at local level created by different development partners has been an obstacle to good operations. From 2003 following the LDP development phase, most of them became operationally lethargic, as it is widely recognized today.

Consequently, we doubt that the desire of these committees to become institutionalized in the framework of NPLD is realistic. In our view, the cooperation structures cannot be considered as an "unquestionable achievement of the LPP", as it is presented in the document on learning from the LPP. For example, in a perspective of learning, it could be useful to focus on other programs that have put in place similar structures, including the PNIR and the PBA⁹².

Result 2: Design and introduction of an adequate fund transfer mechanism for funding local infrastructure and services

It seems that part of the difficulties related to the introduction of the LDF was the result of constraints inherent in introducing a new system for which the stakeholders' absorption capacity was limited. The slow process of transferring funds through the Treasury channel should probably been linked to the lack of familiarity with this system, but also and especially to the slowness inherent to the bureaucratic process involved in such intergovernmental transfers. In this sense, PADMIR had very little leeway to limit the negative effects of delays and slowness which incurred during the implementation of the LDF.

⁹¹ The PADMIR teams themselves recognized the limitation of using the cooperation structures since their inception, especially when compared to other programs. In this respect, a thorough examination of the Simplified Guide of Planning shows that this aspect was included to prompt the Rural Councils to debate that question, while waiting for a proper institutionalization for these structures.

⁹² Such as the PNIR with the Committees for Cooperation and Management which, as opposed to the VDC and IVDC, are more linked to the Rural Councils than to the villages and rural population (even if civil society is also represented in the Committees). They seem to have played an important role in local activities. Another experience worth mentioning is the Cells for Animation and Dialogue (*Cellules d'Animation et de Concertation* - CAC), created by the Peanut Basin Program (PBA) which mostly include the local youth. They were involved not only in developing the LDP but also in the daily management of the LA, preparing requests for funding and evaluating projects. Even if it is difficult to predict what will be the RCs' longer term capacity to pay a commission to the members of these structures; it seems that the CAC have played a more important role than the IVDC in the local life.

Regarding the replicability of the LDF management, PADMIR failed to generate allocation criteria that were sufficiently clear and objectives (except for the rate of recovery of the rural tax)⁹³, validated by the RC and applied in a consistent way that could be used in the course of the LAEF restructuring exercise. For example, we believe that the accountability of the RCs through the management of the LDF, has been diminished and that the LDF has been perceived more as an instrument to develop infrastructures than as a tool to build the financial capacity of the RC which has limited the sustainability of the mechanism. Furthermore, it seems that PADMIR did not specifically encouraged the accountability of the DLA and of the Departmental Appraisal Committee, initially responsible for the applications and the improvement of the formula for LDF allocation, through capacity building; this has made difficult at this stage to transfer the ownership of the LDF experience to the national decision makers with a view to change the LAEF

Above all, in order to assess the sustainability of the LDF mechanism, we should interrogate the prospects for the RCs of raising their own resources. As already mentioned, the TAUs have tried to measure the impact of the LDF on Las' financial performance, through workshops on the mobilization of local resources, "feedback Forums", the development of " Action Plans" at RC level⁹⁴, the successful organization of " Collection Pilot Days", in connection with the Treasury services.

For example, on a sample of five RC in the Malem Hoddar district considered as representative at the Kaffrine Department level, an average 90% increase on the RCs' own revenue has been reported as well as a significant increase in terms of recovery rate of the rural tax during the periods 2001-2002 and 2003-2005, reflecting a certain impact of the LDF implementation on the RCs' ability of mobilization their own resources⁹⁵.

Also, a "test of financial resources mobilization" was conducted by the Financial Division of the DLA and the TAU in Kébémér in collaboration with the Treasury in four RC of that Department⁹⁶. Thus, financial trends in these RCs during the period 2000-2004 were also characterized by an increase of own income, including tax revenue.

However, despite the improvements in the recovery of their resources, we have to admit that the level of RCs' own income is too low to expect a proper takeover of investment expenditures after the departure of PADMIR. This means recognizing that the RCs will continue to depend for several

⁹³ As noted by the TAU in Kaffrine, the main challenge in allocating the MDF was that there were different allocation criteria applied by the UNCDF (favouring RC performance criteria) and by the EU (using demographical criteria).

⁹⁴ Essentially, the Action Plans dealt with typical revenues to be collected (rights of alignment and costs of surveying, revenues generated by the registry office, by renting souks and other trading spaces, impounding fee, rural tax, etc.), with performance indicators defining the level of collection for each type of revenue and identifying clearly who was responsible both at local level and in the support structures.

⁹⁵ Impact of the LDF on the LA capacity to mobilize funding, Annex 7.

⁹⁶ Darou Mousty, Guéoul, Ndande, and Sagatta Gueth, representing 25 % of the Department's RCs.

years on revenue transfer and aid from development partners. It would in fact not be realistic to expect that RCs' own contribution to investment or operational expenditures could increase rapidly.

Nevertheless, PADMIR seems to have placed the RCs in a direction that will allow them to substantially increase their own incomes and this should be encouraged. Above all, a link should be established between the mobilization of local RC's resources and growth prospects of the local economy, as envisaged in the SAFIC method, because improving the RC fiscal capacity depends primarily on the ability to boost the local economy. But if it continues to stagnate, the longer term objective to enhance the capabilities of local authorities in order to promote a dynamic local development should be reconsidered - hence the crucial need for LED to become a major focus.

Result 3: Improving the local authorities' capacity in sustainable management of the LA (planning, budgeting and implementation of development projects)

One of the PADMIR biggest achievements has been the valorization of the municipality as an institution. The RCs supported by the program have become a "reality", both from the people's point of view and from other levels of LA and DTS. The fiscal capacity of the RCs has been "developed" in the sense that the municipality staff has acquired a better knowledge of the process of budgeting and disbursements as well as procedures related to public work procurement. The principles of transparency and responsibility have been "instigated" through public work tendering process and developing budgets.

However, it is not possible to state that all the RCs have a "functioning" administration. It is probably preferable to refer to a "embryo" of local administration. Indeed, significant disparities remain among the RCs in their communal management ability. In particular, their financial management capacity remains limited and the RCs must rely on the services of the Treasury to produce their management accounts which is not in compliance with the regulations on rural accounting. Moreover, the Community assistants, on which PADMIR had based its strategy to overcome inadequate capacity of local representatives, were recruited by the State without - for most - any experience in terms of communal management and many of them have left their posts since the implementation of PADMIR. Even though some Community assistants had the necessary skills, the PRC did not systematically use them. The establishment of a small nucleus of local administrations able to get basic training in local development management, necessary for getting local ownership of the improved procedure that PADMIR introduced, was one of the critical steps described in the PRODOC. However, the lack of competitive recruitment for the municipal secretaries has compromised the completion of this essential condition.

In view of the important effort made by PADMIR to strengthen the capacity of local stakeholders, it is regrettable that there has been no system of monitoring the organized training sessions, which would have measured the acquired skills, particularly in terms of budgetary capacity. It was a recommendation of the mid-term evaluation that qualitative indicators should be introduced in the MES. These would have certainly facilitated the evaluation of the progress achieved at this stage.

