



United Nations
Economic Commission for Africa

PROGRESS REPORT

FIELD PROJECT: Promotion of Growth Poles in Niger

DESIGNING A STRATEGY TO PROMOTE REGIONAL DEVELOPMENT POLES IN NIGER

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LIST OF ACRONYMS AND ABBREVIATIONS

SDIGS	Sustainable Development and Inclusive Growth Strategy
ESDP	Economic and Social Development Program
UNECA	United Nations Economic Commission for Africa
WAEMU	West African Economic and Monetary Union
BPM	Bagre Project Management
BGPP	Bagre Growth Pole Project
ECOWAS	Economic Commission of West African States
NGPMC	National Growth Poles Management Committee
IDA	International Development Association
AfDB	African Development Bank

1. Context & Rationale

In its two-year work programme for 2016-2017, the United Nations Economic Commission for Africa's Sub-Regional Office for West Africa (UNECA/SRO-WA) planned a "field project" aimed at enhancing institutional capacities of West African countries and their organisations (RECs, IGOs), with a particular focus on countries emerging from conflict or who have suffered natural disasters.

Niger, like other countries of the Sahel region such as Burkina Faso and Mali, has been exposed for many years to both exogenous conflicts imposed by Boko Haram, AQIM and the Islamic State, and recurrent flooding, including those of 2014 and 2015. This has led to enormous human and material losses and exacerbated the poverty and unemployment rate both of which are already a cause for concern for the population.

To increase production and contribute to the structural development of these countries, the SRO-WA plans to bring institutional support, through this field project, to each of the countries to develop or strengthen its strategy for promoting growth poles in areas with opportunities to create value chains on promising sectors in agriculture, food processing, animal husbandry, tourism, industry, mining, etc. The implementation of such a strategy should ensure regional balance by reducing disparities in economic development, ensuring food security, generating robust economic growth, creating jobs, especially for youth and women and consequently improving the living conditions of the population as a whole, and contributing to the fight against crime and the migration of young people.

In order to provide appropriate responses to the difficult economic and social situation of Niger, the various successive governments have formulated and implemented a variety of policies and development strategies, especially poverty reduction strategies and national development plans, of which, the last is the 2012-2015 Economic and Social Development Plan (ESDP 2012-2015). The 2035 Vision called Sustainable Development and Inclusive Growth Strategy (SDIGS), which is currently being drafted, has as objective to make a break with the past in terms of development management. This Vision will be made operational through medium term planning instruments, of which the first under development is ESDP 2017-2021. In addition to these development standards for which the United Nations Economic Commission for Africa (UNECA) has already provided several substantial technical assistance, Niger has implemented several initiatives with the aim of reversing the population's poverty and food insecurity structural cycle and stimulating the structural transformation of the economy. Consequently, the initiative: "Nigeriens feed Nigeriens (I3N)" implemented over the 2012-2015 period, aimed at *"increasing and diversifying agro-forest-pastoral and fishery products"*, *"fostering the regular supply of agro-forest-pastoral and fishery products in rural and urban markets"* and *"enhancing the resilience of vulnerable groups facing climate change, food crises and natural disasters"* in its **first, second and third strategic lines of action, respectively.**

To create the conditions necessary for the successful implementation of these strategies which are geared towards improving the productive supply and competitiveness, the Nigerien authorities have formally requested technical assistance from ECA to draw up a strategy to promote regional development poles in Niger. Furthermore, within the South-South cooperation context and under the implementation of the strategy to promote WAEMU regional development poles, this initiative of the Government of Niger was inspired by examples of successful outcomes in some countries of the sub-region, particularly, in Burkina Faso (with the Bagre Growth Pole), Senegal and Mali.

Through the implementation of this strategy, the government aims to further diversify its economy by targeting and later developing the most promising sectors to accelerate growth and create jobs through large-scale private investments.

More so, after officially granting its approval to support Niger¹ in accordance with its mission to provide technical assistance to Member States in terms of policy formulation, ECA has, at the request of Nigerien authorities, supported Niger's Ministry of Community Development and Regional Planning in organising an exchange and experience-sharing visit in Burkina Faso in order to learn from the achievements of the Bagre Growth Pole (Bagrepole). ECA's willingness to support the promotion of regional growth poles falls under the South-South cooperation enhancement framework promoted by the African Union and is part of its contribution to the implementation of WAEMU's strategy regarding the promotion of growth poles.

