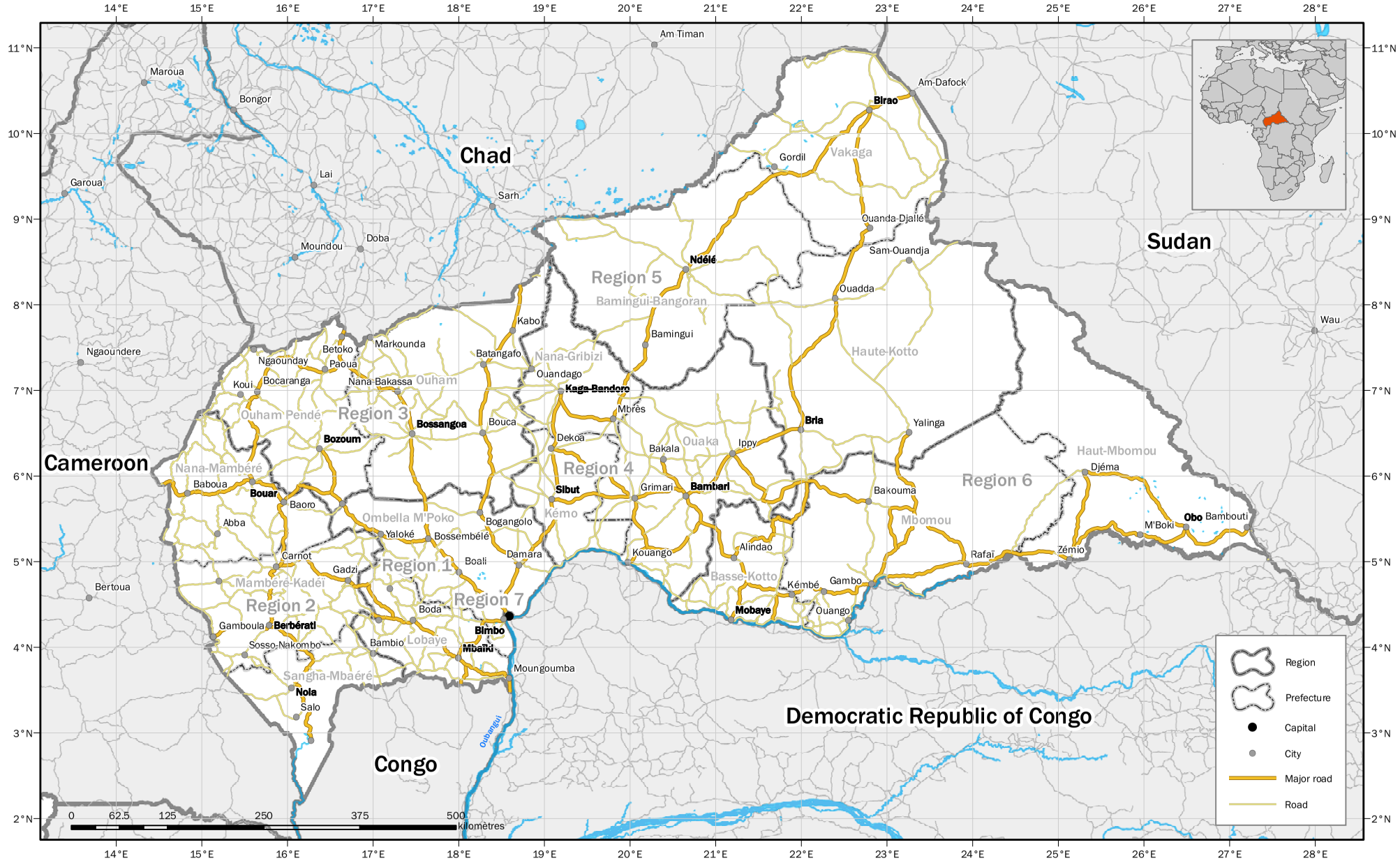
Central African Republic
Unité – Dignité – Travail

PRSP 2008-2010

Poverty Reduction Strategy Paper

Ministry of Economy, Planning and International Cooperation
www.minplan-rca.org

Central African Republic



Source: Bangui University, SIGCAF, GAUL

Central African Republic
Unité – Dignité – Travail

PRSP 2008-2010

Poverty Reduction Strategy Paper

Ministry of Economy, Planning and International Cooperation
www.minplan-rca.org

Foreword

The Central African Republic's national strategy to tackle poverty, launched in 1999 under the name National Poverty Reduction Plan, has come a long way and has evolved over time into a genuine vector for dialogue and the pursuit of social cohesion. We put the finishing touches to a strategy welcomed with relief by the national and international community at a broad national consultation organised on 3 September 2007 during a workshop called the "National PRSP Day". The Minister of Economy, Planning and International Cooperation is therefore pleased to make this strategy available to our country's development partners. This strategy is now considered and acknowledged to be the single framework which serves as a reference for CAR's development activities which focus on tackling poverty.

The revival of this long participative process that has lasted nearly four years has made it possible to secure the involvement of all development stakeholders (populations, non-governmental organisations, civil society organisations, private sector, external partners) both at the regional and national levels. These different phases of consultation were based on a methodological approach and tools that have proved themselves and their effectiveness in many countries. The technical and financial support delivered, especially at critical times, by our most approached and unwavering partners has been highly appreciated.

The institutional steering mechanisms for this exercise (Steering Committee, multi-partner sectoral technical groups, contact and consultation group of technical and financial partners) has contributed effectively to mobilising the nation around this objective. All seven regions of the country were consulted between 2006 and 2007, using a participative and representative survey of Central African regions and populations. These consultations produced relevant information on the aspirations of Central Africans concerning their living conditions, collective and individual interdependences, security, justice, the role of the state, and more generally, governance. This survey, which reinforced the results of community consultations carried out between 2000 and 2006 and quantitative surveys carried out in 2003, has thus made it easier to define poverty and its determinants. It is important to note that the degree of this poverty was strongly affected by the intensity and length of the crises recorded in our country over the last fifteen years, and now poses enormous challenges for recovery; challenges which need to be addressed.

The PRSP, the key instrument for development planning, therefore integrates the demands of post-conflict recovery, whilst at the same time keeping in mind obvious concerns regarding the achievement of the Millennium Development Goals (MDGs). The macroeconomic and sectoral strategies set out in this document were therefore influenced by this dual approach. Similarly, the PRSP has, in terms of operational implementation, placed an emphasis on "quick win" measures to improve the living conditions of the poor and stimulate economic growth. The concept of "development hubs" will be implemented so as to ensure integrated regional development offering development opportunities to the different parts of the territory and their populations.

Due to the weakness of our internal resources, funding for these measures will depend to a large extent on the support of our technical and financial partners. The Central African Development Partner Round Table that will be held in Brussels, Belgium on 26 October 2007 represents an exceptional opportunity to establish new foundations for an active and effective partnership with all these partners.

The notification of our endorsement of the Paris Declaration in 2007 demonstrates the government's desire to implement the reforms needed to improve the conditions for aid management and coordination. Besides the key guiding principles of the said Declaration, the government will place special attention on certain forms of partnership in view of the specificity of CAR, a fragile country that has for a long time remained on the sidelines of the investment flows required for its transformation and development.

Our greatest wish in presenting this document is to show our desire to achieve tangible results over time, in terms of tackling poverty, which will allow Central Africans to see their living environment radically transform itself in a positive way, with determined strides towards economic and social progress.

Sylvain MALIKO
Minister of Economy, Planning and International Cooperation
September 2007

List of Acronyms and Abbreviations

ACDA	Central-African Agricultural Development Agency
ACFPE	Central-African Professional Training and Employment Agency
ADB	African Development Bank
AFD	French Development Agency
APER	Regional Economic Partnership Agreement
AREMIF	Support for Reform of the Ministry of Finance
BEAC	Bank of Central African States
BECDOR	Office of Gold and Diamond Evaluation and Coordination
BONUCA	United Nations Peace-Building Office in the Central African Republic
BTP	Buildings and public works
CAR	Central African Republic
CBO	Community-Based Organisation
CCIMA	Chamber of Commerce, Industry, Mining and Crafts
CDMT	Medium-term spending strategy
CNLS	National Committee for the Fight against AIDS
CNS	National Supervising Committee
CSADN	National Dialogue Acts Monitoring Committee
CSN	National strategic framework
CTP-PAS	Technical Committee with responsibility for Structural Adjustment Programmes
DEP	Director of studies and planning
DFID	UK Department for International Development
DRC	Democratic Republic of Congo
DSF	Defence and Security Forces
ECCAS	Economic Community of Central African States
ECVM	Survey on Household Living Conditions (Urban and Rural)
ECVR	Survey on Living Conditions in Rural Areas
ECVU	Survey on Living Conditions in Urban Areas
EDF	European Development Fund
EMCCAS	Economic and Monetary Community of Central African States
ENERCA	Central-African Energy
EPCA	Emergency Post-Conflict Assistance (IMF)
ESPFD	Economic and Social Policy Framework Document
EU	European Union
FACA	Central-African Armed Forces
FAO	Food and Agriculture Organisation (UN)
FBCF	Basic Training in Fixed Capital
FER	Road Maintenance Fund
FIDH	Human Rights Federation
FOMUC	CEMAC Multinational Force
FOSA	Healthcare Training
GDP	Gross Domestic Product
HCC	High Commission for Communication
HDI	Human Development Index
HIPC	Heavily-Indebted Poor Countries
HPI	Human Poverty Index
ICASEES	National Statistical Institute
ICT	Information and Communication Technologies
IDA	International Development Agency (World Bank)
ILO	International Labour Organisation
IMF	International Monetary Fund
ISRP	Information System for Poverty Reduction
LICUS	Low Income Country Under Stress
MDRI	Multilateral Debt Relief Initiative
MDRP	Multi-Country Demobilization and Reintegration Program
MEPCI	Ministry of Economy, Planning and International Cooperation
MICS	Multi-indicator Study
NEPAD	New Partnership for Africa's Development
ODA	Overseas Development Assistance
OECD	Organisation for Economic Cooperation and Development
OHADA	Organisation for the Harmonisation of Business Law in Africa
ONM	National Materials Office
PAIA	Support Programme for Agricultural Institutions
PAPE	Economic Policy Support Programme
PARPAF	Support Programme for Forestry Management Plans
PCIME	Integrated Care for Childhood Diseases
PEA	Operation and Management Permits
PEV	Expanded Vaccination Programme
PLHIV	People Living with HIV
PNDS I + II	National Healthcare Development Plans
PPCT	Prevention of Parent-Child Transmission
PRAC	Project for the Reintegration of Ex-combatants and Community Support
PRGF	Poverty Reduction and Growth Facility
PRS	Poverty reduction strategy
PRSP	Poverty Reduction Strategy Paper
PWS	Potable Water Supply
RAMICA	Reduction of CAR's Multilateral Arrears
RED	Reach every district
RESEN	Report of the Assessment of the National Education System
RGPH	General Census of Population and Housing
SAA-FTD	Special Allocation Account for Forestry and Tourism Development
SAP	Structural Adjustment Programme
SAR	School Attendance Rate
SCSA	Small Calibre Small Arms
SFFP	Strategic Framework for the Fight against Poverty
SMEs/SMIs	Small and Medium Enterprises/Industries
SNIS	National Healthcare Information System
SOCADETEX	Central-African Textile Development Association
SODECA	State Water Company
SOGAL	Logistical Asset Management Company
SSR	Security sector reform
TFP	Technical and Financial Partners
TOFE	Table of Financial and Economic Operations
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNWTO	World Tourism Organisation
WB	World Bank
WFP	World Food Programme
WHO	World Health Organisation
WTO	World Trade Organisation
XAF	Central African Franc (shared currency of CEMAC)
MDRI	Multilateral Debt Relief Initiative

Table of contents

Executive Summary viii

Introduction 1

I. Current situation

1. Background 5

1.1 Socio-demographic background 5
1.2 Economic and political background 5
1.3 Participatory process in the development of the PRSP 7
1.3.1 Dispositif institutionnel 7
1.3.2 Tools and methodologies 7
1.3.3 Work carried out and results 8

2. Diagnosing Poverty 10

2.1 Profile of poverty 10
2.1.1 Perceptions of poverty 10
2.1.2 Profiles of poverty 11
2.1.3 Monetary poverty and households' socio-demographic characteristics 14
2.1.4 Monetary poverty, jobs and household incomes 15
2.2 Determinants of poverty – a summary 16

II. Vision, strategic orientations and macroeconomic and budgetary framework

3. Vision, strategies and priority action to reduce poverty 21

3.1 Long-term vision 21
3.2 Reconstruction strategy and relaunch for poverty reduction 21
3.3 Poverty reduction sectoral strategies and priority initiatives 22
PILLAR 1: Restore security, consolidate peace and prevent conflict 23
PILLAR 2: Promote good governance and the rule of law 28
PILLAR 3: Rebuild and diversify the economy 34
PILLAR 4: Develop human capital 54
Anticipated outcomes of the pillars 63

3.4 Development centres: an option for government 63
3.4.1 A novel, spatial option to mobilise in the fight against poverty 63
3.4.2 Motivational centres within a more confined area 64
3.5 Reducing poverty by targeting MDGs 64

4. Macroeconomic and budgetary framework 67

4.1 A stable macroeconomic framework for growth and poverty reduction 67
4.2 Prudent scenario (expresses current tendencies) 68
4.3 Dynamic scenario 70
4.3.1 Goals of the scenario 70
4.3.2 Assumptions 70
4.3.3 Changes in public spending 72
4.3.4 Results expected from the dynamic scenario 73
4.3.5 Mobilisation of resources 73
4.3.6 Planned reforms 73

III. Mechanisms for implementation, monitoring and evaluation

5. Mechanisms for implementation, monitoring and evaluation 77

5.1 Implementation of the PRS 77
5.1.1 The actors 77
5.1.2 The responsibilities 77
5.1.3 The procedures 77
5.1.4 Participatory approach to the implementation of the strategy 78
5.2 Monitoring the PRS 78
5.2.1 The institutional plan 78
5.2.2 The PRSP's national steering committee 79
5.2.3 The Government/Donor Liaison Committee 79
5.2.4 The National Supervisory Committee for the PRSP's work 79
5.2.5 National Technical Coordination of the PRSP 80
5.2.6 Sectoral Committees of the PRSP 80
5.2.7 Prefectoral Committees 80
5.2.8 The poverty-reduction information system (PRIS) 80
5.3 Evaluation of the PRS 82
5.4 Essential tools for monitoring and evaluation 83
5.5 Strategies to back up the PRSP system of monitoring and evaluation 83
5.6 Implementation strategies and HIPC resource management system 83
5.7 Data collection plan 84

6. Constraints, issues at stake and risks 85

6.1 Political constraints and risks 85

6.2 Governance-related constraints and risks 85
6.3 Economic constraints and risks 85
6.4 Constraints on the mobilisation of external resources 85

Conclusion 86

Bibliography 87

Appendices 93

Boxed text

Box 1: Bodies of the SFFP institutional framework 8
Box 2: Principal work conducted 9
Box 3: Some perceptions of poverty from the survey 10
Box 4: Instruments of commercial policy in CAR 52
Box 5: A projection model for the PRSP 68

Tables

Table 1: Indices of poverty by area (urban/rural) and region, and Gini coefficients 12
Table 2: Routes for opening access to neighbouring countries 45
Table 3: Likelihood of achieving the MDGs in CAR 65
Table 4: Bringing cross-sectoral coherence to the PRSP for CAR - prudent scenario 69
Table 5: Bringing cross-sectoral coherence to the PRSP for CAR – dynamic scenario 71
Table 6: Public spending planned under the dynamic scenario, and sources of finance 72
Table 7: Multi-year plan for statistical operations and surveys 84

Figures

Figure 1: Priority problem areas identified by the participative survey 11
Figure 2: Map showing incidence of monetary poverty 13
Figure 3: Incidence of poverty of living conditions 14
Figure 4: Main transport arteries connecting to neighbouring countries 46
Figure 5: Schema of the poverty reduction strategy 63
Figure 6: Institutional arrangements of the implementation of monitoring and evaluation of the PRSP 79
Figure 7: Relationships between the various sub-systems of the plan 82

Executive summary

Poverty is a very real phenomenon in the Central African Republic (CAR), where 2,618,000 people (67.2% of the population) lived below the national poverty line in 2003. These figures represent 72% of people living in rural areas, and 59% of the urban population.

In recent decades, CAR has experienced a period of political instability marked by recurrent internal conflicts that have severely shaken the country's economic and social fabric. All the social and economic indicators point to a sustained deterioration in conditions in the country. The political changes of March 2003 brought new national aspirations in their wake, which stimulated a period of transition marked by (i) the organisation in September 2003 of a national dialogue bringing together all political parties and civil society organisations, with the aim of setting an agenda for the country's political, economic and social institutions; (ii) the adoption by referendum of a constitution in December 2004; and (iii) the holding of free and transparent parliamentary and presidential elections in March and May 2005, together with the setting up of legal institutions.

Return to constitutional order enabled the government to present its Déclaration de la politique générale (General Policy Statement) in August 2005, which emphasised the need to (i) consolidate peace and security; (ii) strengthen economic reforms and the macroeconomic framework; and (iii) restore basic infrastructure and public services. These priorities reflect those of the interim Poverty Reduction Strategy Paper (PRSP) published in 2001. With a view to stimulating a reengagement with CAR on the part of the international financial community – and in particular to encourage the writing-off of debt arrears, the normalisation of relations with lenders, and a mobilisation of resources – the government produced, in the absence of a final PRSP, a three-year Framework Document on Economic and Social Policy (FDESP) covering the period from 2006 to 2008, which was accompanied by its own operational matrix. Adopted in November 2006, the FDESP has enabled the World Bank and the African Development Bank to develop a common strategy of reengagement in, and support for, CAR.

Thanks to the restoration of relations with the international business community and the renewal of external backing, CAR devised and implemented some bold economic reforms against a social context marked by worsening poverty. The aim of these reforms was to improve the performance of the economy and public finances so as to create favourable conditions to get sustainable development back on track towards meeting the aim of reducing poverty by half by 2015. On the basis of 'Draft 00' of the PRSP, which was adopted in July 2005, the government has strengthened its participatory processes through in-depth consultations. Open consultations, involving non-governmental organisations (NGOs), civil society organisations, the private sector, external partners and private citizens, made it possible to finalise the strategy for the fight against poverty, the aims of which tally closely with the 2015 targets of the Millennium Development Goals (MDGs).

Consultation mechanisms have been set up centrally, regionally and locally in order to promote participation and ensure that all parties keep to the strategy and adopt it. In order to achieve full representation, all seven regions were involved in the consultation process. In the light of recent conflicts, a dialogue was initiated with a view to ascertaining people's aspirations with regard to living conditions, collective and individual allegiances, security, corruption, human rights and the role of the state. A nationwide enquiry conducted as part of this process has complemented the community consultations and quantitative surveys in order to improve our understanding of the determinants of poverty in the country.

These investigations show that four serious problems affect the well being of local people, increasing their vulnerability. These are: (i) insecurity, recurring crises and conflicts, and a lack of trust between those in government and those governed; (ii) poor governance (unhelpful legal and regulatory environment, inadequate political and legal systems and public finance management, failures in political organisation and administration, and lack of attention to gender concerns); (iii) low income levels and weak economic growth; and (iv) poor quality and inefficiency in the management of social policy.

Despite great natural potential (a dense hydrographic system, large forested areas and huge mineral resources), the country has been set on a downward spiral of regression, with alarming economic and social indicators. Gross domestic product (GDP) per capita declined from an average of US$ 280 between 1980 and 1985 to US$ 260 between 1995 and 2001. The Human Development Index (HDI) deteriorated considerably between 1990 and 2006, placing CAR among the bottom five countries on a global scale. The level of public development aid has seen a five-fold reduction in the space of a decade. Life expectancy at birth continuously declined by six months per year over ten years. The prevalence of HIV/AIDS is among the highest in the region.

The poverty reduction strategy devised by the government aims to sustainably reverse these negative trends. Since the worsening of poverty has been fed by periods of crisis, conflict and instability, it is vital that the fight against poverty should rest

upon the two following principles: (i) the creation of wealth through institutional capacity-building and the strengthening of human capital, and the integration of the poorest people into the productive polity through good governance and the restoration of security; and (ii) the improvement and expansion of basic public services, through a participatory approach towards implementation, follow-up and assessment of the execution of the PRSP.

This strategy is expressed by means of the following four strategic pillars:

1. restoring security, preventing conflict and consolidating peace, with the aim of material and human capacity-building of the Defence and Security Forces (DSFs) as well as the reform, restructuring, geographical reorganisation and participatory transformation of the security sector;
2. promoting good governance and the rule of law, strengthening political and legal systems, improving economic governance and local government and promoting gender equality;
3. renewing and diversifying the economy by means of macroeconomic stabilisation, rural development, transparent and efficient exploitation of natural resources, promotion of tourism and cottage industries and development of infrastructure to support production;
4. developing human capital, including the promotion of education (particularly basic levels I and II of the local system), employment, access to healthcare services and the fight against HIV/AIDS.

In operational terms, programmes and projects are developed under the direction of sector-based departments around each pillar. Each sector's strategy is aimed at improving the management of affairs of state, the business environment, basic economic infrastructure and general living conditions.

The continuation of sound macroeconomic policies, with the support of the Bretton Woods institutions, is an essential requirement. This should encourage a fresh start and engender dynamic, continued growth, sustained by increasing investment in the forestry, energy and mining sectors. Massive public investment in infrastructure and production-support facilities is essential.

The minimum overall amount required for this strategy is XAF 750 billion (US$ 1.5 billion). The increase in the state's contribution will produce, firstly, better mobilisation of public revenues and, secondly, a review of public spending. Concessions granted by creditors at the Club de Paris, and the expected benefits of attainment of Heavily Indebted Poor Country (HIPC) Decision Point (HIPC status has thus far not been achieved), with the envisaged invigoration of engagement by multilateral financing institutions and bilateral partners that would be concomitant with such a decision, should establish the active commitment of the international community. The Development Partner Round Table scheduled for October 2007 can be expected to facilitate a genuine application of this new engagement, particularly since it will be guided by the broad thrust of the national strategy for the fight against poverty. The expected direct effects of implementing this strategy, sustained by the reconstruction effort, will be an advance in the growth rate from 8.5% to 11.4% with the level of public spending advancing from 17.8% to 24.7% of GDP over the period from 2008 to 2010, and a greater impact on poverty, with a reduction of more than nine per cent (from 67% to 58% of the population) between 2003 and 2010.

Implementation of this strategy will involve all stakeholders in the Central African Republic’s development, and the government will undertake major training and supervision programmes in order to facilitate better monitoring. In addition, the state will engage in a permanent dialogue with the private sector in order to consolidate the latter’s involvement in implementation, and ensure better coordination of external aid for greater effectiveness in combating poverty. It is by these measures – and by the extent to which improvements achieved by the development centres are evenly spread between all regions – that success (and the restoration of trust among the participating parties, especially between the people and the private sector) will be judged.

Introduction

The Central African Republic's socioeconomic situation is so alarming that, in seeking solutions, the government has taken as broad a view as possible to achieve its perspective on the challenges faced. In so doing, it has made a commitment to the implementation of a poverty reduction strategy (PRS) in accordance with the assistance initiatives instituted by the Bretton Woods institutions and other development partners such as UN agencies and the African Development Bank (ADB). This entails the development of an inclusive and far-reaching strategy in the form of the PRSP – which will be the road map and referential framework for future work by partners – and the creation of the conditions necessary to guide the country towards Heavily Indebted Poor Country (HIPC) Decision Point, and eventual HIPC status.

The human development challenges are enormous. The country is landlocked, huge and sparsely populated. It is thought to be one of the poorest in the world, being placed 172nd out of 177 countries in 2006 by the United Nations Development Programme (UNDP)'s Human Development Index (HDI), and last among the countries of the Economic and Monetary Community of Central African States (EMCCAS) sub-region. According to the survey of household living conditions in rural and urban settings carried out in 2003, 67.2% of Central Africans (i.e. 2,618,000 people) live below the monetary poverty line. The regions most severely afflicted by this blight are principally those that experienced violence during the period of deep-rooted troubles that affected the country.

The Central-African economy is essentially agriculture-based, though some of the country's wealth comes from exploiting forestry and mineral resources. With the decline of the agricultural system, which employs most of the country's inhabitants, Gross Domestic Product (GDP) per capita has declined relentlessly since the 1990s, despite the implementation of adjustment programmes. The other reforms undertaken thus far have failed to deliver the hoped-for effects on the economic and social circumstances of the population. Moreover, the crises of the last two decades have greatly undermined the state's ability to mobilise external support in order to implement an effective development policy. With a tax burden below 10% of GDP and a greatly shrunken tax base, domestic resources are no longer adequate to achieve even the bare minimum of development, and excessive public debt constitutes a real burden, particularly given the drying-up of outside aid.

With the reengagement by the international community towards the end of 2006 after ten years of disengagement, the World Bank and the African Development Bank (ADB) adopted a common strategy to support CAR. Moreover, the International Monetary Fund (IMF) has finalised a Poverty Reduction and Growth Facility (PRGF) with the government, following the second post-conflict programme. These programmes bolster the reforms undertaken by the Central African authorities in order to consolidate peace, security, and national reconstruction, and should therefore draw upon the PRSP. They open a new era for a vigorous, fresh economic start, based upon agriculture, mining and forestry – opportunities for which are abundant in the country.

In view of these new opportunities, and particularly in view of the responses to external debt envisaged under the HIPC initiative, the government has committed to developing its strategy for growth and poverty alleviation in line with its ambitions for national reconstruction. Several aspects of the current Central-African environment give us realistic grounds for optimism, especially in the mining, energy and telecommunications sectors, where announced investment will radically change the face of the private sector. Moreover, exploitation of the tremendous potential in forestry, with the recent issuing of new permits, forms a further argument for revising the projections for the economy. However, all of this will produce the desired impetus for growth only in a secure environment in which good public governance is the norm and in which basic infrastructure has been urgently renovated. Such an environment will promote expansion of activities in the cottage-industry, agricultural and informal sectors in which most poor people are engaged, leading to sustainable improvements in living conditions.

The government's vision is informed by this view. It is expressed in this document according to four main areas for action or pillars, which were identified following a wide-ranging participatory consultation among regional councils, private citizens and various tiers of society. The pillars are aimed at tackling the major challenges posed by the tasks of economic regeneration and poverty reduction, namely (i) bringing cohesion to the country and preventing conflict; (ii) promoting good governance and the rule of law; (iii) rebuilding and diversifying the economy; and (iv) developing human capital.

This PRSP is presented three parts. The first part addresses the socioeconomic background and examines the problem of poverty in CAR. The second elaborates the government's vision as well as its strategies in each sector. These are structured according to the PRSP's four pillars, the cost of implementation and the implied changes to the picture of growth within a coherent and balanced macroeconomic and budgetary framework. The third and final part addresses the institutional framework necessary for monitoring the implementation of the PRSP, and for assessing the strategy's impacts on living

conditions for the inhabitants of CAR, in the perspective of the quest to achieve the Millennium Development Goals (MDGs). The concluding part of the document outlines some risks and constraints linked to circumstances in the country during the implementation period of the PRSP, i.e. from 2008 to 2010.

I. Current situation

1. Background and preparation of the PRSP

This first chapter introduces the economic and social context against which the PRSP has been written, and provides a survey of the methodological procedure underpinning the document. Since the PRSP is designed as a stand-alone development dialogue and reference source, it is essential that all the national and international stakeholders should be involved in it.

1.1 Socio-demographic background

The Central African Republic is a landlocked country, extending over an area of almost 623 000 km². The size of its territory has not been conducive to an opening up of the interior, probably due to the country's low population density, with the few overpopulated areas being deprived of vital infrastructure (roads, electricity, water, telecommunications, etc.).

According to the General Census of Population and Housing (RGPH 03), the country has a population of 3,895,139, 50.2 % of whom are women. The country is sparsely populated and the population is unevenly distributed, ranging from one person per km² in Region 5 (Haute Kotto, Bamingui Bagoran and Vakaga), to 9,295 per km² in Region 7 (Bangui), with a national population density of 6.3 people per km².

The age structure reveals a very young population: 49.4 % of the population is aged below 18, of whom 50.1% are boys and 49.9% girls; 38% of men and women are aged between 20 and 59 and 4% are older than 60. The two extremes of the population, the youngest and oldest, represent age-related social problems, which give rise to major requirements, especially in the fields of education, jobs, health, housing, leisure, social security, etc.

The high proportion of young people in the population is a source of both opportunities and risks. It could afford the country potential for growth and poverty-alleviation – providing its youth is in good health and is well educated. To the challenge of providing employment for young people, we must add that of HIV/AIDS, whose demographic impact is highly visible among the youngest age groups.

People are leaving the countryside due to declining agricultural output, lack of jobs and inadequate access to basic physical and social infrastructure (roads, street lighting, water distribution, and removal and processing of waste). A particularly high proportion of the population is to be found in Bangui (622 771 inhabitants, i.e. 16% of the population); the urban population is concentrated on Bangui and Bimbo. Urban expansion is accompanied by increasing and chaotic urbanisation, with serious problems relating to urban management (housing, sanitation, pressure on basic public services, etc.) and the environment (pollution etc.).

The populations is characterised by high fertility rates, the salient features of which are sexual precocity and long reproductive life. The average Central-African woman brings 5.1 children into the world. The figure is higher in the rural setting: 5.4 children per woman, versus 4.7 in urban areas. Girls aged 12-19 give birth on average to one live child by the end of their adolescence. They are thus exposed to unwanted pregnancies and to the risk of mortality and maternal illnesses such as fistula. Furthermore, sterility is still a major concern, especially among the people in the east of the country, notwithstanding the considerable decline recorded between 1988 and 2003 (26% in 1988, against 10.2% in 2003).

1.2 Economic and political background

In recent years, CAR has suffered from political instability and endured recurring internal conflicts. Thus, even though it is endowed with great natural potential (dense hydrographic system, large forests, and huge mineral resources), it has alarming economic and social indicators. GDP per capita declined from an average of US$ 280 over the 1980-85 period to US$ 260 over the 1995-2001 period, and the HDI fell by 5% between 1990 and 2003, putting CAR among the bottom five countries worldwide. The prevalence of poverty has increased, with a particularly high concentration of poor people in rural areas.

The political changes of March 2003 brought new national aspirations in their wake, which stimulated a period of transition marked by (i) the organisation in September 2003 of a national dialogue bringing together all political parties and civil society organisations, with the aim of setting an agenda for the country's political, economic and social institutions; (ii) the adoption by

referendum of a constitution in December 2004; and (iii) the holding of free and transparent parliamentary and presidential elections in March and May 2005, together with the setting up of legal institutions.

The return to constitutional order marked by acceptance of the outcome of democratic elections by all participating parties and the transfer of power to legal institutions in accordance with the recommendations of the national dialogue (supreme court, constitutional court, parliament, government etc.), favoured the onset of a calmer political climate and consolidation of democracy, and opened up improved prospects for national reconstruction and the fight against poverty.

To structure its work, the government presented a Déclaration de la politique générale (General Policy Statement) to the National Assembly in August 2005, stressing the need to (i) consolidate peace and security; (ii) strengthen economic reforms and the macroeconomic framework; and (iii) rebuild basic infrastructure and public services.

It should be noted that the process of implementing the 2001 PRSP has been hindered by serious shortcomings, particularly financial. The main source of finance for the process identified at the time, namely the Economic Policy Support Process (PAPE) loan by the World Bank, was suspended in January 2002 due to CAR's mounting debt arrears. The governmental initiative did not receive any substantial financial aid due to the suspension of payments by the international financial community from 2002, largely due to outstanding external debt arrears. However, the UNDP and specialist agencies of the United Nations honoured their commitments to deliver humanitarian initiatives and assistance.

Actions by the World Bank can be summarised as follows:

- a grant to support the national programme for disarmament, demobilisation, and reintegration (DDR) of over 7,500 combatants into civilian life and economic activity, to the value of 10 million dollars;
- two grants of 6 million dollars each (Low Income Country Under Stress [LICUS] I and (ii) earmarked for improvements to public finances, strengthening of institutional capacity within economic and financial administrations, and supporting the provision of basic public services to those in most need.

The IMF approved two Emergency Post Conflict Assistance (EPCA) loans to CAR starting from July 2004. These are intended to resolve the chronic public finance problems – particularly low tax revenues and the ineffectiveness of spending controls – as well as to address the weakening of institutions and the problem of corruption in public administrations.

Whilst awaiting completion of the PRSP, the government decided – with the agreement of its partners – to draft a three-year Framework Document on Economic and Social Policy (FDESP) covering the period from 2006 to 2008. This was accompanied by an operational matrix designed to structure its work and to give direction to the reengagement of the international financial Community with CAR, with a view to encouraging the writing-off of debt arrears, the normalisation of relations with lenders, and a mobilisation of resources. To mark their support for the FDESP, the World Bank and African Development Bank adopted a joint strategy for reengagement with CAR in June 2006.

As part of this reengagement, in November 2006 the World Bank made a grant of US$ 75m in the context of a programme of reforms. This grant made it possible to discharge CAR's debt arrears to the World Bank (US$ 60m) and ensure the servicing of debts until achievement of HIPC Decision Point (US$ 8m), as well as providing budgetary aid of 7 million dollars.

Furthermore, these joint efforts by the World Bank and African Development Bank have facilitated the mobilisation of resources to discharge debt arrears, with help from a group of amicable countries.

In 2007, the World Bank's board of directors approved two emergency programmes:

- an US$ 18m scheme for emergency infrastructure and urban services with three components: water, sanitation and the collection of household waste;
- a US$ 17m programme to fight HIV/AIDS (loan approved in 2001), restructured with the reallocation of approximately US$ 10m to finance urgent work in the education and health sectors;
- a substantial contribution aimed at supporting the ADB and European Union's joint efforts to finalise financing of the key endeavour to open up Bouar – Garoua Boulaï to the outside world.

In December 2006, the IMF approved a three-year programme (2007-2009) backed up by a Poverty Reduction and Growth Facility (PRGF) amounting to US$ 54.5m, intended to consolidate good public finance management, improve the business environment and normalise financial relations with sponsors. A large proportion of the resources secured at this first stage has been earmarked for settlement of debt servicing for 2007.

On the basis of the restoration of financial relations and outside support, CAR decided to put in place an economic and social policy that is to likely significantly improve socioeconomic performance, and to put the country on the road to sustainable human development with the goal of reducing poverty by half by 2015.

On the strength of the encouraging results of the 2005 governmental seminar to examine the first PRSP project, the government undertook to strengthen the participatory process needed to complete the preparations for its poverty-fighting strategy, based upon sustainable growth that is both equitable and oriented towards meeting the needs of poor people, closely in line with the 2015 Millennium Development Goals (MDGs).

1.3 PRSP participatory drafting process

This PRSP was developed using a participatory approach designed to achieve genuine involvement by all stakeholders. Workshops were organised for the various working groups, focussing particularly on training in methodology, making it possible to strengthen the competence of the participating parties and to involve all of the country's seven regions in the process of formulating the PRSP. Consultations on development priorities and the strategic orientations involved various strata of the population. The purpose of all these measures is to work towards broader participation in the affairs of state and the governance of local communities.

1.3.1 Institutional arrangements

In order to coordinate and guide the work of the various participating parties in formulating the PRSP and Strategic Framework for the Fight against Poverty (SFFP), the government has instituted[1] an arrangement comprising an inter-ministerial monitoring committee, an SFFP steering committee, a permanent technical secretariat, and regional and local committees. Nine working groups have been set up which form, together with the permanent technical secretariat, the support structures required to carry out the steering committee's work.

These various working and study groups are made up of representatives of the administration, parliament, civil society organisations, non-governmental organisations (NGOs), the private sector and partners in development. Thus, all the stakeholders in the country's development have been given their say on the conduct of the SFFP process, and these opinions and comments were taken into account in the final document.

1.3.2 Tools and methodologies

The participatory approach was organised using various methods, as follows:

- participation by decentralised administrative entities, rural communities and local communities in the process, achieved by means of local and regional workshops;
- organisation of quantitative surveys examining the living conditions of households in both rural and urban settings in 2003 in order to better target the strategy towards the needs of poor people;
- the organisation of a qualitative survey of perceptions of poverty throughout the country;
- the organisation of seminars, workshops, and meetings on specific topics with all or some of the partners involved, at the various stages of the process;
- use of the media (radio, press and television) to produce monthly press bulletins, round tables, radio and TV broadcasts, and publications about the SFFP's work.

At different stages of the SFFP's development, various tools have been used to arrange debates, reach more distant audiences and to gather wide-ranging opinions.

[1] Ministerial decree no. 021/2004 of 19 March 2004, amending and supplementing Decree no. 008/2001 of 26 April 2001 concerning the setting up of the technical committee to guide the process of development of the Strategic Framework for the Fight against Poverty (SFFP).

Box 1: Bodies of the SFFP institutional framework

Inter-ministerial monitoring committee

The committee for monitoring macroeconomic and structural reforms was set up by Decree no. 95.183 of 23 July 1995. It is responsible for the work of the Permanent Technical Committee with responsibility for Structural Adjustment Programmes (CTP-PAS). Reporting to the Council of Ministers, this decision-making committee gives direction to the SFFP's steering committee.

Steering Committee

This body comprises representatives of all parties taking part in the drafting of the SFFP. This includes the structures and other institutions of the government, the private sector and civil society organisations. Particular attention has been paid to the representation of women in the various bodies involved in the committee.

Permanent Technical Secretariat

A support structure for the steering committee, the secretariat organises and ensures follow-up of the committee's work at meetings or workshops, and is also responsible for the committee's relationship with the working groups.

Working Groups

These are technical bodies that support the Steering Committee, working in close cooperation with the SFFP's permanent technical secretariat. Nine working groups have been set up in order to implement the directions initially adopted in the interim SFFP and to ensure that sectors identified for priority intervention by the stakeholders – and particularly by groups of citizens – are respected.

Regional and local committees

These are constituted on the same basis as the Steering Committee, with working groups, an office and a secretariat. They act at the local level, on the basis of the immediate local situation.