Overall, the TAUs have continued to take the leadership on interventions because of the lack of capacities and means of the SCLD, unlike what was envisaged in the PRODOC and in the recommendations of the mid-term evaluation. This situation, which can easily be explained as the

TAUs were anxious to deliver infrastructures and services within a limited period, however poses the question of ownership of existing structures in supporting rural development and the development of “know how” which is a core value of the UNCDF philosophy. This has also weakened the potential for sustainability of the support and advice sector, especially with a view to carry on with the type of the technical expertise provided by PADMIR. Since 2005 PADMIR has worked toward the signature of agreements between the RCs and local stakeholders to promote that⁹⁷. However, it does not seem that the conditions have been put in place during the implementation of PADMIR to ensure that these agreements become operational.

Finally, the TAUs have unanimously acknowledged that the communication around PADMIR and the RCs’ interventions has been inadequate and failed to disseminate enough information about the project’s philosophy of intervention to the beneficiaries and thus to facilitate its sustainability.

In summary, if one refers to the distinction established in the Evaluation Manual between the two types of LDP⁹⁸, we can say that PADMIR has mostly achieved LDP 1. Instead, le LDP 2 remains in an embryonic state. In fact, the local circumstances for implementing the model were quite unfavorable and it was difficult despite PADMIR’s efforts to build capacity to overcome these issues within the available time period. Even if the LDP model has proven to be pertinent and efficient, it seems that more time should be required to be able to root it in the local circumstances. This is in any case the opinion of numerous local and national stakeholders in the decentralization process in Senegal.

In a sense, the NPLD demonstrates that the PADMIR model has worked, but that it needs to be implemented from the national level as a program unifying the efforts in terms of decentralization. It represents in fact, a commitment from the Senegalese State to build its own capacity to support the LA technically, financially and institutionally.

Result 4: Development of local community investments up to the planning ceiling established by the LDF (infrastructures, IGA and NRM)

As said previously, the question of the sustainability of community investment depends on the cost of materials and the price charged to the users of the services. Furthermore, it depends in a significant way, on the ability of the RC in partnership with the private sector and the population to ensure satisfactory maintenance of the infrastructure and its long-term valorization.

A major constrain to sustainable local investments developed thanks to PADMIR was that the issues related to maintenance of equipments⁹⁹ were not sufficiently taken into account. The team

⁹⁷ 12 agreements with the GCO and Credit Unions in Kaffrine as well as 64 agreements signed mostly with the DTS in Kébémér.

⁹⁸ LDP 1 is a program designed and supported by UNCDF with its own funding (and/or government or donor partner) and its own technical assistance managed according to the log frame and specific time frame. LDP 2 is a collection of practices and institutions incorporated in a local and national government system which carries on after the end of UNCDF intervention.

⁹⁹ See Report on Comments, Annex 9, Section 2D.

has seen during field work that infrastructures recently developed by PADMIR already showed maintenance problems or did not work. Moreover, we must recognize that PADMIR has failed to promote the establishment of MCs (or to enhance their value when they existed), through careful consideration of the most appropriate management mechanisms. If some memorandums of understanding were recently signed by the RCs and MCs under the guidance of the TAUs, it is not certain that this belated intervention will foster the sustainability of work already undertaken.

For instance, the management of water points has been problematic in several respects: even if environmental affairs are part of the competencies transferred to the LAs, water is not in Senegal an area that was relinquished by the State. Moreover, the Managing Associations of Users of Drilling Points (*Associations de gestion des usagers de forage* - ASUFOR) sometimes brought some challenges related to finance or even to local democracy (when the officers were not renewed). In a context where access to water is such a priority (such as in Kébémér), one can explain the vying for power that some stakeholders did in terms of where to locate certain infrastructures, giving a position to a "protégé" to manage for instance a water access point ("a water village leader") as well as the lack of transparency that may characterize such management system which weakest point remains infrastructure maintenance. However, these examples of weaknesses were balanced by good practice observed elsewhere especially when a WG managed to generate some income by managing a water access point and therefore allowing it to start some IGA.

As the team saw in the field, the usage and management of village storage facilities also illustrates that: some of them are not functional, partly because of bad crops but also because of conflicts regarding the way they are used. Now, it is important to recognize that these are collective goods for which the RCs have an important role of supervision and regulation to play and that it is therefore appropriate to consider some options for their management within the view of a public-private partnership. Thus the RCs could usefully encourage the formation of cooperatives or groups of producers who could then become involved in the private management of these infrastructures and engage in a fruitful dialogue with the RCs on an equitable use of these infrastructures, which need is indisputable.

We should also mention the "Community Groups of Public Work Management" (GMO) composed mainly of casual workers and young unemployed people in rural areas. PADMIR promoted the constitution of these groups with the idea that they would take on the monitoring of the work under development. In practice, the GMOs did not work much, may be because of a lack of financial motivation to perform their tasks. Above all, the GMOs were not groups of true professional construction workers able to perform real technical tasks, as it could have been done by "quantity surveyors" as used in other projects, for instance PAREP. As such, their legitimacy has sometimes been challenged by local entrepreneurs. Consequently, one wonders what has been the added value of the GMOs and if their implementation was the best way to ensure that contractors comply

with the required specifications. As emphasized by the mid-term evaluation, it would probably have been better to enhance the sectoral MC created by the decentralization legislation¹⁰⁰.

It is important to note that PADMIR has not promoted the physical contribution of the population in the development of community investments (as it was done in Programs such as the PFDS and PAREP). Of course, the first objective of PADMIR was to enhance the "professionalism" of municipality in the development of local investments¹⁰¹. Nevertheless, we consider that the absence of valorization of people's physical contribution has limited the population ownership of the infrastructures.

Finally, while recognizing PADMIR's effort to encourage contracts executed by local businesses in a perspective of energizing the local economy (through the creation of temporary jobs and a multiplier effect), we also note the relatively low level of technical and financial capabilities of local entrepreneurs, which should be tackled in a way to empower this important category of economic stakeholders to fully participate in a sustainable LED process.

IGA/NRM components

As we have already mentioned, the question of sustainability of the IGA micro-projects arose during the program implementation, particularly in light of the difficulties in monitoring the technical and financial aspects of the projects. The various support and advice structures (LGC, SCLD, Credit Unions) did not play their role citing their "lack of means" and again the TAUs had to take over technical support.

Regarding the program succession strategy, PADMIR focused on the sustainability of the IGA funds using credit unions by involving them and making them more responsible for projects selection. The TAU in Kébémér has also promoted the integration of non financial services offered by credit unions and has planned LDF grouped public tendering at district level, with the same unions, which would then allocate higher funding level for the IGAs. Delays in the LDF availability in Kébémér prevented the implementation of these enhancements. In Kaffrine, the guarantee fund located within the CMS was not funded, which implied to renegotiate the contractual terms and conditions with the CMS.

Despite the efforts to make the IGA funds sustainable through their management by credit unions, there were issues around governance (with some situations of funds misappropriation of funds mentioned by the TAU staff and some technical partners taking over the project) and their lack of professionalism, especially regarding the technical skills required. At this stage, uncertainties remain about the proper use of funds for the benefit of the population and the idea to set up credit unions for the benefit of the people is making some progress

With regard to the socio-economic impact of the IGA and micro-finance, we believe that it has been an effective way to fight poverty, improving the living conditions of the targeted people (for instance

¹⁰⁰ Drilling committee, health committee, parents association.