It is within this framework that from the 26 to 30 September 2016, a delegation of Nigerien experts² accompanied by the ECA/SRO-WA staff stayed in Burkina Faso to discuss with Burkinabe officials on best practices related to the design of regional development poles. This field visit should be followed by the design of the strategy to promote regional development poles in Niger with technical assistance from ECA through its Sub-Regional Office for West Africa (ECA/SRO-WA).

¹ The Nigerien Government solicited ECA through the Ministry of Community Development and Regional Planning. The implementation of the project shall be done via the mentioned Ministry.

² The Nigerien Delegation led by the SG of the Ministry of Community Development and Regional Planning consisted of six experts from the Ministries in charge of Regional Development, Agriculture and Trade.

2. Progress of Work

The five days of intense and rewarding work were structured in two types of activities. The work sessions of 26-27 September, which took place entirely in Ouagadougou, were devoted to exchange meetings between Burkinabe and Nigerien parties on their experiences as regards the promotion and creation of regional development poles. The work sessions of 28-30 September, which took place at the Bagrepole project site in the Bagré District (about 300 Kms from the Capital city, Ouagadougou), were devoted to field visits of the completed projects made within the development of the Bagre Growth Pole. Furthermore, all of the work sessions were preceded by a solemn opening ceremony.

2.1. Opening Ceremony

In the absence of Madam the Minister of Finance, Economy and Development, the opening ceremony of ECA's technical assistance work sessions in Niger and Burkina Faso was chaired by Dr SOME Abel Séglaro, Secretary General of the Ministry of Finance, Economy and Development of Burkina Faso. This meeting enabled the Nigerien delegation headed by Mr Eladji Abraham Adamou, Secretary General of the Ministry of Community Development and Regional Planning, to present the objectives and expectations of the study tour. Mr Joseph Foumbi, representative of ECA, expressed ECA's willingness to always provide technical support to Member States in the formulation of development policies. He later insisted that the growth pole or regional development pole approach is a powerful tool for the structural transformation of economies through the development of value chains of potentially promising sectors for growth and job creation. During the ceremony, the Secretary General of the Ministry translated the commitment and availability of the Burkinabe officials and of his Ministry to ensure the success of the work sessions by sharing, with the Nigerien delegation, all information and advice necessary for the development of regional poles in Niger. To this end, the Directorate General for Regional Development through Mr Kobiané Nicolas, Director of Growth Poles and Competitiveness, was instructed to accompany the delegation throughout the work sessions, exchanges and field visits.

2.2. Exchange Meetings

The meetings were made up of presentations followed by discussions. The various presentations made by the Burkinabe party mainly focused on preliminary studies, the process, stages, stakeholders, key actors, technical partners and favourable financial sponsors, the constraints and the major challenges in the development of a growth pole. After the presentation of the theoretical framework related to the establishment of regional development poles by Mr. Nicolas Kobiané, Director of Growth Poles and Competitiveness, practical presentations on the experience of Burkina Faso, particularly, in the context of the Bagre Growth Pole creation and development, were made by Mr. Kargougou Issiaka, Director General of the Burkina Faso Business Centre and Mr. Kabore, Head of Monitoring and Evaluation at the Directorate General of Bagre Pole Integrated Development Company (Bagrepole). The Business Centre played the role of an executing agency of the component related to the support to the private sector of the growth pole promotion project in Bagre.

After serious enriching discussions, a number of key lessons and or guidelines were identified as regards the implementation of the growth pole, particularly, in terms of the developing process of the national growth pole promotion policy and the proper approach in establishing a growth pole.

As regards the process of developing the National Growth Pole Promotion Policy, it emerges that:

- Niger and Burkina Faso share the same conviction as regards promoting the economic and social well-being of the population through the development of regional potentials;
- Burkina Faso and Niger developed quite different approaches. Burkina Faso started with the set up of a pilot growth pole project whose first results and experience were used in defining the reference framework, including the national growth poles promotion policy. On the other hand, Niger started by developing the national growth poles promotion strategy before engaging into the concrete implementation phase;
- The growth or development poles promotion approach is multi-sectoral in nature and requires the full involvement of stakeholders;
- The approach, in defining a growth pole, must be progressive and carried out with a long-term perspective;
- Preliminary and critical studies (technical, environmental, and social impact, etc.) must be previously carried out with maximum rigour and quality;
- The coherence between the policy or strategy and the higher guidelines for economic and social development is crucial.