1.3.3 Work carried out and results

The main work conducted is summarised in Box 2.

The regional workshops on the SFFP discussed therein achieved the capacity:

- to take account of regional specificities in the SFFP's strategies;
- to structure the SFFP's work with development programmes by regional and local Committees, and with prefectoral and communal councils;
- to mobilise affected rural communities to support the process by means of community-level relay structures.

The participatory process underlying strategy formulation has enabled expansion of the framework for dialogue to include all stakeholders, and also enabled the general public, including vulnerable groups, to take part in identifying priorities and in setting strategic goals.

Box 2: Principal work conducted

In 2002:

- several briefing and awareness-raising missions conducted amongst people living in the hinterlands;
- an open day on the SFFP at the parliament; and
- a seminar for the validation of data and the setting of an agenda for further studies.

In 2003:

- three workshops to validate the terms of reference of the sector specific action plans;
- workshops to prepare sector based action plans and agree the methodological approach of consultants and members of topic based groups in charge of those plans;
- workshops to monitor the drafting of sector based action plans;
- workshops to validate sector based action plans,
- workshops to ensure the coherency of sector based action plans across the departments; and
- a 'food basket' workshop for the purpose of redefining the poverty line.

In 2004:

- workshops to the re-launch the process;
- workshops to produce rational frameworks for the sector based plans;
- a briefing and awareness raising workshop for senior politicians and civil servants of the Presidency and Primature;
- workshops on methodology training to define and select indicators for the implementation, monitoring and evaluation of the SFFP;
- technical workshops and meetings to confirm poverty profiles in both urban and rural settings; and
- a workshop to confirm urban and rural poverty profiles.

In 2005:

- two regional workshops, one in Berberati (February) and one at Bambari (May), in Regions 2, 3, 4, 5 and 6, with a view to involving them in the process of formulating and implementing the SFFP. These workshops enabled peasants, tradesmen, artisans, young people, women, civil servants, members of social organisations and private sector employees to voice their views via representatives, which were then taken into account in the formulation of the SFFP; and
- a workshop to corroborate the substance of the SFFP sector based matrices and strategies, as elaborated at Boali in two workshops, arranged in May and June, involving the development partners (the United Nations Development Programme [UNDP], the United Nations Population Fund [UNFPA], the Food and Agriculture Organisation [FAO], the United Nations Children's Fund [UNICEF] and the World Food Programme [WFP]).

Between 2006 and 2007:

- a national survey on the perception of poverty in CAR was conducted. It enabled people to express their main concerns relating to development, and their understandings of the concept of poverty: the definition of poverty, its indicators, and strategies to put in place for escaping from poverty.

2. Diagnosing poverty

The primary objective of the poverty reduction strategy is to find a comprehensive solution to the decline in well-being among CAR's people. Given the longstanding problems faced by the country's population, reduction of poverty is no easy task. In order to fight it effectively, it is vital to agree on its definitions, extent and regional variations, as well as its underlying causes. People's perceptions of the phenomenon of poverty are a further decisive factor in setting the direction of public policy. The following diagnosis of poverty[2] is based primarily on the monetary income approach, taking account of all available data. It is the result of two surveys into living conditions of households in both urban and rural settings, carried out with the technical and financial support of the UNDP in 2003, supplemented by a participatory survey financed by the World Bank in 2006.

2.1 Profile of poverty

2.1.1 Perceptions of poverty

The study of people's perceptions of poverty throws some useful light on the analysis of the phenomenon itself. The notion of poverty refers to a norm; an implicit or explicit standard of living, with an absolute or relative benchmark for a given society. In CAR, a participatory survey enabled us to gather public opinion on the phenomenon in order to lend real substance to its definition.

Box 3: Some perceptions of poverty from the survey

For the citizens of CAR, poverty is "the inability of an individual to meet his/her essential needs". They expressed their understanding of poverty ably and clearly in the following definition: "Poverty is defined by the total lack of all those things that contribute to well being: it's the condition wherein a person has no money and lacks the means to take proper care of himself. It's when your life is harder than that of other people, when you don't have food, and access to life's essential resources is difficult."

According to the results of this survey, poverty is characterised by ten priority problems with which people are confronted: poor governance, problems related to insecurity, low income, poor quality of education and training, health problems, corruption, unemployment, lack of opportunities, lack of drinking water, absence of capacity-building policies, and environmental problems.

The problems given priority here are those assigned the highest scores with regard to their decisive influence and undesirable impacts on people's living conditions. They have been identified on the basis of statements made by survey participants, in both group and one-to-one consultations, in all regions of the country.

Figure 1 below clearly highlights the three major issues seen as having the severest impact on living conditions – poor governance, insecurity or absence of peace, and low income.

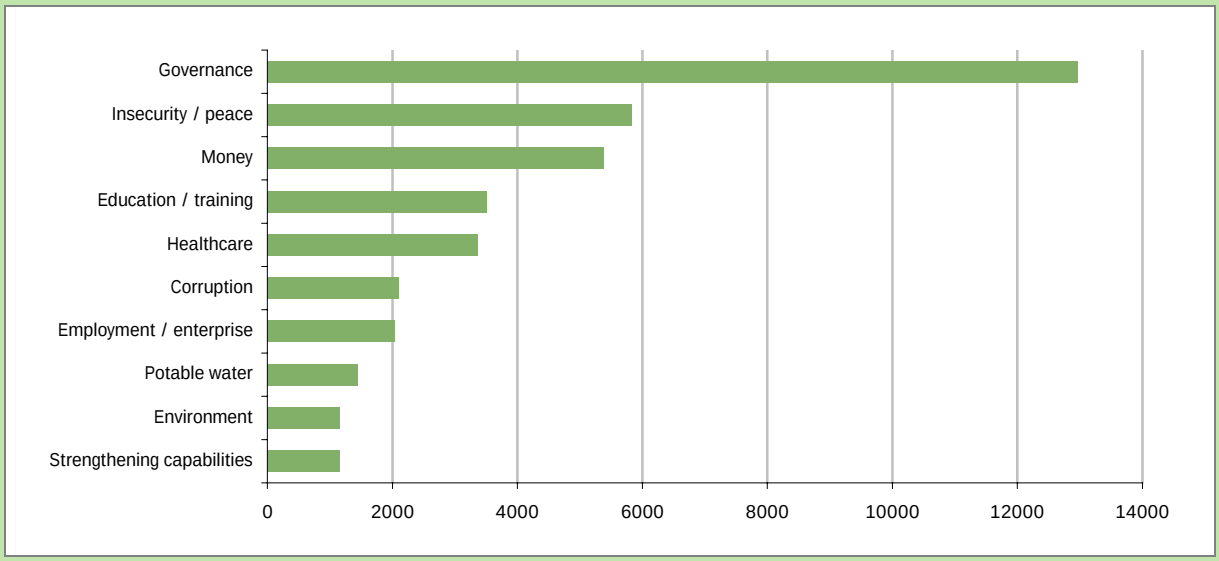
(i) **Poor governance** is given highest priority by a very wide margin in all reports by the participatory consultations, from groups and individuals alike, regardless of the geographical or social make-up of the group of participants. The main complaint cited in this respect is the abuse of power by authorities or state officials in various regions of the country, yet the interpretation of this preoccupation could be based upon deficits in social and administrative services that are unavailable or inaccessible due to the difficulties in asserting the state's presence among its citizens.

(ii) **Problems associated with insecurity or lack of peace** are the next priority. Insecurity is an issue frequently raised by those taking part in the interviews held, and appears to be a major preoccupation, regardless of setting or region. However, security-related problems do not appear to be purely the consequence of recent conflicts in the country, but are also connected with the deterioration in living conditions and decline in social values. This is manifestly why this

[2] *Profil de pauvreté en RCA*, World Bank, April 2007.

issue is raised even in areas not directly affected by violent conflict. The main manifestations of insecurity mentioned are instances of urban banditry, illicit road blocks and extortion at such blocks.

Figure 1: Priority problem areas identified by the participative survey



Source: SFFP Technical Committee

(iii) **Low incomes**. Two main issues were raised in this respect: poor circulation of money within the country and difficulty in accessing small loans. The position on the scale of this third aspect might seem surprising, since a low or nonexistent income is what is traditionally classed as poverty. However, in CAR such surprise should be tempered by taking account of the country's recent history, punctuated as it has been by crises and conflicts. It remains true that the present poverty reduction strategy needs to be directed towards promoting good governance and restoring security, whilst simultaneously promoting activities that will generate income for the poor.

These issues reflect well the concerns of the people as gleaned from the participatory consultations conducted at the first phase of the process of drafting the PRSP; they therefore need to provide the foundation for the poverty reduction strategy in the Central African Republic.

2.1.2 Profiles of poverty

The process of producing a profile of poverty calls for familiarity with three components: an indicator of well-being, a line or threshold of poverty and measures of poverty. The indices of poverty used are the three 'FGT' indices[3]: prevalence, depth and severity of poverty. In the present PRSP, the financial approach to poverty will be elaborated in detail, whereas approaches using living conditions and human poverty will merely be sketched out.

Monetary poverty

Using a financial definition of poverty, an individual is poor when his/her income (or spending) falls below a specified threshold (the 'poverty line'). According to the traditional method, spending per adult equivalent[4] is taken as the indicator of well-being. As far as the poverty line is concerned, this is estimated using the method of the costs of basic needs. This calculation produces a 2003 national poverty line of XAF 156,079 (US$ 312) per year per adult equivalent.

On the basis of these figures, it is clear that poverty is widespread in CAR. Over two-thirds of the population (67.2%, i.e. 2,618,000 people) lived below the national poverty line in 2003. The poverty is also profound, since the average deviation below the national poverty line is 32.3%, corresponding to a consumption deficit in the order of 48%. In other words, it would therefore be necessary to raise the level of consumption by poor people by 48 % in order to lift them out of monetary poverty.

Geographical analysis of poverty shows that no area is spared this phenomenon, although poverty is less acute in Bangui. Half the population of Bangui is classed as poor. The capital is home to 16% of the country's population, and around 12% of its poor

[3] Foster, J., J. Greer and E. Thorbecke (1984), "A Class of Decomposable Poverty Measures", Econometrica, 52(3): 761-766.
[4] Consumption by an adult male is taken as reference. That of an adult female is assumed as equal to 80% of the reference, and that of children 50%.

people. Around 60% of urban people are poor. By contrast, rural areas have a poverty rate of close to 72%. With a demographic weight of 62% of the country's population, rural areas contain nearly two-thirds of the poor. The heavy concentration of the poor in the countryside is a result of the combination of a higher poverty rate and a higher proportion of the total population.

The regional analysis of poverty shows that Regions 3, 4 and 6 have poverty rates higher than the national average (cf. Figure 2). Region 3 (the country's second most densely populated region) alone has over a quarter of the poor population. Region 2 (the most densely populated) has slightly over one-fifth of the poor.

Table 1: Indices of poverty by area (urban/rural) and region, and Gini coefficients

	P0 - Poverty incidence (%)	P1 - Poverty gap (%)	Population structure (%)	Distribution of poor (%)	Gini coefficient
National	67.2	32.3	100	100	0.42
Urban	59.9	26.4	37.9	33.8	0.419
Rural	71.7	36.0	62.1	66.2	0.439
Region 1	66.0	31.8	10.4	10.2	0.463
Region 2	65.1	29.5	22.2	21.5	0.416
Region 3	79.3	42.4	21.9	25.9	0.424
Region 4	70.2	34.4	13.8	14.4	0.415
Region 5	50.1	21.6	4.1	3.1	0.433
Region 6	76.1	37.5	11.6	13.1	0.395
Bangui	49.7	20.1	16.0	11.8	0.419

Region 1: Ombella-Mpoko and Lobaye; Region 2: Nana-Mambéré, Mambéré-Kadéï and Sangha-Mbaéré; Region 3: Ouham and Ouham-Péndé; Region 4 :Kémo, Nana-Gribizi and Ouaka; Region 5: Haute-Kotto Bamingui-Bangoran and Vakaga; Region 6: Basse-Kotto, Haut-Mbomou and Mbomou; Region 7: Bangui.
Source: SFFP Technical Committee, World Bank

We can offer several tentative explanations for the relative preponderance of poverty in these areas. Firstly, Regions 2 and 3 are those in which armed conflict has been most violent and, given that the research took place in 2003 - immediately following the troubles – people were, as a result, still worse off than elsewhere. With regard to Regions[5] 4 and 6 (extreme east and mid-east of the country), these are notorious for their chronic poverty, possibly owing to a deficit in socioeconomic infrastructure that restricts access to markets and other opportunities. Moreover, these savannah regions are oriented towards cotton and coffee-bean production, and have seen serious problems in recent years with the fall in prices of these commodities, the absence of training and lack of access to credit in the countryside. By contrast, the lower poverty rate in Region 5 (the most sparsely populated in the country) is because the area is a mining zone, enabling people to earn a living, however modest. The capital is the region with lowest prevalence of poverty, hosting most of the socioeconomic infrastructure, and offering the scarce salaried jobs available.

Inequality in CAR is serious, but remains below the average generally found in sub-Saharan Africa. The average level of consumption per adult equivalent of the richest 20% of households is close to ten times that of the poorest 20%. An examination of inequality within regions (cf. Table 1) tends to show that the poorest regions are not necessarily also the most unequal. Thus, Region 6 (the second-poorest) has the lowest Gini coefficient, whereas Region 3 (the poorest) shows an average index. By contrast, with the notable exception of Bangui poverty is lowest in regions where inequality tends to be high. As has been shown in theoretical work (particularly that of F. Bourguignon[6]), high levels of inequality produce scant reductions in poverty for any given growth-rate.

[5] *Profil de pauvreté en RCA*, World Bank, January 2007.
[6] Bourguignon F., "The Poverty-Growth-Inequality Triangle", French Development Agency, *Poverty, Inequality and Growth: Proceedings of the FDA-EUDN Conference*, Notes and Documents 2004, no.10, pp. 69-111. Available at www.afd.fr.

Figure 2: Map showing incidence of monetary poverty by prefecture

Source: SFFP Technical Committee

Acute inequalities in income distribution produce major, obvious differences in the standard of living in a given district, and may consequently result in frustration. In formulating the poverty reduction strategy, it is therefore vital to aim towards an equitable, balanced method of wealth-distribution. Promoting anti-poverty growth is one way of reducing inequality.

Non-monetary poverty

Non-monetary poverty approaches the question of well-being from an outcome driven viewpoint. Outcomes may be distinguished according to whether they concern the immediate living environment (i.e. poor living conditions) or the potential acquired by individuals (i.e. lack of possibilities in terms of level of education, skills, state of health, culture, capital, etc.).

Poverty of living conditions

Poverty of living conditions is associated with difficulty satisfying basic needs, such as access to clean drinking water, decent housing, facilities for the disposal of household waste, an energy source for cooking, a medical centre, etc. According to the General Census of Population and Housing (RGPH), this type of poverty affects around 50.3 % of the population of CAR. This varies according to differences in region and locality, prefecture, gender, age, level of education and marital status of the head of household. It is a primarily rural phenomenon, affecting 70.4 % of people living in the countryside.

In terms of regional distribution, the prevalence of non-monetary poverty seems to correlate with that of monetary poverty, even though this type of poverty appears to be less serious (cf. Figure 3). The worst-affected regions are those furthest from the capital, and those that bore the brunt of recent conflicts, while the least affected were those in which economic activity was only mildly disrupted by conflict. It should also be noted that there are geographic variations in the exact nature of privations that affect living conditions.

The participatory survey[7] throws more light on this analysis, since it illustrates the major problems raised by participants in the various regions. The enlightening results of this survey make it possible to categorise the country's regions according to the main preoccupations expressed by people in terms of facilities and/or goods to which they lack access. In addition to better governance and security, which are recurrent themes, the results are as follows:

- Region 1: education, health, roads, electricity and environmental concerns
- Region 2: education, health, clean drinking water, roads, electricity
- Region 3: means of production, roads, environment, health, electricity

[7] Participatory survey organised by SFFP between 2006 and 2007.

- Region 4: health, education, means of production, clean drinking water, roads, electricity
- Region 5: health, education, roads, electricity
- Region 6: education, health, roads, electricity and environmental concerns
- Region 7: education, health, clean drinking water, environment, electricity

The recurring problems emerging from the study are difficulties in accessing education and healthcare facilities, the poor state of roads, the non-availability of electricity and, to some degree, inadequate means of production.

Figure 3: Map showing incidence of poverty of living conditions by prefecture

Source: SFFP Technical Committee

Human poverty

Human poverty is a concept used by UNDP to measure the progress of sustainable human development or the satisfaction of basic needs. The human poverty index (HPI) therefore makes it possible to assess the level of human development in a country or region. It shows that 43% of the population of CAR have essential needs that remain unsatisfied, accounting for 51% of those in rural areas and 37.2 % of the urban population. Regional distributions show a strong similarity between human poverty and poverty of living conditions. Among rural households, 60% fail to achieve the minimum “bread-basket” (2400 kcal per day per adult equivalent). The prevalence of food poverty in towns is lower, but still reaches 51%[8].

2.1.3 Monetary poverty and households' socio-demographic characteristics

Analysis of monetary poverty by the socio-demographic characteristics of the head of household shows that both size of household and education correlate with a household's standard of living.

Gender and age of the head of household

The monetary poverty rate is slightly higher in households where the head is a man. This finding is surprising to the extent that, given lower human capital, discrimination in the employment market, shortcomings in the credit market, and sometimes local customs (access to land etc.), one might generally expect women to be more likely to be victims of poverty. A plausible explanation is that female heads of households are among those with greater work potential or who have more of their own resources. However, this finding needs to be qualified, since only 17% of households are headed by women, and female headed households are less common in rural areas. Moreover, we find that poverty increases with the age of the head of household until age 40, after which it stabilises.

[8] Aho, G., (under guidance of), *Pour une stratégie de croissance pro-pauvre au service du développement humain, contraintes et défis pour la République Centrafricaine* [For a pro-poor growth strategy in the service of human development: constraints and challenges for the Central African Republic], pp. 6-7, UNDP, 2006.

Composition of the household and marital status of its head

In CAR, monetary poverty increases noticeably with household size. This is to be expected, given that the criterion used is spending per head, and that we are in a situation where economies of scale do not play any major role. The proportion of poor people varies by type of household: a third in single-person households, half in households of two or three people, and 70% in households with six or seven people. Very large households (over eight people) contain close to 44% of the poor. Moreover, marital status seems to be linked with poverty. In fact, the prevalence of poverty is higher in households whose head is unmarried than in those with a married head.

Educational level of the household heads and partners

Analysis of poverty by education level shows that monetary poverty declines the higher the education level of the household head or his/her partner. Thus, eight poor individuals out of ten belong to households whose head is uneducated, or educated only to primary level. For this reason, any poverty reduction strategy needs to give priority to education. However, the fact that poverty remains serious even in households whose head is university-educated is itself evidence of the dimensions of the phenomenon in the country.

The characterisations of poverty described above need to be set against the abilities of individuals to earn an income within the household. It is for this reason that the analysis of job profiles is necessary – but not sufficient, as paid jobs are not the only sources of income in CAR. In order to do that, it will also be useful to examine the amounts of private incomes and transfers.

2.1.4 Monetary poverty, jobs and household incomes

Households obtain their resources primarily by performing an economic activity. For this reason, the analysis of jobs and income is vital in order to understand the causes of poverty. Analysis of employment status shows very high levels of activity in rural settings, where close to nine people out of ten are economically active. In urban areas, by contrast, only half of those living in the capital, and two-thirds of those in other towns, are in work. Furthermore, the start of economically active life takes place relatively early in the rural setting, where over 85% of people are already working by the age of 25.

It should be noted that, no matter what measures may be used internationally, the notion of unemployment is unsuited to the realities of life in developing countries. In this context, unemployment rates betray levels of dissatisfaction in relation to the inability to find occupations to match their expectations and aspirations (in terms both of pay and of social status) rather than an absence of opportunities in the conventional sense of the term. The unemployment rate is a significant indicator of the ways in which the employment market functions – and particularly how it malfunctions. To measure the problems associated with integrating people into the job market, the level of underemployment is sometimes to be preferred - this measures the proportion of workers whose income is below the minimum. At 75.3% (ECVR-ECVU), this rate is particularly high in all Central-African towns. Such a clarification enables us to move on to an examination of the characteristics of the job market and to income-profiling.

Characteristics of the job market and poverty

In 2003, the economically active population represented around 76% those aged between 15 and 49. In general terms, we find that the level of activity declines with living standards. 92% of all people of working age are employed. This proportion is 96% in rural settings and only 85% in urban areas. In other words, unemployment is greater urban areas. Unemployment particularly affects the young (age 15 to 24), who represent almost half the country's unemployed labour force, and increases with the level of education. In general, men (9.6%) are affected more than are women (5.1%).

With regard to the structure of jobs, the great majority of people work in family smallholdings, which generally only offer a low income. The distribution of jobs by institutional sector shows that the public sector (government and public enterprises) and formal private sector only account for one employed person out of ten. This finding exposes the current limitations of the private sector, even though its main vocation is the creation of wealth by exploiting the country's vast potential in order to promote growth and contribute to poverty reduction. Examination of the value added to the GDP by this sector merely confirms this finding, which supports the argument for its stimulation. Likewise, particular attention should be paid to the agro-pastoral and forestry sectors, which occupy 81% of female labour as against just 67 % of men. Thus, given that the job market discriminates between men and women, poverty reduction strategies need to encourage measures intended to encourage female employment.

Income characteristics

Spending by the poorest 20% (lowest quintile) represents 6.7 times that of the richest 20% (top quintile).

Analysis of poverty according to sector confirms the scale of the phenomenon in the agricultural sector[9] (71% of jobs), regardless of the context. In urban areas, its prevalence is 78%; in rural CAR, 72%. Needless to say, households whose head has no job (7.5% of the working population) are the worst affected. In this category, the rural prevalence of poverty (80%) is more pronounced than the urban (63%). The most common source of household income is agriculture (over seven households out of ten), followed by non-agricultural enterprises (which form part of almost a third of household incomes), salaries (18.5%), public transfers (16.5%) and private transfers (2.4%).

In terms of value, income from agriculture represents by far the main source of income for households. Therefore, sound agricultural policies cannot fail to contribute towards improving living conditions for the poor. Agricultural income accounts for 56.6% (72.9% in rural settings and 25.1% in urban settings) of all income. Dependence on agricultural income increases levels of household poverty, since it represents over 70% of the income of the poorest quintile (in rural settings, it even represents 80.9 % of the income of the poorest quintile) and only 46% of that of the richest quintile.

The analysis of income distribution by source shows the highly unequal distribution of all types of income. However, those inequalities are less pronounced in the case of agricultural income, thus confirming that targeting agricultural policy could have a great effect upon poverty reduction. Reviewing agricultural incomes, the poorest 20% of households account for 12% of such income, the richest 20% accounting for 37.3%. Where non-agricultural incomes are concerned, on the other hand, the poorest 20% account for only 4.5%, against close to ten times more for the richest 20%. Moreover, salaried posts generate less unequal incomes than those from non-agricultural private enterprises, but more unequal than from agriculture. The poorest quintile receives 6.5% of salaries, whilst the richest receives 36.9%.

2.2 Determinants of poverty – a summary

Econometric analysis provides confirmation of an inverse correlation between the standard of living and the size of the household. Households with a large number of people in any age group (excepting those aged over 60) have a lower level of consumption per adult equivalent, and therefore a greater likelihood of being poor.

Moreover, the analysis confirms a correlation between the geographical location of households and their state of well-being. Consumption per adult equivalent declines sharply between the capital and other towns, other factors being equal.

In rural areas: with regard to the residents of Sangha Mbaéré prefecture, we do not find any great difference in terms of well-being from those of Basse-Kotto, Kemo and Ombella-M'poko. On the other hand, all the other prefectures display a greater likelihood poverty.

The level of education of the head of household and that of his or her partner is correlated positively with well-being. Hence, poverty falls with an increase in the standard of education. However, whereas this is always the case in urban areas, this finding is less pronounced in rural settings.

With regard to job-related variables, in cities there is no significant difference between households whose head has a job and those whose head does not. On the other hand, in rural areas, having a job does noticeably improve well being. Moreover, in relation to economic sectors, primary job-sectors are generally associated with poorer states of well being than other sectors.

[9] This sector includes hunting and fishing as well as agriculture.

These findings relating to the profile and determinants of poverty will enable the targeting of poor people and the initiation of structural policies to improve people's living conditions.

Given their degree of poverty, poverty deficit and demographic burden, Regions 2, 3, 4 and 6 should be the prime targets of policies under a regional approach. Emphasis should also be placed on activities in rural areas, where the blight of poverty is most prevalent. Other targeting variables could be used, such as the type of economic activity of the head of household. Poverty hits hardest in the agricultural sector, and also in other branches of the primary sector. Given this fact, putting voluntary employment policies in place in the short term, especially in the agricultural sector, would be one sure way of combating poverty. Matters concerning education are also among the most urgent, as the standard of living rises with the standard of education. For young people, we envisage vigorous education and schooling initiatives (a policy of universal education), both formal and informal, with a view to breaking the vicious cycle of worsening poverty within families. For older people, training of a different kind, such as literacy education, could be implemented. Furthermore, given that the size of households seems to correlate with the risk of poverty, there is good reason to propose a family-planning programme for the poorest. Such a measure could play a part in limiting births and rationing the use of resources to limited amounts within families, in addition to awareness-raising programmes relating to the risks associated with poor hygiene and the spread of HIV/AIDS.

From this overview of the many aspects of poverty, informed both by the gathering of citizens' opinions and by the results of analyses, the great challenges to be confronted by all stakeholders in the development of CAR come into view. Under the government's vision expressed in the drafting of the PRSP, four main areas of action or pillars are adopted to encompass and give structure to the challenges. The pillars summarise the deepest aspirations of the people, as expressed through the nationwide participatory consultations. They are (i) restoration of security, consolidation of peace, and prevention of conflict throughout the national territory; (ii) promotion of good governance and the Rule of Law; (iii) renewal and diversification of the economy; and (iv) development of human capital.

The achievement of these objectives will come about through the reconstruction and reconstitution of the foundations of a broken economy, with a view to a determined, fresh economic start for sustainable development, and a mobilisation of resources, particularly financial, for priority reconstruction initiatives. These major challenges are a response to negative trends, solutions for which will be sought through the government's vision, comprehensive strategy and long-term policies.

II. Vision, strategic orientations and macroeconomic and budgetary framework

3. Vision, strategies and priority action to reduce poverty

3.1 Long-term vision

The vision for reduction of poverty relies on the stated wish of the head of state to build a strong, united and prosperous nation that will meet the deep-rooted desire for peace, security and good governance expressed by the people.

CAR's strategy for the reduction of poverty is based upon the strategic orientations shown in the poverty assessments and the participatory process, also through local, regional and national consultations. These strategic orientations are as follows: (i) consolidate peace and prevent conflicts; (ii) promote good governance and strengthen the rule of law; (iii) speed up the process of putting basic infrastructure in place in order to improve and expand access to basic public services for all to make better use of human capital; (iv) increase investment and improve the competitiveness of the production system, especially by putting in place production back-up infrastructure; (v) pursue dynamic sub-regional integration and international co-operation; (vi) promote the development of the private sector by creating an environment conducive to investment and encouraging the use of the results of research and new information and communication technologies (NICTs); (vii) improve the prudent management of natural resources and the environment for sustainable development; and (viii) strengthen the care provided to vulnerable groups, enhance their productive capacities and reduce gender disparities.

In order to overcome poverty, the main long-term objectives are: (i) to double per-capita income by 2015 through vigorous, sustainable, balanced and equitable growth; (ii) to facilitate access to basic public services in order to build on human capital; and (iii) to establish equality between girls and boys in primary and secondary education by 2015 and eliminate exclusion of girls.

3.2 Reconstruction strategy and relaunch for poverty reduction

The main thrust of the task resides in achieving a critical mass of initiatives aimed at reforming the fundamentals, and a conjunction of the conditions for a fresh economic start that will be both robust and wide-ranging, by sector and region, in order to maximise its impact on poverty. It will involve putting the economy on a new course, facilitating its shift towards higher growth-rates, thanks to a strong forward thrust from the state, transmitted onwards through the private sector.

This strategy rests upon four pillars: (i) restore security, consolidate peace and prevent conflict; (ii) promote good governance and the rule of law; (iii) rebuild and diversify the economy; and (iv) develop human capital. The strategy is based within the framework of a new policy of integrated regional development, backed up by the creation of development centres, unleashing economic potential and restoring the economic and financial functions of secondary towns.

Practical implementation of this strategy requires mobilising a critical mass of resources in order to activate the basic levers simultaneously, and achieve a critical mass of reforms in order to catalyse private initiatives. Strong mobilisation of external resources is therefore essential and must facilitate a commensurate increase in the resources of the state, earmarked for the following initiatives: (i) improving security; (ii) restoration and/or creation of basic infrastructure and vital collective equipment; (iii) integrated regional development of the agricultural sector; and (iv) upgrading operational abilities of public services and wider availability of basic public services (internal security, justice, education, health). Reforms will be focused on multi-disciplinary topics, primarily justice, economic and financial governance as well as improvement of the business climate.

At the outset, action needs to be targeted on basic infrastructure, in order to free up the physical bottlenecks that suffocate economic revival. Thus, a powerful impetus needs to be given to resuming public investment in targeted sectors, by taking regional approaches and opening-up the interior and by focussing on, energy, water, telecommunications, agriculture, restoration of social systems and development of human capital. The development centres to be set up will form the springboard for those regional operations.

The stimulus given by the state is expected to be transmitted onwards through the private sector by improving the business climate, which should be encouraged by the reforms. There are good prospects with the start-up of exploitation of the vast reserves of the forestry sector, and in particular planned projects in the mining sector (uranium, gold, diamonds). If the energy

constraints are removed, it is highly probable that the cement-works project will get up-and-running. Moreover, several sectors of the economy, especially the financial sector, media, hotels/catering, tourism, culture industry, and so on, could see rapid expansion.

Human capital will play an equally decisive role in relation to long-term growth. That is why the strategy attaches special importance to increasing capabilities and widening access to basic state services, with a view to encouraging broad participation and ensuring sustained development of human capital, a basis for sustained growth. Social groups such as children, women, the disabled and victims of conflict, orphans, ethnic minorities, etc. are faced with impoverishment, which gradually reduces their ability to take control of their lives, and plunges them into a state of extreme vulnerability and social exclusion. Wide-ranging initiatives are required to support people whose ability to act for themselves has been restricted.

The need to meet the special requirements of the people in general, and the poor in particular, forms a major challenge that calls for intensified development of the participatory approach to encourage people's engagement and involvement in managing their affairs at basic community, local and regional levels. Likewise, it is vital to ensure there are improved working conditions, in accordance with International Labour Organisation (ILO) requirements, and an equitable distribution of income to the labour force.

To allow the implementation and success of the strategy, a strengthening of the state's authority throughout the country will be pursued, also greater availability of public services, with an imperative of promoting good governance. With this in view, the conception, implementation and monitoring of a security and conflict-prevention system comprising the prerequisites for policies and programmes, and the proper execution of these, will determine the effectiveness and relevance of the strategy.

3.3 Poverty reduction sectoral strategies and priority initiatives

The sectoral strategies align themselves with the priorities of the reconstruction strategy, encompassing the following four pillars:

- Pillar 1: restore security, consolidate peace and prevent conflict
- Pillar 2: promote good governance and the rule of law
- Pillar 3: rebuild and diversify the economy
- Pillar 4: develop human capital

PILLAR 1: Restore security, consolidate peace and prevent conflict

The implementation and success of the strategy and policies will be heavily determined by the consolidation of peace, tolerance and conflict prevention, which are values that must be preserved for social cohesion. These values will be taken into account in all constituents of policies and action programmes with a view to consolidating the links between national entities and their unification in the interests of national prosperity. The initiatives undertaken by companies under this first pillar will enable the state to restore its authority throughout the land, and to re-establish trust between citizens and their institutions.

This first pillar will by itself result in a noticeable improvement in general well-being, and particularly for the poor, who are the most severely affected by problems of insecurity.

Current situation

Numerous workshops and conventions on causal factors of conflicts and insecurity show that relations between the defence and security forces (DSFs) and the public are hallmarked by a crisis of trust and credibility, weakening the institutions charged with security, as well as the impact of initiatives to improve security. The perception of legal and judicial security by the public is unfavourable, due to the persistence of the phenomenon of impunity.

Moreover, the regional environment, still marked by conflicts, aggravates the difficulties encountered by defence and security forces and hampers efforts at securitisation. This situation is a serious impediment to the free circulation of goods and people throughout the land. Thus, people displaced by conflicts and violence in the northwest and northeast and taking refuge in neighbouring countries are confronted with problems when returning to their places of origin. The return of these people will pose major challenges for the government, local services and the international community in terms of the resources needed to restore security, ensure socioeconomic reintegration and create basic infrastructure. Moreover, the long and porous borders with countries with armed conflicts whose protagonists use the territory of Central African Republic as a rear base (Sudan, Chad and Democratic Republic of the Congo) facilitate the circulation of arms and munitions.

Ultimately, failure to control the circulation of light and small-calibre armaments will encourage the phenomenon of banditry. Also, the numerous road-blocks erected along the main highways owing to the poor security situation are perceived as a restriction of liberty. These barriers, permitted by bodies charged with security along the main road routes, are denounced just as bitterly as the illegal barriers, with which they are confused.

The need for a wide-ranging, well-coordinated approach

An integrated, coherent approach

While CAR's current security situation remains a major concern, it also forms a unique opportunity for a radical response to the underlying causes of the crisis. This approach entails a total transformation of the notion of security that has prevailed until now, and of its governance in every field. Hence the overriding necessity for a better appreciation and enforcement of the concept of security sector reform (SSR), and a redefinition of roles and responsibilities of all the stakeholders involved, based upon the experience of success in other countries.

The Organisation for Economic Co-operation and Development (OECD) describes reform of the security sector as "the process of transforming the security sector including all stakeholders, their roles, responsibilities and joint action with a view to the management and operation of a system that will be more closely in line with democratic norms and the principles of sound governance" (OECD 2005). Drawing on this analysis, SSR in CAR will encompass (i) restructuring and strengthening the defence and security forces; (ii) good governance, particularly in the field of public finances, justice and participation of civil society in running state affairs; (iii) the fight against the proliferation of small arms; and (iv) regional cooperation.

Towards a road-map for well-coordinated support

In November 2003, the government sketched the outlines of an SSR policy through the government's general policy letter on defence. Since then, the partners have provided various support (a few examples are given below). Discussions with partners about the SSR were continued at meetings of the Consultative Committee and the fiduciary fund of the MDRP (Multi-country Demobilisation and Reintegration Programme) in November 2006 in Paris, where it was agreed that the government, with the support of the MDRP and all partners, would arrange a seminar on SSR. The purpose of the seminar, scheduled for the first half of 2008, will be to propose a strategic action plan to implement an SSR policy systematically in order to ensure results are achieved and have a lasting impact across the sector. A workshop at the end of March 2007, organised to address the issue "conflict/poverty", made it possible to identify various priority action that could be developed with a swift impact requiring only modest resources (see the four strategic approaches identified for the sector, below).

Efforts by the government and support from partners

Following the precedent seen in many sectors, international assistance has suffered from recurring bouts of conflicts that have prevented any medium- or long-term scheduling of assistance. However, at operational level, major efforts have contributed towards restoring security in some regions.

Particularly of note in this respect are:

- support from France in the form of the preparation of a white paper on restructuring the defence forces, training and equipping the defence and security forces, and permanent technical assistance to the government relating to defence, security and justice, similar to the support received for the legal system;
- support by the European Union to the EMCCAS Multinational Force (FOMUC) and for financial management of its administration;
- support from the UNDP for the fight against the proliferation of small arms, and the execution and cofinancing of the demobilisation and reintegration of former combatants; technical support from UNDP on security-related aspects of the PRSP; and the facilitation of national dialogue by the international community, notably the United Nations Peacebuilding Office in CAR (BONUCA), UNDP, and the humanitarian support of agencies of the United Nations;
- finance for the Reintegration Project for Former Combatants and Support to Communities (PRAC) through the MDRP, provided by the World Bank and various bilateral partners;
- support by some bilateral partners, accompanying the work by the European Union, to FOMUC.

In view of the threat posed by the Darfur crisis and the inaction shown by the international community in resolving that crisis, the initiatives described above have had a limited impact on the security situation in CAR.

Challenges ahead

Security in CAR is closely associated with that of its immediate neighbours, and a regional environment of peace is vital for the success of reforms under way within its borders. In return, enhanced security within CAR will contribute towards improving security in neighbouring countries. The conflict and poverty workshop on this issue in March 2007 made it possible to sum up the major challenges for the sector, which are:

- the small labour force in relation to the country's size;
- the unconsolidated nature of the security forces;
- the lack of discipline;
- the absence of key documents and archives destroyed in repeated pillaging;
- inadequate training;
- under-equipment of personnel.

The PRSP proposes a fully integrated vision for the reduction of poverty while addressing the underlying causes of the Central African Republic's crises, and therefore forms an essential contribution towards

stabilising the country. Guiding proposals and contemplated measures in the domain of security form an integral part of the trend towards consolidating peace and political stability. They are embodied in wide-ranging reform of the security sector. The proposed measures should enable the country to have more modern republican and professional defence and security forces by 2013. DSFs, thanks to human resources and greater operational capabilities, will take care of the security of the people and the country's wealth along the country's trunk roads. Security and justice services are more effective, crime is down throughout the land and the circulation of SCLAs is under better control.

Strategies and priority actions

In line with the commitments made in the general policy brief on defence sent to the World Bank (November 2003), a serious effort was undertaken with a view to in-depth reform of the security sector. Firstly, targeted restructuring operations on certain Central-African Armed Forces (FACA) units and the gendarmerie have been conducted over the past three years, with some encouraging results. At the same time, long-term work has started with the aim of achieving a thoroughgoing change in the profile of the defence forces: multi-regional recruitment of officers and soliders, and enhancing their training with a view to acquiring sound republican principles.