¹⁰¹ See Report on comments, Annex 9, Section 3B.

through the acquisition of consumer goods and household equipment) and contributing to food self-sufficiency (for instance through the achievement of the MFP). The IGA encouraged the emergence of some local dynamics, through progressive formalization of the WG, social valorization of the female population and has increased empowerment. The micro-projects also gave a better knowledge of micro-finance principles, allowing in a second phase the WG to have a direct access to the credit unions. Finally, the IGA have fostered an entrepreneurial spirit amongst some of its beneficiaries, based on which it should be possible to start a wave of wealth creation.

The comments during a focus group in Diakhao Saloum are indicative of the impact of IGA:

"It is thanks to Padmir that I have been aware of the Credit facility. With the loan, I am doing some petty trading and it allows me to pay for some household expenses, to buy some clothing for the children and myself, and also be better considered by men ". "With the group-based credit, we have more solidarity now".

We cannot however say that the micro-projects were economically viable¹⁰². The profit margins for the people were generally low¹⁰³, and the activities (essentially petty trading) are not part of a strategy of wealth creation, as per the UNDAF strategy. Despite the fact that the TAU in Kébèmer has started an intellectual process to define the link between micro-projects and the LED, such link could not explicitly and concretely be proven, particularly because of the delays in implementing the ECOLOC methodology. We can however expect that the structures that were put in place will be able to promote the implementation of micro-projects oriented towards wealth creation.

Finally, the micro-projects did not facilitate the exploitation of synergies with the NRM initiatives¹⁰⁴. We believe that the lack of a link between the NRM and the IGA and more generally, the insufficient development of the NRM component by PADMIR might compromise the achievement of the program development objective, namely "sustainable human development"¹⁰⁵.

Admittedly it could be that without the intervention of PADMIR, human development would have been less advanced, since the poor would not have access to infrastructure, basic services and micro-credit or, would have access to inferior services.

However, we should remember that "sustainable human development" implies a continuous improvement process of people's life and work environment and, of promoting economic, social and environmental sustainability. The management of natural resources should be the foundation of most production activities especially in rural areas and for the poor, as they need to make a rational use of these resources and to master the production methods that allows for renewable production. Under PADMIR, the emphasis was on the economic and social sustainability through

¹⁰² This is a performance indicator for the IGA component as included in the logical framework "at least 60% of income generating projects are economically viable".

¹⁰³ Between XOF40 000 and 50 000.

¹⁰⁴ Except for time-limited activities related to improved cook stoves.

¹⁰⁵ See Report on comments, Annex 9, Section 3C.

the implementation of the IGA benefiting the poor. However, such improvements in living conditions can only be sustainable if they are accompanied by some initiatives in environmental protection and NRM. As an illustration, activities that promote sustainable management of pasture and water conservation are essential to ensure the sustainability of activities regarding sheep and cattle fattening which are IGA undertaken by women. Thus, the absence of such complementary activities in the area of environment protection is likely to jeopardize the continuation of the IGA, and hence, the "sustainable human development".

Promotion of the Local Economy component:

If a diagnosis study of the local economy was certainly justified, it is appropriate to highlight the slowness (more than two years), the cumbersome process and the high cost of the ECOLOC research (about \$90 000) and to wonder whether the invested time and resources justify the results¹⁰⁶. This is also the conclusion reached in the PDM recent evaluation¹⁰⁷, which mentions the low impact of the ECOLOC approach at sub-region level, even if the PMD use of this methodology has led to a better consideration of the economic dimension in decentralization, at Government and targeted LA level. The evaluation also mentions a number of constraints, amongst which the heavy process and the low level of ownership by local stakeholders, the high cost that municipalities could not always bear, the facts that only the PMD used that methodology therefore limiting the building of local expertise within the sub-region or that the PDM did not develop and distribute any methodological guides, and finally the lack of openness from the PMD towards other LED approaches which would have broaden the approach.

As regards more particularly to piloting the ECOLOC approach in Senegal, the evaluation says that the ECOLOC process did not have any significant impact in St. Louis and that the modifications to the approach in the Kébémér department remained incomplete. It also mentions the difficulties for the PMD to assume a role as a paid operator and service provider, explaining that the design work and the objectivity required for providing advice suffered from the time and energy monopolized by the study.

Finally, the PMD evaluation identifies a number of lessons learned related to the need to adjust the various phases of the methodology and the tools used, and in determining the level of information required to enable local stakeholders to make relevant choices and to adopt appropriate strategies in terms of LED. Thus, the team believes that such lessons could usefully be considered by the various partners in Senegal, at local, regional and national levels, before starting using the same approach in the Louga region or even at national level as envisaged within the NPLD.

One may regret that these studies have not resulted in concrete activities of promoting the local economy, even if they were limited, which would motivate already mobilized local players, and would show more firm commitment towards a concrete LED process. One of the anticipated results

¹⁰⁶See Report on comments, Annex 9, Section 3D.

¹⁰⁷ *Retrospective (1991-2006) and prospective Evaluation*, Joined French-Canadian Evaluation on the Partnership for municipal Development, Institutions and Development, January 2007.

of the sub-project was to promote job creation and competitiveness. However, these studies have failed to focus on the competitiveness of the local economy, even though this concept is central to the Accelerated Growth Strategy (*Stratégie de Croissance Accélérée* - SCA) which has been adopted by the Senegalese government.

The team notes the important effort realized with the support of the FPGL in view of the creation of the LED structure. However, we should mention the high transaction costs for the TAU in Kébémér and for all players involved in the creation of that structure. Moreover, the risk is high - as mentioned by the TAU in Kébémér - of political influence overtaking the structure and of in-fighting that could rapidly leave the process with no way forward; even more because the LAs (urban municipalities and RC) will have to contribute financially to the structure's operations and may want to this extent to have a similar part to play in influencing decisions. In addition, it is not certain at this stage that the locally elected officials and the representatives of the private sector could become responsible for the structure and could make it work without any previous experience. It will be important to pursue the creation of this structure in parallel with the implementation of concrete actions which will motivate local players, will make the LED process more credible and will bolster the legitimacy of the structure.

Result 5: Design and introduction of a MES in connection with the national stakeholders/decision makers

Regarding the sustainability of the MES, we note some good prospects for the MIS which is considered by the Senegalese authorities as a mechanism which could be adopted in a way or another, as it is already mastered by the PADMIR teams and is an easy, relatively inexpensive tool.

There were some problems related to the MIS which were essentially technical (for instance, because of the outdated computer equipment) and related to the difficulties in accessing computers. Therefore, PADMIR could not exploit all the capabilities offered by the system. But these constraints are being solved (as the TAUs were equipped in 2006 with new computers able to support the software) and hopefully a broadened utilization of the system can now happen within the NPLD.