As concerns the approach on identifying and developing growth poles, Burkina Faso and Niger agree that:

- The process of establishing growth poles requires a clear vision and a national political will at the highest level;
- The identification of growth poles is not only based on the natural potential of an area, but equally on existing investments and the capacities of the identified pole so as to cause ripple effects on other economic activities, both at the local level and at the level of other regions. In this respect, in-depth preliminary studies based on good quality socio-economic data, are critical in identifying the growth poles;
- It is important to carry out a typology of the growth or development poles based on the results of the identification studies in order to take into account the comparative advantages and specificities of the socio-economic structures of each region;
- The establishment and development of a growth pole involve a variety of actors and activities which therefore requires a high coordination capacity and the ability of actors to adapt their behaviours;

- The public-private partnership, in its broadest sense, is one of the approaches that can foster the funding of the implementation of the growth poles.

2.3. Field Visit to Bagrepole

The field visit to the Bagrepole project focused on infrastructure, rice-growing areas, beneficiaries, local authorities, producer organisations, the people affected by the implementation of the project, rice transformation units, the ecotourism pole, the headquarters of public works companies in charge of building infrastructures and carrying out agricultural development, etc. After 48 hours of field visit and very enriching discussions with stakeholders, the following lessons on the implementation of growth pole for agricultural use in Bagrepole were drawn.

i) Globally:

- A clear division of roles at the vertical level (between the strategic and operational levels) and horizontal level (between actors of the same level);
- A proper arrangement of activities, including the resolution of the land issue before the start of development works or the realisation of structuring investments;
- The creation of conditions conducive to the installation of the private sector through the set-up of important infrastructure; in a nutshell, the improvement of the business climate;
- A consistent assessment of resources such as the availability and mobility of labour, the availability of water for irrigation, the level and quality of production and processing equipment;
- The development of the production marketing channels circuits (agriculture, fishing, etc.);
- An appropriate internal communications strategy, especially for the implementation and management actors and an external strategy for the investors and external marketing channels.

ii) *In Relation to the Specific Case of Bagrepole:*

- A strong political commitment at the highest level;
- The approval of the objectives and the approach by the strategic and operational actors;
- A good quality and completeness of the preliminary studies;
- The use of the public-private partnership as a financing mechanism of the implementation of the project;
- The creation of a favourable business climate for the promotion of private investments (economic infrastructure, security, critical services, etc.);
- The clarification of the land issue with the local population, in general, and those affected, in particular;

- The mobilisation and participation of credible investors and producers;
- The availability of sufficient financial resources and the necessary support to the actors of the sector (producers, processors, marketing, etc.);
- High-level human resources.

3. Commitments made by both parties

At the end of the field visit and exchange of experience, Niger and Burkina Faso agreed to continue and strengthen cooperation and exchanges on the promotion of the growth poles in accordance with their respective development goals. This collaboration shall also continue within the framework of international, regional and sub-regional initiatives, in terms of, policy harmonisation and exchange of good practices. This includes, among others, the South-South triangular cooperation supported by the African Union with the technical support of the United Nations Economic Commission for Africa and the strategy to promote regional development poles backed by the West African Economic and Monetary Union (WAEMU). This cooperation could take various forms:

- Exchange of information and good practices as well as the harmonisation of concepts, operational approaches and tools between the Ministries involved in the development, implementation, monitoring and evaluation of the operational policies and strategies to promote growth or development poles;
- Exchange of information, good practices and mutual capacity building between implementing actors, such as:
 - regional communities;
 - the private sector;
 - producer organisations;
 - civil society organisations;
 - the media;
 - and all other relevant actors.

4. Prospects and Recommendations

After multiple discussions and very enriching field visits, Burkina Faso and Niger, with the support of ECA, agreed on a number of initiatives and activities to be implemented within the framework of a South-South cooperation that is beneficial to both parties. Moreover, during the discussions and exchange of experience, recommendations were made to Burkina Faso, Niger and ECA.