The role of private security firms does not seem to have been given much consideration in relation to proper coordination of security initiatives by the state. In order to foster greater equality and equity between men and women in consolidating peace and preventing conflicts in accordance with resolution 1325, special attention will be paid to private security firms.

In order to achieve those results, the government adopted four priority strategic approaches: (i) upgrading the human and material capabilities of the DSFs; (ii) reform, restructuring, territorial reorganisation, also coordinated participatory transformation of the security sector; (iii) sub-regional security, the fight against the proliferation of light and small-calibre arms; and (iv) rebuilding and consolidating trust between the people and DSFs.

1. Strengthening the human and material and capabilities of the DSFs

The defence and security forces underwent a difficult period of deconstruction surrounding the events that roiled the country in the recent past in terms of infrastructure, equipment and human resources, which remain subject to deplorable socio-economic conditions. Two years after the elections, CAR still lacks defence and security forces capable of ensuring total security within the country and at its borders. This situation is largely attributable to an ageing army and a drastic shortage of financial and material resources in the face of the scale and urgency of the need.

As a result, the capabilities-strengthening process will involve – concurrently – encouraging retirement by soldiers whose profile is no longer suited to new positions, and recruiting young officers and soldiers. Over 700 people are already targeted for retirement, for whom the government will have to raise the necessary incentivising resources.

To improve motivation, it would be desirable to discharge the salary arrears, which are as follows: 4 months for 1992, 4 months for 1993, 17 months for the period from September 2001 to March 2003, lastly 6 months for the period April 2003 to September 2006, i.e. 31 months' salary. Discussions are under way with the European Union to secure the necessary finance in order to arrange the retirements, which will be staggered over three years. Simultaneously, the government has just started an initial phase of replacing the workforce, both officers and soldiers. In accordance with the directives issued by the president, all recruitment is done on a multi-regional basis.

An initial promotion of officers has already been trained accordingly. A second tranche of promotions is in the process of being trained. Similarly, a first battalion has completed its training at Bouar and joined its new secondments. Furthermore, a second battalion, recruited on the same conditions, awaits training. The same principle is adopted by the gendarmerie.

By dealing with departures for retirement and recruitment in tandem, the government should be able gradually and substantially to change the human geography of the Central-African army, so as to make it more representative of the country as a whole, and hence also more republican. Work rotas, currently being finalised, will make it possible to know the precise requirements for the workforce by the last quarter of 2007, in terms of training and materials. With regard to the police, the calculations show that it will be

necessary to recruit and train between 600 and 800 officers in order to be in a position to achieve a ratio of 1 police officer per 1,971 inhabitants in 2009.

For the training of police officers, the government deems it necessary to re-establish the National Police College by building new classrooms, dormitories, a canteen, shooting-practice room and equipping it with IT and educational facilities. Modernisation of the police will call for organising continuous training in the following specialist areas: legal identification; techniques for intervention, questioning, maintaining public order, anti-terrorism, and biochemical weapons. Lastly, given the high prevalence of HIV/AIDS in the police, it is essential to build sick bays and maternity units to facilitate monitoring, awareness-raising and caring for police officers and their families, as well as housing developments for police after the model of military barracks, to keep control over all staff movements and behaviour, and to give the police the logistical resources and equipment to promote and maintain order.

2. Reform, restructuring, territorial reorganisation and coordinated, participatory transformation of the security sector

At the request of the president, a study has just been undertaken on the total reorganisation of territorial arrangements, with the aim of giving each military district the means to deal with insecurity, still latent in the provinces. It is intended to redeploy the armed forces out of Bangui and to have security in the capital turned over entirely to the gendarmerie, police and republican guard.

As to the question of effectiveness and efficiency, the strategy of relocating DSFs to the interior of the country will take place in line with the creation of development centres envisaged by the government, with the support its development partners, notably the European Union. With regard to the future locations of garrisons, the EU will build barracks for FOMUC, which will subsequently be leased back to FACA. To build some 24 barracks, the government will call on other partnrers as well as the EU. The units to be set up in provinces will be with their families, which will make it possible to stabilise the staff and should have a positive effect on their conduct, while also contributing towards increasing the demand for the goods produced at development centres. Once the new model is finalised, more precise quantification will carried out for all these operations.

With regard to the police, territorial reform and reorganisation will begin with the adoption of a special status, from which will flow decentralisation of large units of the police force. Decentralisation at regional and prefectoral levels is the corollary of an independent recruitment policy. At the administrative and managerial level, a review will take place, as well as computerisation of budgetary procedures.

3. Sub-regional security, and the fight against the proliferation of light and small-calibre arms

The impact of recurring conflicts in nearby countries (especially Democratic Republic of the Congo [DRC], Chad and Darfur in Sudan) is particularly apparent in the proliferation of light and small-calibre weapons. Controlling and reducing small arms rests on aspects of governance of the security sector, support for human security and recovery within communities, especially in rural areas. The effectiveness of these initiatives involves both a sub-regional process and, in the case of CAR, cross-border initiatives to consolidate peace.

The main tasks are:

- reduction in the quantity of small arms;
- the fight against road-blockers and poaching;
- border patrols;

- sub-regional co-operation in the field of security;
- disarmament of former combatants;
- demobilisation and reintegration of former combatants;
- community support.

4. Education, developing DSFs and rebuilding trust

Available analyses of the political-military crises in CAR show the many different underlying causes associated with the governance deficit, the decay of the system of security and justice, and deconstruction of social capital social at the psycho-social and cultural levels, which is a barrier to reconciliation, lasting peace and real economic revival. The bond and trust between social groups, and between the latter and local and national authorities, in particular with regard to members of the defence and security forces, has totally disintegrated.

Here, the main tasks are:

- protecting the people;
- arrangements for collective security;
- involving communities in security;
- educating people about the role of DSFs;
- developing a policy of prevention and proximity.

While security and conflict-prevention have seen significant and sustained improvement, the strengthening of good governance, the rule of law and institutional capabilities also remain essential.

PILLAR 2: Promote good governance and the rule of law

On the basis of renewed peace and security, the encouragement of better governance and respect for the rule of law should enable the poor to benefit from increasing wealth by protecting their human rights and reaping the full benefits of the results of their work.

Pillar 2 guide

Promoting good governance 28

Promoting gender equality and equity 32

Good governance and restoration of the rule of law are fundamental to restoring confidence in the private sector and revitalising private-sector investment. In addition, their improvement should also be expressed in the implementation of better policies, particularly in relation to stabilising the economy, and in terms of targeting public spending on dispossessed people as well as promoting gender equality.

Promoting good governance

Current situation

Politics and institutions

Ever since the country achieved independence in 1960, its political life has been strongly characterised by the instability of its political institutions, marked by 15 coups d'état. Since the multi-party system was put in place in 1991, some forty political parties have been set up, many of which lack a real political programme. Most institutions suffer from deficits in (i) suitable institutional frameworks and tools; (ii) the ability to propose meaningful critical analyses and workable solutions in politics and everyday life, and (iii) the human and financial resources needed to function properly.

Justice and the rule of law

The Central African Republic has seen frequent human rights violations throughout its history. As has been acknowledged on many occasions by various delegations of the United Nations, Human Rights Federation (FHR) and national organisations, human rights violations have continued over the past 15 years, in the form of rebellions and attempted coups d'état. Despite the recent more positive trend recently seen, these shortcomings are associated with institutional failures at the organisations charged with promoting respect for human rights and justice, as their role, consisting of observing and enforcing the law, is limited by: (i) material or infrastructural constraints on justice, especially in the provinces; (ii) the inadequacy of human resources, in both quantity and quality; (iii) institutional weaknesses and the non-enforcement of laws and legal rulings; and (iv) the courts' inertia and weakness in enforcing rulings.

Public administration

Public administration is characterised by serious dysfunction, which is at the source of the inefficiency of public services delivered to the people. The deterioration in public services is more pronounced in the provinces, and more specifically in areas affected by conflict. Pillaging and destruction during crisis periods have reduced the range of public services, notably in basic state service sectors, such as education and health.

Communications and the media

Communication is the foundation for the relations people maintain with each other, and with institutions. Also, its role is decisive in promoting any development initiative in a country, at the economic, social, political and cultural levels. The quality of communications is of capital importance during discussions that the people, their representatives and the authorities may hold.

The first general reviews of communication, organised from 29 August to 1 September 2007 at the initiative of government authorities, clearly showed the importance of this sector as a factor promoting synergy between initiatives by the parties taking part in the national development process. The recommendations issued set the strategic directions required to promote this sector with regard to coverage, the quality of services, and enhancing human, material and institutional potential.

Public finances

Recovery is slow and painful. It entails risks of disequilibrium and a heavy weighting of resources in favour of operating expenses, the principal component of which is salaries, to the detriment of investment; this does not encourage growth, still less poverty-reduction. The budget account is structurally in deficit, despite the efforts at recovery under way. To this must be added the curse of debt, despite the recent write-offs granted by the World Bank, ADB, European Union and other countries that are well-disposed towards CAR, notably France.

The serious difficulties over public finances in CAR rest mainly in the country's poor ability to mobilise resources. The tax burden level, while certainly increasing in the past two years, is still very low (around 10%), against an average of around 17% in some countries in the EMCCAS area, such as Cameroon and Gabon. It is also important to note the low level of public aid for economic development to CAR, which was around 10% of GDP in 2006, i.e. 36 dollars per person on average. The problems in public finance can also be explained by the problems encountered in controlling costs.

Improvements to public finances require removing certain constraints and serious difficulties, such as (i) the inadequacy, or total lack of, enforcement of rules and procedures within state financial bodies; (ii) the lack of reassurance over public resources; (iii) poor managerial and work-scheduling abilities; (iv) the acute prevalence of corruption within state bodies and lack of any régime of effective, credible disciplinary or legal sanctions; and (v) the absence of automation and computerisation of procedures in state financial bodies.

Local government and decentralisation

Decentralisation aims to enable people to participate more directly in the processes of government, and contributes to improving the condition of people previously excluded from decision-making. It also facilitates a greater impact for development policies at local level. Being aware of the importance of local government in the development process and in reducing poverty at local level, by 2015 the government intends to "establish an effective administration with elected local authorities, decentralised services equipped with adequate resources capable of ensuring the proper running of public affairs and delivering high-quality services to the public, who become both stakeholders and beneficiaries".

In order to achieve this goal, the government proposes initiatives structured into two phases: a preparatory phase involving reinvigoration of the process of decentralisation by (i) restructuring the institutional framework; (ii) conducting a set of studies on the diagnostic record of the communes, reform of public finances, skills transfers, the civil service and the costs of decentralisation; (iii) organising general reviews of decentralisation; and (iv) awareness-raising and grassroots capacity-building.

This will be followed by an implementation phase for reforms and decentralisation of the civil service, which will involve (i) elaborating and adopting a national decentralisation policy; (ii) elaborating and adopting regulatory and legislative documents on the organisation and running of geographically-based communities, local finance and the status of public territorial functioning; and (iii) preparing for and organising local elections.

Community participation

Introduced into CAR in 1972, community participation was the solution to failures linked to the realisation that the approach used in various development programmes and projects did not involve the beneficiaries. In practice, development was essentially organised, planned and settled from Bangui. Even the political, administrative, technical and municipal authorities responsible for implementing these programmes very often had neither any understanding of it, nor the interest required for sensitive implementation of the programmes and projects outlined. Hence there was neither participation by, nor empowerment of, the various stakeholders involved.

It was with this in mind that the national empowerment process was adopted. This will make it possible to ensure the development of a community-based, local approach as the safest method of ensuring the durability of the gains of economic development, with a view to ensuring smooth and sustainable development. The durability of the gains would be neither effective nor guaranteed without the commitment or involvement of local leaders together with their communities.

In addition, the government decided to emphasise people's ability to organise themselves to adopt development strategies in such a way as to entrench and consolidate gains on the one hand and, on the

other, to empower people in choosing their priorities and working methods. Any working method that makes it possible to implement the policy of sustainable development rests on the notion that the people who will benefit from development initiatives must be those directly and principally engaged in the tasks to be performed: (i) analysing their problems and seeking solutions using their own resources; (ii) train themselves in order to ensure they are in control of their actions; (iii) decide, schedule and carry out the initiatives they themselves have developed; and (iv) form autonomous and responsible partnership structures. In short, the strategy of community-based participation must make it possible to promote good traditional values and strengthen the role of social groups, especially the young, in community life.

Cultural governance

We note that CAR has not prepared any policy document and its development strategies are hardly based upon local cultural potentialities.

Moreover, recurring socio-political events in the country have shattered national unity and destroyed the social fabric, resulting in drastic repercussions for the acute poverty of the population. This is why the search for ways and means that will ensure social integration and the establishment of peace among the people turns out to be absolutely indispensable.

Even though promotion of culture remains peripheral to development policies, it therefore seems essential as of now to reconcile cultural and social initiatives in order to guarantee equitable, sustainable economic development. Culture is a factor in integration and dialogue between communities and generations.

Strategies and priority actions

1. Promoting a culture of democracy and peace

This involves creating a climate conducive to lasting peace, and starting up an ongoing democratic dialogue among all stakeholders of Central-African society. The government's action programme is based upon developing partnerships with all stakeholders. The main initiatives envisaged are:

- building the capacity of parliament and the parliamentary administration: (i) ensuring the effectiveness of the parliament by drafting and voting on legislation; (ii) dealing with budgetary issues; (iii) promoting human rights; and (iv) conflict resolution/national reconciliation;
- capacity-building in other institutions provided for under the constitution, viz the Constitutional Court, High Commission for Communication (HCC) and the National Ombudsman;
- elaborating and implementing a national strategy of awareness-raising and communication on democratic culture and peace.

2. Promoting the rule of law

In order to ensure and guarantee respect for – and effective protection of – human rights, which are keystones in human and economic development, the government will develop and implement a strategy to encourage better functioning of national human rights institutions. In this context, it makes sense to build the capacity of national bodies charged with ensuring respect for human rights. The same applies to the reinvigoration of the national human rights commission, and drafting of a national plan to promote and protect human rights, in line with the recommendations of the United Nations' High Commissioner for Human Rights (UNHCHR).

At the next stage, in 2007, the government has planned to organise general reviews of justice, which will make it possible to carry out a thorough diagnosis of the sector and put forward concrete proposals. Accordingly, it will emphasise reconstruction and restoration of the legal infrastructure and prison administration, training staff and representatives of the law at specific towns in the interior of the country.

3. Improving community participation

The government's vision for 2015 is to increase wealth-creation in the various productive sectors through the contribution made by local communities, applying the strategy of community involvement. This vision will be implemented through the following initiatives:

- increase educational and technical competence through community-based development, which will be extended to the 175 communes;

- cover all 175 communes by installing community-development workers;
- ensure support for coordination of services, community-based organisations and associations, and other grassroots structures;
- Initiate social dialogue at all levels (in the capital and elsewhere).

4. Improvements to and delivery of high-quality public services

Such improvement is an essential precondition to reverse the trend towards deterioration in living conditions. That is why reform of the civil service planned for coming years will be focused on bringing the public and governmental departments together in order to make public services more effective and efficient.

- reorganise the administration and management of jobs and skills;
- implement an integrated management system for management of the state's human resources;
- overhaul the regulatory framework governing the civil service in order to make it better suited to current needs;
- redeployment of departments and staff to the interior the country.

5. Clean-up of public finances

The clean-up of public finances has always been a core priority of the government since the 2005 elections, as well as its partners in development, in order to encourage a coherent macroeconomic framework that is conducive to a fresh start for the economy. Between 2006 and 2007, the government benefited from significant support from its development partners, which have sustained its efforts and made it possible to achieve a good performance. Following the programmes for reengagement and discharging of debt arrears approved by the World Bank and ADB, the government has concluded a three-year programme with the IMF. Likewise, the European Union has financed two projects (Support for Reform of the Ministry of Finance, SRMIF, and Reduction of CAR Multilateral Arrears, RAMICA) to clean up public finances.

The government's short- and medium-term strategy forms part of the ongoing reforms already conducted, with enormous challenges still to be confronted.

- Improve the securing of tax revenues at excise and debt-recovery levels by:
  - producing a manual of procedures for internal tax controls, customs, the treasury and the budget;
  - producing and implementing a plan for the computerisation of excise offices and tax procedures;
  - improving human capital in financial bodies;
  - updating taxpayer lists at excise offices (i.e. a tax and customs survey).
- Strengthen spending controls by:
  - reorganising the treasury and centralising the accountancy service;
  - upgrading the role of budget preparation in all departments;
  - presenting the budget by means of a system of nomenclature that is consistent with the medium-term spending framework.
- Fight against corruption. This will entail the following measures:
  - issuing and implementing a national strategy for the fight against corruption;
  - bringing the texts and codes of natural-resources sectors into line with those of international documents relating to corruption;
  - ratifying the United Nations' anti-corruption convention;
  - issuing and implementing an improved and more transparent market code;
  - monthly publication of state financial operations;
  - material, institutional and human capacity-building of the state’s general inspections body.

6. Setting up secondary development centres as bases for local development[10]

Over the 2008-2010 period, the government will back the creation of secondary development centres in order to promote local development. This programme, which will be supported by finance from the European Union from the 10th European Development Fund (EDF), will be predicated upon an integrated approach to development, which will involve restoring and building infrastructure for the social and economic sectors, and restoring the central administration, security and legal services to a good state of order. This programme will thus make it possible to strengthen the state's presence in the provinces and make it more effective.

Promoting gender equality and equity

Current situation

The Central African Republic has ratified numerous international treaties and action programmes relating to human rights. Nationally, the political will of the government was recently implemented by adopting the Constitution of 27 December 2004, recognising that all Central Africans are equal in the domains of economic, political and social life, adopting a national population policy and, in 2005, adopting the national policy of promoting gender equality and equity. Yet, despite this progress, gender inequality persists. In practice:

(i) Women are under-educated and the majority are illiterate, while girls show substantial deficits compared with boys in the fields of education and literacy. Thus, the Central African Republic still has female education levels among the poorest in central Africa. In 2003, girls' net school-attendance level was 36.9%, as against 44.3% for boys. The illiteracy rate for women (68%) is higher than among men (46.2%). The causes of such inequalities are manifold, and are well known. They are economic, institutional and socio-cultural in nature.

(ii) Women remain rarely involved in the management and control of resources owing to discriminatory social, political, legal and cultural practices. They are marginalised and increasingly vulnerable. They cannot easily to access bank loans for want of securities or guarantees, which also prevents them improving or developing agricultural activities and earning a cash income.

(iii) The first victims of the latest political-military conflicts, they continue to suffer very serious violence: according to the Multi-Indicator Study (MICS 2006), 14.2% are victims of sexual aggression in the urban setting, against 9.5% in rural areas.

(iv) Poorly represented in state institutions, there are just 11 female members of parliament. Four women have posts in the government out of a total of 26 ministers. As far as bodies such as the magistracy are concerned, the situation is as follows: magistrates: 5 women, 43 men; court clerks: 6 women, 83 men; notaries: 3 women, 5 men; lawyers: 7 women, 50 men; public-service management concession-holders: 1 woman, 15 men. The obstacles arising from gender differences therefore remain numerous and complicate women's participation in the exercise of power. With regard to local governance, there are just female 6 mayors against 66 males.

(v) Rarely involved in the formulation of policy, programmes or development projects, they are seen as mere “consumers”. By virtue of their demographic weight, they ought to have the same opportunities as men, on the same terms, of their right to express themselves, to make decisions and to take part in designing, following up and evaluating development programmes.

(vi) Placed at a disadvantage by a discriminatory legal and regulatory system, most women are unaware of their rights. Therefore they are unable to defend them. The situation is even worse among the illiterate, as texts are usually written in French. The weakness or total absence of any recognised legal status for women can be partly explained in the foundations and mechanisms of Central-African society. This situation deprives women of any decision-making powers over the management and control of resources and assets, which can seldom belong to them.

(vii) Rarely involved in the prevention, management or resolution of conflicts, women are nevertheless the first victims of war. Here we intend to include the meaning of United Nations Resolution 1325,

[10] For further details on development centres, see point 3.4 below.

which recommends that governments should involve women more in the settlement of conflicts and in post-conflict reconstruction;

(viii) Ignored in official statistics and national audits, the role played by women in development is often invisible, due to a lack of any demographic or social data to highlight it. Hence the need to promote surveys, studies and research, collect and analyse demographic data, and data from related disciplines, in order to develop a better understanding of gender inequalities in the Central African Republic.

Challenges ahead

It is the government's stated aim to “create an appropriate macroeconomic, legal, cultural and political framework to give equal opportunities to men and women and to measure the impacts of this strategy”, in line with the National Policy to Promote Equality and Equity, and with the plan of action currently being finalised. By 2015, all these initiatives should greatly reduce gender inequality, providing sufficient resources are mobilised.

Strategies and priority initiatives

In the following strategies, the government aims to mainstream gender issues into national programmes and development plans, using as its basis the National Policy to Promote Equality and Equity. Five strategic approaches have been adopted:

1. Increase the participation by women in decision-making

This means fostering the right climate for a change of mind-set, which can be difficult to achieve.

2. Involve female leaders more in policy formulation and the design of programmes and development projects

Until now, most development programmes have been designed without due regards for women's specific needs, hence the need to involve them right from the start of the process of design, monitoring and evaluation. Furthermore carrying out a proper appraisal before initiating any intervention is critical.

3. Improve the legal and institutional framework for gender equality and equity

The Central-African legal framework still treats women less favourably than men. The government is therefore committed to technical capacity-building in gender issues and strengthening institutional systems and national and parliamentary frameworks in the field of equal rights. It also aims to improve the implementation of national laws and uphold its commitment to relevant international agreements.

4. Involve women more in conflict resolution and the peace process

The first victims of wars or civil conflicts are invariably the most vulnerable: women, children and the elderly. In the Central African Republic, recent conflicts have taken a heavy toll on women. It is entirely reasonable that they should now be integrated into all peace and reconciliation processes.

5. Facilitate research and the analysis of data from all sectors, to gain a greater understanding of the relative position of men and women in the Central African Republic

This task demands technical and institutional capacity-building, as well as making the case for population and gender issues be taken into account in the fight against poverty.

Looking beyond the goals of consolidating peace, preventing conflict and promoting good governance, it is also essential to rebuild and diversify the Central-African economy.

PILLAR 3: Rebuild and diversify the economy

The fight against poverty in both urban and rural areas must be rooted in robust economic growth, which is critical to reversing the pernicious effects of poverty at both national and regional levels. It must similarly be founded in prudent macroeconomic policies in order to kick-start a long-term and sustainable process of economic regeneration, in accordance with the broad aims of the programmes agreed with the Bretton Woods institutions.

This renewal in economic growth will depend upon those sectors which are conducive (whether directly or indirectly) to a substantial and sustainable rise in incomes, and to employment creating growth, borne along by both public and private investment.

With the gradual return of security, reconstruction and diversification of the economy will centre on developing rural areas, where most of the poor are concentrated. However the restoration and expansion of infrastructure are essential prerequisites for successfully promoting new development initiatives to benefit the poor. The proper functioning of the energy sector is similarly an essential precondition for an upturn in other sectors, especially the industrial sector.

Pillar 3 guide

Promote and modernise agriculture	34
Exploit natural resources	37
Forestry, wildlife, fisheries and environmental resources	*37*
Develop the mining sector	*39*
Promote the arts and cultural industries	40
Promote tourism	41
Develop transport infrastructure	42
Promote the energy sector	46
Telecommunications and information and communications technologies	48
Development of basic public services	49
Water treatment and sanitation	*49*
Private sector and the business environment	*51*
Integrating the economy into sub-regional and global economies	53
A revised framework for partnership and the coordination of external aid	53

A reduction in poverty would take form of a reconstitution of assets among poor households in those areas where they are concentrated, and would lead more generally to increased economic activity in food production, livestock breeding, fishing and cash crops. The combination of the above efforts with further multi-sector initiatives in the fields of waterways and road infrastructure (rural tracks) should set the country on the path to economic growth. That growth should be sustained by an upturn in the forestry and mining sectors, whose recent trends look promising, given the stated intentions of new private investors.

3.3 Sectoral strategies and priority initiatives

PILLAR 3

Promote and modernise agriculture

Current situation

Almost 74% of the economically active population (67% of men and 81% of women) is involved in the agriculture and livestock breeding sub-sectors, which represent 45% of GDP. Sixty-three per cent of poor households depend on jobs in agriculture, livestock breeding and fishing. Hence the agricultural sector must play a major role in poverty reduction and improving food security. Poverty rates stand at 72% in rural areas and 67.2% nation-wide.

Throughout the country, the climate favours rain dependent agriculture. Precipitation ranges from 800mm in the extreme north to over 1,500mm in the south. Moreover, the country has a good hydrographic system. The availability of soft water is estimated at 37,000m³ per person. CAR is endowed with a rich, though delicate, soil.

Of a total of almost 15million hectares of arable land, just 600,000 to 700,000 hectares are cultivated each year, i.e. about 1% of national territory and 4.4% of arable land. Less than 0.5 hectares on average is

exploited per agricultural asset. Out of a total of 16m, 9.3m hectares of pastoral land are used by livestock, totalling around 3.2million Tropical Livestock Units (TLUs), which are essentially nomadic.

Despite favourable conditions, rural agriculture is performing poorly. Over three decades, the agriculture and livestock breeding sub-sectors have seen low average annual growth rates of around 2%, which are exceeded by the estimated population growth rate of 2.5%. Policies and programmes implemented since 1986 – the Structural Adjustment Programme (SAP) and Support Programme for Agricultural Institutions (PAIA) – have failed to prevent the disintegration of the main agricultural and pastoral networks, increases in production costs and declines in producers' incomes.

Challenges ahead

Factors that contribute to the sector's poor performance and spiralling poverty in rural areas include:

(i) increasing insecurity in agricultural production areas; (ii) the disorganisation of the stakeholders; (iii) the poor capacity of rural support infrastructure; (iv) being landlocked and the lack of basic economic and social infrastructure; (v) the lack of a policy for diversifying people's sources of income; (vi) the decline in the workforce due to the exodus of young people; (vii) the impact of HIV/AIDS and malaria; (viii) lack of access to credit; (ix) discrimination against women, and (x) the collapse of cash crops, bringing about a relapse into subsistence food producing agriculture.

Strategies and priority actions

The rural sector has a strategic role to play in the fight against poverty and hunger. The government therefore intends to achieve sustained, lasting agricultural performance, equivalent in real terms to an average annual growth rate of 4% between 2005 and 2015.

This strategy entails removing obstacles to growth in the agricultural sector and ensuring the economic security of the poorest people therein. It will involve organising the rural sector and strengthening the provision of advice, training and research services. The government will place particular emphasis on developing the private sector and fostering employment in rural areas. More specifically, before the end of the year the government intends to organise general reviews of the rural sector in order to agree, through a participatory consultation process, on a road-map for the sector's development. It will then present the road-map to its national and international partners for approval.

1. Support rural people

Empower, train, and support rural people and build the capacity of their organisations by: (i) the restructuring and reorganisation of rural and peasants' organisations; (ii) building their financial and material capacity and human capital; and (iii) support the increased the participation of stakeholders at the Chamber of Agriculture.

2. Build the capacity of institutions

Build the capacity of institutions for planning, research, support, training and communications by: (i) developing new goals and methods of intervention; and (ii) building the operational capacity and human capital of the Ministry of Rural Development, which issues statistics on agriculture and will plan, monitor and review the initiatives implemented.

3. Intensify and diversify agriculture

Intensification and diversification of agriculture in line with each region's specific features and potentialities, taking account of anticipated complementarities and synergies, especially the initiative to promote development centres, provided for under the tenth EDF. This will be achieved through:

- revitalising the financing system to enable the regeneration of agricultural machinery, supplies of inputs and the marketing of products;
- regenerating production channels and reproducing seeds anticipated to command high value-added and generate growth, in both vegetable production (manioc, peanuts, sesame, palm-oil, maize and rice) and livestock breeding (poultry farming and other unconventional short-cycle husbandry in outlying and rural areas);

- promoting the processing of agricultural products by supporting the purchase of small processing units;
- support for the marketing of products (packaging, storage, shipping), in particular by promoting secured contracts between producers and private operators, renovating storage warehouses, training producers in technology and management, investing in suitable transportation equipment (carts) and establishing suitable channels of information;
- regenerating research facilities and methods of dissemination suited to the needs of producers;
- establishing a framework to promote the private sector, in view of the great potential for agricultural development and the country's small population.

In the livestock breeding sub-sector, these initiatives will be accompanied by the promotion of public and private animal healthcare facilities, improved management of Agropastoral Zones (ZAGROP) and regenerating local arrangements for consultation and pro-active management of conflicts between farmers and livestock breeders. In addition, the regeneration of the cotton sector, upon which around a million Central-Africans depend for their livelihood and which and influences increases in food production, is essential to increase rural incomes in some regions (savannah districts). This will be achieved through:

- settling accounts owing to producers in order to win back their trust;
- setting up a new company to replace the Central-African Textile Development Association (SOCADETEX);
- implementing a production intensification policy;
- adopting incentivising policies and committing a minimum initial investment in order to bring industrial tooling up to standard, and a budget provision to cover the unavoidable short-term annual deficit.

Lastly, the state will promote the participation of the private sector by: (i) putting in place an incentivising framework covering the fields of equipment, management, provisioning, production and marketing; and (ii) clearing up commercial input channels and agricultural products in order to improve the competitiveness of sectors with the greatest potential for growth.

4. Improved integration

Open access to rural areas, develop production support, distribution and marketing infrastructures and address other barriers to agricultural productivity. The government will build and develop broad based production support, distribution and marketing infrastructures by:

- restoring rural tracks, marketing infrastructures and rural waterways, building mini-dams and water-retainers, managing and exploiting shallows, managing and maintaining waterworks and modernising abattoirs in rural areas with great agricultural potential;
- addressing other factors which impact negatively on agricultural production, such as HIV/AIDS, malaria and acute malnutrition.

Exploit natural resources

Forestry, wildlife, fisheries and environmental resources

Current situation

The CAR's geography and topography consists of highly diverse ecosystems. Dense, humid forest covers an area of around 5.6m hectares, i.e. 5.5% of the land, divided into two administrative areas. The south-west area (3.8 m hectares), allocated to timber production with 301 identified species of tree, offers potential for economic exploitation. The potential currently exploited is confined to 8 out of 15 marketable species. The south-east area (1.8 m hectares), unexploited industrially owing to its great distance from ports, is set aside for conservation. Of the remainder of the country, the northern part is covered by forest savannah and semi-dense tropical forest. This savannah country provides a favourable habitat for wildlife and is suitable for the development of ecotourism. Protected areas of the hunting sector cover 62,300 km².

Over the 2001 to 2005 period, average coarse timber production was 563,853 m³ a year, of which 41% was exported in its raw state. The logging industry is composed of saw mills. Logging output has reached on average 77,000m³, of which 90% is exported. Raw timber production saw a decline from 2001 to 2004 (moving from 703 thousand m³ in 2000 to 514 thousand m³ in 2004) owing to the recent political-military crises and the state of the roads, the closure of some companies and the introduction of new management rules, which revised the parameters of exploitability upwards. The forestry sector, through the production and processing of timber, provides 4,000 jobs directly, and work to several thousand manual workers. Moreover, forestry has made a substantial contribution to public revenues: the various taxes and fees have amounted to XAF 8.25 billion per annum on average over the last five years. Overall forestry commands 10% of GDP and 45% of export revenue.

The environment is a recent concept which gained prominence in the early 1970s through the Stockholm Conference on the Environment and Development, and later through the Brundtland Report (1992) on sustainable development. The Central African Republic marked its commitment to the environment in two key documents: Decree no. 89,043 of 23 February 1989, establishing the national committee specialising in environmental issues and Order no. 90,003 of 9 June 1990, on integrating environmental concerns into development planning.

Owing to unrest, forestry management has fallen into disarray. Between 2000 and 2004, operating permits (special cutting permits) were granted or refused arbitrarily. Nonetheless, with support from external partners the government has begun to turn the situation around, making CAR exemplary in the field of forest management.

In 2003 the government carried out reviews which enabled a diagnosis of the forestry sector's state of disarray, to sought solutions and, critically, identified the strategic approaches necessary to regenerate the sector. Radical reforms were implemented, with a view to securing forestry revenues. The government has also taken measures to improve transparency in the awarding of forestry permits, managing taxes paid out to the communes with the aim of facilitating more constructive use of these resources, to the benefit of the disadvantaged sectors of society.

Further initiatives aimed both at rendering forestry management more efficient and profitable, and ensuring the sustainability of natural assets and ecosystems, include the following: the promulgation of the forestry code, the axing of special cutting permits, the ratification of agreements on climate change, the promotion of biodiversity, measures to tackle desertification, the establishment a Central African Forestry Commission (COMIAF) and creation of a Special Allocation Account for Forestry and Tourism Development (SAA-FTD). The latter consists of a financing mechanism to support the promotion of sustainability initiatives and the regeneration of natural assets, with the principal aim of benefiting local communities. These efforts have been primarily supported by the Support Programme for Forestry Management Plans (PARPAF), financed by the French Development Agency (AFD).

Substantial progress has followed these initiatives, notably in terms of governance, even despite the chronic lack of resources suffered by regional forestry and water management bodies and the Forestry and

Fauna Control Brigade (BCFF), established in 2003. CAR is now among the countries of the sub-region where long-term forestry management is most well developed. This approach has improved the security of state forestry revenues, with tangible effects on the living conditions of local people. This should result in the growth of infrastructure and improved access to basic state services. It should also promote the involvement of local people in the sustainable management of natural resources.

Fish resources

The potential of fishing and fisheries remains under-exploited by Central-Africans owing both to a lack of awareness of modern fishing techniques, and the effort required. The sale and marketing of fish products takes place through informal networks.

Several UN Food and Agriculture Organisation (FAO) projects enabled fisheries to take off during the 1970s, when CAR could boast 10,000 ponds belonging to 8,500 fish farmers. Unfortunately fisheries have gone into decline in recent times, owing to the reduced availability of external technical assistance. However, some partners have committed to financing initiatives, for example:

- African Development Bank (ADB): identifying priority urgent initiatives in 2007: cost not determined;
- EMCCAS (CEBEVIRHA): promoting fisheries and aquaculture: 3 billions (agreement in principle has been reached);
- Central African Armed Forces (FACA) / Department for International Development (DFID): programme to facilitate sustainable fishing, the financing process for which is in progress.

Strategies and priority actions

The government's forestry sector strategy is oriented towards increasing the forestry revenues by promoting good governance in the management of forestry and fauna resources. The strategy comprises three key aspects:

1. Increase and diversify production and promote a high performing and competitive timber industry

Given a usable area of 3.5m ha of operation and management permits (PEAs), timber production should be able to reach around 840,000 m³ a year (i.e. 45% more than the average output over the last five years). The cleaning up of procedures for awarding and managing PEAs will be continued in order to support the execution of forestry management plans. The development of forestry management plans is central to implementing a sustainable forestry management policy. With support from PARPAF, several plans covering around 850,000 hectares have already been issued. The government aims to put in place forestry management plans covering the entire 3.5m hectares by 2010. This operation will make it legally possible to create a permanent national forest, with the aim of thereby protecting the basin forests that merge into savannah areas.

The development of forestry industries is crucial to increasing to maximising the potential value-added of the forests. Investment in artificial seasoning and secondary treatment is critically important due to high transport costs. The government will look into methods of promoting these activities through cost effective incentive structures.

2. Actively involve the public in sustainable forestry management and maximise the benefits of forestry for poor people

This will entail directing socially orienting the structures of the Special Allocation Account for Forestry and Tourism Development by building connections between local people and the private sector. It will make sense to update managerial practices and village management of hunting land for sustainable development. It will also be advantageous to take account of the priorities of people living in forested areas (and notably women) in formulating and implementing policies.

3. Build the capacity of public institutions and strengthen the implementation of commitments

In addition to strengthening management on the ground, this will involve harnessing the sector's potential for analysis and planning. The fact remains that many commitments have been made, but not yet implemented; and

4. Set up environmental impact reviews of all development projects

This will entail avoiding biotechnology risks and applying the principles of the Clean Development Mechanism (CDM), to facilitate the sustainable management of natural resources.

Develop the mining sector

CAR has abundant mineral resources, the harnessing of which could help to lift the country out of poverty, if revenue is put to good use to finance development centres. The mining sector could therefore exert leverage both directly and indirectly on other sectors. To achieve this, it would first of all necessary to restore security as a precondition for the regeneration of secondary urban centres. High hopes are held for the start of major projects such as URAMIN, taken over by AREVA and AURAFRIQ, which will return to production in 2009 and 2010.

Current situation

The mining sector is still characterised by small-scale production of diamonds and gold, providing around 100,000 jobs for artisans and mineworkers. Eight buying agencies are involved in export activities in CAR. Virtually all output is exported, while diamond exports have remained relatively stable over many years, at between 400,000 and 500,000 carats per year.

In 2006, the value of exports reached around $64m (415,529 carats), against $62m (383,294 carats) in 2005 and $53m (353,484 carats) in 2004, showing that, since the end of the conflicts and the controls imposed under the Kimberley process, diamond exports have started to emerge from the downturn that had continued until 2003.

With a view to maximising the creation of wealth in this sector, in 2003 the government arranged a large-scale national consultation, or “general review of the mining sector”. The consultation identified the main problems – institutional and financial as well as social – that constrain sectoral development. It then proposed strategic directions and major recommendations to improve state and operators' revenues, while also contributing to poverty reduction. The Mining Code was amended in 2004, and it is now under review to ensure compliance with international norms and standards.

Challenges ahead

The main problems identified are as follows:

- the weak institutional framework and poor implementation of regulatory provisions, which account for the prevalence of fraud and problems in managing mining resources;
- the weak human capital of the Kimberley process, which explains poor monitoring of traceability of exported diamonds;
- the weak capacity of the sector’s public institutions due to staff and equipment shortages at the General Management of Mines and the poor technical capacity of BECDOR's structure;
- the lack of financial capacity or organisation of mining workers and, more broadly, non-involvement of the local people in the management of mining resources.