Result 6: Support to a decentralized rural development policy

If one may be glad that the NCP is taking ownership of the process of learning from PADMIR experiences, obstacles persist about institutionalizing the acquired knowledge. However, the latter is essential to the sustainability of interventions. The PRODOC had envisaged a broadening of the NPC to other Programs, to avoid that the committee limits itself to providing directions and the general supervision of the PADMIR "projects", without taking into account other important interventions supporting decentralization. It does not appear that PADMIR made any proposal in this sense to other partners. Also, the Government representatives did not propose a form of broader partnership. Such a mechanism would probably have facilitated the creation of clearly

defined political guidelines by the government, through a better coordination of development interventions¹⁰⁸.

Furthermore, national officials responsible for the policy of decentralization could not take over the systematic evaluation of initiatives supporting decentralization as planned by PADMIR in its study on the establishment of a Technical Secretariat; this would have optimized donors' support to the decentralization policy.

The prospects for institutional takeover of PADMIR are just as uncertain. Indeed, it is not possible to anticipate a takeover of the DTS advisory and support services (especially the SCLD) targeting the RCs in the area of LPP, technical monitoring of micro-projects or even the MES. In the same way, RDAs' skills remain uneven; it is not certain that the RDAs could in the short-term have sufficient understanding of the local reality to be able to support the RCs and that they RDAs would be willing to take the new management responsibility for undertaking local public work. Finally, even the ownership of the Local Development House (LDH) concept does not seem fully ensured. If the national and regional officials seem to favor the concept, it is not necessarily the views of elected local officials; they apparently do not agree on the territorial level that would be the most relevant for the concept. We must say that the principle of cooperation between municipality (*intercommunalité*) and solidarity between the LAs is relatively recent in Senegal and the interest to use this principle in local development is not yet understood by local representatives who are more worried about "defending" their territorial level and rights, based on the principle of LA autonomous administration. If the LDH concept is applied, PADMIR will have to undertake as a priority an intense awareness and negotiation campaign, especially with the National Association of Rural Councilors (NARC) in order to promote its political and institutional legitimacy.

5.3 Factors Affecting Implementation and Results Achievement

5.3.1 External Factors:

Political, institutional and economic developments during the implementation of PADMIR have undoubtedly affected the achievement of programs results.

On the political level, the program start up coincided with the dissolution of the LAs in 2001 and the establishment of "special delegations" by the Senegalese State which stopped the decentralization process. The 2002 municipal and rural elections led to an important renewal of local political staff as well as the compulsory recruitment of community assistants by the State, most of them with no experience in municipal management. The implementation of the program was also characterized by a lot of institutional instability within the Ministries in charge of decentralization (with four ministerial reshuffling between 2002 and 2006) and by some reluctance from the Senegalese Government to pursue the decentralization process, along with necessary reforms for better LA functioning.

¹⁰⁸ See Report on comments, Annex 9, Section 3A.

The implementation of other structuring Programs in terms of poverty reduction aiming, as PADMIR, to provide basic infrastructures based on the LPP procedures and on decentralized funding also influenced the implementation of PADMIR, because of the overlay of consultation framework put in place, different ways of dealing with the RC matching contribution and different distribution criteria of funding. Since 2005, the process of formulating the NPLD has suspended a number of expected reforms (such as for the LPP and LAEF). Finally, the RDAs' restructuring in terms of mission and staff in March 2006 has had a negative impact on the PADMIR strategy of institutional and technical takeover at local level, as the RDAs became less involved in the process.

The economic context in both areas of intervention has also influenced the implementation of the program: the collapse of peanut supply chain in the years 2000, the decline of agricultural production in 2003 because of climatic vagaries and the difficulties related to supply of agricultural inputs have led to a decline of income for producers, making it more difficult for the RC to mobilize their own resources and to bring some matching contribution.

5.3.2 Program-related Factors:

Adequacy and quality of the Program design

As the mid-term evaluation pointed out, the design of the project was adequate, as it provided the key elements for a good execution of the project¹⁰⁹.

However, the PRODOC also included a number of deficiencies that affected the implementation of the Program:

- The logical framework included in the PRODOC, with its "cascading" presentation as the mid-term evaluation report puts it, made it difficult to identify clearly the basic prerequisites to follow to achieve the expected results. Only in 2003 was a systematic presentation of the expected results and activities developed through the revised logical Framework; this affected the startup of the program.
- The logical framework of PADMIR was somewhat different to the UNCDF conceptual model, such as described in the Evaluation Manual. For instance, "improved local governance" was the PADMIR development objective, while in the UNCDF conceptual model; it is regarded as an intermediate outcome, likely to contribute to the development objective constituted by local development. In the UNCDF conceptual model, local governance is seen as a mean - and not an end in itself, which should lead to poverty reduction via the PIS, NRM, and LED, using capital investments through the LDF. It is also recognized that improving local governance does not necessarily lead to poverty reduction and to sustainable human development. Good local governance only leads to poverty reduction through improving productive and allocative efficiency. However, if PADMIR demonstrated that improved governance is compatible with

¹⁰⁹ By defining the context of decentralization, by presenting detailed way of planning activities and by spelling out the basic principles for a MES.

improved PIS servicing the poor in particular, it did not show that it was necessarily the best approach to reach this result.

- The PRODOC did not define specific action to check on the public works developed by the RCs, beyond the achievement of infrastructures. This has compromised the sustainability of investments (maintenance and management) and the consolidation of institutional structures in place (IVDC, LGC, GMO).
- The PRODOC did not focus at the beginning on supporting the private sector in terms of technical capacity building of local entrepreneurs, which has been a weakness during the development of infrastructures as this has limited the prospects of energizing the local economy.
- The PRODOC planned the MES integration and the development of “verifiable indicators” and “means of verification” only at the start of the pilot phase of the program, which has diminished the effectiveness of the MES, by not facilitating the establishment of a reference baseline.
- The gender aspect was not sufficiently taken into account in the PRODOC and did not lead to designing and implementing a strategy, even if we note that an important proportion of investments and micro-projects were *de facto* targeting women.

Institutional arrangements and implementation

- The financial partnership with the PSIDEL, although a success in terms of increasing the capacity of delivering infrastructure, has represented a serious burden for the UNCDF, which assumed its administrative management (drafting of reports for the PSIDEL) and the followed up by the TAUs of public works undertaken from 2002 to 2005. On the other hand, the use by the PSIDEL of different levels of counterpart and different fund distribution criteria represented a major constraint for PADMIR, which could not always collect the RC’s matching contribution.

Program management

Staff changes within the TAUs (resignations, staff leaving their position), the death of the socio-economist in Kaffrine and the decrease of technical assistance staff in the TAUs (coordination, experts) hampered the continuity of monitoring the activities. It also proved difficult to coordinate between the two TAUs and the National Coordination. Some logistical constraints, including distance between the two TAUs, the lack of access to Internet for a year in Kébémér, constraints related to the use of the MIS (available on a single computer) did not promote synergies between the different structures of the program.

Technical assistance

The design and the startup of the project, as well as the creation of tools were undertaken with the important support of the Regional Technical Advisor. However, it seems that the assistance provided to the National Coordination (NC) has actually been declining during the implementation of the program (partly linked to the reorganization of the UNCDF Regional Office), although he provided a significant support to the TAUs on the different components of PADMIR and in the introduction of new methodologies and approaches, for instance linked to LED. It also seems that the respective missions of the UNCDF Program Officer, the PADMIR NC and the Regional technical advisor were not clearly defined, for instance in terms of technical and methodological

support. This might have been a source of confusion at the NC level. The UNCDF Program Officer had for instance to take over some functions of the NC and Regional Office¹¹⁰.

The NC also played an important interface role between the two TAUs, the UNCDF and the Senegalese government and, contributed to maintaining the political dialogue during the program implementation.

PADMIR also received some essential financial support from the UNDP, particularly in the form of cash flow facilities and program administrative management. The UNDP did not provide any technical support to PADMIR, except through the search for synergies regarding the studies on the MDG.

5.4 Strategic Positioning and Partnerships

5.4.1 Strategic positioning:

The main UNCDF competitive advantage lies in the fact that it has been "pioneering" a program of decentralized rural development which corresponded to the decentralization policy of the Senegalese Government at the end of the 1990s and to its current intentions of consolidating this policy through the NPLD. Other development partners have also contributed to support decentralization (including the German Cooperation, USAID, the WB, and the French Cooperation). However, these interventions were developed in a way that was more collaborative than competitive with the UNDCF, which is an advantage within the NPLD framework.

The NPLD is an ambitious national program faced with a number of major challenges, to which the UNCDF is in a strong position to contribute. These challenges include not only the extend of the program to be implemented but also, and this is more relevant to the UNCDF, improvement and further development of systems at different levels of LA; in particular this concerns the LA budget support mechanism, the standardization of the LPP procedures, the development of sustainable systems for maintaining the infrastructures, the mobilization of RCs' own resources and the promotion of a sustainable LED process. Finally, that also includes piloting an efficient MES focusing not only on local development performance, but also on promoting a continuous process of learning and innovating.

The UNCDF in Senegal, in close partnership with the UNDP and other well identified development partners, is exceptionally well placed to meet these challenges. The UNCDF competitive advantage resides clearly in his role for which it has been widely recognized to be a "laboratory" of decentralization. To build on this competitive advantage, it seems wise to continue to operate at local level by developing and testing new systems and by still improving systems where important progress have already been made.

Three areas seem particularly suited for piloting some interventions:

¹¹⁰ Excerpt from an interview with Mr.Oumar Wade, PADMIR National Coordinator.

- i. Strengthening existing management systems, the decision making process and the utilization of the LDF, including the introduction of maintenance systems for the infrastructures and associated services.
- ii. Coordinating sectoral policies at local level (education, health, agriculture).
- iii. Pursuing the experimentation of new LED approaches, as a holistic concept of local development.

Partnerships:

The design of any new program should be performed within the framework provided by the UNDAF, which participates in the PRSP II growth strategy, focusing on "economic diversification, promotion of employment, environmental protection and valorization of natural resources in a perspective of sustainable livelihoods of vulnerable groups".

The UNCDF has already established some partnerships with a number of donors (including the Grand Duchy of Luxembourg and the European Union), which would be important to consolidate. The focus could be set by the UNCDF and the UNDP on the "promotion of sustainable livelihoods", in partnership with the Grand Duchy of Luxembourg and the new Spanish cooperation, looking for synergies with the positive experiences identified by the PAREP evaluation (while recognizing the UNCDF and UNDP specific intervention strategies)¹¹¹. This partnership could for instance operate on the Northern axis in the "development poles" and in view of achieving the MDG. The EU also plans to intervene in the LED area in the Louga region and there again, a fruitful partnership could be envisaged on developing economic infrastructures. It seems indispensable to find some synergies between the NRM activities and environmental projects particularly those supported the United Nations Environment Program (UNEP).

In addition, there is without a doubt some opportunities to forge new partnerships especially around the promotion of LED and NRM (particularly with the German Cooperation, the Japanese Cooperation, the Canadian Cooperation and USAID).

Finally, specific partnerships could be put in place, especially with the Canadian Agency for International Cooperation (CIDA), in strengthening the capacity of the associations of local representatives, with regard to the implementation of the LDH.

¹¹¹ See Report on comments, Annex 9, Section 1F.

6 LESSONS LEARNED

It would be useful to distinguish between two levels of lessons learned: the general lessons which relate to the central hypothesis concerning PADMIR and the lessons specific to the program.

General lessons:

PADMIR demonstrated that a LDP centered on introducing a decentralized funding mechanism for developing community infrastructures could lead to an improved PIS, with a positive impact on the living conditions of the poor. However, introducing this system in RCs with a low financial, technical and human capacity can only be done slowly. Thus, the initial duration scheduled for 5 years was too short for such a program to have a real impact on behaviors and practices linked to decentralization.

Moreover, the sustainability of such a system and especially ensuring that continued growth and a development dynamic based on learning and innovation are well rooted represent major challenges. These require not only a longer period of assistance, but also taking into account new elements which are not yet fully developed within the LDP model, namely the LED and NRM.

The second lesson refers to risk management in the PADMIR implementation. In particular, as mentioned already by the mid-term evaluation, it is important to update regularly the critical conditions of a pilot project such as PADMIR, which intervention philosophy is based on the accountability of existing structures. Such a process would have allowed for better responses to unfavorable changes in the political, institutional and economic context and would have been particularly relevant at the end of the program pilot phase.

Specific lessons:

- The formalization of relations between the different players at the local level (including between RCs and MCs, RCs and cooperation structures, RCs and DTS) and the satisfaction of their needs for capacity building are pre-conditions necessary to effectively develop community investments. The cooperation structures put in place by PADMIR (VCD, IVCD, LGC) would thus have benefited from a formal integration in the RCs and from a greater valorization amongst local partners.
- Budget support for the LAs was a constraint for the development of infrastructures and slowed down the pace of investment and of implementation of micro-projects. It must therefore be accompanied at institutional level by some strengthening of the State services that are supposed to support it. Indeed, in the absence of decentralized competent and well-equipped departments (in the human, financial, equipment and computer areas), the success of this regionalized funding mechanism might be jeopardized¹¹².
- The sustainability of processes already in place (LPP, LDF) can only truly occur once the different partners at local level (including RDA, SCLD and the Treasury services) take part in

¹¹² See Report on comments, Annex 9, Section 1E.

the decision making process, in the monitoring and evaluation of the activities and will strengthen their capacity to support the RCs. As such, the setting up of a system of monitoring the actions of capacity building is an integral part of the effort to improve the capacity of the local authorities.

- Pursuing the objective of "sustainable development" should be done through the recognition of three essential elements: local capacity building, creating basic infrastructures and developing sustainable livelihoods.
- The existence of three TAUs which operated in quite different contexts has increased substantially the cost of implementing the program and has made the coordination of activities more complex.

7 RECOMMENDATIONS

The mission recommends that the UNCDF supports a new program in assisting the decentralization and local development process in Senegal. The purpose of this new program would be to consolidate the work done by PADMIR, to finalize work in some intervention areas, to introduce some new elements, while supporting the Senegalese State in the implementation of the NPLD. A Conceptual Document already available will be discussed at the end of this section. In a first time, recommendations are formulated for the Senegalese Government and for the UNCDF in order to assist in the conceptualization and the implementation of the would-be LDP second cycle.