Strategies and priority actions

The regeneration and development strategy for the Central-African mining sector calls for a significant and sustainable increase in mining output in order to double its contribution to state revenue (6%) by 2010, and such that poverty rates in mining districts are noticeably reduced. To this end, a thorough diagnosis of the mining sector has been undertaken with assistance from the IDA. The action plan consists of the following aspects:

1. Improve and clean up the legal, institutional and fiscal framework of the mining sector

Most of the current laws relating to the sector have proved inadequate and been criticised by technical and financial partners (TFPs) and private individuals. The goal is to operationalise consensual management rules and incentives, to promote greater transparency in the management of the sector, and to ensure that communities and local groups benefit from the resources generated by mining. Stabilisation

of the institutional framework would undoubtedly facilitate the implementation of many projects currently at the discussion stage. External investors are interested in exploiting gold, uranium, and so on.

2. Develop SMEs/SMIs and large companies in mining operations

The aim is to stimulate mining output by developing small and medium enterprises/industries (SMEs/SMIs) that do not require substantial investment. This will increase employment for rural people and thereby improve living conditions. To this end, priority actions include: (i) compiling a geological database; (ii) creating an environment conducive to mining operations by SMEs/SMIs and large mining companies; and (iii) reopening Bangui international diamond market.

3. Improve incomes for rural people and diversify mining activities

This measure will facilitate the consolidation of production diversification in rural areas and enable people living mining areas to benefit more from mining, by improving their working conditions and incomes and enabling them to take on the task of developing their own localities. To this end, the government will implement capacity building initiatives for stakeholders, to improve their access to credit, educate them about business, environmental and health risks (particularly with regard to HIV/AIDS) and enable them to manage migration problems better.

4. Build the capacity of managerial and regulatory bodies in the mining sector and involve the public

This will involve material capacity-building and developing the human resources of public bodies responsible for managing the sector (namely the General Management of Mines, the body responsible for the Kimberley Process, mining brigade and setting up a mining police service). It will also make sense to improve monitoring and regulation at all levels in order to prevent losses due to fraud and corruption.

Promote the arts and cultural industries

Current situation

Artistic and cultural life should not be treated in isolation, but must be embedded in the overall strategy for improving people's well being, and must compliment it. Arts and culture can be effective media for integration and dialogue between communities, generations and different interest groups which might, without channels for communication and mutual respect, consider their differences irreconcilable. Ultimately arts and culture play a role in development, employment, capacity-building and resource generation, innovation and the dissemination of technology throughout the economy.

Challenges ahead

The main problems identified are the following:

- the virtual non-existence of any marketing infrastructures underpinning the manufacture and consumption of artistic and cultural products;
- the poor manufacturing and distribution capacity of stakeholders in artistic and cultural production;
- the under-exploitation of heritage sites which could benefit of riverside communities.

Strategies and priority actions

The aim is to increase the arts and culture sub-sector's contribution to the country's development by (i) promoting the art market in both Bangui and in the hinterland; (ii) promoting cultural enterprise and industries; (iii) exploiting cultural, natural and mixed heritage sites, in partnership with the communities within to which they belong, and (iv) mobilising sectoral stakeholders in the fight against poverty around their joint projects, since arts and culture can provide effective media for mobilising the public.

1. Promote the art market

This means creating "cultural interchanges" at Bangui and some large provincial cultural towns. A cultural interchange is a place where it is possible to match up supply and demand in artistic and cultural affairs. Manufacturers, artists, artisans and consumers can market, exchange and consume artistic and cultural goods (galleries to promote and sell artistic, cultural and craft products, platforms for performing arts).

Riverside communities at an interchange point can provide small-scale services, enabling them to generate resources and improve their living conditions.

2. Promote cultural enterprises and industries

Development of the music and film industry, both characterised by the editing and distribution of products (K7 audio-visuals, DVDs, audio CDs) through local and regional arts markets, has potential for large-scale job creation, generating economic benefits for stakeholders in the field of cultural production in particular but also for the country in general.

3. Effectively manage cultural, natural and mixed heritage sites

As well as an important tourist attraction, a well managed heritage site can serve as an essential site of interaction for the nearby communities that develop around micro-enterprises such as passenger transport, craft industries, catering, shops, artistic groups, guide services and so on. Such sites can mobilise and sustain the development of the surrounding localities.

Promote tourism

Current situation

Following the example of other countries in the equatorial zone, CAR could usefully formulate a development strategy which exploits its tourist potential. The country is endowed with an abundance and variety of natural resources, which could orient the tourist industry towards ecotourism. Ecotourism is a sustainable form of tourism which contributes to preserving biodiversity and cultural heritage, and could serve as an essential component in the fight against poverty for present and future generations by facilitating wealth creating activities in the cottage industry and commercial sectors.

The wealth and diversity of CAR's fauna and flora have enabled the creation of various parks and reserves, such as Parc National Manovo-Gounda-Saint-Floris (17,400 km²), Bamingui-Bangoran (10,700 km²), Dzanga-Ndoki (1,222 km²), Réserve spéciale de Dzanga-Sangha (3,159 km²) and Réserve spéciale de Mbaéré-Bodingué (733 km²). In these parks and reserves there is an abundance of rare animal and plant species, which sadly have not been sufficiently exploited.

Despite this promising potential, the tourist infrastructure is in a rudimentary and dilapidated state. Most tourist establishments (hotels and catering) located at Bangui, and few meet international standards. However, hotel occupancy rates are gradually rising, having increased from around 40% in 2003 to 65% in 2006, and rising towards 70% in 2007. Establishments in the hinterland are of the traditional variety, raising issues of hygiene and public health. Hence the department responsible for tourism has embarked on a renovation programme for hotels at Boali-chutes, Bambari, Bossangoa and Bangassou, in order to entrust them to private managers.

In 1999, a Guideline Plan for Tourism Development (PDDT) was produced with the co-operation of the UNDP and WTO. However since its adoption no concrete action has been taken due to lack of resources.

Challenges ahead

In 2005, hunting related tourism generated revenue totalling XAF450m to the benefit of both the state and local communities. This relatively low contribution to the state budget means that rectifying problems of this sector could potentially aid the country's development considerably. Among those problems are: the lack of proper site management, the inadequacy of hotel infrastructure, the poor institutional capacity and limited human capital which constrain the development of tourist industries, and the limited promotion of CAR as a tourist destination. There is no existing framework to encourage private investment in the sector. Finally, government capacity to manage the sector is weak, as is dialogue with existing private stakeholders in the tourism sector.

Strategies and priority actions

1. Support the private sector

Establish an institutional and regulatory framework that is conducive to the development of the private sector and will facilitate the development of tourist infrastructure (for instance, building a convention

centre, a cultural tourism centre, budget accommodation and catering establishments and a luxury hotel in there prefectures).

2. Management of tourist sites

Manage natural and cultural sites effectively, including historical monuments (there are 6 tourist sites in rural areas and 4 in urban areas during the period covered by the PRSP).

3. Establish community-based projects

This entails promoting services such as safaris, ecotourism and cultural tourism, thus gaining a foothold for CAR in the international market. To this end, it will be necessary to build professional capacity to implement a gender sensitive approach in developing the ecotourism sector.

The involvement of communities at grass-roots level in the management of tourist enterprises would facilitate the sustainable use and management of natural resources, reduce poverty, protect the environment and raise awareness of the problem of HIV/AIDS.

Develop transport infrastructure

CAR is a landlocked country. The issue of improving the road, waterway and air infrastructures, as well as cross-border interconnections, presents a serious challenge and is therefore a critical aspect of the government's strategy. Reducing transportation times and freight, energy and telecommunications costs should greatly facilitate economic expansion, improving competitiveness and integrating markets in the sub-region. The developing of transport infrastructure is also oriented towards restoring the state's presence throughout the land and ensuring exterior and interior security. The creation of adequate transport infrastructure in both quantitative and qualitative terms will undoubtedly have a significant, positive impact on reducing household poverty.

Current situation

The numerous barriers to development in Central African Republic are closely linked to its vast geographical size (623,000 km²) and sparse population (3,895,139 inhabitants, i.e. 6 per square kilometre). Its neighbours are Sudan to the east, Chad to the north, Cameroon to the west, Republic of Congo and Democratic Republic of the Congo to the south.

CAR sits astride two large climate zones, Saharan to the north and equatorial to the south. The climate is tropical, with a humid season from May to October and dry season from November to April. The climate is equatorial in the south, intertropical in the west and sub-Saharan in the north, with a dry season that can extend for 8 to 9 months, and an intertropical but cool and stormy on high ground. The country is isolated from the outside world due to its remoteness from all seaports. The nearest, Douala in Cameroon, is almost 1,500 km from Bangui by road. This isolation is exacerbated by the numerous checkpoints that punctuate the route, which raise transport costs, hence the need for an efficient transport system. Inadequate transport infrastructures (roads, waterways and airports) distributed unevenly over a vast area and only usable for part of the year (the dry season, which is shorter than the rainy season) mean that some domestic regions are internally isolated. This state of affairs presents a significant barrier to domestic and international trade. The landlocked position of the Central African Republic means that transport infrastructure is an issue of top priority for its economy.

With regard to trade, it is estimated that around (i) 600,000 tonnes of merchandise passes through the road network between the Central African Republic and neighbouring countries in the form of imports and exports; (ii) 62,000 tonnes of products are moved over a period of eight (8) months of the year by water, notably River Oubangui, against 600,0000 tonnes 30 years ago and; (iii) around 60,000 passengers per year travel by air, with a maximum of 5,000 tonnes of air cargo.

The road network and engineering structures

The road network, 24,307km in extent, comprises:

- 5,376km of trunk roads, of which: (i) around 700km is asphalted (financed by Japan and the European Union), many sections of which require repair as the network has not been maintained properly for the past 8 years; (ii) 155km is undergoing repair, notably the Bangui – Garoua Boulaï approach, the stretch from Bouar – Garoua Boulaï which will be asphalted in 2008-2010 thanks to

co-financing by the European Union (73km), the World Bank (27km) and the African Development Bank (54km) as part of a sub-regional project. Japanese aid has been applied for to lay out the Baoro – Bouar stretch; (iii) around 2,200km of earth roads could be maintained using resources from the Road Maintenance Fund (FER), in addition to which 300 km are maintained by forestry companies through partnerships, and (iv) 200km of earth roads were repaired in 2006 and 2007 with finance from the European Union and 80km in 2007 with support from FER;

- 3,761 km of regional roads which are maintained by forestry companies, notably along the route of the fourth parallel, and thanks to finance from the European Union on the stretch Berbérati – Nola – Bayanga;
- approximately 15,000 km of rural tracks, of which over 80% are badly deteriorated following the cessation of work on agricultural projects and development agencies under the tutelage of the Ministry of Rural Development, which formerly maintained them.

Strategic links along national routes are secured by permanent engineering works now in various states. However throughout the rest of the network, the 450 semi-permanent structures (wooden planking) serving as bridging points where rural tracks, regional or secondary roads have been cut, are for the most part inadequate to carry any significant traffic, following several years without maintenance. In all 51 ferries, of which 29 are ordinary rowing-boats, 15 with motor-winches and 7 outboard motors, are in use throughout the land but provide a poor service owing to the lack of spare parts and maintenance facilities.

The Road Maintenance Fund (FER)'s budget, restricted to XAF 2.5 billion, is grossly inadequate for the routine maintenance of the transport infrastructure. Ten billion per annum is needed to keep the network in good condition. For the 2008-2010 period, it is expected that the FER's resources will be increased to XAF four billion a year. The shortfall must be met entirely from external financing.

For the time being, financing is restricted to: (i) the Bouar-Garoua Boulai road; (ii) institutional sectoral support from the European Union; (iii) resources for the National Materials Office; (iv) around XAF 2 billion offered by the World Bank and European Union for regular maintenance of asphalted and earth roads, and (v) financing from the African Development Bank for a review of the renovation of asphalted routes, in particular the main existing corridor.

The riverine sub-sector and ports

The riverine sub-sector remains a major and indispensable link in multi-modal transport for opening up Central African Republic. However, navigation is confined to navigable waterways, and only 2,067km of a total of 5000km are usable for some part of the year, in particular the Bangui-Brazzaville corridor (1,195 km).

Ports, particularly the ports upstream and downstream of Bangui and the port of Salo, have dilapidated equipment in need of restoration. Finance totalling EUR 4m from the European Union and French Development Agency (ADF) made possible the improvement of the infrastructure and equipment of the Central African river transport company, the renovation of fixed installations at ports and the naval dockyards of Kolongo, and investment in two hydrocarbon barges. The capacity of the river sector will increase as the capacity of the merchant fleet itself rises. Other supporting work is under way, including that by the French Ministry of Foreign Affairs, which has allocated 3 states on the River Congo (CAR, Democratic Republic of the Congo [RDC] and Republic of Congo) a subsidy of XAF 900m for investment in river maintenance.

The underlying problems of waterborne transport are still: (i) seasonal navigability, which is limited to 7 to 8 months a year; (ii) the continual silting of the river-bed, and (iii) the unreliability of road and rail links for non-oil traffic.

Against this background, it makes sense to envisage (i) carrying out regular dredging operations on the Rivers Oubangui and Congo; (ii) in due course, building a water regulation dam on the Oubangui upstream of Bangui (at Zawara, Palambo or Longo) to make it navigable 11-12 months a year; (iii) pressing ahead with renovations of waterborne transport facilities; and (iv) investigating the possibility of serving populations upstream of Bangui by waterborne transport, using modern, safe facilities.

The air sub-sector

Of the 42 airfields, just four runways are asphalted (Bangui, Berberati, Bobangui and Avakaba). The remaining 38 runways are grass. Most are currently out of service. The airport at Bangui-M'Poko went into service in 1967. Resurfacing of the runways last took place in 1987. The only airport that could currently be used to open the Central African Republic to air traffic urgently requires (i) the expansion and renovation of the terminal building and provision of safety and security equipment; (ii) work to strengthen the runway and (iii) and closure works around the airport. Moreover, the lack of safe landing strips in most regions is a considerable barrier to the opening up the interior.

Confronted with this state of affairs, the government has carried out reforms oriented towards facilitating the free movement of people and goods throughout the country. In the context of the conditions described, the government initiated and implemented two sectoral transport programmes (PST1, PST2) which ran from 1990 to 1996 in the case of the first, and from 2001 to the present time in the case of the second.

Challenges ahead

The issues which need to be addressed in the field of transport infrastructures include:

- obtaining very short-term financial resources for priority investment, technical studies and drafting the calls to tender required for a programme of repairs to national and regional road networks;
- strengthening the institutional framework to manage the sector, in order to guide the investments and supervise maintenance;
- mobilising external finance to allow for the development and maintenance of the infrastructure required to open access to neighbouring countries and begin opening up the interior. The main challenge is that, for want of resources for the technical production of infrastructure renovation dossiers, the running of an investment programme will initially be unavoidably limited to simple repair work to earth roads, and completing the regular maintenance of asphalted roads.

Strategies

In view of all these difficulties, and of the importance of the sector's development in the country, the current, and permanent, challenge for the government consists of implementing the right remedial measures to restore the free movement of people and goods. These initiatives are based upon the following vision for the sector: "by 2015, the country, having opened up both domestically and to the outside world, will have a cohesive, integrated framework for the management and maintenance of the transport infrastructure".

In order to achieve such an outcome, the government's strategy centres on two approaches: (i) strengthening the institutional framework and (ii) repairing, constructing and servicing transport infrastructure. To this end, the government has set the following key targets:

- Build capacity at the sector's institutions: technical ministries, FER, National Materials Office (ONM), Central-African Road Chartering Bureau and bodies in charge of the waterways and airports sector;
- Increase the sources of self-finance available to the sector: the Road Maintenance Fund; taxes earmarked for the Central-African Road Chartering Bureau, the Water Transport Development Fund (FDTVE) for river transport and the aviation fund for the air travel sector, in order to finance and maintain this heritage (although possibilities for generating additional income are unlikely to meet the needs of the sector); and

- Open access to neighbouring countries and begin the process of opening up the interior. Beyond the targets mentioned above, this strategy cannot be implemented without funding almost entirely from extra resources.

Subject to the progressive availability of sufficient resources, the strategy will hinge on:

Road sector

(i) Opening access to neighbouring countries, putting particular emphasis on repairing and then asphalting the regional routes below (cf. Figure 4):

(ii) Opening up the interior

- securing connecting routes;
- maintaining and repairing the national network;
- repairing regional and rural road network.

Table 2: Routes for opening access to neighbouring countries

Links	Routes
CAR – Cameroon	Bangui – Baoro – Bouar – Garoua Boulaï (border of Cameroon) Bangui – Boda – Yamando – Nola – Nianti (border of Cameroon)
CAR – Chad	Bangui – Sibut – Kaga Bandoro – Sido (border of Chad) Bangui – Bossembélé – Bossangoa – Bekay (border of Chad)
CAR – Congo	Bangui – M'baïki – (border of Congo heading towards Enyelle)
CAR – DRC	Sibut – Bambari – Bangassou (border of DRC)
CAR – Sudan	Bambari – Birao – AM – Dafock (border of Sudan)

River sector

Reviving the Oubangui Sangha complex as an exit route from CAR.

Air-travel sector

- securing Bangui M'Poko airport and the airport at Berberati, in the west of the Central African Republic, bringing them up to the required standard to service the area;
- gradual development of 9 airfields to cover the entire country;
- provision of satisfactory meteorological and air-traffic control data for the entire country.

Priority actions

With the aim of implementing an ambitious programme of infrastructure renovation, the government plans to operationalise a package of initiatives based upon the following broad aspects:

1. Strengthen of the institutional framework

Strengthen the institutional framework responsible for managing work in the sector, and build the institutional capacity of the bodies responsible for formulating and implementing sectoral policy. The government already has some ear-marked support such as that from the European Union, the African Development Bank and the World Bank. Subject to securing further resources, the relevant bodies should, establish a system to monitor the condition of infrastructure, and harmonise the regulation of transport with sub-regional and international rules.

2. Mobilise of existing departmental resources

It is necessary to mobilise departments' existing resources for (i) technical studies into the repair of earth roads and regular maintenance of asphalted roads and (ii) regional connecting structures. The former work

has already begun, and will (along with the asphalting of the Bouar-Garoua Boulaï route) be financed by the World Bank and European Union.

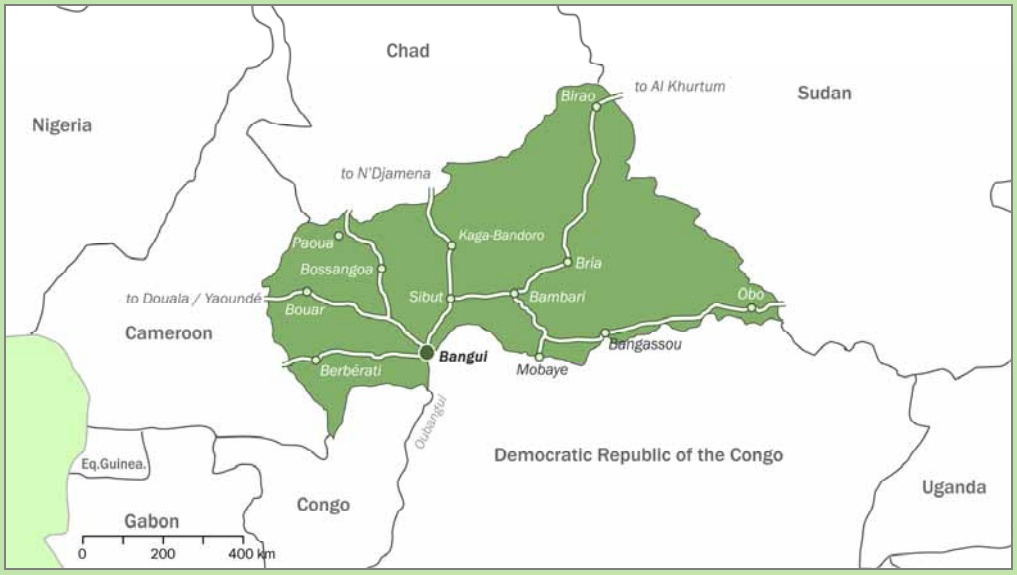
3. Seek finance for the 2008-2010 period

Obtaining finance for the 2008-2010 period is essential for (i) studies into asphalting international routes and opening up river and air transport infrastructures, and (ii) implementing an emergency programme for 2008-2010 on earth roads and examinable engineering structures, using existing resources.

4. Repair transport infrastructures

The rehabilitation of transport infrastructures consists of three main objectives: (i) repair, build and service transport infrastructures along the trunk routes for opening access to neighbouring countries, thereby linking the country's main towns; (ii) restoring navigable waterways (Oubangui, Sangha); and (iii) implementing the second emergency investment programme on earth roads and engineering structures.

Figure 4: Main transport arteries connecting to neighbouring countries



Source: Ministry of Equipment and Regional Integration

These various initiatives are all high priority, and crucial in order to relieve bottlenecks in those sectors which impact significantly on the country's economic prosperity and which can substantially reduce poverty.

3.3 Sectoral strategies and priority initiatives

Promote the energy sector

Current situation

Energy resources in CAR are poorly documented and little is known about their potential. Despite the development of modern energies (electricity), most of the population still produce energy using wood as fuel. In 1992 wood fires accounted for 87% of total energy consumption, with imported oil-based products (10.9%) and hydro-electricity (1.4%) accounting for the remainder.

Timber based fuels

The demand for timber based fuels is estimated at 1.6m tonnes, of which only just under 60% can be met. The country's domestic timber fuel production is in the order of 805,000 tonnes, 800,000 tonnes of which comes from forest clearance (for food, cotton and coffee production) and 5000 tonnes consists of waste from timber sawing. Around 2,500 tonnes of fuel per year is produced by carbonising these products.

PILLAR 3

Electricity sub-sector

As far as the electricity sub-sector is concerned, supply does not match demand. In 2003, 3% of the overall population had access to electricity, 10% in Bangui, 1% in second-tier centres, with a rate close to zero in rural areas where the majority of poor people live.

Since independence, with the exception of private generation and independent production, electricity service provision has been monopolised by Central-African Energy (ENERCA), which produces, distributes and markets electricity throughout the country. Since the services supplied by this company were poor in quality, the government, after liberalising the sector in edict 05.001 of 1 January 2005 and introducing an Electricity Code to CAR, undertook the restructuring of the company.

The existing electric power infrastructure is composed of:

- hydro-electricity stations Boali 1 and Boali 2, built in 1954 and 1976 respectively, since when they have only been partially updated, hence they are now in a very advanced state of decay;
- the thermal power station at Bangui, which serves as back-up to Boali 1 and Boali 2. Out of the six generators at the power station, only one is currently in service (2.5 MW);
- a flow-regulation dam at hydro-electricity stations downstream from Boali 1& 2;
- around sixteen provincial centres, fed by diesel-powered generators, which operate erratically for a four hour period each a day (18.00 - 22.00 hrs) owing to problems with hydrocarbon supplies.

The total capacity of CAR's electricity installations is 39 MW (2005, ENERCA) of which the interconnected Boali-Bangui grid accounts for 36 MW. Faced with the inadequacy of supply, an increasing proportion of people living in provincial towns are using diesel or petrol powered generators to produce their own private supply of electricity. Business such as mining companies, agro-industries, logging companies and planters, as well as religious missions are particularly known for doing this. Unit capacity ranges from 2 to 650 KVA and their total output is of at least the same order of magnitude as the capacity of ENERCA's installations. Private generators also include the installation of solar kits and hydro-electric micro power stations.

Rural electrification in the Central African Republic is still in its infancy. That is why, in 2004, the Central-African government adopted a national energy policy framework favouring renewable energies, with a view to reducing poverty over the 2005-2015 period.

Upstream oil sub-sector

In the upstream oil sub-sector, an oil code and implementation guidance have been promulgated.

Downstream oil sub-sector

In the downstream oil sub-sector, it is vital to note that Central African Republic imports all oil products intended for its consumption of around 100,000 m³/year. However, it has storage capacity of just 48,000 m³. Importing, storage, distribution and marketing operations formerly exercised by Centrafricaine des Pétroles (PETROCA), a mixed economy company with a majority state holding, were liberalised. A framework agreement and two amendments were signed between the state and companies performing distribution and marketing in CAR. It is pertinent to stress that this agreement, signed in 1999, conferred exclusive rights of operation to the "marketers" for five years, and to the storage company for ten years.

The fully privatised import and distribution markets have been dominated by three firms since 2000, namely: (i) the Logistical Asset Management Company (SOGAL), based at the oil port of Kolongo, charged with the warehousing of oil products on behalf of marketers and (ii) Total Central Africa and Tradex Central Africa who import, distribute and market hydrocarbons.

It should be noted that, since 25 April 2007, three key laws have been promulgated. The first of these reorganised the downstream oil sub-sector; the second set up the agency to stabilise oil product prices, while the third founded the Central African Petroleum Products Storage Company (SOCASP).

Challenges ahead

The development of the energy sector is clearly constrained by: (i) an inadequate regulatory framework; (ii) the lack of any information system, which is vital for decision-making; (iii) the poor performance of ENERCA; (iv) the low level of access to electricity by the public; (v) the unsuitability of the technology

currently in use; (vi) poor human resources; (vii) the lack of any national energy policy; (viii) the low level of investment in the energy sector; and (ix) the domestic and international isolation of the country.

Strategies and priority actions

Faced with this state of affairs, in the medium term the government will take critical measures to ensure that (i) people living in urban and rural areas have access to good quality energy services at lowest possible cost, and (ii) resources are managed sustainably through partnerships between the public and private sectors.

1. Continue with the restructuring of the sector

This will include: (i) pressing ahead with reform of the electricity and hydrocarbon sub-sectors; (ii) restructuring ENERCA; (iii) developing and putting in place an energy information system; (iv) increasing electricity generation, transport and distribution capacity over the interconnected grid (Boali-Bangui); (v) formulating and implementing energy substitution strategies using thermal energy, and electrification using renewable energy sources; and (vi) promoting electricity energy exchanges through regional and sub-regional networks.

2. Diversify energy sources

This will include: (i) expanding rural electrification; (ii) building hydro-electric micro-dams; (iii) electrifying villages using photovoltaic systems; and (iv) exploiting biomass energy.

3. Improve hydrocarbon management capacity

This will incdlue: (i) developing capacity to regulate hydrocarbon markets; (ii) decentralising and increasing storage capacity to diversify the supply channels and (iii) reducing the country's energy dependence.

Lastly, it should be noted that mining projects should have an impact on the country's energy development. For instance, a dam is planned at Kembé on the Kotto to produce electricity for uranium and gold mining sites.

Telecommunications and information and communications technologies

Despite its limited development at the present time, this sector will be an engine for future development, and already looks promising. Prospects are good, given the investment plans announced by large telephone companies, such as the Orange group, and the potential tax revenues that could be generated for the state.

Current situation

Due to the serious development challenges faced by the country, most of the development initiatives implemented in recent decades, particularly in providing public services, basic infrastructure and rural development, have been at the expense of initiatives to develop the telecommunications infrastructure.

Basic telecommunications services coverage for the public remains very limited. To provide a brief summary:

- there were 5,000 main landline telephone lines and 160,000 mobile lines as at 31 March 2007, i.e. an overall tele-density of 4.1% (number of landlines and mobiles per 100 people, compared with an overall tele-density of 34.6% in Senegal);
- 17 towns have access to the mobile network (a population coverage rate for mobile telephony of below 30%): eight on the landline network and four prefectures out of sixteen have at least one public internet access point, and a facility for an internet connection of less than one bit per second per person.

Government departments and companies make little use of IT or remote data-processing; small and medium businesses, notably tourism and cultural firms, are absent from the Web. The public sector offers virtually no online information or services to citizens and companies. The need for specialist labour is a

barrier to new information, and communications technologies (ICTs) are little known and cannot easily be grasped through training. ICTs have not yet been integrated into teaching or research programmes.

The rebuilding of the country, the opening up of rural areas, participation of Central-African companies in world trade and poverty reduction cannot be achieved without rapid development in telecommunications.

Challenges ahead

- The telecommunications sector is confronted with the following barriers to expansion;
- the sector's poor legal, regulatory and institutional framework;
- dilapidated basic infrastructure due to lack of investment and the fact that some infrastructure has been destroyed;
- the lack of a dynamic, competitive climate conducive to the development of ICTs;
- poor coverage of national territory in resources to access ICTs;
- the isolation of national companies in relation to world trade.

Strategies and priority actions

Faced with all these challenges in building an information society, the government has already begun clarifying the regulatory framework for the sector, notably by specifying the rules under which licences are issued, and by creating a regulatory agency. A new law establishing the legal framework for the sector is being drafted on the basis of an in-depth consultation with stakeholders.

1. Promotion of competition

Create a dynamic, competitive environment and reaffirm the crucial role of private enterprise in developing ICTs.

2. The legal framework

The ICT telecommunications code will give priority to legislation and regulation that can be easily implemented and is suited to domestic and international conditions. It will be attractive to investors and will contribute to extending coverage to most of the population.

3. Full coverage of the population

Develop networks and means of accessing ICT throughout the country, with a view to providing full coverage for the public; and

4. Improve internet utilisation

Facilitate universal internet access by multiplying the points for community access to ICTs, and raising levels of corporate internet access.

Installing broadband infrastructure is a first step in this direction and will contribute to connecting all districts of the country. The installation of broadband fibre-optic networks, linking Bangui to the SAT-3/WASC submarine cable, is planned for mid-2009, provided finance is granted as part of a regional integration project.

Development of basic public services

Water treatment and sanitation

A key indicator of poverty reduction among disadvantaged people is an improvement in well being by means of better access to basic services, such as potable water and sanitation facilities close to their place of residence. These issues are a constant preoccupation and top priority of the government.

Current situation

The water and sanitation sector covers the supply of potable water to the public, basic sanitation for households and communities (schools, markets, health centres), and purification of rainwater.

With regard to the water sub-sector, the level of access to potable water is estimated at 29.5% on average in urban areas and 31.5% in rural areas, i.e. a national rate of 28.2% in 2006. These indicators mask wide disparities between regions and towns. Thus the most disadvantaged districts may have almost no access to safe drinking water. Water treatment trends are not easy to assess due to lack of data. However, cross referencing data from 2005 indicates a worsening situation: 69% of households in Central African Republic lack acceptable sanitary arrangements. This deficiency disproportionately affects poor households located either in rural areas or on the outskirts of towns, where ramshackle housing is built in unplanned settlements, with serious impacts on health and security.

A guidance scheme for water treatment, dating from 1995-1997, was approved in January 2001. The policy document and strategies for water and sanitation were revised and adopted in September 2005 by the government. Law no. 06.001 relating to the water code was adopted in 2006.

Reform of the sector's institutional framework is under way, though the lack of resources is a barrier to its implementation. The reforms involve decentralisation and liberalisation of the sector, but should not be mistaken for disengagement on the part of the state, which will both mobilise resources and play a regulatory role in order to guarantee better access to water and sanitation to those most in need.

In urban areas water services are supplied by the State Water Company (SODECA), which had a monopoly before the sector was liberalised. Reform of the sector is ongoing. The design and construction of works for a potable water supply (PWS) fall to the General Directorate of Hydraulics. Unfortunately, this managing authority lacks the capacity to guarantee services to rural populations, or to ensure the proper maintenance and servicing of water works.

Challenges ahead

The key challenges which the sector must overcome include the following:

- increase investment in the water and sanitation sectors in order to improve public access to potable water and basic sanitation;
- effectively manage and coordinate sector-wide initiatives;
- achieve better usage of infrastructure by the public;
- establish a system for the recovery of costs in order to ensure the durability of works.

Strategies and priority actions

The government's key commitments in the field of water are as follows:

1. Establish an appropriate institutional and regulatory framework

- draft institutional and regulatory guidance on the implementation of the water code;
- revise the statutes of the SODECA.

2. Nation-wide capacity-building of the sector in relation to management and planning

- improve the sector's information system;
- train departmental planners in charge of water supplies;
- train managers in the private sector and civil society.

3. Construct and renovate supply works and adequate treatment plants

- renovate the SODECA's production tools for urban areas and all water points in rural areas;

– build new water points in the rural setting and water supply systems for second-tier towns;

– promote improved traditional latrines and ventilated latrine pits.

4. Finance the sector from diverse sources which are stable and reliable

– establish a system to mobilise domestic and international resources;

– promote the use of water points.

In the field of sanitation, the city of Bangui was initially prioritised, because its dilapidated state threatens the quality of inhabitants' life and health. A major renovation programme has therefore just been launched in the capital with aid from the French Development Agency, the European Union and the World Bank. This amounts to a cost effective investment in poverty reduction, due to the high concentration of the poor in depressed districts of the capital. However, it is still vital to extend the programme to the rest of the country.

Private sector and the business environment

Current situation

The government aims to promote the role of the private sector in economic regeneration. It has already taken measures to foster an environment conducive to business in CAR. These have included reviewing business law to ensure compliance with the Organisation for the Harmonisation of Business Law in Africa (OHADA) treaty, and establishing a framework for consulting with the private sector. Reducing the state's domestic arrears will also be conducive to the regeneration of the private sector, as it will help to regain the trust of development partners. Apart from these measures, restoration of the security of goods and people would facilitate the development of commercial networks.

Challenges ahead

However, development of the private sector is still constrained by various factors, particularly: (i) the cumbersome bureaucracy that slows down and complicates the formal process of setting up a company; (ii) weak basic infrastructure and the poor quality and high costs of production inputs compared with other regions; (iii) limited economic liberalisation; (iv) legal and judicial insecurity and corruption; (v) the weakness of the financial system and limited access to credit, and (vi) political instability and insecurity which are obstacles to the development and competitiveness of private enterprise.

Strategy and priority actions

The government will act in consultation with its various development partners to foster an environment conducive to domestic and foreign investment, and the development "of a dynamic and competitive private sector that will generate jobs for men and women, contributing to the fight against poverty," by 2015. This strategy hinges on the following commitments:

1. Establish a legal and institutional framework and incentive structure conducive to private enterprise

The OHADA framework has been completely revised, but its implementation needs to be more rigorous.

2. Build the capacity of institutions servicing the private sector and develop business support services

In a context of liberalisation and deregulation, the administration must play a facilitator role and provide guidance to the private sector. This process will therefore involve building the capacity of the Ministry of Commerce, Industry, Small and Medium Companies, and of Commercial Tribunals. It will be equally necessary to develop the business support services market and build the capacity of local experts in order to promote institutions, professional organisations, associations and private service providers. It will similarly involve restructuring and building the capacity of the Chamber of Commerce, Industry, Mines and Cottage Industries, which will regain its financial autonomy in order to improve its performance, particularly in the areas of promoting local entrepreneurs and providing economic and commercial information. Establishing a single service point for investors should considerably reduce the delays involved in setting up a company. An investment promotion agency must be established to complement existing arrangements and encourage an increase in foreign direct investment.

3. Strengthen partnerships between the public and private sectors

This means routinely involving the private sector in formulating policy and strategies which affect its operations, through a more productive dialogue.

4. Establish a financial system suited to the competence and requirements of economic operators

In order to encourage the birth of new businesses, the government intends to establish financial systems suited to the competence of economic operators, and particularly to their needs in terms of securities, credit costs and building up capital. A national strategy to promote microfinance will be introduced to support very small firms. To achieve these goals, it is necessary to address the persistent problems of the financial sector (bad debts), but without further burdening public finances.

5. Build the capacity of economic operators and develop human resources commensurate to the needs of business

Raising the standard of qualifications and skills, by improving companies' productivity and competitiveness, contributes to poverty reduction. As well as developing targeted training initiatives for company executives and managers, the government will build the capacity of the Central-African Professional Training and Employment Agency (ACFPE, part of UNEVOC) to enable it to design training initiatives commensurate to the requirements of business and the employment market.

Box 4: Instruments of commercial policy in CAR

The Central African Republic applies the EMCCAS Customs Code, and its rates show a mixed rate of progression, due to the protection granted to non-processed agricultural products. Domestic taxes, such as Value Added Tax (VAT), are levied on imports and local products. In view of the importance of customs receipts (around 65% of total tax revenues in 2006, excluding donations), close control is exercised over traffic on the Douala-Bangui approach route (80% of traffic bound for CAR).

Sugar imports are subject to a licensing regime, with a large share going to the sole national producer (SUCAF-CAR). Coffee imports are allowed only once domestic production has been sold and compliance with the provisions of international treaties relating to protection of the environment and health and phytosanitary measures is assured."

In the forestry and mining sectors, basic infrastructure and telecommunications, special taxation codes and methods apply, or are under review.

The privatisation programme has resulted in opening operations in the downstream sub-sector of hydrocarbons up to competition. Pump prices are controlled and the tax on these products was reduced in 2006 in order to limit the impact of rising world prices. Industrial property in particular is protected under the revised Bangui Agreement. National legislation on intellectual property and land rights is outdated and requires updating. The same applies to competition law. The country does not have any regulatory framework for the standardisation which is so necessary to improve the quality of its products.

Source: WTO, Report by the secretariat of the examining body of commercial policies (May 2007)

Integrating the economy into sub-regional and global economies

The policy of regional integration aims to address the problems resulting from CAR's isolation. The government intends to increase its involvement in the regional integration process through the Economic Community of Central African States (ECCAS), EMCCAS, the African Union (AU) and the New Partnership for Africa's Development (NEPAD). It will take all measures to ensure macroeconomic and sectoral compliance with the requirements for convergence, in order to achieve macroeconomic stability and foster an environment conducive to business. In addition, the government will pay particular attention to:

- integrating the financial sector, with a view to cleaning up the banking system and developing microfinance in CAR, an effective way of mobilising resources and financing development;
- developing regional infrastructure services to remedy the inadequacy of transport. In this respect, CAR will take an active part in the NEPAD's Road Network Integration Programme (PRRI);
- promoting commerce and business transactions;
- transforming CAR into a transcontinental, economic transit passage, given its geographical location at the heart of Africa.

A revised framework for partnership and the coordination of external aid

CAR's development partners support the macroeconomic, institutional and structural reforms under way as well as the poverty reduction strategy.