7.1.1 Conception and promotion of a Local Participative Planning process (LPP)

- The planning tools should be simplified and the duration of the LPP should be reduced: the revision of the LDP format should be done at the same time that the plan will be updated. This would promote a better coordination with the sectoral policies, integrate principles of LED and environmental protection, would take into account recurrent costs¹¹³ and, would integrate a monitoring/evaluation component. In this regard, it would be helpful if the Directorate of Planning could look at the LPP experience of other partners that managed to shorten the duration and for some to integrate efficiently the sectoral policies¹¹⁴. Besides, the use of didactic tools and adapted communication media (besides those used during consulting assignments such as the ZOPP method, transec, Venn diagram and decision trees) should facilitate the understanding, the participation and the ownership of the LPP process by the population in a context where people are often not literate in French.
- One major weaknesses of the LDPs is their "compartmentalized" character as opposed to the principle of cooperation between municipalities. However, the spirit of cooperation represents a new crucial stage in the decentralized planning process and must as such be considered as an important way to optimize the LDP and local development activities. It would be desirable in the framework of a new program to encourage the development of investments under this principle, through for instance the Inter-Municipal Priority Action Plans (*Plans d'Actions Prioritaires Intercommunautaires* - PAPIC)¹¹⁵, by getting the associations of local representatives involved.

¹¹³ By bringing for instance a selection criterion on LIP projects.

¹¹⁴ Such as the German Cooperation, the PNIR, and the DGL-FELO with the elaboration of strategic plans.

¹¹⁵ It seems that participative management of the municipal water infrastructures would be a good area to develop the cooperation between municipalities (such as the MC related to drilling in Djing Diaw in the Sagatta RC and the drilling in Thieppe in the Ndande district). Also, the productive partnership between PADMIR and some other projects (such as PSIDEL, SOS Sahel and World Vision) should be an advantage for promoting this cooperation between municipalities with a coordinated planning process, encouraging for instance local investments co-funding.

- The evaluation team supports the recommendation of the LPP dissemination document i.e., "to learn from the project and to make the synergy between partners sustainable" around the LPP, beyond the experiences of PADMIR. The Directorate should learn from the experience of other Programs as an important prerequisite to the implementation of the NPLD.
- The UNCDF could assist the RDA in preparing some of "budgetary conferences" as planned in the NPLD as from September 2007, to take into account the sectoral policies. To this end it could be decided that only the RCs having submitted their administrative and management accounts could participate in these conferences, as a mean to incentivize their production.
- Generally, improvements to the strategic planning brought up by the UNCDF should be implemented in close liaison with the changing system of national planning and the expected standardization of LPP procedures. This would determine if it is appropriate to integrate the LIP in the LDP, to streamline the LDP by making a very simple diagnosis followed by an operational action plan or, to consider the LIP as a unique planning document, according to the three options describe in the LPP dissemination document. A better coordination of the LDP with regional planning would also improve the strategic dimension. Furthermore, it would be appropriate to promote the formalization of relationships between the rural Councils and the cooperation structure already in place, so that they are valued by the various partners and can fully play their role of animating the local life within planning framework.

7.1.2 Conception and introduction of an adequate fund transfer mechanism for funding local public infrastructures and services

- To improve the effectiveness of budget support to the LAs, it would be useful to encourage the Senegalese Government to simplify the payment channel and to encourage its full computerization, with a clear definition of responsibilities of all the players in this process (including the tax revenue offices and the RCs). A monitoring system could also be put in place that would capture the process of disbursement in real time and would more quickly identify delays and bottlenecks within the Treasury channel.
- With regard to the slower pace of investment in the framework of budgetary support, PADMIR could sensitize the services of Treasury so they could speed up the operations which can have an impact on the planning and implementation of projects (like the transfer of IGA funds to credit unions).
- The transparency in the RCs' management could be improved by promoting a better flow of information between the tax revenue offices and the RCs, and by encouraging the RCs to keep administrative records and management accounts. It is imperative that the RCs follow budgetary rules and that they do not use the money earmarked for investment, for operating expenses and also that the Treasury respects the rules that itself put in place. The citizens' oversight on budget implementation and RC's decisions should also be improved by organizing regular budget feedback sessions.

7.1.3 Improving local authorities' capacity for sustainable LA management (planning, budgeting and implementation of development projects)

- The RCs and DTS were the main beneficiaries of PADMIR capacity building activities. However, the anticipated role of the private sector in the process of decentralization and local development requires that these players also benefit from more capacity building activities undertaken by donors, such as the UNCDF.

7.1.4 Development of local community investments up to the planning ceiling established by the LDF (infrastructures, IGA and NRM)

- A culture of maintaining the infrastructures should be fostered, including improved support to the MCs (by organizing training on simplified basic accounting) and increased awareness of the DTS. It would also be important for the RCs to define a management policy for equipments that would allow them to implement the guidelines regarding management and maintenance of equipment on their territory. Measures mitigating the environmental impact of infrastructures should be promoted. Also, we have to re-iterate the necessity for the Senegalese government to review the LA budget nomenclature, for the RCs to be able to budget for the maintenance expenses.
- To alleviate the non-respect of contractual deadlines by entrepreneurs, it could be useful for the RCs to establish a system of penalties, such that it is practiced in the field of construction.
- A clearer distinction could be established in allocating the IGA funds as either micro-credits to improve the living conditions and reduce poverty, or micro-credits to encourage the development of micro and small businesses with a growth perspective. In that spirit, the intention of the TAU in Kébémér to promote some coordination between the IGA funds and those for the development of local entrepreneurship is particularly relevant.
- With a view to make the IGA funds sustainable, it would be useful for the UNCDF to review the implementation of financing structures benefiting villagers' communities, like the initiatives developed under the LDF within PAREP. These allow for greater accountability of WG in the implementation of micro-projects and can energize the structures of cooperation. In the same way, the UNCDF could focus on the experience of the PAREP's Local Committees for Monitoring micro-projects that seemed to have had good operations¹¹⁶.
- It would be important that the UNCDF raise the awareness of the RCs and the population with regard to the interest to undertake actions in natural resources and environment management. This should demonstrate that any action in this area is useful, whatever its level, and that NRM is an effective way to fight poverty. Desertification, deforestation and rapid degradation of soil are all areas of priority intervention that should involve all players (RCs, population and economic players). Thus, the UNCDF could encourage the RCs to conduct some reforestation activities (using local trees, endangered or extinct), to promote the practice of agro-ecology in

¹¹⁶ See Report on comments, Annex 9, Section 3 F.

the micro-projects, to encourage the recycling of household refuse (which could for instance be turned into compost and could be used for vegetable garden and winter cultures), to promote the use of organic fertilizer (identified as possible in the Boulel RC) and the protection of underground and surface water. Finally the UNCDF could support the RCs in developing municipal environmental action plans, linked to the national strategy in that matter¹¹⁷. For implementing these activities, a partnership with the SOS Sahel NGO could be pursued and the support from the Centre for Ecological Support (*Centre de Suivi Ecologique*) could be sought out.