However there are differences in the specific working methods of the various development partners. This diversity of methods generates transaction costs and cumbersome procedures that reduce the effectiveness of aid. Therefore the government has high expectations of the implementation of the Paris Declaration (2005), which emphasises the alignment of TFPs with national strategies (especially the poverty reduction strategy outlined herein), coordination between initiatives and the implementation of outcome oriented strategies. The government is determined to mobilise the international community and to expand its circle of partners in development. In consultation with those partners, it will seek to strengthen co-financing and coordination/harmonisation of interventions by means of the joint organisation of (i) evaluation missions; (ii) sectoral reviews and (iii) annual reviews. The goal is to achieve better coordination of aid and an increase in its effectiveness and impact, both in terms of outcomes and the quality of dialogue with partners.

The World Bank and African Development Bank have already decided to coordinate their reengagement processes through a common strategy, by aligning short- and medium-term national priorities.

PILLAR 4: Develop human capital

Human capital (combined with financial capital and natural capital) is critical to sustainable, long-term growth. The poverty reduction strategy aims to increase human capital in the vital fields of education and health, by prioritising initiatives that will reach those regions worst afflicted by poverty. Emphasis must be placed on human capital, partly because levels of health and awareness are aspects of well being, but also because human capital is a critical factor in addressing monetary poverty.

Pillar 4 guide

Education	54
Health and HIV/AIDS	57
Youth and sport	59
Promoting sport	*59*
Supporting young people	*60*
Employment	61

Developing human capital therefore benefits the entire population, and especially women, as well as specific social groups such as people with disabilities, victims of conflict, orphans and so on, whose impoverished position limits their ability to respond effectively and protect themselves, rendering them extremely vulnerable and at risk of social exclusion. The poverty profile indicates that limited human capital is a major determinant of monetary and non-monetary poverty.

Education

Current situation

For the past 15 years, access to education in Central African Republic has been constrained by the system's limited intake capacity. Irrespective of the quality of the teaching, educational indicators have shown no significant improvement. For example, in 2005 the gross School Attendance Rate (SAR) was 4% at pre-school, 75% at Foundation 1 (F1) and just 29% at the Foundation 2 (F2), general secondary (GS) and technical grades. This limited intake capacity has been accompanied by a deterioration in the quality of facilities due to a decline in the resources allocated to the sector.

The importance afforded to education in the national budget has declined significantly. Whereas spending set aside for education represented 28% of public spending (apart from debt) in 1996, it was estimated at just 14% in 2005. The combination of low fiscal pressure and the low priority in the budget has resulted in just 1.45% of GDP being allocated to education, the lowest level found on the continent, and well below the African average of 3.7%.

Similarly, the level of priority afforded to F1 in the education budget has declined markedly. Whereas spending on F1 represented 65% of all public spending on education in 1980, it was just 49% in 2005. The share allocated to secondary education is also low (28%). On the other hand, higher education represents 23% of current education spending (as against the Africa wide average of 18%).

Unit costs (average spending per pupil) are particularly low at primary and secondary levels. They are estimated at 7% of GDP per capita at F1, 17% at F2 and 28% at GS. Higher education unit costs, however, is up to 225% of GDP per capita. Annual public spending on a student in higher education is equivalent to that of 31 pupils at F1.

Owing to budgetary constraints, too few state school teachers are recruited to meet the needs of the system. The system therefore adapts by means of (i) recruitment by families of untrained tutors, who currently represent almost half of all teachers in the classroom, and (ii) regrettably, record teacher-pupil ratios (92 pupils per teacher on average at primary, and over 50 on average at secondary).

In addition to the shortage of teachers, there is a paucity of textbooks for teachers and pupils. There is currently 1 book for every 10 pupils at F1. The course repeat rate is high: 30% at F1 and 20% at F2 and

general secondary. Lastly, the education system has a high attrition rate among all children from the throughout the educational cycle. Completion rates at F1 were estimated at just 32% in 2005.

Given the overall employment situation in the Central African Republic, the profile of graduates leaving the national education system is ill matched to the economy's needs. On the one hand, the agricultural and informal sectors need literate people to raise their productivity (and hence contribute to poverty reduction). The urban formal sector needs fewer employees – but with a good standard of education. Most young people (70% of a given cohort) currently enter the workforce functionally illiterate. Conversely, the annual turnover of higher education graduates exceeds by more than 6 times the number of managerial posts on offer.

This mismatch between education and employment aggravates unemployment and under-employment. Just 25% of those leaving higher education succeed in obtaining a managerial post; the remainder enter posts for which they are over-qualified (50%), or join the ranks of the unemployed (25%). The extent of the imbalance is such that the inadequacy of the educational system in preparing graduates for employment is structural rather than contingent.

An analysis of equity in education and resource distribution shows that gender, place of residence and standard of living are axes of inequity.

At F1, there is a significant disparity between the proportion of girls and boys who access education and complete the educational cycle. At F1, the gender disparity in attendance rates is estimated at 27 points in favour of boys. Owing to high attrition rates among girls, the gender disparity in completion rates is estimated at 20 points, also in favour of boys. Furthermore, school attendance rates in rural areas are far lower than in urban areas, at 50% and 107% respectively. The highest attrition rates are found in rural areas record. Gross school-attendance rates increase with income levels. The rate rises from 32% for the first quintile (the poorest 20% of households) to 121% for the last (the most wealthy 20% of households).

These disparities are even more pronounced at post-primary levels, to the point where, in higher education, 85% of students come from the most privileged households.

With support from the World Bank and UNESCO (Dakar centre), the government has recently submitted a Report of the Assessment of the National Education System (RESEN), the main lessons from which are set out below. Following up this diagnosis, the government is currently drafting its strategy for the sector (2007-2020) using a credible macrofinancial framework. This national strategy aims to make the country eligible for the EFA Fast Track initiative.

Challenges ahead

In view of the social impact of education and the need to educate young people in order to achieve economic growth, the education sector must overcome the current challenges by:

- achieving universal primary education;
- improving the quality of other grades (secondary and higher);
- developing literacy programmes;
- developing short professional training courses;
- professionalising higher education.

The challenges faced by the education system are such that the department's vision extends beyond 2015. The PRSP rests on the maxim that, “all children of both sexes, regardless of place of residence, must access a complete, good quality education at F1, and F2 must accept more children”.

Strategies and priority actions

In order to maximise the economic and social impact of education, progress towards universally accessible and better quality basic education is needed. For other educational levels (general secondary and technical, higher education), the emphasis will be on the quality and relevance of education (diversification, professionalisation and improving internal efficiency) which must be at the core of future

education policy. From this viewpoint, the monitoring and evaluation of the system's "external" performance should address the mismatch between the education system and the national economy.

Priority actions include ensuring that, by 2020, regardless of place of residence, all children of both sexes can access, and complete, a full, high quality F1 grade education, and that they will be in a position to access other education grades.

The key points of the strategy are:

1. Increase the range of education on offer

Attracting the highest possible number of girls and boys is a priority. This will be achieved through the construction of new classrooms equipped with educational materials in areas with low school attendance rates, and recruiting and training teaching staff. Special attention must be paid to stimulating demand for education. To this end, communities will be engaged in an open, wide-ranging dialogue on schooling, taking special care to involve women, and awareness raising initiatives will target parents. Other priority initiatives will relate to literacy, especially among women, so as to enable them better to understand the need for children (and particularly girls) to attend and complete school.

2. Increase the proportion of pupils completing primary school

Extending pre-school education throughout the country will be a priority. Teaching and assessment methods will also be improved and a competence-based approach adopted. A special chapter will be dedicated to developing an informal education programme in order to include currently excluded children, of whom 50% are girls. In order to achieve this goal, arrangements to train admin staff on strategic planning, management and mobilisation of resources will be put in place, and are expected to yield real results: admin staff and teachers are frontline advisors to communities in search of solutions to the development challenges they face.

3. Increase retention rates

Since the goal is to ensure that children complete their primary schooling, initiatives to make education more appealing are planned. These will consist of support to communities in the form of technical advice, equipment, financial and incentive structures and so on, in order to make it compulsory for children to have access to potable water in school canteens, and in separate lavatories for girls and boys, as well as in the communities themselves. It is also necessary to take account of the factors determining attrition rates, particularly among girls, and introduce appropriate measures to address these. This process will come about by developing activities aimed at making the school environment appealing, improving physical access to the school, establishing physical and moral security for pupils, and particularly girls.

4. Raise awareness and mobilise all partners

Proposed reform initiatives can only succeed if the community and all partners genuinely participate in running the school. Outcome oriented training trained on the use of planning, management and participatory monitoring tools will be targeted at those in charge of local committees, which will help to involve women.

The participation of private economic operators will be encouraged and incentive structures will be put in place in order to remove barriers to school attendance for all children, and particularly girls. Special arrangements will be made to publicise the relevant legislation and related implementation guidelines.

5. Increase intake capacity and make F2 teaching more relevant

This commitment will entail recruiting and training teaching staff, building and equipping new classrooms, technology rooms and laboratories and revising F2 teaching programmes with a view to preparing the largest possible number of young people for an economically active life.

These initiatives are expected to yield the following results:

- a school-enrolment rate of 73% of children aged 6 to 11 at F1 and a reduction in the current gender disparity;
- a primary level completion rate of 74%;
- a decrease in the attrition rate to 9% in the case of girls and 6% in the case of boys;
- the increased mobilisation of stakeholders and partners in the education system;
- increased intake capacity and a more relevant teaching programme at F2.

Health and HIV/AIDS

Current situation

A decade ago, public authorities adopted and implemented the First National Health Development Plan (PNDS 1) for the period 1994-1998 and the Interim Health Plan, a national health policy based on primary healthcare and the Bamako initiative (decentralisation and community participation). Reviews of the plans showed inadequacies in terms of human, infrastructural, equipment and financial resource capacities, which prevented the objectives set from being achieved. Poor rural regions still have an acute shortage of medical and paramedical staff. The health worker/person ratio by professional category shows unequal distribution between the capital Bangui and the rest of the country. Consequently, the main performance indicators have deteriorated compared with the report on World Health Organisation (WHO) standards. Critically, there is only one doctor for every 3,000 people and one nurse per 1,000.

The deterioration of the healthcare system is occurring in tandem with new challenges facing the sector. These include: (i) HIV/AIDS, the prevalence of which is increasing relentlessly as it devastates the economically active population; (ii) the reappearance of tuberculosis, which usually accompanies HIV/AIDS, and (iii) the persistence of malaria. This state of affairs has led to a deterioration in the health of the Central-African public and a quantitative and qualitative decline in human capital, which risks jeopardising the prospects of medium- and long-term economic growth.

Thus, in fifteen years, life expectancy at birth for the people of the Central African Republic has declined by over 6 years, falling from 49 in 1988 to 43 in 2003. The overall mortality rate increased from 17% in 1988 to 20% in 2003. The maternal mortality rate remains high. Out of 100,000 live births, 1,355 maternal deaths were recorded in 2003, against 683 in 1988. This high level of maternal mortality is primarily a result of lack of access to prenatal care (34%), to assisted births (44%), or to contraception (6.9%). The main causes are frequent pregnancies, abortions which occur due to ignorance and lack of contraception, and severe monetary poverty among Central-African women.

The infant mortality rate is 132% overall, 116% in urban areas and 141% in rural areas. Child/adolescent mortality rates are 220% nation-wide (238% in rural areas), according to the general census of population and living conditions conducted in 2003, whereas the Multi-Indicator Study (MICS) 2006 survey puts the national rate at 176%. Acute respiratory infections, malaria, gastro-intestinal illnesses, HIV/AIDS and severely protein-deficient malnutrition were the main causes of deaths among infants under 3 years in 2006. With support from partners, vaccination rates for infants under one year have improved, with over 80% coverage for all antigens.

The results of the HIV serology survey, together with the MICS 2006 survey, show that overall prevalence is 6.2% among men and women aged 15 to 49. These results mask disparities between the country's regions and prefectures and between social groups, while situating the Central African Republic at the top of the list of those central African countries most affected by the epidemic. These results are not comparable with earlier results obtained in 2002 from gateway groups, where the average prevalence rate was 15% (serology chart of pregnant women). Parent to child transmission of HIV is estimated at 35%.

This state of affairs is brought about by poor healthcare facilities (in 1993, only 37% of people lived within 10 km of a health centre), the poor quality and limited range of healthcare services, and especially in reproductive health, and poor standards of education, especially among women. The key factor is still poverty, which restricts the provision of high quality healthcare services and reflects low per-capita incomes, accounting for the limited access people have to existing services.

This diagnosis reveals the following priority problems: poor performance of the healthcare system, a consequence of (i) inadequate internal finance for healthcare services and programmes (just under 6% of the national budget for more than a decade), and (ii) the inadequate scale of priority healthcare programmes, due to insufficient resources, inadequate HIV/AIDS prevention, poor coordination in the fight against HIV/AIDS at all levels and limited involvement the sector in this fight.

Challenges ahead

Implementation of strategies

Components include: (i) raising the level of national finance [community[11] and budgetary (except the external portion)] allocated to the healthcare system (including its infrastructure, equipment and qualified staff) in order to raise the overall quality of healthcare offered; (ii) mobilising additional resources to finance the shortfall and facilitate the scaling up of priority healthcare programmes; (iii) motivating and deploying the qualified staff needed to provide healthcare, in priority rural areas, then at the level of regional benchmark structures and at Bangui; (iv) ensuring the permanent availability of medications (including anti-retrovirals), vaccinations and laboratory reagents at all the country's healthcare sites; (v) undertaking the necessary reforms of the healthcare system to facilitate proper management of health programmes and activities; (vi) strengthening preventive programmes aimed at changing behaviours associated with illness, by getting targeted programmes up-and-running which prioritise vulnerable people, especially women and young people; (vii) improving the overall standard of care on offer; and (viii) promoting a multi-sectoral approach to initiatives to combat HIV/AIDS.

Improving public health indicators

This will entail (i) increasing access to good quality services among the rural poor and other vulnerable social groups (such as women of childbearing age, infants under 5 years and employees of the priority social and productive sectors) to 72% (as against 62.5% in 2000); (ii) reducing maternal mortality from 1,355 to 1,016 per 100,000 live births and infant mortality from 176% to 103%; and (iii) halting the advance of HIV infection at around 6.2% and ensuring proper care of at least 60% of those infected.

Strategies and priority actions

1. Raise internal finance

The health sector will need to raise internal finance to at least 15% of the national budget, to cover priority healthcare services and programmes.

2. Regenerate and strengthen the healthcare system

This commitment will entail: training and employing qualified staff, building and renovating healthcare facilities and breathing new life into the governance of healthcare programmes and activities. It will also involve developing methods of controlling epidemics (measles, meningitis and haemorrhagic fever) and neglected illnesses (hypertension, diabetes, etc.).

3. Finance scaled implementation of priority child and maternal healthcare programmes

These will include: (i) vaccinating children age 0 to 5 years and pregnant women against target diseases[12]: (tuberculosis, tetanus, meningitis, measles, hepatitis, diphtheria and yellow fever); (ii) essential infant healthcare (malnutrition, diarrhoea, respiratory infections, malaria, tuberculosis, HIV), as part of Integrated Care for Childhood Diseases (PCIME); and (iii) reproductive healthcare aimed at reducing maternal mortality[13] (emergency obstetric care, antenatal and postnatal consultations, family planning (modern contraceptive methods), suitable gynaecological care and campaigns against harmful traditional practices (such as female genital mutilation).

4. Combat HIV/AIDS, tuberculosis and malaria[14]

To strengthen the multisectorial approach to tackling HIV/AIDS, a National Committee for the Fight against AIDS (CNLS) was set up in 2001 under the direct authority of the President of the Republic, Head of State. Its permanent body is the CNLS's technical secretariat (ST/ CNLS), charged with coordinating work in the fight against HIV/AIDS throughout the country.

[11] This involves mutual health insurers, payment by communities and public-private partnerships.
[12] Expanded vaccination programme (PEV).
[13] Plan to speed up the reduction of maternal and neonatal mortality, 2004-2015.
[14] National strategic framework for the fight against HIV / AIDS, 2006-2010.

Given that poverty and HIV/AIDS are mutually linked, the new National Strategic Framework (CSN) for the fight against HIV/AIDS (2006-2010), adopted in July 2006 by the CNLS's general assembly for a period of five years, underpins efforts to combat HIV/AIDS in the country. Finance for the operational plan 2007-2010 emerging from this CSN will undoubtedly complement the initiatives relating to Pillar 4 of the PRSP.

In view of the seriousness of HIV/AIDS and the manifold threats that its spread represents for poverty reduction, the fight against it is one of the government's priority areas for action. Combating HIV/AIDS will facilitate the preservation of human capital for greater economic growth and the development of the public service sectors.

Anticipated outcomes include:

- the implementation and financing of the above programmes according to a scale;
- the following improvements in health indicators: (i) 15% of the national budget allocated to priority healthcare programmes; (ii) 60% of patients afflicted with HIV/AIDS on Antiretroviral (ARV) treatment and effective research and prevention work carried out based on the multi-sectoral approach; (iii) prevalence of contraceptive use at 80%; (iv) vaccination cover maintained at around 80%, and (v) 80% health training is effective and facilitates quality care;
- the following public health indicators are under control and in decline: (i) the HIV/AIDS prevalence rate; (ii) maternal, neonatal and child mortality rates, and (iii) mortality rates stemming from epidemics and neglected diseases.

Youth and sport

Promoting sport

Current situation

In the past, Central-African sport played an important role both for the country's human development and for the moral and physical development of young people. It also helped to strengthen social cohesion, thanks to international achievements in some fields. Unfortunately, due lack o resources and deterioration of the conditions in which it is practised, sport is no longer in any position to fulfil this role.

Challenges ahead

It would be beneficial to strengthen sports facilities, and to endow our country with the necessary human and material resources for both promoting physical education and developing sporting activities, with a view to restoring Central-African sport to its bygone glory.

Strategies

- build the capacity of physical education teachers to meet the extensive needs of schools and colleges;
- equip our main regions with good quality sports facilities and equipment.

Priority actions

1. Draft a national sports policy

2. Renovate and re-equip sports facilities in the 17 prefectures (at a rate of 4 prefectures a year)

3. Reopen the training centre for 50 sports and physical education trainers a year.

Supporting young people

Current situation

People aged 15 to 34 represent 35% of the population. High drop-out rates from education, underemployment and unemployment among the young are the consequence of social exclusion and precarious living conditions. The lack of any suitable informal or extra-curricular education facilities accounts for antisocial and aggressive behaviour among young people.

With little hope of success in formal education system, they are left to their own devices. Even those with higher education, professional or technical diplomas are often unemployed. In the absence of existing socio-educational facilities, young people form their own associations, movements, informal networks, youth clubs and other organisations and develop their own social and educational activities in search of fulfilment.

Challenges ahead

In view of the current state of education in Central African Republic, informal and extracurricular education initiatives for young people must address the following challenges:

- educating and training young people of both sexes to become good citizens;
- promoting literacy among school young people who do not attend school and unemployed young people;
- building the institutional capacity of youth organisations as partners in implementing socio-educational and socioeconomic activities for young people;
- implementing initiatives in the fight against STDs and HIV/AIDS that are innovative and relevant to young people;
- developing networks of 'houses for youth and culture' as centres of education, information and guidance for young people;
- promoting structures and frameworks for socioeconomic initiatives encouraging entrepreneurialism among young people.

Strategies and priority actions

All young people, irrespective of socioeconomic circumstances, will benefit from a socio-educational framework and socio-professional training, which will ensure both personal fulfilment and effective social integration.

1. Develop a youth support programme

This programme will facilitate the development of educational activities, adopting suitable methods and an unstructured approach through which young people participate fully in their education. This methodology, which meets the psychological needs of children and young people who do not achieve highly in formal education, is operationalised by setting up a network of 'youth and culture houses' as specialist socio-educational facilities.

The methods adopted must be rooted in a thorough analysis of socio-educational activities. The following key themes will be integrated into this programme: educating young people to be responsible citizens, encouraging them to adopt a culture of peace, national unity and progress, and various literacy programmes and so on.

2. Develop socio-educational facilities

These initiatives are part of a comprehensive strategy involving the development of suitable socio-educational facilities as well as quantitative and qualitative capacity building with leaders.

3. Increase action in the fight against STDs and HIV/AIDS, adopting an innovative approach

This will involve promoting the large-scale mobilisation of young people's associations, to whom appropriate supervision will be provided to enable them to carry out effective awareness raising and education about the risks associated with STDs and HIV/AIDS.

Employment

Current situation

Employment policy has had minimal impact, owing to the socio-political unrest of recent years as well as the continuing economic crisis. Self-employment, particularly in agriculture, has never been on the receiving end of any effective policies, all the more so because the economically active tend to seek salaried jobs.

The economically active population is estimated at 1,615,329 people nation-wide (876,852 men and 738,477 women, according to the RGPH 2003), of whom a high proportion (71%) live in rural areas. In rural areas, self-employment is the predominant trend: finding a source of income is therefore a critical problem for rural people. In the urban setting too there are relatively high rates of self-employment, characterised primarily by under-employment. In both contexts, the low incomes are a common problem. Yet the situation is difficult to assess owing to the lack of data.

In recent decades, the range of job opportunities has entered a downward spiral of decline, due for the most part to low economic growth and insecurity, which have had a negative impact on levels of economic activity in the population, and the disintegration of the economic fabric. Consequently, the unemployment rate rose from 6.8% in 1988[15] to 7.6% in 2003 [16], with a pronounced impact on young people. Despite good progress since 1988, this fairly low level masks the extent of under-employment, which affects most of the economically active. Hence the reality of unemployment in the Central African Republic is more accurately manifested in an analysis of under-employment.

Until the 1980s, government job-creation initiatives primarily favoured public sector jobs. At that time, the state was the only real supplier of jobs. Given the rising burden of salaries on public finances, a Permanent Council for the Reform of the Central-African Public Administration (CPRAC) was set up in 1984, with the aim of reducing the workforce of civil servants and state officials from 25,000 to 20,000, and revitalising the civil service. This policy was pursued alongside the implementation of Structural Adjustment Programmes (SAPs) and the Voluntary Assisted Returns Programme (VARP), as well as the privatisation of public enterprises. However, these programmes failed to achieve their stated objectives in terms of creating private sector jobs.

In terms of structural reforms, the government developed a new position on the role of the civil service, which is currently under review owing to shortcomings identified in its implementation. The Central African employment code, dating from 1961, no longer meets the requirements of an employment market that is undergoing constant change. The ratification workshop on the new Employment Code was held at Bangui from 10 to 12 April 2007, and the procedure for its promulgation has been initiated with the authorities.

In terms of formal job creation in private sector, the National Investment Charter was revised in 2001 in order to attract both national and foreign investors, and encourage the setting up companies likely to create jobs, though with scant success thus far.

Strategies and priority actions

Unemployment and under-employment are key to the deterioration in living conditions and all the corollaries thereof, namely juvenile delinquency and increasing insecurity. Therefore the poverty reduction strategy depends on a national job creation policy, given that employment is the main source of income for the poor. Employment should therefore no longer be treated simply as a result of a macroeconomic policy, but rather as a vector of economic growth and an effective means of combating poverty.

[15] RGPH 1988.
[16] ECVR and ECVU UNDP surveys, 2003.

Therefore, by 2015, the government must have in place an efficient employment market, contributing to growth and a reduction in poverty. This can be achieved by implementing a radical strategy for the creation and promotion of new job opportunities to benefit the poorest people.

Specifically, this involves creating real employment for the most deprived people and for vulnerable groups (such as women, young people and people with disabilities), and having them play a full part in the process of national wealth creation.

The government's employment strategy must above all involve (i) self-employment and income generating work; (ii) Labour Intensive Work (LIW) and (iii) promoting employment in the modern private sector by matching qualifications to the jobs on offer. The instruments available to the government to assist with implementing this strategy are the Central-African Professional Training and Employment Agency (ACFPE) and Agency for the Execution of Works of Public Interest (AGETIP), as well as the High Commission of the Presidency of the Republic, which is responsible for National Youth Pioneers (JPN).

In order to fight poverty more effectively and promote full employment, as part of the PRSP the government will seek to adopt a regulatory and institutional framework suited to existing socioeconomic conditions and conducive to the creation of decent, lasting jobs.

Actions to be undertaken include the following:

1. Organise the National Forum on Employment and Professional Training, with a view to establishing a coherent policy

2. Update legal and regulatory guidance relating to employment and setting up companies with a view to bringing them into line with international employment standards

3. Publicise the ILO's international agreements and treaties, ratified by CAR (cases of agreements 122,142 and 144)

4. Make the Permanent National Employment Council operational and promote social dialogue and tripartite working among decision-making authorities

5. Establish support bodies for self-employment and income-generating activity, and develop those sectors and activities with a high potential for employment creation

Special attention will be paid to the capacity-building of institutions charged with managing the national employment and professional training policy in human and financial resources. It will also be necessary to redefine the prerogatives of the ministry in charge of employment in the course of institutional measures to promote employment.

Furthermore, it will be necessary to (i) increase the intake capacity of technical and professional training bodies, such as ACFPE, and extend their operations to the country's hinterland; (ii) provide training and establish a network through which technical and professional teaching staff can circulate; (iii) strengthen partnerships between training bodies and companies; and (iv) adapt training programmes to real market needs.

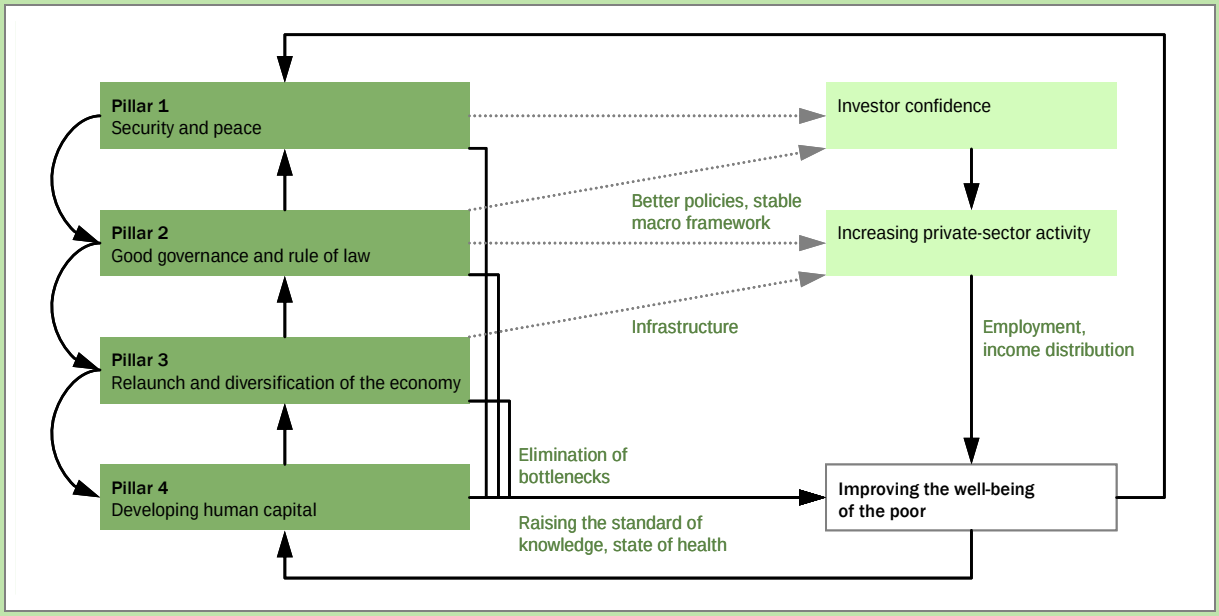
The employment policy will be backed up by a system for analysing and managing the employment market, and a professional training system. This will be achieved through the establishment of an employment and professional training research institute, and the strengthening of statistics and documentation facilities as part of enhanced co-operation among institutional stakeholders. Special surveys of employment and professional training must also be carried out, to generate the information required for decision-making.

Anticipated outcomes of the pillars

The anticipated outcomes of the measures implemented under the rubric of the four pillars will be mutually reinforcing. For example, strengthening human capital should bolster the rule of law and democracy, to a point where better educated citizens will play a larger part in the debate on public policy. These logical interconnections and effects underpinning the PRS are described in Figure 5.

Lastly, it is vital that the PRS is implemented in a flexible and effective way, paying special attention to the particular needs of poor people. This requires intensifying the participatory approach to facilitate the empowerment of Central-Africans, and their participation in the management of local and regional affairs at the grass roots level.

Figure 5: Schema of the poverty reduction strategy



Source: SFFP Technical Committee

3.4 Development centres: an option for government

With a view to reducing regional disparities, the government decided to structure its development initiatives around centres as economic, cohesive and homogenous entities. The creation of development centres, which will serve as real engines for regional growth, will meet the requirement to steer the national economy towards smooth and evenly distributed development across the country. The development centres approach also provides an opportunity to exploit all the country's resources and potential, and to give each region an economic vocation in order to enable it to play a worthwhile role in the national economy as a function of its comparative advantages and potential markets. The release of a prospective study “Centrafrique 2040” will make it possible to prepare an effective operating schedule as part of regional development guidance schemes, ensuring a sustained inter-regional trend, with a view to entrenching the links between centres.

Moreover, the centres will be dedicated to the regions in their task of decentralising state services and extending them throughout the country, such that the state has a physical presence among the population. Remoteness from the seat of decision-making, i.e. the capital, increases the sense of apathy among the governed, and adversely affects the degree of trust between the public and state institutions.

3.4.1 A novel, spatial option to mobilise in the fight against poverty

All the problems of the economy and Central-African society will be resolved through the government's determined efforts to achieve good governance in the following key areas:

- In second-tier towns, where the lack of any state authority undermines all efforts at reconstruction, decentralisation (capacity-building of prefectoral and community-based administrations to facilitate effective public service, capacity-building of grassroots administrations and management organisations, participatory approaches and community-based development), and managing the country.
- In rural areas, security and consolidation of peace through improved communication and warning systems (radio equipment at prefectoral and communal levels, a conflict prevention system, promotion of inter-community dialogue and cultural exchanges, diversification of listening social-support bodies, stationing forces at an internal security cordon).

Similarly, the fight against poverty will be effective if the management of the rural environment is spatially conceived. The government's priority here will be to implement programmes and projects that involve all the various tiers of the population.

With this in view, the emphasis will be on:

- structuring the rural environment and reinvigorating agricultural output (food production and cash crops) through seed distribution programmes and assistance in marketing, and encouraging family-based or co-operative production using micro-production systems;
- restoring basic state services in rural areas, in particular basic healthcare and related services (curative and preventive care, potable water, sanitation in both urban and rural settings), and educational and schooling infrastructures;
- improving and developing basic economic infrastructures (transport and communication routes, water conveyance and electricity supplies to second-tier towns and rural areas);
- sustainable management of the environment (fauna and flora resources), an important source of well being for the poorest people, as well as for the public's economic and social security, and the ecology of all humankind.

3.4.2 Motivational centres within a more confined area

Around a town selected to be a regional motivational centre, activities aimed at restoring all public services will be developed, with the aim of improving administrative services and standards of governance. Certain income generating activities will be supported in accordance with a partnership framework to be agreed with people at the grassroots level, as a function of regional stakes in the fight against poverty and the region's contribution to achieving the MDGs nationally.

In addition, basic state services and infrastructures will be restored, and activities based on the strength of each region’s factorial donations, sustained by products exchangeable within the region, will be promoted in order to increase the appeal of the regions and the country's outlying towns. Attention will be paid to promoting activities facilitating interconnections and interdependence between the regions through inter-regional exchanges, thereby contributing to national cohesion.

However, the effectiveness of the initiative will depend on the calibre of the stakeholders who get involved. A decentralised administration must be restored in the spirit of playing a motivational role and ensuring the state’s presence through motivational governors who are closer to the grassroots. This process requires (i) restoring the civil service throughout the country in conjunction with the decentralisation process, and (ii) establishing the rule of law through a police force and independent neighbourhood system of justice.

Due to a number of organisational weaknesses, and the emergence of a still delicate civil society, there is a need for a technical partnership to build the capacity of national and local actors, since improved capabilities will facilitate the internalisation of progress.

3.5 Reducing poverty by targeting MDGs

The government has undertaken to use the MDGs as a reference point for establishing development policies and strategies. This commitment is implemented by (i) drafting a first report monitoring progress towards the MDGs in 2004; (ii) initiating the process of evaluating what must be done to achieve the MDGs in 2006; and (iii) finalising the PRSP, which hinges around the MDGs.

A critical challenge that must be met to achieve the MDGs is the procurement of sufficient, and sufficiently effective, external aid to reduce poverty, in addition to achieving robust pro-poor growth, improving security and promoting good governance.

The first report monitoring progress towards the MDGs in CAR, of 2004, is promising, given the scale of the challenges CAR faces. It demonstrates the progress in the areas of gender equality, primary education and access to potable water. On the other

hand, considerable efforts are still necessary to reduce poverty, improve maternal and infant health, and combat HIV/AIDS and other diseases.

Table 3 shows the likelihood of achieving the targets set for the various goals. The table invites some comment:

Table 3: Likelihood of achieving the MDGs in CAR

Goals	Targets	Probable	Possible	Unlikely
1 Eradicate extreme poverty and hunger	**1** Reduce by half the proportion of people living on less than a dollar a day by 2015			X
	2 Reduce by half the proportion of people who suffer from hunger by 2015		X	
2 Achieve universal primary education	**3** Ensure that by 2015 all boys and girls complete a full course of primary schooling		X	
3 Promote gender equality and empower women	**4** Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015		X	
4 Reduce child mortality	**5** Reduce by two thirds the mortality rate among children under five by 2015		X	
5 Improve maternal health	**6** Reduce by three quarters the maternal mortality ratio by 2015			X
6 Combat HIV/AIDS, malaria and other diseases	**7** Halt and begin to reverse the spread of HIV/AIDS by 2015			X
	8 Halt and begin to reverse the incidence of malaria and other major diseases by 2015		X	
7 Ensure environmental sustainability	**9** Integrate the principles of sustainable development into country policies and programmes; reverse loss of environmental resources		X	
	10 Reduce by half the proportion of people without sustainable access to safe drinking water by 2015		X	
	11 Achieve significant improvement in lives of at least 100 million slum dwellers, by 2020		X	

Source: MDG monitoring report, MEPCI (June 2006).

Goal 1: Eradication of extreme poverty and hunger

The challenge in eradicating extreme poverty and hunger is enormous. The prevalence of poverty has gradually worsened, reaching 67.2% in 2003. Likewise, the food situation in CAR remains worse than average for sub-Saharan African countries in terms of available food resources. In such a context, it is unlikely that the prevalence of poverty can be brought down to 31% by 2015, or that malnourishment rates among children under 5 years can be decreased to 11.5%.

Therefore, critical action is being taken as part of the Economic Policy and Social Framework Document (DCPES), or planned for in the PRSP, to improve these social indicators such that: (i) security is restored to permit the free movement of people and goods; (ii) production infrastructure is better developed; (iii) basic state services are improved; (iv) self-sufficiency and food-safety programmes are effectively implemented such that they reach their target beneficiaries; and (v) agricultural, nutritional and healthcare policies are developed in such a way as to improve the standard of food consumed and promote cultivation systems that are rich in micro-nutrients.

Goal 2: Primary education for all by 2015

With regard to goal 2, it is unlikely that the goal set will be achieved (i.e. 100%) given the scale of the problems (low budget allocation for the sector, shortage of human resources, inadequate material resources) that characterise the sector. Net school-attendance rate declined from 60% in 1995 to 40% in 2000 and 55.5% in 2005-2006. Nonetheless, taking account of substantial financing initiatives such as Fast Track, current trends indicate that the goal of universal primary schooling could be achieved in 2020.

In this field, support received as part of the LICUS donation has made it possible to develop a programme oriented towards: (i) restarting operations at the central and decentralised civil service; (ii) support for educational monitoring and evaluation; (iii) support for collection and processing of data on education; and (iv) the circulation and redeployment of primary school

teachers. Other supports are planned in order to produce a policy document for the sector. In addition, the government is continuing its school attendance programme for children, and for girls in particular.

Goal 3: Promoting gender equality and the empowerment of women

It was not possible to achieve this goal in 2005 and it is unlikely to be achieved in 2015, given the prevailing conditions. According to RESEN[17], over the past eight years, gender inequality has not significantly changed between year one and the final year of F1. Concrete measures are needed to improve the representation of women in decision-making.

Nonetheless, progress has been achieved, as evidenced by the country's ratification of various international treaties and action programmes relating to human rights, the adoption in December 2004 of a new constitution that guarantees men and women rights in all domains, and the adoption of a new "Policy to Promote Equality and Equity".

Goal 4: Reducing mortality among children aged less than 5 years

The deteriorating health of children under 5 has worsened since 1990; the child/adolescent mortality rate rose from 157% in 1995 to 194% in 2000, and then to 220% in 2003. Geographically, its distribution is unequally spread. The goal of 70% in 2015 remains unrealistic if this trend continues. This goal requires the mobilisation of substantial external resources in order to cope with the many challenges facing the sector.

The government has already taken various measures, with co-operation from external partners, including programmes such as Expanded Vaccination Programme (PEV), PCIME, HIPC, National Health Development Plan (PNDS (ii), and son.

Goal 5: Improving maternal health

Maternal health indicators have deteriorated considerably in recent decades. Maternal mortality rates increased from 683 per 100,000 live births in 1998 to 948 in 1995, then 1,355 per 100,000 in 2003. Moreover the proportion of births assisted by qualified staff declined from 49.8% in 1995 to 44% in 2000. This trend casts considerable doubt over the prospect of attaining the goal of 171 maternal deaths per 100,000 live births in 2015.

The government and its partners, reasonable financial support, must take all necessary measures to reverse this trend.

Goal 6: Combating HIV/AIDS, malaria and other diseases

Unfortunately the HIV/AIDS epidemic has been spreading relentlessly since 1984. Its prevalence rate increased from 2% in 1984 to 4% in 1986, then to over 10% in 2001. Quite apart from these projections, the map produced by the Pasteur Institute in 2002 made it possible to identify high risk areas. Current trends make it difficult to envisage achieving the goal in 2015.