- The UNCDF could adopt the PAREP contractual arrangement, namely "fight against poverty linked to environmental preservation". That could be done through the integration in the funding arrangements for IGA of the obligation for the beneficiaries of conducting *ad hoc* activities to preserve the environment. Furthermore, under the MDG, a synergy could be sought between the TAU in Kébémér and the PAREP office in Saint Louis to implement IGA¹¹⁸.
- Regarding the LED fledgling structure, it would be appropriate to ensure that its supporting roles are clearly defined, that the resources available will be adequate to achieve its objectives and that it will be able to meet the expectations of local stakeholders. The LED experiences indicate that in economically marginalized rural areas with weak support structures, market failures and State failures, the LED structures should concentrate on lowering barriers to entry and on improving the environment created by the State for enterprise development. That should include basic economic infrastructure, regulations and tax system. Finally, there should be a parallel and complementary approach between the creation of that structure and the implementation of concrete LED-related actions, so that the two could re-enforce each other. As such, it would be relevant that feedback on the ECOLOC studies could be organized at national level in order to identify the main lessons from using that methodology and to suggest some proposals for implementing concrete LED initiatives.
- As already noted, the implementation of LED goes over any administrative division. It would therefore be appropriate to favor an integration of the three levels (regional, departmental, local) in the LED implementation and to take into account the "development pole" concept. There should also be a focus on the important role of the RCs in the LED implementation, especially in liaising between different players and promoting a public-private dialogue. Finally, it would be important to recognize the crucial role of the RDAs, especially as they will become the main entry point for the NPLD.
- The non-profit sector has been the main beneficiary of the UNCDF support within the framework of IGA, particularly through the GCO. As it has been mentioned, the enterprises' activities were not profitable and did not lead to a dynamic of wealth creation, which calls for a better targeting

¹¹⁷ Particularly the national strategy on biodiversity, the national action Plan for environment, the national action plan to fight against desertification and the revised forest Code.

¹¹⁸ See Report on comments, Annex 9, Section 3 E.

of the private sector. It would not mean ignoring the GCO but rather to consider the opportunities that arise in a broader context. In this regard, the team recommends that the new LED structure target three categories of economic players:

- i. The whole range of existing businesses in the concerned areas (whether large and medium sized businesses when they exist as well as small, micro-businesses belonging to the formal and informal sectors),
- ii. The emerging entrepreneurs (such as women and the youth in the GCO who show some distinctive entrepreneurial spirit),
- iii. Potential external investors (whether Senegalese or foreign citizens).

To promote business development, it would be appropriate for the LED structure not only to support these three categories of economic players, but also and especially to foster ties between them, in particular in the development of promising sectors (such as animal breeding or fishery).

Furthermore, it would be appropriate for the LED structure to mobilize local enterprises through their associations (including the Federation of Community Development Associations (*Fédération des associations de développement communautaire* - FADEC), livestock farmers associations, the local office of Chambers of Trade, or even the association of fishmongers in Kébémér) and to provide support to the creation of associations (particularly in the field of agriculture), to facilitate a process of dialog between the LA et these associations.

- There are two options regarding the LED implementation: the first is to combine advisory support, information and training with the promotion of LED; the second is to distinguish these functions and to encourage the distinction of structures. The team believes it would be better to distinguish these two structures, the LDH has been designed at the departmental level to promote intercommunity solidarity, while the LED structure would be dedicated to specific assignments to promote LED (improving business environment, strengthening enterprises and markets) within a viable economic space.

7.1.5 Conception and execution of a MES for PADMIR in connection with national stakeholders and decision makers

- At this stage of the program, it would be important to focus on strengthening the capacity of partners due to take over (in particular the RDA and SCLD), so they are able to use the MIS and collect more effectively basic data.
- Data included in the MIS should also be completed by establishing RC performance measures in terms of skills acquired for local governance, as suggested by the mid-term evaluation¹¹⁹.

¹¹⁹ It would be useful to that extent to work closely with the PBA that measures the RCs' performance.

- Some household satisfaction surveys could usefully complement the MES, as it was done by the PNIR.
- The design of a new program should incorporate as a priority the establishment of a baseline to measure appropriately the progress made, the effects and impact. While designing an MES, attention should be paid to the promotion of learning and innovation.
- The narrative reports would gain in readability, if they were linked in a systematic way to the AWP by producing indicative tables that provide the AWP annual indicators, the projections in terms of development (quarterly), the achievements for the period under review, progress toward the annual expected results, the differences found during the last quarter, the reason for these and the corrective measures already taken.
- In the absence of a MIS, it would be important that in view of its implementation, the LDH be provided with a database management system, which indicators would be similar to those of the MIS.

7.1.6 Support to decentralized rural development

- The completion of the process of learning from the PADMIR experiences launched by the NPC would gain from greater consultation, to enable a wider understanding of the interventions in support of the decentralization and to the benefit of NPLD.
- For deepening the decentralization process, it would be essential to strengthen the capacity of the associations of local representatives, so they can play a constructive role in the process of decentralization and that they can engage in a more balanced political dialogue with the Senegalese Government. The Canadian Cooperation has begun some intensive work in that area and the UNCDF could usefully support it. It would also be useful for the UNCDF in connection with the Canadian Cooperation, to pursue some actions of sensitizing and negotiating with stakeholders, such as the National Association of Rural Councilors (NARC) and the House of Local Representatives (*la Maison des Elus Locaux*), in order to bring some political and institutional legitimacy to the LDH.
- In line with the Paris Declaration, it would be important for the UNCDF and its partners within the implementation of the NPLD to encourage the harmonization of approaches and the dialogue between different projects et programs supporting decentralization, particularly regarding the targeting of beneficiaries, the method of determining matching contributions and common criteria for the distribution of funds, while promoting specific approaches to facilitate the involvement of the poorest.
- In order for the LAEF to adequately meet the funding needs of the LAs, the State should take into account in the framework of LAEF restructuring, the contribution capacities of the LAs.
- With regard to the annual decision on the amount of funds transferred by the State, it would be useful that the Government reflects on the role of the Members of Parliament in developing the annual budget as approved by Parliament which defines the amount available for the LAEF and the FDD in connection with the State fiscal revenues, especially VAT.

- The setting of a system monitoring the use of resources allocated by the State to the LAs would ensure greater efficiency, relevance and transparency. From this point of view, both the Senegalese State and the NPLD would gain in using the MIS who offers this function.
- The generalization of the budgetary support mechanism by development partners, accompanied by measures to modernize the budget nomenclature, could greatly contribute to strengthening the capacity of the LAs, by promoting a better allocation of resources.
- In continuing with the decentralization process and particularly the standardization of planning procedures, it becomes essential to the Government to focus on the "missing link" of the national planning system: the three-yearly public investment plan which forecasting capacity is weak.
- The Senegalese State could benefit from the establishment of a "Management System for infrastructures expenditures" to assess their profitability both economically and socially and, to optimize the productive and locative efficiency of public investments.
- Finally, the Senegalese Government would show its willingness to continue and to facilitate the process of decentralization, by first strengthening the devolution process and secondly by adopting a "joint action Plan" with the sectoral ministries and the NARC for a better inclusion of the RC in achieving sectoral Programs.

7.1.7 Comments on the Conceptual Document

The Conceptual Document of the Program supporting the institutional, economic and technological Development of Local Authorities (PADIET¹²⁰) presented to the UNCDF in June 2006 is the UNCDF and UNDP's operational response to the NPLD, by looking for innovations to advance the process of decentralization. The immediate objective of PADIET is "local capacity building to support an inclusive and sustainable regional development". By taking as a point of departure some of the PADMIR's achievements (such as those regarding the LPP and the LDF), the suggested innovations focus on supporting the LAs in their role as the local development engine, through mastering the LED better, the use of new technologies for promoting investments and, providing "local public service" through a better coordination between the PIS, the IGA, NRM, leading to LED.