With respect to malaria and other diseases, the situation is similar to that of HIV/AIDS, as the prevalence rate for all ages rose from 26% in 1996 to 32% in 2000 among children aged 0 to 5 years, among whom it is the most common cause of morbidity and mortality. Malaria alone accounts for 40% of medical consultations, 40% of hospitalisations and 45% of hospital deaths. As far as tuberculosis is concerned, its resurgence is linked to the spread of HIV/AIDS.

A policy statement document on the fight against malaria was adopted in 2005, setting out a strategy for combating the disease. The approach adopted includes enhancing the malaria screening network and treating tuberculosis.

Goal 7: Ensuring a sustainable environment

The country's renewable resources are extensive, facilitating the creation in 2000 of 16 protected areas covering 11% of the country's territory. This proportion could be increased in future. Managed forests increased from 150,208 hectares in 2000 to 1,571,327 hectares in 2004. Similarly, reforestation increased from 5,650 hectares in 2000 to 6,335 hectares in 2004. The annual reforestation rate is 2,500 hectares around large towns, decreasing the regression in forest formation from 2.5% in 1995 to 2% in 2004. Several national and international initiatives have contributed to achieving sustainable forest management.

With regard to access to potable water, the position has changed since 1995. Over 80% of the population had no access to potable water in 1995, as against just 74% in 2003. The goal set for 2015 of 41% is unlikely to be achieved, as it would mean supplying 67% of the rural population by 2015, and 61% of the urban population.

However, the government has made a firm commitment in this area. Budget support for the drafting of a policy and strategy document on water and sanitation, including action plans for implementation and a water and sanitation guidance scheme, was approved in 2001. Revision of the policy and strategy document on water and sanitation adopted in 2005, and the adoption of the law to enact the water code in 2006, are further evidence of the government's commitment. Other reforms for the sector, such as the institutional framework, are under way.

[17] State report on the National Education System, produced in 2006 with support from the World Bank and UNESCO.

4. Macroeconomic and budgetary framework

The initiatives provided for under the pillars in order to promote peace, restart growth and rein in poverty will be implemented against a stable macroeconomic and budgetary background, with a view to maximising and entrenching their impact on the public. The government's procedure is an alternative to that on which the PRGF is based, setting out the requirements in relation to the reforms to be implemented in order to maintain a broad macroeconomic and budgetary balance.

4.1 A stable macroeconomic framework for growth and poverty reduction

Since 2003, the government has undertaken vigorous reforms covering the principal domains in the economic and financial sphere. Those reforms have allowed a start to be made in stabilising macroeconomic conditions, and merit continuation and enhancement with support from development partners. Stabilisation is facilitated through:

- CAR's membership of EMCCAS, which restricts cash financing of public-sector deficits;
- the writing-off the country's debt arrears to multilateral development-financing institutions;
- the conclusion of the three-year programme supported by the PRGF from the IMF;
- the cancellation of US$ 9.9m, and rescheduling of US$ 26.2m, granted by Club de Paris;
- the benefits of HIPC Decision Point, expected in September 2007, will enable multilateral public debt from the three main creditors, namely the IMF, World Bank and African Development Bank.

According to the IMF (February 2007 mission), HIPC Decision Point will enable CAR to benefit from debt reduction of US$ 602 m and debt cancellation to a sum of approximately US$ 101m. After the last-named operation, CAR's debt ratio in relation to exports should no longer exceed 66% (as against 541% at the end of 2005).

The needs expressed through the programmes included in the PRSP are such that their financing will mobilise a considerable amount of resources. However, the flow of resources will have to conform to a broad macroeconomic balance, making it possible to achieve sustained and lasting growth, and to greatly reduce poverty. Given all the unknown quantities related to the macroecomonic environment, two guiding scenarios have been posited: a scenario referred to as ‘prudent’, which results from the projections made as part of the PRGF and a more radical scenario referred to as ‘dynamic’, which expresses the government's ambition of a sustainable transformation of the economy. Both scenarios have the common aim of macroeconomic stability, which is believed to be the guarantee of durability in the return to growth, and differ primarily in the assumptions applied over the amount of external financing, both public and private.

The 2008-2010 shows signs of being a period of consolidation, during which the basic preconditions for relaunch of the economy will be put in place, in particular by eliminating the principal bottlenecks. Since the country will still be in a state of economic reconstruction and making up lost ground after many years of regression, reasonably high predicted growth are justified.

Box 5: A projection model for the PRSP

Since the PRSP's technical committee does not yet have the high performance tools required for sectoral macroeconomic analysis or projecting the impact of growth on poverty, a projection model has been designed to obtain an estimate of GDP based on its sectoral components and, using these, to project the TFEO as well as the balance of payments. All sectoral growth rates are exogenous except the public administration sector growth rate, which is linked to public spending included in the TFEO and to the building and public works (BPW) sector growth rate, which is linked to investment.

The model is linked to a simple micro-simulation module (based upon data obtained from the 2003 survey) to estimate the programme's impact on poverty. A model for aggregating the costs of sectoral programmes has been devised in order to link them with the macroeconomic projection.

Applying plausible assumptions, two scenarios are outlined below: prudent and dynamic.

4.2 Prudent scenario (expresses current tendencies)

This scenario corresponds to that adopted for the reference programme of the PRGF as part of the HIPC initiative. It lists all the benchmarks established in the programme, apart from its assumption regarding the ambitious projections made relating to growth in the food-production sector of agriculture.

The lack of targeted measures and inadeqate investment in the food-production, livestock breeding and fishing sectors would probably prevent the restart expected under the PRGF. However, those sectors represent key sectors in the fight against poverty in CAR, as they form the livelihood of most people, making up close to half of GDP in recent years. On the other hand, cash-crop agriculture formed a mere 0.5% of GDP in recent years: its contribution to growth will thus be low. The planned initiative to restart production of agricultural products for export will not of itself drive the food-production sector without suitable supporting measures. Therefore, the growth rate linked to this scenario has been set at a probable average annual rate of 2.5% over the 2007-2010 period.

It is emphasised that, under the prudent scenario, levels of private and public investment remain extremely low, with gross fixed capital expenditure (GFCE) not exceeding 12% of GDP at the period's end. Nor does the change in projected public spending allow for any expectation that large-scale programmes to fight poverty will succeed.

Thus, the prudent scenario presents a cautious view of the country’s economy. This is the scenario that would come about (i) if financing made available under the PRSP is not mobilised and spent quickly; (ii) if problems persist in the field of security and if (iii) the main projects by private investors are not implemented.

In such an event, it is clear that the pressure on public resources would be acute, and that consequently poverty reduction would be in danger of being extremely limited. Simulations of the impact of the growth generated under this scenario on poverty prevalence show a very small reduction, in the order of three per cent between 2006 and 2010, to 64.4% of the population.

Table 4: Bringing cross-sectoral coherence to the PRSP for CAR - prudent scenario

GDP growth rate (%)

	2006	2007	2008	2009	2010
GDP growth rate at constant prices	**3.8**	**4.4**	**3.8**	**4.0**	**3.9**
Agriculture for domestic food production	2.9	3.5	2.5	2.5	2.5
Export-oriented agriculture	2.6	44.1	6.1	6.2	9.7
Livestock breeding	0.8	1.5	2.0	2.0	3.0
Hunting and fishing	1.0	1.5	2.0	2.0	3.0
Timber, logging	30.0	7.2	5.0	5.0	5.0
Other forestry products	10.3	6.9	5.0	5.0	5.0
Extractive industry	8.0	8.4	0.0	0.0	5.0
Manufacturing industry	6.5	5.0	7.0	7.0	8.0
Water	5.1	3.0	4.0	5.0	6.0
Electricity	0.0	0.0	15.0	15.0	15.0
Public buildings and works	4.0	6.4	6.5	7.0	4.4
Trading services	7.1	4.0	3.9	4.7	4.9
Transport and communication	17.9	4.0	7.0	7.0	8.0
Commerce	5.0	4.0	3.0	4.0	4.0
Other	3.0	4.0	3.0	4.0	4.0
Government departments	-8.5	-4.6	0.5	0.5	0.5
International co-operation	7.7	7.0	5.0	13.0	2.2
GDP per capita (annual variation)	**1.2**	**1.8**	**1.2**	**1.4**	**1.3**

Estimated incidence of poverty (%)

	2006	2007	2008	2009	2010
Total population	64.4	63.4	62.7	62.1	61.3
Urban population	57.0	56.1	55.3	54.7	54.3
Rural population	69.2	68.2	67.5	67.0	66.0

Use of GDP (%)

	2006	2007	2008	2009	2010
Final private consumption	87.6	85.0	84.4	83.9	83.5
Final public consumption	9.7	9.4	9.6	9.5	10.2
Private BTFC	5.3	5.8	6.6	6.8	6.8
Public BTFC	4.9	4.5	4.6	4.8	4.8
Exports	14.6	14.6	14.7	14.3	14.1
Imports of goods and services	22.1	19.3	19.8	19.3	19.5

TOFE (%)

	2006	2007	2008	2009	2010
Revenues (excluding aid)	9.0	10.2	10.9	11.4	11.5
Current spending	10.0	8.9	9.0	9.1	9.8
Salaries	4.8	4.3	3.9	3.5	3.7
Transfers	1.5	1.7	1.9	2.1	2.4
Goods and services	1.7	2.0	2.6	2.9	3.1
Capital spending	3.7	4.5	4.6	4.8	4.8

Source: SFFP Technical committee, Technical departments

4.3 Dynamic scenario

4.3.1 Goals of the scenario

The primary goal is to speed up growth over the 2008-2010 period (average annual GDP of at least 8%), with an increasingly large contribution coming from higher productivity, thereby ensuring some improvement in living conditions. Growth has to be non-inflationary and must allow equitable sharing in the benefits of raised productivity and a good return on investment.

Investment will rise from 10.2% of GDP in 2006 to 30% in 2010. There will be a heavy concentration on infrastructure development projects, and on the productive sector, with a rising contribution from private – especially foreign – investment.

4.3.2 Assumptions

The assumptions on which this scenario is predicated are as follows:

In general terms, improved commodity prices and dollar exchange rate, consolidation of economic stability, peace and security throughout the country, a genuine restoration of confidence among economic operators, increased international co-operation and an upturn in external demand, resulting in a benign economic environment.

Taken by sector, the situation looks as follows:

- **Timber and logging**: the companies that recently benefited from the granting of two operating permits should go into production in 2008. In addition, a rise in the processing rates of raw timber, and the imminent awarding of a further three permits is expected. Actual implementation of the forest management plans by firms will raise the sector's productivity even more.
- **Hunting and fishing**: building fish breeding and fish farming capacity. With the gradual restoration of security to the country's hinterland, a significant relaunch of the hunting companies is expected.
- **Cotton-growing**: productivity in the sector should be raised by: the restoration of supervisory bodies (capacity-building, distribution of fertiliser and seeds) and of research, use of working animals, maintenance of sociopolitical stability, setting up a new cotton-production company in spite of the unfulfilled prospect of a partnership with a private-sector operator, and the upturn in commodity prices.
- **Coffee cultivation**: the creation of new plantations should result in a regeneration of land plots. A resolution of the Darfur crisis and/or creating new openings in the EMCCAS community area, also restoration of country tracks, will promote development in this field.
- **Livestock** breeding: the scenario envisages a revitalistion of the sales chain by reopening livestock markets throughout the country, establishing secure traffic corridors for animal raisers, also restoring health checkpoints.
- **Mining sector**: the trend in this sector relies on operations by AURAFRIQUE, URAMINE CAR and GEM-Diamond actually starting up. Also, an effective fight against fraud is planned by training and increasing the workforce of the 'mining brigade' and reorganising small producers into co-operatives. Industrial output of gold and uranium should start up in 2009 as planned.
- **Energy**: following the renovation of ENERCA's production units (both thermal and hydraulic), the installation of a plant at the foot of Boali 3 dam (Mbali) and improvements to transport and distribution coverage as recommended under the implementation of this scenario, the level of output should increase at a rate of 15% a year over the period.
- **Investment**: the gradual restoration of an atmosphere of security and peace, effective implementation of the investment code in the mining sector, and improvements to basic infrastructure, will facilitate an inflow of foreign direct investment into CAR. In the field of BPWs, the following projects are planned: (i) construction of a 'people's palace', government buildings and social housing; (ii) renovating Hôpital de l'Amitié, Bangui General Hospital and its annexes, as well as the sports stadium; (iii) constructing a number of roads and the 'triumphal corridor' between the airport, city centre and Bangui ring-road, conversion of PK 26 into a dry dock, moving of Bangui river port downstream of the city; (iv) asphalting the Bouar-Garoua-Boulaï route; (v) extension of the airport terminal and finishing the Bangui-M'poko international airport; and (vi) implementation of the Île des Singes project, also settling the BEAC property programme in Bangui.

Table 5: Bringing cross-sectoral coherence to the PRSP for CAR – dynamic scenario

GDP growth rate (%)

	2006	2007	2008	2009	2010
GDP growth rate at constant prices	**3.8**	**4.4**	**8.5**	**9.7**	**11.4**
Agriculture for domestic food production	2.9	3.5	3.5	4.0	4.5
Export-oriented agriculture	2.6	47.0	79.9	25.0	59.7
Livestock breeding	0.8	1.5	2.0	3.0	3.0
Hunting and fishing	1.0	1.5	2.0	2.5	2.5
Timber, logging	30.0	7.2	24.4	13.3	2.0
Other forestry products	10.3	6.9	11.4	11.8	2.0
Extractive industry	8.0	8.4	11.3	90.0	93.9
Manufacturing industry	6.5	5.0	8.0	8.0	10.0
Water	5.1	3.0	4.0	4.5	6.0
Electricity	0.0	0.0	15.0	15.0	15.0
Public buildings and works	4.0	6.4	37.1	25.7	17.6
Trading services	7.1	4.0	4.7	5.5	6.7
Transport and communication	17.9	4.0	6.0	7.0	9.0
Commerce	5.0	4.0	4.5	5.0	6.0
Other	3.0	4.0	4.0	5.0	6.0
Government departments	-8.5	-4.6	18.9	8.5	8.6
International co-operation	7.7	7.0	7.0	8.0	8.0
GDP per capita (annual variation)	**1.2**	**1.8**	**5.8**	**7.0**	**8.6**

Estimated incidence of poverty (%)

	2006	2007	2008	2009	2010
Total population	64.4	63.4	61.8	60.0	56.8
Urban population	57.0	56.1	54.1	52.5	49.7
Rural population	69.2	68.2	66.9	65.0	61.6

Use of GDP (%)

	2006	2007	2008	2009	2010
Final private consumption	87.6	85.0	80.4	75.3	70.6
Final public consumption	9.7	9.4	11.8	12.4	13.1
Private BTFC	5.3	5.8	6.0	6.3	6.7
Public BTFC	4.9	4.5	17.8	22.0	24.7
Exports	14.6	14.8	15.5	19.4	26.6
Imports of goods and services	22.1	19.5	31.5	35.4	41.7

TOFE (%)

	2006	2007	2008	2009	2010
Revenues (excluding aid)	9.0	10.2	11.4	12.3	12.9
Current spending	10.0	8.9	10.7	11.4	12.0
Salaries	4.8	4.3	4.8	4.9	5.0
Transfers	1.5	1.7	2.1	2.4	2.4
Goods and services	1.7	2.0	3.1	3.5	3.8
Capital spending	3.7	4.5	17.8	22.0	24.7

Source: SFFP Technical committee, Technical departments

This scenario yields robust and rapid economic growth, in line with the government's intention to aim for a substantial and permanent economic relaunch by increasing public investment in basic infrastructure, to act as a catalyst for subsequent private investment. The expected consequential effects will be produced concomitantly with the restoration of educational and healthcare infrastructure, following the regional development-centre approach. This government decision will be the guiding principle in implementing the entire poverty-reduction strategy and will allow of well-coordinated, well-balanced development of the various regions of CAR.

The upturn in economic activity expected under this scenario, associated with a substantial rise in investment, will produce an associated rise in imports to a level associated with a rapidly-rising GDP. The goods and services deficit would not pose any major problems, given the planned inflow of external support. Moreover, the model produces an acceptable inflation rate and hence purchasing power will be preserved.

4.3.3 Changes in public spending

Table 6: Public spending planned under the dynamic scenario, and sources of finance (in XAF, billions)

Sectors	2007	2008	2009	2010	2008-10	Distribution
Infrastructure	18.6	121.9	157.5	147.8	427.2	**57%**
Healthcare, education, social spending	6.3	27.4	41.6	79.2	148.2	**19.8%**
Rural development	5.3	14.5	23.2	59.6	97.3	**13%**
Administration	6.3	18.0	26.8	27.1	71.8	**9.6%**
Other sectors	0.7	0.5	0.4	4.5	5.4	**0.7%**
Total	**37.2**	**182.3**	**249.5**	**318.2**	**750.0**	**100.0%**

Sources of finance	2007	2008	2009	2010	2008-10	Distribution
Extraordinary Budget in Capital (ECB)	8.5	10.9	15.0	19.1	45.0	**6%**
Identified external finance	28.7	31.0	42.4	54.1	127.5	**17%**
Finance still to be sought	0.0	140.4	192.1	245.0	577.5	**77%**

Source: SFFP Technical Committee, Technical Departments

Achievement of the dynamic scenario will come about through a substantial increase in public capital and operational expenditure, as shown in Table 6 below, making it possible to better meet the demands of the fight against poverty, and to take account of the sector-based programmes identified by the various departments. Such a situation would make it possible to ease financing constraints and increase public spending more rapidly. Hence, this strategy assumes that a very large amount of capital spending will take place during the earlier part of the period, with the restoration of infrastructure having reached a state required in order to implement all the other programmes. Furthermore, many urgent projects in the field of transport have already been identified; their implementation is imminent.

The total requirement is a function of the quantification of costs worked out by the various sector-based departments, taking account of both investment spending and operational expenditure required in order to operate and maintain equipment and infrastructure. Additional spending to be recorded in the TOFE was obtained by deducting the amount of the estimated total requirements (those already recorded in the public-spending plan in the programme that formed the subject of an agreement under the PRGF). Additional requirements have faced macroeconomic and financial constraints. It is this additional spending, obtained following repeat iterations, that is presented in the above table (for a total XAF 750 billions, i.e. approximately US$ 1.5 billion over the 2008-2010 period). Spending is primarily on capital expenditure, but also includes operating expenses (to be financed with budgetary aid) associated with new programmes under the PRSP.

Inspection of spending as a ratio of GDP (Table 5) shows substantial annual increases: these are tolerable at macroeconomic level, thanks in part to the trend of internal revenues following economic revitalisation, also those coming from expected external support.

The programmes to be financed arise from priority needs expressed through the PRSP's four pillars, and express the government's aim to achieve a critical mass of investment (particularly with regard to basic infrastructure), a full restoration of security, rural development, and increased social spending on education and healthcare. In all these sectors, the programme will take account of the need to accept the operational costs incurred in putting the investment in place.

4.3.4 Results expected from the dynamic scenario

The results expected from these vital programmes to restart and sustain poverty reduction through the main economic sectors are summarised in table 6 above.

- average GDP growth of around 9.5% over the 2008-2010 period;
- a rise in the level of public investment from 18% in 2008 to 24% in 2010;
- a positive primary balance over the period of the PRSP, ranging from XAF 13 billion in 2008 to 20.9 billion in 2010;
- a significant impact on poverty: declinee from 64.4% in 2006 to 56.6% in 2010.

4.3.5 Mobilisation of resources

Domestic resources

Even though the dynamic scenario forecasts a substantial rise in state revenues, these will be insufficient to cover all additional spending. Two problems are apparent, namely (i) the low tax burden due to the deteriorating economic fabric and poor governance, and (ii) the negative impact on revenues of relaxing customs duties under the Regional Economic Partnership Agreement (APER) with the European Union. The share of receipts from international commerce is large, and the annual revenue loss brought about by the APER would be between XAF 3.4 billion (on the basis of the actual tax rate) and XAF 6.7 billion (on the basis of notional tax rates).

It is therefore necessary to contemplate action to raise tax revenues by continuing to increase government financial control – particularly modernisation of customs, improving tax collection and making more natural resources subject to tax, notably in forestry and mining.

As a result of these measures, the tax burden would rise from 10.2% in 2007 to 12.9% in 2010, i.e. approximately XAF 80 billion of extra revenues. This extra income is not sufficient to cover spending scheduled for the 2008-2010 period under the dynamic scenario, hence the need for recourse to budgetary aid, ideally in the form of donations and loans at highly concessionary interest rates.

External resources

The net external finance requirement (after debt-servicing) for the 2008-2010 period is approximately US$ 1.5m. This will be allocated mainly to priority sectors, in order to speed up the restoration of infrastructure, agricultural industries and state services. Such external support would make it possible to raise public spending and reconstruction work to a level comparable with that seen in other countries in post-conflict situations.

Matching the scheduled aid up to the need shows that additional resources could be mobilised in the form of project aid and budget support. Moreover, support by CAR and its partners for the main goals of the Paris Declaration needs to be rapidly put into concrete form in order to maximise the effects of the Overseas Development Aid (ODA) on development and the fight against poverty.

4.3.6 Planned reforms

The reforms initiated since 2003 will continue. The business climate should be made more congenial through appropriate measures, such as implementing an attractive new investment charter in line with community directives, consolidation of the dialogue between state and private sectors, drafting a code of commerce, organisation of profitable industries and the creation of a single clearing-house for all the formalities involved in setting up a company.

Other measures will be aimed at building capacity of state the financial regime and legal apparatus, such as reform of the Commercial Tribunal, the setting up of a team of bailiffs and the introduction of a national commission to monitor the application the OHADA texts.

III. Mechanisms for implementation, monitoring and evaluation

5. Mechanisms for implementation, monitoring and evaluation

The PRSP is the reference source for CAR development policy. As such, its implementation must be subject to continuous attention on the part not only of the government but also of all other stakeholders, including development partners. During implementation, various questions over the effectiveness of the procedures will inevitably be raised, relating to: (i) changes in living conditions as a result of the PRS; (ii) compliance with the PRS's planned programmes and projects; and (iii) the impact of its programmes and projects on well-being. Appropriate responses will have to be offered to these monitoring and evaluation questions, which form major challenges for the PRS.

To this end, plans to oversee implementation, and for monitoring and evaluation of the PRS, are required. The purpose of such plans is not merely to enable a better knowledge of living conditions, but also to assess wider impacts of the policies on the phenomenon of poverty.

This entails three key principles: (i) consolidation of gains in terms of implementation, monitoring and evaluation of programmes; (ii) the use of a participatory approach with the aim of national empowerment; and (iii) results-based management. This plan will rely on an appropriate institutional arrangement and complete and coherent information system (ISRP) capable of providing better monitoring of the PRS and MDGs.

5.1 Implementation of the PRS

5.1.1 The actors

Ministerial departments, regions and prefectures, decentralised local communities, civil society, grassroots communities, the private sector and donors are the principal actors in the implementation of the PRSP. These parties are involved to varying degrees in carrying out the programmes adopted under the strategy, and must ensure that programmes do in fact reach their intended beneficiaries. However, their involvement goes well beyond merely executing the strategy, since, along with the beneficiaries, all these actors will be on the front line of programme execution in addition to their involvement in regular evaluations.

5.1.2 The responsibilities

Results-based management will be the basic methodology used in the monitoring and evaluation system. This entails a need to ensure real accountability from technical departments in the preparation, needs assessment and budgeting of programmes, as well as in monitoring the implementation of the strategy's sectoral components. The results of the monitoring process must contribute to revisions of practice, as well as to a better redirection of work, with a view to achieving intended strategic goals. Monitoring can no longer be guaranteed when the task of information analysis and report drafting escapes the ministries in question, hence the need for collaboration that will restrict inter- and/or intra-ministry competition.

5.1.3 The procedures

As part of implementation of the PRSP, in the very short term special emphasis will be placed on tracking public spending, and especially the functioning of the spending chain. Efforts will be made to restore the spending chain and strengthen checks and balances at all stages.

In the short term, the transparency process in managing state finances will be put into practice by (i) improving the budget preparation process (programme budget/resource budget), (ii) ensuring that internal and external checks are systematic, (iii) regular review of regulatory law, (iv) facilitating greater public access to information on the budget, and lastly (v) identifying the budget lines allocated to poverty-reduction by putting a specific poverty terminology system in place. In order to facilitate better monitoring of spending on the fight against poverty, the general Budget Controller will adopt and implement a medium-term

spending framework (CDMT). Execution of the CDMT will allow the issue of summary tables on the state of commitments and PRSP-related spending every three months.

In the medium term, the Budget Controller will be provided with the human, material and financial resources needed to achieve this change.

5.1.4 Participatory approach to the implementation of the strategy

Effective implementation of the PRSP is predicated upon various requirements, among which are a sound understanding of the document and its application by all the participants who took part in the drafting process. This understanding will come about specifically through proper briefing on the objectives, strategies, programmes and results expected. Thus, a scheme to publicise the PRSP is needed, the expected results being:

- the development of a thorough knowledge of the strategy by encouraging collaboration among beneficiaries and specialists in specific issues (NGOs, professional associations, government departments);
- the changing of managerial attitudes at all levels so that they will be better suited to encourage communities at the grassroots level to become involved in decision-taking, exchanging information, resolving problems and setting goals, as well as analysing the results obtained.

To achieve this, preparatory work is required, designed to ensure that those involved work together at all stages and levels. Accordingly, the initiatives shown below will be taken:

At the national level

- a government briefing seminar on each ministry's responsibilities for the success of the PRSP;
- a series of workshops with the directors of studies, planning and scheduling, civil society organisations, company directors and development partners regarding the roles of each actor, the institutional framework, information systems and performance indicators;
- a series of sectoral workshops, during which each ministry will publicise its programmes, goals, expected results and their implications;
- radio and television debates on specific topics (institutional presentations, monitoring/evaluation, etc.), special documentary broadcasts on the PRSP and publicity spots.

At the regional, prefectoral and community levels

A series of briefing workshops on the programmes, their goals and the regional bodies' responsibilities. The target groups are prefectoral departments, producers' associations, NGOs, local elected officials, women, the young, etc.

Other initiatives considered relevant may be undertaken in order to mobilise the greatest possible number of actors around the PRSP's objectives.

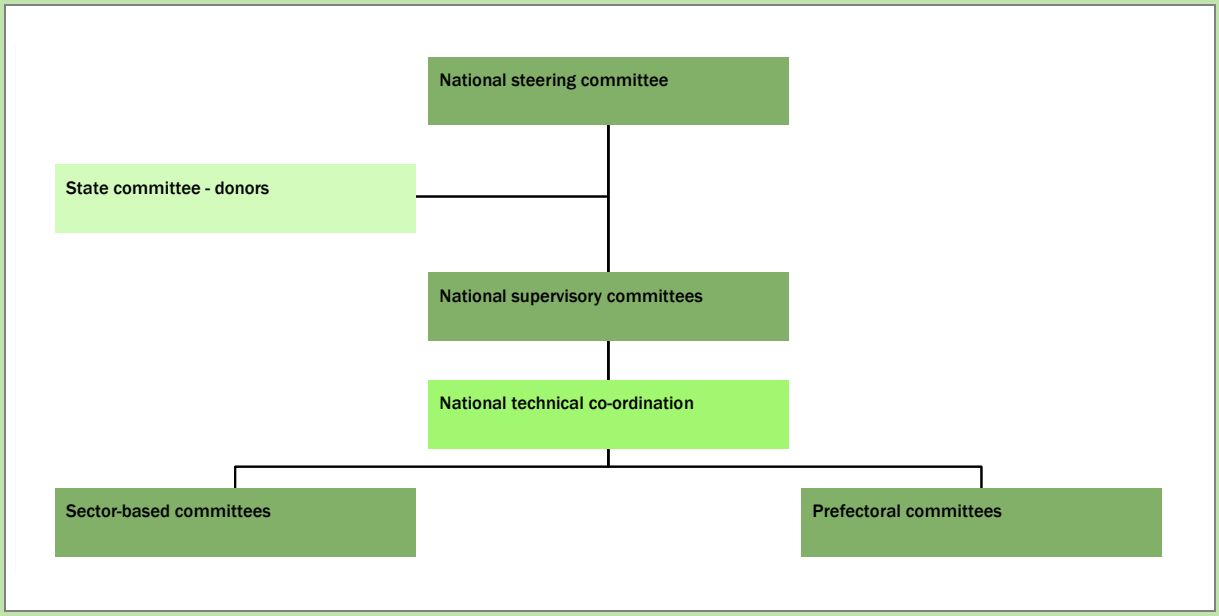
5.2 Monitoring the PRS

This stage entails managing permanent arrangements, including the monitoring of government commitments and priority programmes in order to measure progress achieve, using a system of intermediate indicators. An institutional facility and briefing system for poverty-reduction are already in place, which will also provide monitoring and evaluation of the PRS implementation process.

5.2.1 The institutional plan

The institutional plan depicted in Figure 6 represents the organisational structure that will control the implementation and monitoring of the PRSP.

Graph 6: Institutional plan of the implementation of monitoring and evaluation of the PRSP



5.2.2 The PRSP's national steering committee

This committee is chaired by the Prime Minister and comprises members of the government, President of the National Assembly, Chairman of the Economic and Social Council, civil society and employers. Its main duties consist of:

- setting the general direction of the PRS;
- approving the annual work programme for other bodies charged with implementing the PRSP;
- examining documents and reports on the monitoring process, and adopting them;
- reviewing the annual position on implementation of the PRSP;
- resolving any clashes or differences of opinion that might arise in the course of implementing the PRSP.

5.2.3 The Government/Donor Liaison Committee

This committee is chaired by the Minister of Economy, Planning and International Co-operation, and constitutes a forum for dialogue between the government and all development partners. Its duties are to:

- ensure regular dialogue between the government and TFP on the process of preparing and monitoring the implementation of the PRS;
- encourage coordination and harmonisation of the work performed by the various actors in development;
- facilitate the mobilisation of financial resources required to formulate and implement the PRS;
- ensure the aid-monitoring report is written and published;
- take care of capacity-building work in the implementation of the PRS;
- ensure that support by technical and financial partners is in line with budget cycles.

5.2.4 The National Supervisory Committee for the PRSP's work

This committee is directed by the Chairman of the National Supervisory Committee for the PRSP's work and made up of the Chairmen of the sectoral committees and prefectoral committees, Chairman of the Permanent Technical Monitoring Committee for Structurral Adjustment Programmes (CTP-PAS), and representatives from civil society and the private sector. Its duties are to:

- ensure the monitoring and evaluation of work under the PRSP;
- evaluate and approve the allocations and utilisation of resources, including resources arising from the HIPC initiative;
- verify and ensure compliance with the norms of good governance, particularly with respect to procedures, transparency, and appropriate investment choices for given action plans;
- coordinate the work of development partners involved in the PRSP.

5.2.5 National Technical Coordination of the PRSP

National Technical Coordination is the lynchpin that will ensure the implementation, monitoring and evaluation of the PRSP is properly coordinated. It is directed by a technical coordinator, assisted by four experts charged with (i) the macroeconomic framework; (ii) participation; (iii) sectoral policies; and (iv) monitoring and evaluation. Its main tasks are to:

- prepare the work schedule and the manager's annual budget for implementation of the PRSP, in cooperation with the manager's various organisations;
- prepare a matrix and performance-table of the PRSP's work;
- prepare the PRSP's programme and budget, in collaboration with the general director's policies and strategies, as well as with the general management of the budget and finances;
- coordinate the execution of the PRSP (priority action plans, benchmarks, performance indicators and the PRSP's impact; a broad framework for the monitoring of results);
- prepare reports of the stages and self-appraisal of the PRSP, and proceed with any logical updates to the strategy;
- coordinate the work of sectoral and prefectoral committees;
- monitor the work of domestic and international partners under the PRSP and the mechanism for the relief of public-sector debt in HIPCs;
- provide the secretariat for the PRSP's National Steering Committee, Government/Donor Liason Committee and the National Supervisory Committee for the PRSP's work.

5.2.6 Sectoral Committees of the PRSP

These committees are chaired by directors of the staff of sectoral ministries, with the DEPs as reporters. Their other members comprise one representative per technical directorate, programme directors and one representative per affiliated body. Their duties include:

- preparing implementation records of sectoral policies and programmes;
- ensuring the consistency of sectoral policies with the PRS, and that of projects and programmes with sectoral policies;
- taking part in the task of monitoring implementation of the common strategy;
- providing information or documentation required in order to formulate the common strategy;
- reporting on the state of progress in formulating the common strategy.

5.2.7 Prefectoral Committees

These provide participatory monitoring and evaluation of projects at prefectoral and community levels. These bodies are independent of and autonomous from national bodies, but do work in conjunction with the latter. Prefectoral Committees will work in close collaboration with prefectoral and municipal councils, also with civil-society organisations, in monitoring implementation of the PRSP at local level.

5.2.8 The poverty-reduction information system (PRIS)

In order to ensure consistent monitoring of the PRS, the various actors previously mentioned are collated on an information system for the monitoring and evaluation of the PRSP. The plan has three components, known as sub-systems, which need to be complementary but fully integrated. This involves (i) the sub-system to monitor household living conditions, (ii) the sub-system to monitor programmes and projects, and (iii) the sub-system to evaluate impact. The information system for

monitoring and evaluation of the PRSP and MDGs will be supported in part by existing sector-based information systems, specifically for health (SNIS), education, HIV/AIDS, finance and rural development.

First sub-system: Monitoring household living conditions

The purpose of this sub-system is to monitor poverty through the systematic production and management of living-condition indicators for households and/or basic information for each of the priority sectors identified in the PRSP and MDGs. It is subsumed under the National Statistics Office (ICASEES). Its members are the representatives of statistics units, as well as study and planning directors of the following ministries: Health, Education, Rural Development, Finance and Budget, Social Affairs, Transport and Infrastructure.

A list of 33 result and impact indicators is proposed in an appendix to this paper. It was formulated on completion of a participatory process that involved sectoral actors, development partners and civil society. It covers all sixteen areas identified from the PRSP[18]. The first category of defined indicators makes it possible to understand the factors linked to monetary poverty, quality of life, socioeconomic potential (education, healthcare, employment, life setting), infrastructure, the environment, and governance and responsibility. It involves results indicators and impact indicators, based upon the approaches to monetary poverty, poverty in meeting essential needs, or capacity poverty.

Second sub-system: Monitoring the execution of programmes and projects

The purpose of this sub-system is to monitor the financial and physical execution of poverty-reduction programmes and projects. It is guided by the general directorate of economic programming. The management of the Multi-Year Programming and Budget Management Administration will act as Secretariat. Its members are all those ministerial departments involved in implementation of programmes and projects. To this end, the government will put in place CDMTs, which will serve as a framework for programming and application of the budget.

With regard to this sub-system, the indicators relating to monitoring programmes and projects are divided into indicators to monitor inputs and outputs. Input indicators involve financial control and analysis operations, comparable to audits, and a review of public spending. They also monitor the available human and material resources. Output indicators involve monitoring the provision of services intended to reduce poverty (such as building schools, health centres, hydraulic infrastructure, roads, etc.).

Third sub-system: Evaluation of the strategy's impact

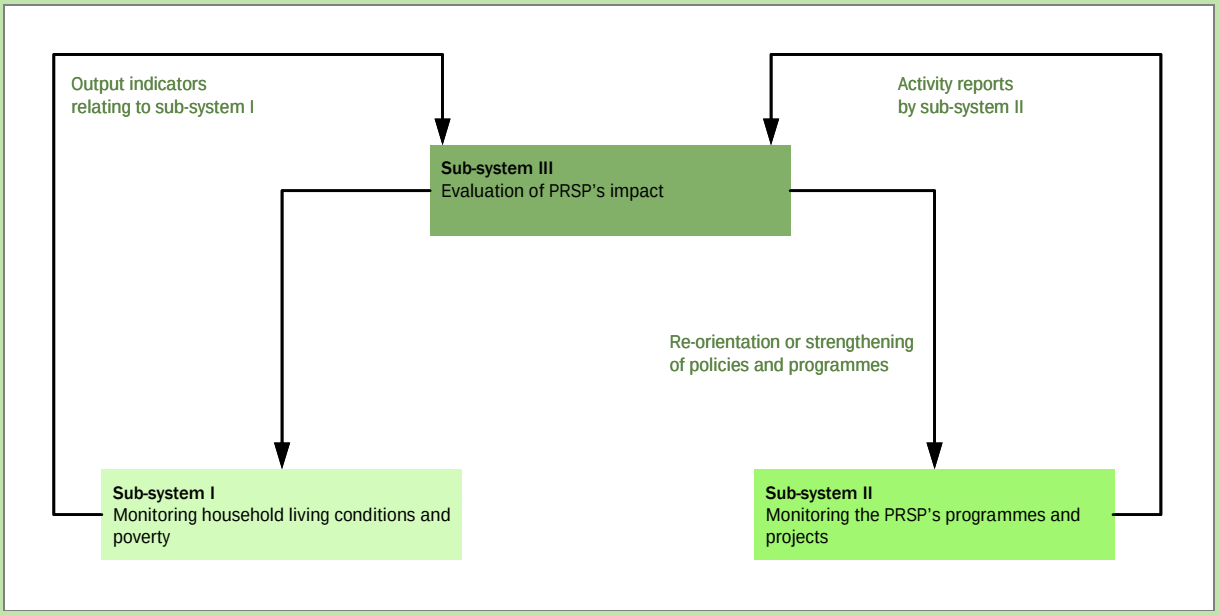
This final sub-system is under the control of the PRSP's National Technical Coordination, supported by the general policy and strategy management. Its members are ICASEES, the ministries' planning directorates, civil society, and the Ministries of Health, Education, Rural Development, Public Finances and Social Affairs.

Impact evaluation makes it possible to identify changes that have taken place in public well-being that are attributable to a given programme or policy. The results of those evaluations will help guide decisions to prolong, amend or cancel a given policy or programme, and help set the priorities for action. This tool also has the benefit of broadening public visibility of the programmes.

The impact-evaluation sub-system makes it possible to study the consistency of the outcomes of sub-systems 1 and 2, in particular the relationships between input and output indicators (sub-system 2) and results indicators and the impact on the public (sub-system 1). In a situation of scarce resources, the relationship between the three information sub-systems forms part of the PRSP review process, making it possible to better target future policies, programmes and projects, with a view to results-based management.

[18] The domains are as follows: macroeconomy, poverty and social inequality, governance, security, rural development, Transport and infrastructure, Forestry, Energy, Mines, Water and sanitation, Tourism, Telecommunications, Education, Health, employment, HIV/AIDS.

Graph 7: Relationships between the various sub-systems of the plan



Internal monitoring and coordination of the plan

This will entail monitoring the plan's performance in order to assess the quality of staffing and of procedures put in place to ensure the effectiveness of the strategy.

- at the institutional level, it would be prudent to verify whether each entity is fulfilling its duties acceptably, in order to instigate remedial measures if necessary;
- with regard to the information system, the ISRP will be subject to regular monitoring of its internal operation. Such monitoring will make it possible to iron out any problems that could jeopardise the system's effectiveness, and to comply with the deadlines set for the issuing of statistics and other items of information (reports of analyses, etc.).

The participatory method in the monitoring process

The components of the plan operate and interact on two levels, which are complementary and interlinked. The first level is key, the second peripheral. The Steering Committee, which is the pivotal point for the participatory consultation plan, ensures that work is coordinated centrally, relying on technical coordination.

The Steering Committee's meetings and workshops are arranged centrally, and are attended by representatives of all sectors and civil society, as well as other stakeholders. On the peripheral level, three sub-levels can be identified, depending on the area of intervention: (i) a regional level, (ii) a prefectoral level, and (iii) a sub-prefectoral level. Work takes place at each level, using the same methods as those used centrally.

At all levels, special attention is paid to organisational plans, essential for work of an open and participatory nature, as well as operational communication channels.

An assessment of the cost of this monitoring and evaluation plan gives grounds to suspect there are considerable needs to be met, in view of the poor national systems of statistics, and the challenges to be faced by the new ICASEES.

5.3 Evaluation of the PRS

This is the devolved task of the ISRP's third sub-system. It entails measuring changes to the main variables that define poverty and carrying out an in-depth study into the effectiveness of the public policies adopted, in particular the decisions on budget allocations and development work carried out. Feedback from the intended beneficiaries is also essential, applying that same participatory logic upon which the overall process is based. The evaluation relies on surveys, themed studies and a variety of possible methods for evaluating public policies.

Partial evaluations of the strategy's impact

These evaluations are partial and are carried out regularly as part of the implementation of the PRSP. They make it possible to provide an indication of the impacts of initiatives by comparing various monitoring data obtained from surveys, and hence demonstrating the nature and extent of the effects of a given initiative.

The overall evaluation of the PRSP

This is aimed at measuring the impact of all policies relating to growth, living conditions, and poverty. This overall procedure addresses the progress recorded over a period of 3 to 5 years and takes all information on the changes in poverty indicators into account, from performance tables, monitoring reports, surveys and evaluations, in order to produce a single overall evaluation report on the effectiveness of the strategy. It is carried out by the sub-system on evaluation of the impacts of the PRS, as described above.

5.4 Essential tools for monitoring and evaluation

The established mechanism is endowed with a set of tools for generating objectively based information on progress in the implementation of the PRSP's various initiatives, at the sites of the stakeholders involved in the process. The monitoring and evaluation tools can be categorised as follows: (i) methodological guidelines and work organisation tools; (ii) programming tools; (iii) resource tracking tools; (iv) work monitoring tools; and (v) reports.

5.5 Strategies to back up the PRSP system of monitoring and evaluation

With the aim of reviving the national statistics system, in decree no. 06/238 of 21 July 2006 the government converted the General Directorate of Statistics and Economic and Social Studies into an Institute (ICASEES). However, improved monitoring of the MDGs and the PRS requires a reorganisation and strengthening of the national statistical system which, for several years past, has been plagued by malfunctions and inadequacies in coordination and production. This deficiency underpins the unreliability of the sparse statistics produced, making them of little use for permanent monitoring of the fight against poverty, or indeed any other development programme.

The effectiveness and efficiency of the national statistics system in terms of poverty relies on there being a functioning relationship between those who produce, and those who use, or analyse, statistical data. In view of this, plans for collaboration and exchange will be developed with the sectoral ministry departments, regional statistics outposts, and the other data issuing bodies.

With this in view, the initiatives to be developed for greater efficacy of the plans will concentrate on:

- improving the functioning of ICASEES by (i) increasing the staff deployed, both to meet internal needs and to make them available to other civil service departments, (ii) formulating a National Strategy for the Development of Statistics (SNDS) and (iii) strengthening and reinvigorating the regional statistics branches;
- designing a capacity-building programme for sectoral statistics at the various ministries. The work necessary to achieve this will entail: (i) setting up/strengthening statistics cells at the ministries; (ii) defining the remit of statistical and data-production activity at the ministries concerned; and (iii) the creation or improvement of statistics manuals (data-collection and processing methodology and publication of results), with possible technical assistance from ICASEES.

5.6 Implementation strategies and HIPC resource management system

Successful implementation of the PRS will depend heavily on the method of financial resource management. The financial management system must observe circulation and the normal rules of public finance. Traceability and transparency of resources, particularly HIPC resources, will be protected. Budgets will depend on the PRSP's strategies and priority action plans, and absorption capacity will be improved.

The PRSP's financial resources will come mainly from the funds normally used (the state's own resources and external resources), in addition to those secured under the HIPC Initiative. Therefore, HIPC lines will be recounted in the budget, in the state table of financial operations (TOFE) and in the treasury plan.

Furthermore, resources under the HIPC Initiative will be held in a special account open to the BEAC before being transferred to the public treasury account so that budget allocations can be made to executing bodies, in accordance with the budget formulated in the action plans. Control over the account will be entrusted to a special treasurer and the circulation of spending will be fixed. Each week, the budget controller will report on the current position on execution of the budget (commitments and scheduling), including that relating to HIPC lines. Likewise, the treasury committee will prepare a report on payments relating to HIPC lines.

The CNS will conduct audits and monitor the executing bodies, both centrally and non-centrally, and will submit reports to its members. For this task, he may engage public inspection services or private consultancies. The National Technical Coordination of the PRSP will be issued with a copy. Once briefed about budget branches, the CNS will give new guidance to the Steering Committee, those in charge of studies, focal points and decentralised implementation committees.

5.7 Data collection plan

In order to achieve the objectives set for the PRS monitoring and evaluation plans, it is essential to conduct a series of statistical surveys (see Table 7), with a view to providing reliable indicators of outcomes and impacts, and hence also the ability to measure progress achieved since implementation commenced. Given the problems identified with diagnoses made by national statistical facilities, a national training programme is essential, for both institutional capacity-building and for providing equipment and materials, as well as building capacity in the issuing of statistics, at both the Institute itself and at decentralised bodies.

Table 7: Multi-year plan for statistical operations and surveys

Surveys and operations	2007	2008	2009	2010
Surveys 1-2-3 (phases 1 and 2: employment, IT sector, education, poverty and governance)			X	
QUIBB survey		X		X
Agricultural census		X		
Census of economic units	X			
MICS survey				X
Demographic and health survey			X	
Perceptions of poverty survey		X		X
Diagnostic survey of the mining sector		X		
Consumption budget survey			X	

The overall cost of these operations comes to around XAF 5 billion over the entire 2008 to 2010 period. This cost covers such tasks as the issue of regular reports and the tools for implementation and monitoring of the strategy. Certain operations, such the census of agriculture and diagnosis of the mining sector, have already been allowed for in the cost of the rural development sector strategy. With regard to the plans for monitoring and evaluation, financing is taken into account under the administration section.

Knowledge of the population's characteristics, working patterns, main methods of reducing poverty, and the structural determinants of productive sectors such as mines, forests and agriculture, require that national surveys be conducted regularly. The operations planned and listed in the table above will be carried out as part of a multi-year programme with the support of partners in the financing of statistical work.

6. Constraints, issues at stake and risks

Implementation of the PRSP will take place in reasonably favourable circumstances, such that risk factors can be identified and controlled in order to anticipate the responses required to yield the dynamic scenario envisaged.

6.1 Political constraints and risks

The policies set out in this PRSP, which are predicated upon a balanced approach to development following priorities that reflect the government's crucial choices, could contribute towards diminishing the likelihood that conflicts will occur in CAR and increase resources, thereby making it possible to reduce inequality, which is a cause of social tension.

Moreover, a reorganisation and redeployment of the army would be major successes for the state in regaining control over national territory and strengthening the nation's cohesion.

Lastly, all the efforts made to avoid repercussions on CAR from conflicts in neighbouring countries are further risk-reducing factors.

6.2 Governance-related constraints and risks

The reforms undertaken in relation to the clean-up of public finances should be continued in order to secure resources, keep spending under control and ensure transparency in tendering procedures. With regard to external finance, a low absorption capacity could form a strong hindrance to the implementation of the PRS.

6.3 Economic constraints and risks

The relaunch of export operations is in danger of being hampered by a fall in commodity prices (timber, cotton, coffee, diamonds, gold, etc.). Conversely, persistently high oil prices also represent a handicap. A decline in the price of oil could help achieve the goals of the PRSP and improve living standards for poor people.

6.4 Constraints on the mobilisation of external resources

Finance for the PRSP will come largely from partners' contributions. During the PRSP's implementation period, those contributions will be facilitated by the settlement of debt arrears, good governance, security and the effective and transparent implementation of its programmes and projects.

In the humanitarian domain, the return of displaced people will pose a challenge for the government, for local facilities and for the international community in terms of mobilising the resources required to meet the demands of resettlement.

Having said this, CAR expects much of the mobilisation capabilities of its financial and technical partners, in accordance with the commitments made in the 2005 Paris Declaration on Aid Effectiveness.

Conclusion

This document, which is the outcome of wide-ranging consultations among all the country's sociopolitical actors, will form the referential framework for all economic development, social, political and cultural work and permanent dialogue with the various development partners. As a consensual document, it will remain a framework for the expression of current and future sector-based strategies, with the aim of integrating these into the spirit and reasoning underpinning the government's priorities.

The fight against poverty is the key plank of government policy. The target is to reduce the prevalence of poverty from the 2003 rate of 67.2% to 56.6% in 2010.

The expected results of the four strategic pillars adopted in the PRSP are: (i) growth based upon a substantial increase in public spending the goal being to achieve a mean annual growth rate of 9.5% over the 2008-2010 period; (ii) development of the productive sectors, based on a new start for the rural sector through development centres, effective use of natural resources, development of road transport, mines and energy; (iii) making key public services accessible to the public, in particular by reaching an 80% level of vaccination cover by 2010, improving access to drinking water for rural people by raising the proportion of the population with access to clean water to 70% by 2010; (iv) human and institutional capacity-building and the promotion of good governance, the single-best measure for the proper running of public affairs and the fight against corruption; and finally (v) an improved business environment that will be conducive to an inflow of private investment and increased employment opportunities, and increasing the economic power of the working population.

The various objectives included in the PRSP will be redefined as necessary, according to the results set out above, and of public expectations. An annual update is planned, along with a three-yearly overhaul, on the strength of monitoring and evaluation reports, responsibility for which is incumbent upon an institutional arrangement for monitoring implementation and evaluation.

Given the scale of poverty in the Central African Republic, especially in rural areas (72%), and the state of advanced decay in the economy's basic infrastructure, vigorous mobilisation around the goals of the PRSP is urgently needed, but the approach of 2015 (the year targeted by the MDGs should bring real progress to the county’s people into view.

Bibliography

Energy

1. COYNE and BELLIER, 1995: Équipements de Boali 3, Étude de faisabilité, APD et DAO [Equipment of Boali 3, feasibility study, APD and DAO]
2. ALSTOM, 2004, Réhabilitation de Boali 1 et 2 [Renovation of Boali 1 and 2]
3. EDF/KFW-Consulting SALZGITTER-GMBH, Aménagements hydroélectriques de BAÏDOU et TOUOUBOU [Hydroelectric installations of BAÏDOU and TOUOUBOU]
4. Aménagements hydroélectriques de Loamé à Boda [Hydroelectric installations of Loamé in Boda]
5. EDF, 1975: Aménagements hydroélectriques de LANCRENO [Hydroelectric installations of LANCRENO]
6. COYNE and BELLIER, 1986 and SOGREAH, 1992, Aménagements hydroélectriques de Lobaye [Hydroelectric installations of Lobaye]
7. ENERCA, 2007: Aménagement des villes de Kongo, Alindao, Bambari et Kembé [Facilities of the cities of Kongo, Alindao, Bambari and Kembé]
8. COYNE and BELLIER, 1982 and Lnc MTI, 1995, Aménagement hydroélectrique sur la Mpecko à Mbaïki. Étude de faisabilité [Hydroelectric installation on the Mpecko in Mbaïki. Feasibility study]

Mines

9. Ministry of Mines, Energy and Hydraulics, 2000, Conclave du Gouvernement centrafricain sur le secteur minier [Private meeting of the Central African Republic on the mining sector], 31 page-report.
10. N'ZOLAMO-N'ZILAVO Cyrille, 2002, Étude technico-économique des gisements diamantifères en Centrafrique [Technical/ economic study of diamantiferous deposits in Central Africa], École nationale supérieure des mines de Paris [Paris National Technical College of Mining], 57-page report.
11. PHILIPS C. Lucie and KOYATRO Charles, 2006, Industries extractives de la République centrafricaine; Perspectives pour l'avenir [Extractive industries of the Central African Republic; Prospects for the future], 31 pages.
12. CHAUSSIER J.B., 1990, Les phases de la recherche minière [The phases of mining research], Bureau de recherches géologiques et minières [Geological and Mining Research Office], 54 pages.
13. MISSIGOR Jules, 1990, Les diamants de la République Centrafricaine [The Diamonds of the Central African Republic], 38 pages.
14. KOYATRO Charles, Plan d'action du secteur minier [Action Plan for the Mining Sector], February 2003, 30 pages
15. CENSIER Claude and MICHEL Jean-Claude, 1995, Projet d'appui à l'exploitation artisanale du diamant de la République Centrafricaine. Phase d'identification et de conception du projet [Project supporting the use of diamonds in the Central African crafts industry. Identification and conception phase], 17 pages.
16. BRGM [Geological and Mining Research Office], 1998, Rapports du projet d'appui au secteur artisanal du diamant en République centrafricaine (PASAD) [Reports on the project supporting the use of diamonds in the Central African crafts industry], 128 pages.
17. Ministry of Mines, Energy and Hydraulics, 2003, Rapport final des états généraux du secteur minier [Final Report on General conditions in the Mining Sector], presented from 8 to 11 July 2003, 142 pages.
18. World Bank, 2004, Rapport sur le secteur minier en République centrafricaine [Report on the mining sector in the Central African Republic], 50 pages.
19. CFD [Concertation of Democratic Forces], 1994, Secteur diamantaire, mission exploratoire [Diamond sector: exploratory mission], from 15 to 22 June 1994, 23 pages.
20. BECDOR, BEAC, Direction générale des impôts, 1995 et 2007. Statistiques du diamant et de l'or. [General Revenue Commission, 1995 and 2007. Statistics on diamonds and gold]

Education

21. Ministry of National Education, 1996, Politiques et stratégies de développement de l'éducation en République centrafricaine [Policy and strategy for the development of education in the Central African Republic]
22. Ministry of National Education, 1999, Plan national de développement de l'éducation 2000-2010 [2000-2010 National Plan for the development of education]
23. Ministry of National Education, the Elimination of Illiteracy, Superior Teaching and Scientific Research, 2004 Plan national d'action de l'éducation pour tous 2004-2015 [National Action Plan for Education for All 2004-2015]
24. CAR, 1997, Law 97.014 of 10 December 1997 providing guidelines for education
25. Ministry of National Education, the Elimination of Illiteracy, Superior Teaching and Scientific Research, 2005, Analyse de situation des faiblesses et opportunités communications pour une programmation efficiente des actions visant l'accélération de la scolarisation des filles dans le cadre de l'initiative 25 pour 2005. [Analysis of situation in terms of weaknesses and opportunities for an efficient action plan aimed at accelerating the schooling of girls in the context of Initiative 25 for 2005]
26. Ministry of National Education, the Elimination of Illiteracy, Superior Teaching and Scientific Research, 2007, Rapport d'État sur le système éducatif national centrafricain [State Report on the Central African Education System]
27. Ministry of National Education, the Elimination of Illiteracy, Superior Teaching and Scientific Research, 2004, Annuaire des statistiques de l'éducation 2003-2004 [Directory of statistics relating to education 2003-2004]
28. Ministry of National Education, the Elimination of Illiteracy, Superior Teaching and Scientific Research, 2004, Tableau de bord de l'annuaire statistique 2003-2004 [Logbook for Directory of statistics relating to education 2003-2004].

Social affairs

29. Ministry of Social Affairs, Promotion of the Family and Social Integration of the Handicapped, 1985, Séminaire national sur le "Rôle et la place de l'action sociale dans le processus du développement à l'heure de la politique de redressement national [National seminar on the 'Role and place of social action in the development process at the current time of national recovery]", Bangui, 4-9 June 1995
30. Ministry of Social Affairs, Promotion of the Family and Social Integration of the Handicapped, 2005, Politique nationale de promotion de l'égalité et de l'équité [National Policy on the promotion of equality and equity]
31. ADB/ECA African Development Bank / Economic Commission for Africa Joint Colloquium, 2004, Le chaînon manquant entre dans le processus de croissance et de développement durable: comment éliminer les disparités entre les hommes et les femmes, colloque sur la parité des sexes, la croissance et le développement durable [The missing link between the growth process and that of sustainable development: how to eliminate disparities between men and women. A colloquium on the equality of the sexes, growth and sustainable development]

Post and telecommunications

32. NZIKOU KAMDEM Emmanuel, 2006, Politiques, stratégies et plan d'action de l'édification de la société de l'information en République Centrafricaine [Policies, strategies and action plan for building an information society in the Central African Republic]
33. Ministry of Post and Telecommunications, in charge of new technologies, 2007, Draft law for 2007 regulating telecommunications in the Central African Republic
34. TECSULT International Limited, Offre technique de services professionnels relative à un bilan diagnostic de la poste centrafricaine [Technical offer of professional services in relation to a diagnostic appraisal of the Central African post]

Water and sanitation

35. Directorate General of Hydraulics, Annuaire de forage de la RCA [Directory of drilling in CAR]
36. UNICEF, Rapport de réalisation d'ouvrages d'eau et d'assainissement du projet Eau et Assainissement [Report on the construction of water and sanitation facilities in the Water and Sanitation project]
37. Directorate General of Hydraulics, 2005 et 2006, Rapports d'activités 2005 et 2006 [Activities Report, 2005 and 2006]

38. Directorate General of Hydraulics, 2001, Schéma directeur pour l'eau et l'assainissement [Guidelines for water and sanitation]

39. Directorate General of Hydraulics, 2006, Politique et stratégies nationales en matière d'eau et d'assainissement [National policy and strategy in the area of water and sanitation]

40. SODECA, 2005, Rapport d'activités de la Société de distribution d'eau de Centrafrique [Report on the company's water distribution activities in the Central African Republic]

41. Projet CAF CO3, 2002, Rapport du projet Hydraulique Rurale, 2002 [Report on the Rural Hydraulics Project, 2002]

42. Ministry of Economy, Planning and International Cooperation, 2005, Recensement général de la population et de l'habitation, 2003 [General census of the population and living conditions]

43. World Bank, 2007, Aide–mémoire de la mission d'évaluation du projet d'urgence d'infrastructures et de services urbains [Memo on the evaluation mission for the emergency urban infrastructures and services project]

44. French Ministry of Foreign Affairs, 2003, Gestion durable des déchets et de l'assainissement urbain. Programme solidarité eaux, partenariat pour le développement municipal [Sustainable management of waste and urnban sanitation. Water solidarity programme, partnership for municipal development]

45. UNICEF, 1996, Plan d'opérations YW6102: eau, assainissement et environnement [YW6102 operation plan: water, sanitation and the environment],

46. Ministry of Equipment and Land Development, 1991, Rapport Intermédiaire du Projet de développement municipal [Intermediate report on the Municipal Development Project]

Ministry of Tourism and the Craft Industry

47. Ministry for the Promotion of Tourism and the Craft Industry, 1999, Plan directeur du développement touristique (PDDT) de la RCA, PNUD/OMT [Master Plan for Tourism Development for the CAR, UNDP and UNWTO], 211 pages.

48. Ministry for the Promotion of Tourism and the Craft Industry, Annuaires statistiques du tourisme centrafricain (1999-2002) [Directory of statistics on Central African tourism (1999-2002)]

49. Ministry for the Promotion of Tourism and the Craft Industry, Decree providing a general framework for the exercise ot tourism activities in CAR, 2001, 20 pages

50. Periodic reports of the World Tourism Organisation (UNWTO)

51. World Tourism Organisation, 2001, Développement durable de l'écotourisme (recueil de bonnes pratiques dans les PME) [Sustainable development in ecotourism (collection of good practices in SMEs)], 337 pages.

52. World Tourism Organisation, 2001, Développement durable de l'écotourisme (une compilation de bonnes pratiques) [Sustainable development in ecotourism (a compliation of good practices)], 261 pages.

53. Ministry of Tourism (2000), Rapport de la mission pour la préparation d'une stratégie de financement du PDDT en RCA, PNUD/OMT, 38 pages

54. African Union/NEPAD, 2000, Plan d'action pour le tourisme du NEPAD [NEPAD's Action-plan for Tourism], 27 pages

55. UNEP/ILO, Vers un tourisme durable (Guide à l'usage des décideurs) [For sustainable tourism (a guide for decision-makers)], 216 pages

Agricultural Development

56. Ministry of Rural Development, (2000), Plan de développement agricole, Plan d'action pour la production végétale [Agricultural development plan, plan of action for vegetal production]

57. Ministry of Rural Development, 1985, Recensement général de l'agriculture [General census for agriculture]

Ministry of the Interior

58. Francophone African Action Network on Small Arms, Conference on the topic of 'Désarmement durable, armes légères et enfants soldats en Afrique' [Sustained disarmament, small arms and child soldiers in Africa], Brussels from 19 to 23 June 2006

59. United Nations Action Plan on SALW

60. Mission reports on the country's internal security situation

Population and Gender

61. BADJECK A., Questions de population dans les stratégies de réduction de la pauvreté en Afrique de l'Ouest [Population questions in poverty-reduction strateges in West Africa], UNFPA CST/Dakar

62. ILO, for equality between men and women, (2000), Genre! Partenaires et égaux [Gender! Partners and equals], 115 pp.

63. BOPAF., (2001), "Sexualité des adolescents et utilisation des condoms: une expression des relations de genre" [Adolescent sexuality and the use of condoms: an expression of sexual relations], a paper presented at the International Colloquium in Gender, Population and Development in Africa, at Abidjan from 16-21 July 2001.

64. CEDPA, Pauvreté et changements démographiques [Poverty and demographic changes], April-June 1998, No. 29

65. The World according to Women, (1994), Le travail des femmes dans le secteur informel et les emplois précaires au Sud et au Nord [Women's work in the informal sector and precarious jobs in the South and the North], Daily proceedings for 8 March 1994, 33 pp.

66. BIS ILLIAT J., (1996), Femmes du Sud, chefs de famille [Women of the south, family heads], Paris, L'Harmattan.

67. BIS ILLIAT J., (2003), Regards de femmes sur la globalisation [Women's views on globalisation], AFED, L'Harmattan, Paris.

68. KOUYE P. and J. AMOUZOU, (2001) "Gendre, insertion socio-économique de la femme et pratique contraceptive en Côte d'Ivoire" [Gender, social/economic integration of women and contraceptive practice in the Ivory Coast], a paper presented at the International Colloquium in Gender, Population and Development in Africa, at Abidjan from 16-21 July 2001.

69. RYCKMANS H, YEPEZ I., CHARLIER S. and OUEDRAOGO C. (1998), "Logiques des femmes face à la mondialisation et effets sur les relations de genre dans la famille" [Women's logic in the face of globalisation and its effects on gender relations in the family], a paper presented at the Quetlet Chair 1998, Ménages, comportements démographiques et sociétés en mutation [Households, demographic behaviour and societies in flux], November 1998, 17 pp.

HIV/AIDS

70. ST/CNLS [Technical Secretariat of the National Committee for the Fight against Aids](2006), Cadre stratégique de lutte contre le sida [Strategic framework for combating aids] (2006-2010)

71. MATSIKA Marcelle, MASSANGA Marcel and WILYBIRO SAKO (2002), Cartographie de l'infection au VIH [Cartography of infection with aids]

72. ST/CNLS (2002), Plan cadre stratégique de lutte contre le sida [Strategic framework for combating aids]

Water and Forests

73. MEFCPE [Ministry of Water, Forestry, Hunting and Fishing, and the Environment] (1998), Étude filière viande de brousse [Sectoral study of Bush meat]

74. MEFCPE, Annuaires statistiques, Rapports [Directories of Statistics, Reports]

75. Ministry of Rural Development (2000), Plan de développement agricole, Plan d'action forêt, faune [Plan for agricultural development, Forestry and fauna action plan]

76. MEFCPE (1999), Plan national d'action environnemental [Action plan for the environment]

77. FAO, Code d'éthique pour une pêche responsable [Ethical code for responsible fishing],

78. FAO (1995), Base de l'enquête nutritionnelle de la FAO [Basis of the FAO's nutritional survey] , 25-page report.

79. FAO (2002), Étude sur la quantification de Gnetum buchbolzianum par la méthode ACS en forêt dense humide (Cas de la forêt de Ngotto) [Study on the quantification of gentum buchbolzianum using the ACS method in dense, humid forests (case-study of Ngotto forest)], 34 pp.

80. MEFCP (1990), Code forestier [Forestry Code], Edition TEMMEN, 132 pp.

81. MEFCPT (1985), Code de protection de la faune sauvage [Code on the Protection of Wild Fauna],

Ministry of Economy, Planning and International Cooperation (MEPCI)

82. Recensement général de la population et de l'habitation (RGPH [General Census of population and living conditions], 2003, topic report

83. Notes on the economy

84. Document-cadre de politique économique et sociale (DCPES) [Framework document on economic and social policy], November 2006

85. Document stratégie pays [Country strategy document] (cooperation with the EU)

86. Résultats des enquêtes sur les conditions de vie des ménages en milieux urbain et rural [Results of surveys on living conditions in households in urban and rural milieux], 2005

87. Résultats de l'enquête sur la perception de la pauvreté en République Centrafricaine [Results of survey on the perception of poverty in the Central African Republic], 2007

88. Profil de pauvreté en République Centrafricaine [Profile on poverty in the Central African Republic], 2007

89. Rapport national sur le suivi des Objectifs du Millénaire pour le Développement [National Report on following up the development objectives for the milennium], 2007

90. Enquêtes à indicateurs multiples [Multiple-indicator surveys], MICS 2000

91. State's three-year investment programmes

Prime Minister's office

92. Government's General Policy Letter, August 2005

World Bank, IMF, EU and ADB

93. Stratégie conjointe de réengagement [Joint reengagement strategy]

94. Notes conceptuelles IXe et Xe FED [Conceptual notes IXth and Xth FED]

95. Aide-mémoire des missions macro et sectorielles [Memo on macro and sectoral missions]

96. Programme d'urgence post-conflit (PUPC) [Post-conflict emergency programme (PUPC)]

97. Facilité pour la réduction de la pauvreté et la croissance (FRPC) [Facility for poverty reduction and growth(FRPC)]

United Nations System

98. UNDAF 2007-2011

99. Documents Cadres de Coopération, 2007-2011 (PNUD, UNFPA, UNICEF) [Framework Cooperation Documents, 2007-2011 (UNDP, UNFPA, UNICEF)]

100. Rapport sur le développement humain en RCA, 2007 (PNUD) [Report on Human Development in CAR, 2007 (UNDP)]

101. Pour une stratégie de croissance pro-pauvre, 2006 (PNUD) [For a pro-poor growth strategy, 2006 (UNDP)]

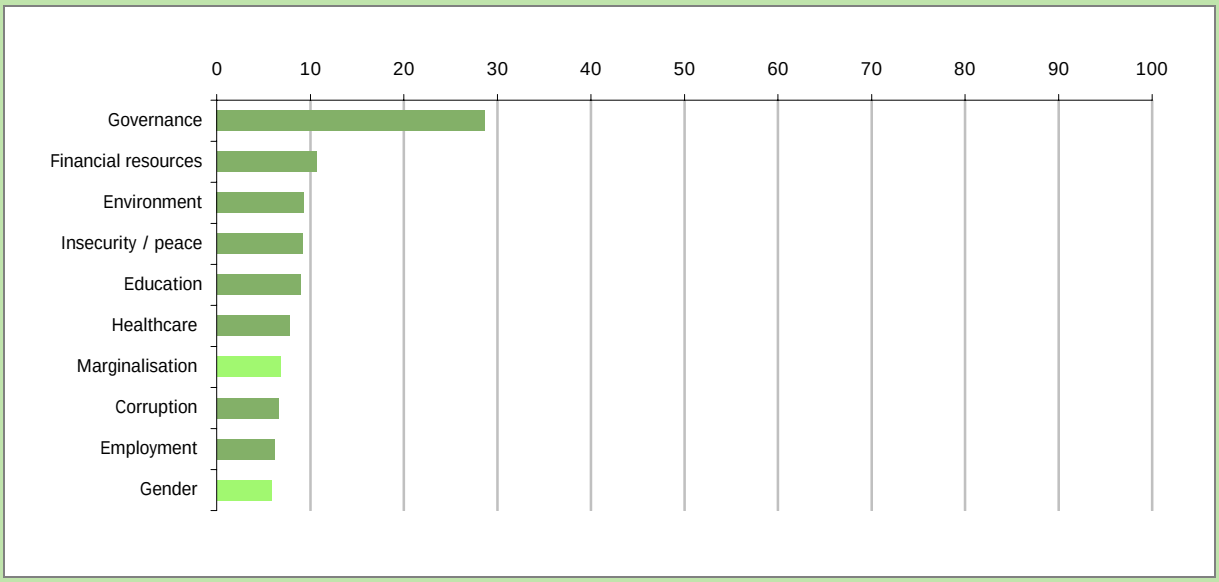
102. La stratégie d'emploi comme composante de la stratégie de réduction de la pauvreté 2006 (PNUD) [Employment strategy as a component of poverty reduction strategy 2006 (UNDP)]

Appendices

Appendix 1

Perceptions of poverty-related problems at regional level on the basis of the participatory inquiry

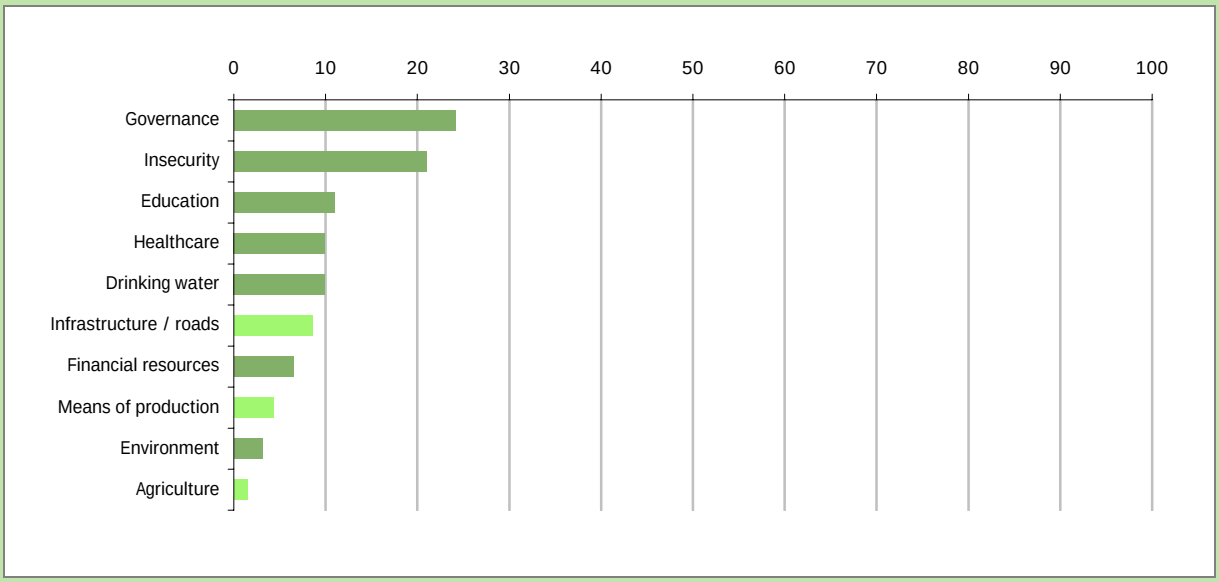
Figure A: Relative importance of priority problem areas in Region 1



Problems specific to Region 1: gender and marginalization.

Source: SFFP Technical Committee

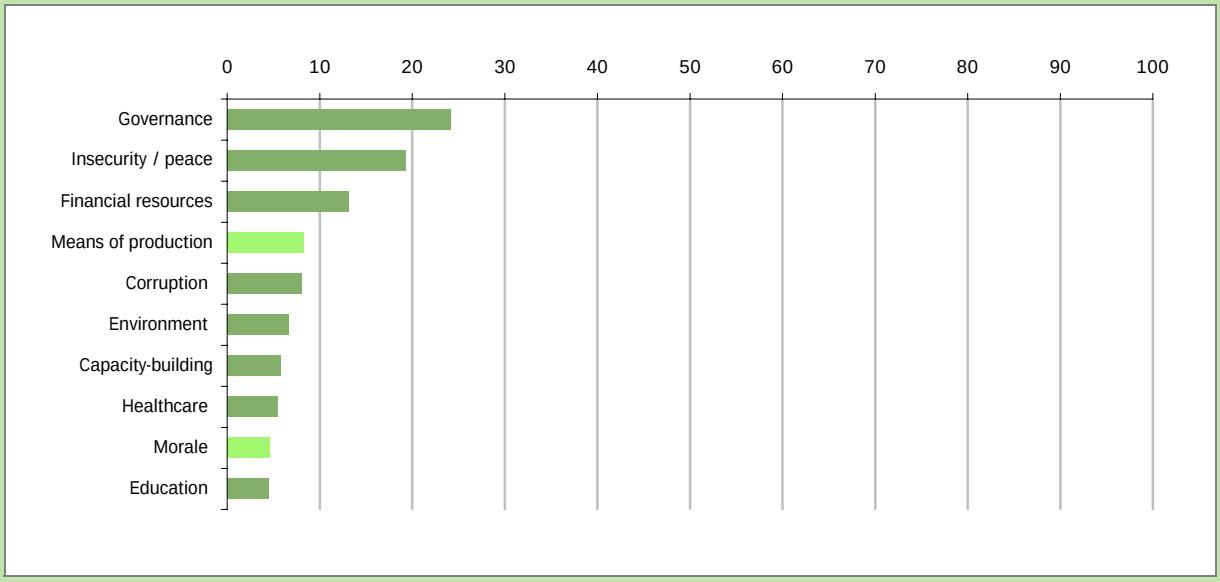
Figure B: Relative importance of priority problem areas in Region 2



Problems specific to Region 2: road infrastructures, agriculture and the lack of means of production.

Source: SFFP Technical Committee

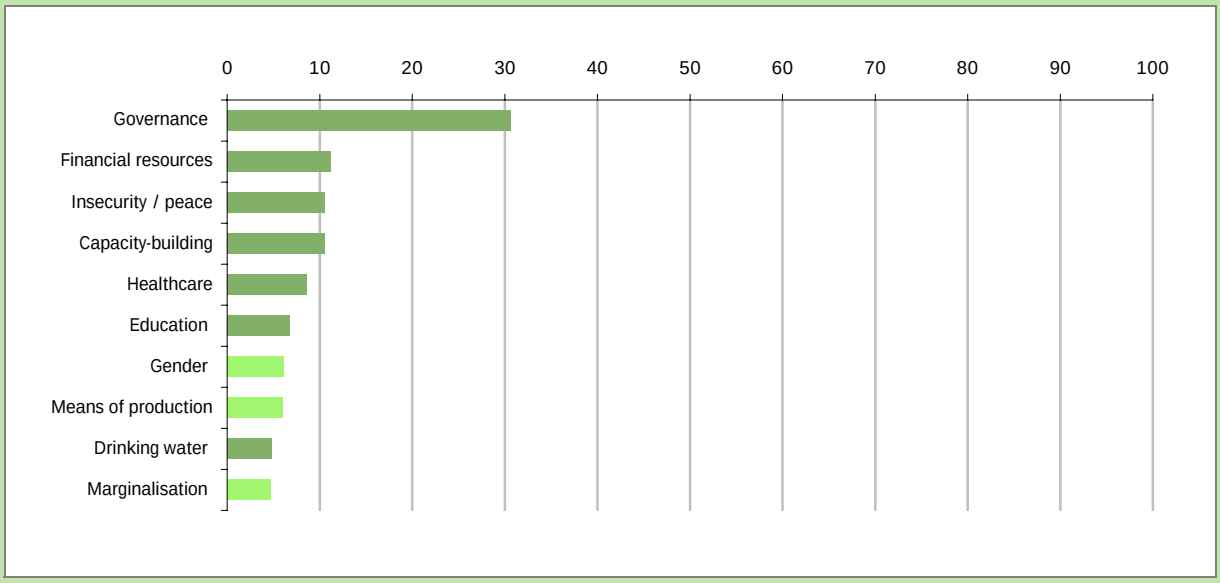
Figure C: Relative importance of priority problem areas in Region 3



Problems specific to Region 3: lack of means of production and morale.