In accordance with the dual strategy to support the LAs and civil society, the program aims to strengthen the leadership and managerial skills of the LAs and at the same time, achieve better citizens' participation in the local life, particularly through tools promoting gender equality. The introduction of some new Technologies of Information and Communications (ICT) would strengthen the principle of transparency, by facilitating the marketing of territorial assets of focus areas and mobilizing overseas-based Senegalese citizens which potential role in local

¹²⁰ *Programme d'Appui au Développement institutionnel, économique et technologique des Collectivités locales.*

development is important. The LDH would also facilitate the consolidation of LED through public service management to realize some economy of scale.

On the basis of the main elements contained in the Conceptual Document, the team would like to comment on the following:

- The LED which is PADIET major theme is particularly relevant given the weak links so far between the decentralization process and the promotion of the local economy. Both the NPLD and the PNBG ¹²¹ focus on that theme and on strengthening economic governance; PADIET also appropriately focus on the same issues. To complement this strategy, it would be important to prioritize activities promoting a “pro-poor ” growth, by reference to the SCA. In that regard, a partnership with the Japanese Cooperation could be envisaged, as it plans to implement a approach of “poverty reduction by economic growth ” on the Northern coast line of the country, by strengthening craftsmanship activities and entrepreneurship development in rural areas, a project to improve people’s income around drilling and water facilities in the Louga region and, building organizational capacity of fishermen.
- It would be appropriate to highlight the concept of "competitiveness" in the design of the new program, according to SCA guidelines. The German Cooperation is about to test new approaches based on participatory methodologies for evaluating competitiveness in the Kaolack region, and the future program could pay attention to that.
- If the validity of the “wealth creation" approach through the LED is recognized, it would however be essential to promote a link with the protection, management and valorization of natural resources, in a perspective of more sustainable livelihoods for vulnerable groups. PADIET could be part of the UNDP "Millennium Villages" project which plans to conduct a multi-sectoral intervention in agro-forestry and to provide energy-related services, in order to develop some basic infrastructures. The Centre for Ecological Monitoring¹²² could be a partner in that area.
- The objectives assigned to PADIET should be more explicitly consistent with the UNDAF Program Effects (UNDAF effect 1) such as:
 - Program Effect 1.1: “A strong improvement of national productive capacity in terms of competitiveness, products quality, value added, creation of qualified jobs and investments in the UNS focus areas” (MDG 1: reduction of extreme poverty and

¹²¹ This program include six components: improving the quality of public service; local governance; economic governance; judicial governance; improving the quality of parliament work, and; developing information and communication technologies.

¹²² *Centre de Suivi Ecologique.*

hunger). So, PADIET could first focus on improving employment for the youth and women, through acquisition of competencies and qualifications and, development of micro, small enterprises and micro-projects¹²³, in reference to the Common Country Assessment. In this area, a partnership with the Japanese Cooperation could also be envisaged.

- Program Effect 1.2: "Increasing income for the poor and vulnerable groups in the UNS focus areas (MDG 1, 3, 6)". PADIET could carry on the implementation of IGA and the promotion of access to micro-finance, by looking for a synergy with the PAREP experience.
- According to the principle of "co-production by players" put forward by the NPLD, it would be important in the framework of a new program to pay attention to capacity building targeting the private sector, especially since this is an essential directive in the National Development Strategy for the Private Sector.
- The deepening of the decentralization process can only continue in parallel with a process of increased devolution. In this context, the new program should explicitly include in its objective of capacity building, the regional and departmental technical services of the State, and encourage the Senegalese government to conduct a more proactive policy in terms of devolution of powers.
- PADIET intends to provide some substantive support to the RDAs, which will indeed be essential to help strengthening their role in economic development and LPP. PADIET could also consider supporting the RDAs in the development of Regional Investment Plans (RIP). Indeed, under the NPLD, the CIB and the LAEF are likely to contribute effectively to the funding of investments through these RIP.
- PADIET might also encourage the principles of local democracy and citizens' control which are endorsed by the NPLD, through an increasing support to the GCO. In this sense, its objective of including tools to promote gender equality should be continued, with particular emphasis on strengthening the participation of women in the decision making process in Local Authorities.
- The team recommends that the formulation of a new program takes fully into account the process of learning from and disseminating the PADMIR experiences (which finalization should, in our view, be subject to a broader consultation), particularly as regards the LPP process.
- PADIET should promote a better coordination with the sectoral policies conducted by the technical Ministries (including Education, Health, Environment), so that the objectives of supporting decentralization and the objectives of sectoral Programs could be mutually reinforced at the local level, with a view to support sectoral approaches (SWAPs).

¹²³ For instance concerning the Millennium Villages Project.

- More specifically, the team suggests that the future program fits into the NPLD, by improving the budget support mechanism to the LA, piloting planning procedures at inter-municipality level and the standardization of current LPP procedures, the coordination of sectoral policies at local level, the development of viable maintenance systems for the infrastructure, the supply economic infrastructure (Markets, abattoirs, truck stops and rural phone systems), continuing to mobilize RCs' own resources (using the SAFIC methodology) and the piloting of new LED approaches; all these elements correspond to the NPLD strategic orientations.
- Finally, the mission recommends that the UNCDF continues its support to the dialogue process on the decentralization policy at national level, on the basis of the competitive advantage developed by PADMIR in this area and its widely admitted role as a "laboratory" of decentralization. A partnership could be considered with the NPLD Executive Secretariat.

As regards more particularly to the geographical areas of a future program, the evaluation team recommends an intervention in the Louga region, located in one of three focus areas of the UNS and which is part of the Thiès-Saint Louis-Matam line where more than half of the Senegalese live. Apart from the Thiès region, this line is characterized by a high level of poverty, low HDI and presents very advanced degradation of natural resources; besides there is also very little support by development partners in these areas

An intervention in the region of Louga would be an opportunity to continue the partnership between the UNCDF, the UNDP and the Grand Duchy of Luxembourg, and to develop a partnership with Spain. In the LED field, synergies could also be envisaged with the EU which is planning for an intervention in the region of Louga, and with the Japanese Cooperation which is preparing to provide support in the fishing and agriculture sub-sectors.

ANNEX 1: TERMS OF REFERENCE

ANNEX 2: PADMIR EVALUATION TEAM PROGRAM

ANNEX 3: PADMIR LOGICAL FRAMEWORK

ANNEX 4: BREAKDOWN OF INVESTMENTS BY SECTOR AND BY VOLUME OF FUNDING (KÉBÉMER AND KAFFRINE)

ANNEX 5: COST OF DEVELOPING THE INFRASTRUCTURES

ANNEX 6: IMPACT OF THE LDF IMPLEMENTATION ON THE RCS' RESOURCES MOBILIZATION CAPACITY

ANNEX 7: REFERENCES

ANNEX 8: LIST OF INTERVIEWS

ANNEX 9: REPORT ON COMMENTS REGARDING THE EVALUATION REPORT