Source: SFFP Technical Committee

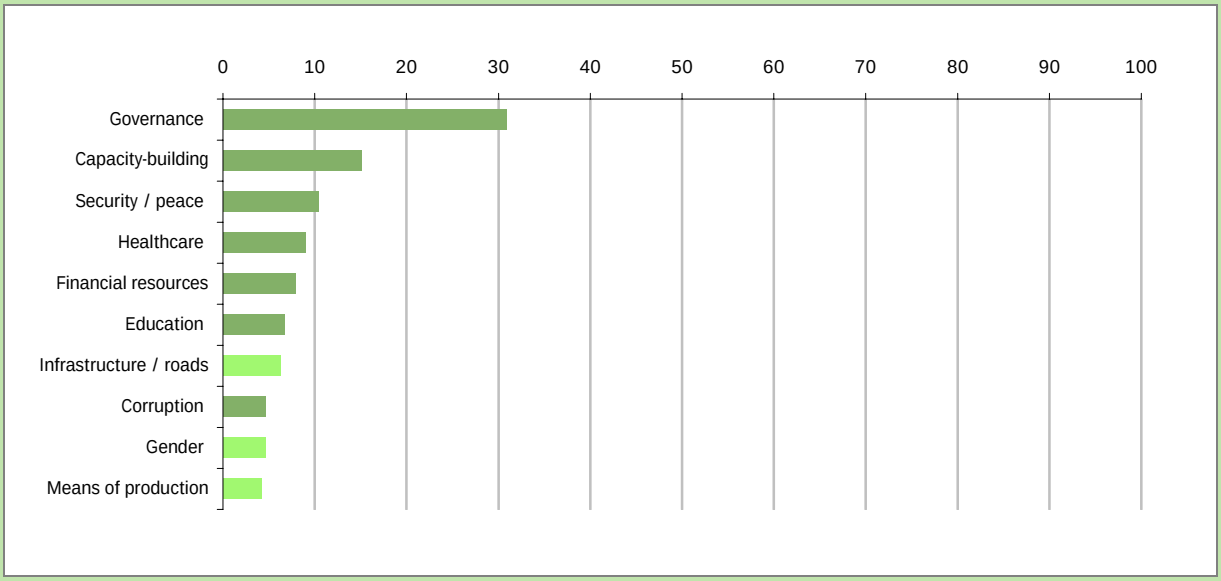
Figure D: Relative importance of priority problem areas in Region 4



Problems specific to Region 4: lack of means of production, gender and marginalisation.

Source: SFFP Technical Committee

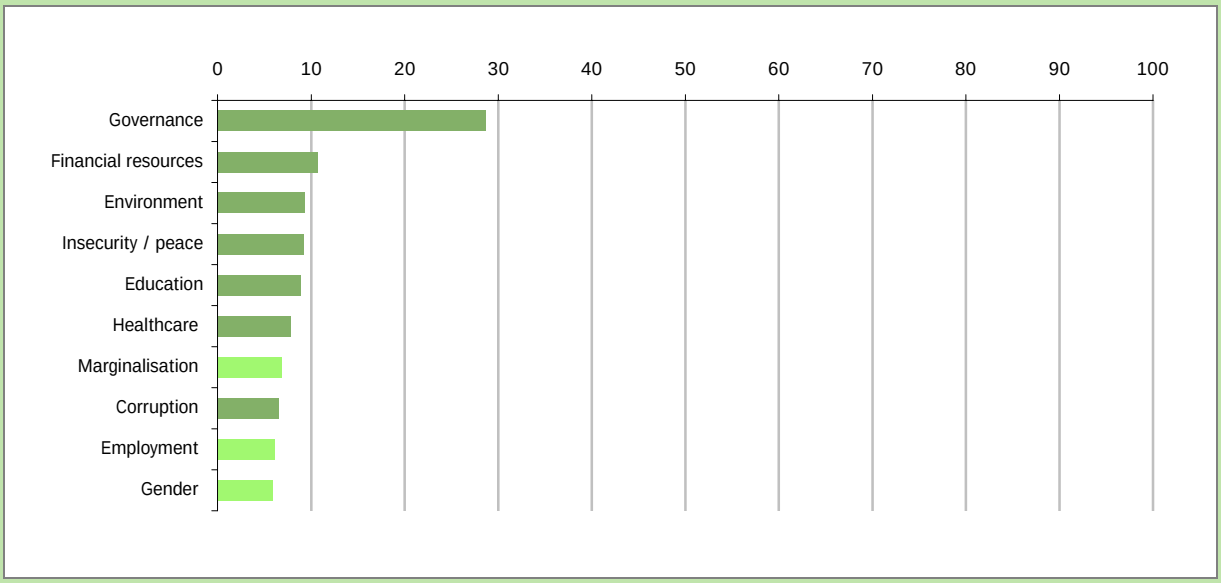
Figure E: Relative importance of priority problem areas in Region 5



Problems specific to Region 5: road infrastructure, gender and lack of means of production.

Source: SFFP Technical Committee

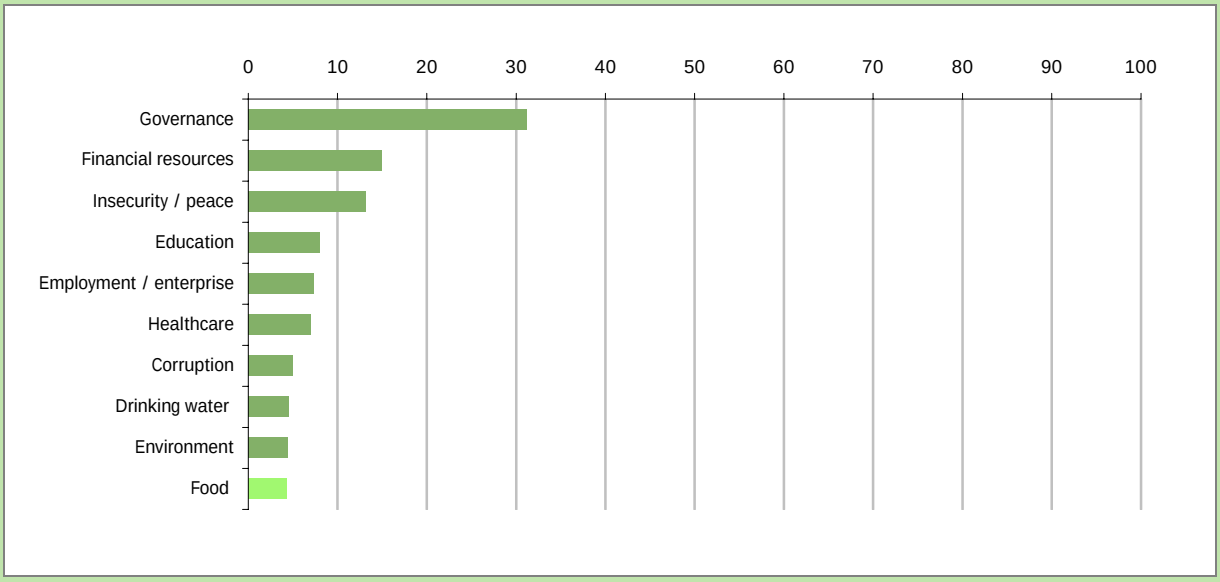
Figure F: Relative importance of priority problem areas in Region 6



Problems specific to Region 6: marginalization, lack of employment and gender.

Source: SFFP Technical Committee

Figure G: Relative importance of priority problem areas in Region 7 (Bangui)



Problems specific to Region 7: lack of food.

Source: SFFP Technical Committee

Appendix 2

List of priority PRSP measures (2008-2010)

Pillar 1: Consolidating peace, preventing conflict and restoring security

Areas/Sectors	Objectives/Strategies	Priority actions
Security, peace and justice	Material and human capacity-building for the DSFs	• DSF training • Provision of DSFs with basic materials and equipment
	Reform, restructuring, geographical reorganisation and coordinated, participatory transformation of the security sector	• Construction/renovation of DSF barracks and premises
	Local security, combating the proliferation of light and small-calibre arms	• Reducing small arms • Combating highway banditry and poaching • Border patrols • Local cooperation in security matters • Disarmament of former combatants • Demobilisation and reintegration of combatants • Community support
	Education, development of DSF and re-establishing trust	• Strengthening the legal and judicial framework (implementing the military legal code and building capacity of the Permanent Military Courts) • Strengthening the DSF supervisory bodies • Awareness-raising among the population and the DSF

Pillar 2: Promoting good governance and the rule of law

Areas/Sectors	Objectives/Strategies	Priority actions
Governance	Promoting a democratic culture	• Mise en œuvre du plan d'appui à l'Assemblée nationale, à la Cour constitutionnelle, au Haut Conseil de communication et au CSADN • Réorganisation et renforcement des capacités de la société civile • Développement des capacités des médias et de la communication sur la culture démocratique • Promotion d'un dialogue politique et social permanent
	Promoting respect for human rights	• Capacity-building within national structures responsible for human rights and good governance • Drawing up and implementing an action plan for promoting and protecting human rights • Revitalising the National Human Rights Commission and setting up a pool of human rights specialists
	Improving the civil service and increasing its effectiveness	• Setting up a new, organic structure for the administration • Overhaul of the civil service • Setting up a scheme for reallocating services within the country • Carrying out economic forecasts for CAR up to 2040
	Strengthening the rule of law	• Revising and updating legal texts, digitisation of Official Journal, joining the Global Legal Information Network (GLIN) • Building courts and prisons throughout the country • Capacity-building for legal personnel and temporary staff

Pillar 2 (continued)

Areas/Sectors	Objectives/Strategies	Priority actions
Governance	Improving the management of public finances	• Devising and implementing new budgetary and accounting nomenclature • Devising and producing guides and manuals setting out procedures for audits and spending reviews • Updating the tax base and tax regimes • Strengthening the single clearing house for Douala and setting up single clearing houses for Pointe-Noire and Garoua • Developing customs clearance zones for Gamboula and Beloko • Setting up an integrated public finances management system (SIGFIP) • Setting up a transparent structure for procurement of markets
	Revitalising the decentralisation process	• Strengthening the institutions in charge of decentralisation and the capacities of local and administrative authorities • Carrying out basic studies in order to gain a better understanding of the conditions that would make decentralisation feasible • Organisation of decentralisation task force • Drafting the fundamental texts for reform • Organising municipal elections • Creating secondary development centres
Business environment	Creating a favourable environment for the development of the private sector	• Drawing up documents on industrial and commercial policy and on the strategy for developing the private sector • Strengthening legal certainty for business • Creating a single clearing house for business formalities • Developing a public-private partnership
	Strengthening competitiveness and promoting employment	• Restructuring the chamber of commerce and making it operational • Restoring structures for the promotion and support of the private sector
Population and gender	Strengthening and applying legal, judicial and institutional mechanisms to facilitate women's participation	• Capacity-building for women leaders • Improving the legal, judicial and institutional framework to facilitate women's participation • Involving women in conflict resolution by implementing Resolution 1325

Pillar 3: Renewing and diversifying the economy

Areas/Sectors	Objectives/Strategies	Priority actions
Rural development	Organising and training rural people and giving them responsibilities	• Organising a rural development task force • Building the capacity of the Chamber of Agriculture and the producers' organisations • Restoring professional structures for technical support and training in a rural environment • Re-launching research, training and education programmes
	Increasing productivity and animal and vegetable production	• Re-launching food production, increasing and disseminating seeds • Developing current cash crop sectors (cotton, coffee, palm oil, sugar cane and tobacco) and also alternative/substitute crops • Re-launching short-cycle livestock breeding in urban, periurban and rural areas. • Developing traditional nomadic and sedentary cattle breeding, and a return to trypanotolerant breeding • Developing crop irrigation systems (out of season) in the lowlands
	Opening up rural areas and reducing vulnerability factors	• Restoring and maintaining 2000 km of rural roads and civil engineering works in production zones • Developing infrastructures for packaging, storage, intermediate transport, promoting the processing of agricultural products, and developing a marketing network

Pillar 3 (continued)

Areas/Sectors	Objectives/Strategies	Priority actions
Rural development	Capacity-building in the Ministry of Rural Development (planning, statistics, resource management, research, consultation services, training, communication)	• Strengthening operational capacities and human resources in the departments of the Ministry of Rural Development in charge of statistics, planning, monitoring and evaluation, protection and phyosanitary and zoosanitary supervision (Agropastoral development fund), the National Equipment Office (ONM)
Mines	Improving sector's legal, institutional and tax framework	• Strengthening and updating the mining code • Setting up a tax regime that favours development of the mining regions • Setting up a reliable geological database • Drawing up and implementing a type specification for mining companies
	Improving transparency in management of the sector	• Improving traceability in the context of the Kimberley process • Strengthening and equipping the mining brigade • Joining the Extractive Industries Transparency Initiative • Creating a mining police force
	Increasing mining production and improving the incomes of the inhabitants of mining zones	• Re-launching the activities of the Bangui International Diamond Exchange • Strengthening cooperatives and associations for miners • Developing industrial production and SMEs/SMIs in the mining sector
Transport and Infrastructure	Strengthening the institutional framework for managing transport infrastructures	• Capacity-building of transport management structures (Road Maintenance Fund, Fund for the Development of Waterway Transport, the National Equipment Office and the ASECNA National Construction and Public Works Laboratory) • Operationalising the transport infrastructure information and management system • Carrying out an study of the potential for airfields in the interior, and of the meteorological system
	Restoring and building transport infrastructures and making them viable	• Restoration and maintenance of transport infrastructures (rural roads, unsurfaced roads, surfaced roads and civil engineering) • Building railway stations • Restoring the 9 secondary airfields and the Bangui airport • Ensuring that Berberati airport complies with international standards
	Strengthening the institutional framework for town planning and development	• Institutional and logistical support to the land registry and town planning and housing departments
	Restoring and building urban zones and making them viable	• Restoration, drainage and opening-up of insalubrious and inaccessible areas • Making plots viable and creating new sub-plots • Building social housing • Updating urban cartography for Bangui and the sixteen provincial towns • Restoring and building public buildings
Forestry	Increasing the contribution of the forestry sector to national wealth and state revenue.	• Promoting the development of SMEs/ SMIs and setting up high-performance processing units • Giving responsibility to the local people for managing forestry and fauna taxes paid to the municipalities • Encouraging game breeding farms in order to increase families' earning capacities
	Improving transparency in the management of forestry and fauna resources	• Improving management of the Special Allocation Account for Forestry and Tourism Development (SAA FTD) • Building capacity for monitoring and supervision in the sectors of forestry and fauna

Pillar 3 (continued)

Areas/Sectors	Objectives/Strategies	Priority actions
Energy	Setting up an energy information system	• Sector-wide capacity-building • Creating an energy database
	Ensuring the provision of urban and periurban centres with electricity	• Restoring the production infrastructures of Boali 1 and 2, doubling capacity • Installing a factory at the foot of Boali dam 3 • Restoring and expanding the distribution network and transport lines • Increasing the capacity of stations A and B and of ENERCA • Electrification of the city of Bria • Substituting hydroelectric power stations for thermal power stations in the secondary centres of Bambari, Berbérati, Carnot, Boda and Mbaïki • Connecting the city of Zongo (DRC) to the ENERCA network
	Ensuring the provision of urban and rural centres with hydrocarbons	• Carrying out an audit of the price structure of petroleum products • Creating storage capabilities at Bocaranga and Bria • Carrying out a study of the supply of CAR by Sudan and Chad
Water and sanitation	Strengthening the institutional and regulatory framework as well as management capacities in the area of water management planning	• Supporting to water-management structures • Restructuring the Water Board (SODECA) • Strengthening technical, material and human capacities • Developing an information, communication and public education programme in the area of water and sanitation • Carrying out a feasibility study for the AEP systems and drawing up an action plan for managing water resources
	Restoring and building structures for water-supply and sanitation structures	• Restoring water conveyance equipment, maintaining existing installations and extending the drinking water network • Carrying out sanitation engineering work in urban and rural areas
Arts and Culture	Organising and promoting the art market	• Creating six 'cultural crossroads' (art markets), 4 at Bangui and 2 in the hinterland at Berbérati and Bambari
	Promoting an environment that is favourable to the development of cultural enterprises and industries	• Creating an equipment centre and recording and audiovisual production studio in Bangui
	Promote the country's heritage – cultural, natural and mixed – in various forms	• Carrying out studies for documenting the 10 sites on CAR's Indicative List and drawing up management plans in compliance with the guidelines in the 1972 UNESCO Convention • Technical support for implementing management plans for the sites in compliance with the specification in the UNESCO guidelines
Tourism	Working towards an environment that is favourable to the development of tourism	• Drawing up and implementing an ethical code and a charter for investment in tourism • Training staff who work in establishments providing accommodation, catering, leisure facilities and travel agencies, along with tour guides and taxi and bus drivers in order to improve the quality of the services provided • Promoting the setting up of a mixed commission for the permanent management of cross-border tourist resourcesPromotion de la mise en place d'une commission mixte de gestion durable des ressources touristiques transfrontalières
	Promoting the country's potential for tourism	• Renovation of 200 catering units and 800 traditional-type guest rooms • Developing natural sites of tourist interest at Bangui and its surrounding area • Improving the Dzanga-Sangha and Mbaéré Bodingué reservations • Improving the Bangassou and d'Alimbou forests and the and Manovo Gonda St Floris special park • Promoting marketing for tourism • Building a conference centre and a cultural tourism project

Pillar 4: development of human capital

Areas/Sectors	Objectives/Strategies	Priority actions
Education	Reaching a 73% registration level for children between 6 and 11 years at primary school level 1 and reducing the current gap between girls and boys	• Restoration/building/equipping of school infrastructures • Providing school establishments with didactic materials and updating the functional literacy programme • Training 2000 parent-teachers, 2300 teachers and using 3000 previously trained teachers
	Achieving a 74 % completion rate for the primary school cycle	• Restoration/building/equipping of pre-school centres • Using old and training new teachers and pre-school administrative staff • Popularising a non-formal education programme for children from 8 to 13 years
	Reducing the drop-out rate to 9% for girls and 6% for boys	• Making school more attractive • Developing after-school activities • Constructing and developing school canteens
	Improving the mobilisation of the education system's actors and partners	• Spreading awareness of and information about the importance of school to the communities and the economic operators • Building capacity for parents' associations • Devising strategies to reduce the barriers and obstacles to education for girls
	Improving the capacity for taking in pupils and the relevance of teaching at primary school level 2	• Restoration/building/equipping of primary level 2 and post-primary schools • Devising, re-using and revising programmes for primary level 2 and post-primary
Health	Setting up a high-performance health system and making the partnership with the stakeholders dynamic	• Restoration/building/equipping of health training centres • Reallocating the resources of the health insurance units • Supporting the setting up of health insurance in 5 préfectures [administrative divisions] (Lobaye, Mambéré Kadeï, Nana Gribizi, Ouham and Ouham-Pendé) • Creation/revitalisation of the health sections of the district management committees (COGES) at all levels • Recruitment, ongoing training and reusing of health staff on priority programmes • Developing a contractual approach with NGOs, civil society and the private sector • Improving the National Health Information System
	Improving the quality of reproductive health services (for women of childbearing age, adolescents, young people, men)	• Making the reference and counter-reference systems operational • Expanding the activities of the IMCI (Integrated Management of Childhood Illness) in all districts • Implementing the reach-all-districts strategy • Expanding school health services
	Reducing disease and mortality attributed to the most common diseases and emergencies	• Supplying consumables (condoms, necessary reagents for laboratories, antiretrovirals, antibiotics, anti-malarial and anti-tubercular medicines) • Support to NGOs, associations and community assembly organisations for preventing tuberculosis
HIV/AIDS	Implementing preventative actions and provision of care in priority sectors	• Improving the programmes for prevention and screening for young people in schools and in the coverage zones • Devising actions in favour of specific groups: users of the main roads and inland waterways, prostitutes, men in uniform, Pygmies, Peulhs, those working in the private and public sectors and the populations of mining regions • Decentralisation of units working with persons living with HIV (ARV, nutrition, etc.), including treatment of OIs in the functional health education centres at each municipality's main town • Support to structures for training and taking care of affected persons (orphans and other vulnerable children and widows) in the main towns and sub-prefectures.

Pillar 4 (continued)

Areas/Sectors	Objectives/Strategies	Priority actions
HIV/AIDS	The coordination, monitoring and evaluation of all the activities in the fight against HIV/AIDS must be effective and efficient in order to allow monitoring of the disease's progress	• Developing a medium-term framework for cross-disciplinary expenses in the fight against HIV/AIDS • Implementing an advocacy strategy for the mobilisation of local and international resources • Building technical capacity for coordination of the Technical Secretariat of the National Committee for the Fight against Aids (ST/CNLS), as well as decentralised structures • Setting up a mechanism for monitoring and evaluation that functions at all levels
Employment	Developing an institutional and regulatory framework that encourages and facilitates the creation of jobs	• Drawing up a national policy on employment and professional training • Updating legal and regulatory texts in the area of employment and ensuring their compliance with international labour law • Making the Permanent National Labour Council operational
	Strengthening the institutions responsible for implementing the national policy on employment and professional training	• Building capacity for, and decentralisation of, technical and professional training • Carrying out a market study on employment growth markets • Strengthening the partnership between the education structures and businesses
	Setting up information and management systems for the employment market and professional training	• Creating an observatory for employment and professional training • Improving and coordinating statistics and documentation services in the area of employment and professional training
Young people and sport	Building the capacity of institutions in charge of sport	• Strengthening the human and material resources of institutions • Restoration or construction of infrastructures
	Developing and implementing programmes for youth organisations	• Implementing a citizenship education programme for young people • Developing a network of youth centres • Fighting against idleness and unemployment among the young

Appendix 3

Indicators for monitoring and evaluation of the PRSP

Initial values and target values

Areas	Indicators	Information source	2006	2010	2015
Macroeconomic framework	1. Rate of real economic growth	ICASEES / DGE	3.8		
	2. Rate of investment	ICASEES / DGE	10.2		
	3. Rate of inflation	ICASEES / DGE	3.6		
	4. Tax burden	ICASEES / DGE	9.5		
Poverty	5. Incidence of poverty	ICASEES	67.2		
	6. Proportion of population living on less than one dollar a day	ICASEES	50.0		
	7. Gini coefficient	ICASEES	0.436		

Pillar 1: Consolidating peace and preventing conflict

Areas	Indicators	Information source	2006	2010	2015
Security	8 Number of highway robberies and armed attacks	PN / GN	182		
	9 Number of operational military bases	MD	Not available		

Pillar 2: Promoting governance and the rule of law

Areas	Indicators	Information source	2006	2010	2015
Democratic and judicial governance	10 Number of cases of infringement of human rights	LCDH	Not available		
Economic and administrative governance	11 Index of satisfaction of users of public services	ICASEES (Enq. 1-2, QUIBB)	Not available		
Local governance, participation and gender	12 Proportion of women in decision-making bodies	MFASSN	Not available		

Pillar 3: Renewing and diversifying the economy

Areas	Indicators	Information source	2006	2010	2015
Rural development	13 Food production in tons	DSD / ICASEES	3,017		
	14 Production of cash crops (cotton, coffee) in tons	ACDA / ORCCPA	5,500		
	15 Number of heads of livestock	ANDE / DSSE	13,841		
Transport and Infrastructures	16 Mileage of roads and tracks that have been repaired or maintained (km)	MED	700		
Forestry	17 Share of earnings from wood in tax revenue	MFB	Not available		
Energy	18 Proportion of population with access to electricity (%)	ICASEES	5		
Mines	19 Share of earnings from mining in tax revenue (%)	BECDOR	3		

Pillar 3 (continued)

Areas	Indicators	Information source	2006	2010	2015
Water and sanitation	20 Households with access to drinking water (%)	ICASEES	28.2		
Tourism	21 Number of tourist visits	MDTA	14,000		
Telecom	22 Proportion of mobile phone subscribers among the urban population (Dec.) (%)	MPT / ART	11.0		

Pillar 4: Developing human capital

Areas	Indicators	Information source	2006	2010	2015
Education	23 Rate of registration in primary education, basic level 1 (%)	DSPCS / MEN	60.0	73.0	
	24 Rate of completion of primary education, basic level 1 (%)	DSPCS / MEN	30.0		53.0
	25 Ratio of boys to girls in primary education, basic level 1 (%)	DSPCS / MEN	69.0		
	26 Rate of literacy among 10 to 24 year-olds (%)	ICASEES / MEN	57.3 (2003)		
Health	27 Rate of antigen vaccination cover (measles, meningitis, polio, BCG) for children from 0 to 11 months (%)	MONOTORAGE / SNIS	BCG=84.7 DTC3=87.7 VPO3=90.9 VAR=107.9 VAA=98.6 VAT2=36.7		
	28 Levels of juvenile infant mortality (‰)	MONOTORAGE / SNIS	176		
	29 Proportion of deliveries assisted by a medical worker	MONOTORAGE / SNIS	44.0		
HIV/AIDS	30 Rate of prevalence of HIV/AIDS among pregnant women from 15 to 24 years (%)	CNLS	9.2		
	31 Rate of use of condoms among 15–24 year olds (%)	CNLS	41.0		
	32 Number of persons infected being given ARV treatment	DGLIST	3,900		
Employment	33 Number of jobs created and declared	ACFPE	Not available		

Appendix 4

Global cost of the PRSP Action Plan

Global cost of the PRSP Action Plan by pillar (millions)

Pillar		A			B			C			D (A+B+C)		
		Financing acquired in 2007			Financing to be sought in 2008-2010			Financing to be sought after 2010			Global cost of programmes and projects		
		XAF	EUR	USD	XAF	EUR	USD	XAF	EUR	USD	XAF	EUR	USD
1	**Total**	0	0.0	0.0	34,673	52.9	73.2	97,980	149.4	206.7	132,653	202.2	279.9
	To be sought	0	0.0	0.0	34,673	52.9	73.2	97,980	149.4	206.7	132,653	202.2	279.9
2	**Total**	12,182	18.6	25.7	35,751	54.5	75.4	83,926	127.9	177.1	131,858	201.0	278.2
	To be sought	0	0.0	0.0	35,751	54.5	75.4	83,926	127.9	177.1	119,677	182.4	252.5
	Acquired	12,182	18.6	25.7	0	0.0	0.0	0	0.0	0.0	12,182	18.6	25.7
3	**Total**	71,155	108.5	150.1	419,663	639.8	885.4	695,161	1,059.8	1,466.6	1,185,979	1,808.0	2,502.1
	To be sought	0	0.0	0.0	419,663	639.8	885.4	695,161	1,059.8	1,466.6	1,114,824	1,699.5	2,351.9
	Acquired	71,155	108.5	150.1	0	0.0	0.0	0	0.0	0.0	71,155	108.5	150.1
4	**Total**	56,575	86.2	119.4	143,369	218.6	302.5	88,582	135.0	186.9	288,527	439.9	608.7
	To be sought	0	0.0	0.0	143,369	218.6	302.5	88,582	135.0	186.9	231,952	353.6	489.3
	Acquired	56,575	86.2	119.4	0	0.0	0.0	0	0.0	0.0	56,575	86.2	119.4
Total		**139,912**	**213.3**	**295.2**	**633,457**	**965.7**	**1,336.4**	**965,649**	**1,472.1**	**2,037.2**	**1,739,018**	**2,651.1**	**3,668.8**

1 EUR = XAF 655.957
1 USD =XAF 474 at the BEAC XAF rate on 17 September 2007

Global cost of each area of the PRSP Action Plan (millions)

	A			B			C			D (A+B+C)		
	Financing acquired in 2007			Financing to be sought in 2008-2010			Financing to be sought after 2010			Global cost of programmes and projects		
Area	**XAF**	**EUR**	**USD**	**XAF**	**EUR**	**USD**	**XAF**	**EUR**	**USD**	**XAF**	**EUR**	**USD**
Governance	182	0.3	0.4	39,617	60.4	83.6	96,094	146.5	202.7	135,892	207.2	286.7
Security, peace and justice	0	0.0	0.0	18,292	27.9	38.6	50,699	77.3	107.0	68,991	105.2	145.6
Economic and financial governance	30	0.0	0.1	13,801	21.0	29.1	27,194	41.5	57.4	41,025	62.5	86.6
Institutional reforms	152	0.2	0.3	4,983	7.6	10.5	10,742	16.4	22.7	15,877	24.2	33.5
Consolidating democracy	0	0.0	0.0	2,542	3.9	5.4	7,458	11.4	15.7	10,000	15.2	21.1
Infrastructure	**69,043**	**105.3**	**145.7**	**416,468**	**634.9**	**878.6**	**696,454**	**1,061.7**	**1,469.3**	**1,181,966**	**1,801.9**	**2,493.6**
Transport infrastructure	66,000	100.6	139.2	174,504	266.0	368.2	347,530	529.8	733.2	588,034	896.5	1,240.6
Energy infrastructure	0	0.0	0.0	146,985	224.1	310.1	193,165	294.5	407.5	340,151	518.6	717.6
Telecommunications infrastructure	0	0.0	0.0	27,499	41.9	58.0	101,779	155.2	214.7	129,278	197.1	272.7
Health infrastructure	2,834	4.3	6.0	42,617	65.0	89.9	29,134	44.4	61.5	74,585	113.7	157.4
Educational infrastructure	209	0.3	0.4	17,487	26.7	36.9	11,192	17.1	23.6	28,888	44.0	60.9
Administrative infrastructure	0	0.0	0.0	5,043	7.7	10.6	10,314	15.7	21.8	15,357	23.4	32.4
Communications infrastructure	0	0.0	0.0	1,870	2.9	3.9	1,982	3.0	4.2	3,853	5.9	8.1
Sports infrastructure	0	0.0	0.0	463	0.7	1.0	1,358	2.1	2.9	1,821	2.8	3.8
Rural development	**2,229**	**3.4**	**4.7**	**63,168**	**96.3**	**133.3**	**1,633**	**2.5**	**3.4**	**67,030**	**102.2**	**141.4**
Village hydraulic systems	2,229	3.4	4.7	21,756	33.2	45.9	1,633	2.5	3.4	25,618	39.1	54.0
Food self-sufficiency	0	0.0	0.0	19,990	30.5	42.2	0	0.0	0.0	19,990	30.5	42.2
Revival of stock-breeding	0	0.0	0.0	16,197	24.7	34.2	0	0.0	0.0	16,197	24.7	34.2
Forest production	0	0.0	0.0	5,225	8.0	11.0	0	0.0	0.0	5,225	8.0	11.0
Health and social affairs	**49,826**	**76.0**	**105.1**	**19,326**	**29.5**	**40.8**	**12,368**	**18.9**	**26.1**	**81,520**	**124.3**	**172.0**
Screening and treatment	49,826	76.0	105.1	18,840	28.7	39.7	12,058	18.4	25.4	80,724	123.1	170.3
Social affairs	0	0.0	0.0	485	0.7	1.0	311	0.5	0.7	796	1.2	1.7
Town Planning and Housing	**9,000**	**13.7**	**19.0**	**10,925**	**16.7**	**23.0**	**31,075**	**47.4**	**65.6**	**51,000**	**77.7**	**107.6**
Urban development	9,000	13.7	19.0	10,498	16.0	22.1	30,802	47.0	65.0	50,300	76.7	106.1
Sanitation	0	0.0	0.0	427	0.7	0.9	273	0.4	0.6	700	1.1	1.5
Culture and tourism	**0**	**0.0**	**0.0**	**5,464**	**8.3**	**11.5**	**6,293**	**9.6**	**13.3**	**11,757**	**17.9**	**24.8**
Environment	**5,155**	**7.9**	**10.9**	**3,290**	**5.0**	**6.9**	**310**	**0.5**	**0.7**	**8,755**	**13.3**	**18.5**
Gender	**0**	**0.0**	**0.0**	**3,812**	**5.8**	**8.0**	**2,439**	**3.7**	**5.1**	**6,251**	**9.5**	**13.2**
Building capacities	**4,477**	**6.8**	**9.4**	**71,388**	**108.8**	**150.6**	**118,982**	**181.4**	**251.0**	**194,847**	**297.0**	**411.1**
Total	**139,912**	**213.3**	**295.2**	**633,457**	**965.7**	**1,336.4**	**965,649**	**1,472.1**	**2,037.2**	**1,739,018**	**2,651.1**	**3,668.8**

1 EUR = XAF 655.957
1 USD =XAF 474 at the BEAC XAF rate on 17 September 2007

Global cost of the PRSP Action Plan by pillar and by programme (millions)

		A			B			C			D (A+B+C)		
		Financing acquired in 2007			Financing to be sought in 2008-2010			Financing to be sought after 2010			Global cost of programmes and projects		
Pillar	**Strategy**	**XAF**	**EUR**	**USD**	**XAF**	**EUR**	**USD**	**XAF**	**EUR**	**USD**	**XAF**	**EUR**	**USD**
1	**Consolidating the peace, preventing conflicts and restoring security**	**0**	**0.0**	**0.0**	**34,673**	**52.9**	**73.2**	**97,980**	**149.4**	**206.7**	**132,653**	**202.2**	**279.9**
	Reinforce the human and equipment capacity of the Defence and Security Forces	0	0.0	0.0	17,823	27.2	37.6	52,295	79.7	110.3	70,119	106.9	147.9
	Restructure and regionally reorganise the DSF	0	0.0	0.0	11,901	18.1	25.1	34,919	53.2	73.7	46,820	71.4	98.8
	Re-establish and build up the trust of the population	0	0.0	0.0	4,237	6.5	8.9	8,678	13.2	18.3	12,915	19.7	27.2
	Sub-regional security and prevent the proliferation of small arms	0	0.0	0.0	712	1.1	1.5	2,088	3.2	4.4	2,800	4.3	5.9
2	**Reinforcing governance**	**12,182**	**18.6**	**25.7**	**35,751**	**54.5**	**75.4**	**83,926**	**127.9**	**177.1**	**131,858**	**201.0**	**278.2**
	Improve and make the public services effective	12,152	18.5	25.6	17,774	27.1	37.5	46,586	71.0	98.3	76,511	116.6	161.4
	Improve the management of public finances	0	0.0	0.0	350	0.5	0.7	1,028	1.6	2.2	1,378	2.1	2.9
	Create a climate favourable to the development of the private sector	30	0.0	0.1	1,518	2.3	3.2	2,785	4.2	5.9	4,333	6.6	9.1
	Promote a culture of democracy	0	0.0	0.0	9,761	14.9	20.6	17,870	27.2	37.7	27,631	42.1	58.3
	Promote the respect of human rights	0	0.0	0.0	178	0.3	0.4	523	0.8	1.1	702	1.1	1.5
	Give a fresh boost to the process of decentralisation	0	0.0	0.0	3,127	4.8	6.6	9,176	14.0	19.4	12,304	18.8	26.0
	Renovate, construct and provide services to urban areas	0	0.0	0.0	3,043	4.6	6.4	5,957	9.1	12.6	9,000	13.7	19.0

1 EUR = XAF 655.957
1 USD =XAF 474 at the BEAC XAF rate on 17 September 2007

Pillar	Strategy	A			B			C			D (A+B+C)		
		Financing acquired in 2007			Financing to be sought in 2008-2010			Financing to be sought after 2010			Global cost of programmes and projects		
		XAF	EUR	USD	XAF	EUR	USD	XAF	EUR	USD	XAF	EUR	USD
3	**Rebuilding and diversifying the economy**	**71,155**	**108.5**	**150.1**	**419,663**	**639.8**	**885.4**	**695,161**	**1,059.8**	**1,466.6**	**1,185,979**	**1,808.0**	**2 502,1**
	Increase the contribution of the forestry sector to national wealth and state revenue	4,655	7.1	9.8	7,747	11.8	16.3	558	0.9	1.2	12,960	19.8	27,3
	Increase productivity and livestock and crop production	0	0.0	0.0	39,371	60.0	83.1	672	1.0	1.4	40,043	61.0	84,5
	Increase mining production and improve the income of communities in mining areas	0	0.0	0.0	11,453	17.5	24.2	25,507	38.9	53.8	36,960	56.3	78,0
	Develop telecommunications infrastructure	0	0.0	0.0	21,595	32.9	45.6	93,282	142.2	196.8	114,877	175.1	242,4
	Guarantee electricity and water supply to urban, outlying urban and rural centres	500	0.8	1.1	148,106	225.8	312.5	195,186	297.6	411.8	343,792	524.1	725,3
	Renovate, construct and provide services to transport infrastructures	66,000	100.6	139.2	184,442	281.2	389.1	373,437	569.3	787.8	623,879	951.1	1 316,2
	Develop the country's cultural and tourist heritage	0	0.0	0.0	6,949	10.6	14.7	6,520	9.9	13.8	13,469	20.5	28,4
4	**Developing human capital**	**56,575**	**86.2**	**119.4**	**143,369**	**218.6**	**302.5**	**88,582**	**135.0**	**186.9**	**288,527**	**439.9**	**608,7**
	Help vulnerable sections of society	0	0.0	0.0	3,055	4.7	6.4	1,955	3.0	4.1	5,010	7.6	10,6
	Achieve a primary school enrolment rate of 73% for children aged 6-11 and reduce the gap between girls and boys	0	0.0	0.0	24,668	37.6	52.0	15,787	24.1	33.3	40,455	61.7	85,3
	Implement HIV/AIDS prevention initiatives in priority sectors	1,927	2.9	4.1	18,899	28.8	39.9	14,581	22.2	30.8	35,407	54.0	74,7
	Set up a labour market and a professional training information and management system	0	0.0	0.0	671	1.0	1.4	1,969	3.0	4.2	2,640	4.0	5,6
	Set up an effective health system and boost partnerships with stakeholders	52,210	79.6	110.1	64,247	97.9	135.5	44,309	67.5	93.5	160,766	245.1	339,2
	Renovate and construct water supply and sanitation systems	2,229	3.4	4.7	22,815	34.8	48.1	2,310	3.5	4.9	27,354	41.7	57,7
	Boost and apply the legal, judicial and institutional framework for female participation	0	0.0	0.0	3,473	5.3	7.3	2,222	3.4	4.7	5,695	8.7	12,0
	Boost the institutions responsible for implementing the national employment and professional training policy	209	0.3	0.4	5,543	8.4	11.7	5,448	8.3	11.5	11,199	17.1	23,6
Total		**139 912**	**213.3**	**295.2**	**633,457**	**965.7**	**1,336.4**	**965,649**	**1,472.1**	**2,037.2**	**1,739,018**	**2,651.1**	**3,668.8**

1 EUR = XAF 655.957
1 USD = XAF 474 at the BEAC XAF rate on 17 September 2007