4.1. Prospects

The prospects fall in two categories: (i) Strengthening cooperation between Niger and Burkina Faso, and (ii) within the framework of the technical cooperation between Niger and ECA.

Strengthening cooperation between Niger and Burkina Faso

- The signing of an agreement in the days ahead between the two parties to materialise and perpetuate cooperation between Niger and Burkina Faso as regards the promotion of growth poles and capacity building as per regional planning;
- Reaching a mutual agreement on an action plan with a clear roadmap for the promotion and development of growth poles in both countries;
- The next visit of Madam the Minister of Community Development and Regional Planning of Niger to his counterpart of Burkina Faso in order to deepen cooperation in the promotion of regional development poles in particular, and regional planning, in general.

Technical Cooperation between Niger and ECA

ECA's support to the Government of Niger through the organisation of experience-sharing and field visit trips to Burkina Faso is the achievement of the first component of the "Field Project" regarding the formulation of a strategy to promote regional development poles in Niger. Both parties should engage in the implementation of the two remaining components, namely:

- The formulation of the strategy to promote regional development poles in Niger through the mobilisation and provision of consultants by the ECA to support the Ministry of Community Development and Regional Planning;
- ECA's support for the approval of the strategy through the organisation of a national workshop.

4.2. Recommendations

After the working sessions, exchanges and field visits, recommendations were made for Niger, Burkina Faso and ECA.

Recommendations for Niger

- Develop a strong national policy will insofar as the implementation of the growth pole is a long and complex process and, thereby, requires a strong commitment from the highest level of the State;
- Work to ensure the strong involvement of all Ministries in the process of formulating the strategy and its implementation;
- Ensure a strong institutional anchor in the implementation of the strategy to promote regional development poles so as to guarantee its sustainability and its resilience to institutional shocks;
- Carry out all the preliminary studies on time and with quality before undertaking any actual actions to set up a growth pole;
- Pay special attention to land issues and the management of communities affected by the project, including their reinstatement;
- Promote a gradual approach, that is, always start by setting up a very limited number of growth poles so as to measure the complexity and the significance of the financial resources needed in this area (Niger has identified 33 regional development poles);
- Create a favourable environment for the entrepreneurial development of investors by creating economic infrastructure and important security conditions.

Recommendations for Burkina Faso

- Ensure the provision of water from the dam as per the 30,000 hectares of land under planning and their development from 2017, given that water demand will increase exponentially;
- Define the national framework for the promotion of growth poles and ensure that it is consistent with the superior planning instruments (National Vision, National Regional Planning Scheme, National Development Strategy, etc.);
- Find solutions to production supply difficulties, especially, rice production.

Recommendations for the ECA

- Enhance technical support to States in the formulation of supportive policies for structural development such as those relating to the promotion of regional development poles;
- Ensure the identification and dissemination of the best development practices on the continent, in general, and West Africa, in particular, as is the edifying case of the Bagre Growth Pole Project (BGPP).

APPENDIX: Brief Presentation of the Bagre Growth Pole Project (BGPP)

The Bagre Growth Pole Project is a pilot growth pole project for agricultural use ("agropole") which potentially covers an area of 500,000 hectares of land highly suitable for agricultural holdings declared for public use in 1998. The BGPP, in its current model, was launched in 2011. However, it should be noted that the BGPP was developed from the institutional, organisational and operational restructuring of the Bagre Project Management (BPM) which was established in June 1986. The BGPP has gained from the BPM heritage in terms of infrastructure, resources, developed agricultural areas, etc. This transferred heritage have been enormous assets in implementing the BGPP.

Gains, Potentials and Assets

- A strong potential for agribusiness, horticulture, animal husbandry, tourism, fish farming and production of staple crops;
- The availability of irrigated land of up to 21,000 hectares with possibilities of land security on 500,000 hectares declared for public use;
- Access to the agricultural and pastoral land of Bagre by private investors through emphyteutic leases (up to 99 years);
- A large water tank for irrigation, farming and processing activities, evidenced by the presence of the Bagre irrigation hydro-power dam with a capacity of about 1,700 billion cubic meters;
- 3,380 hectares of irrigated land for rice production;
- A rice-farming plot of 1,880 hectares consisting of family-type farms;
- The planning and on-going agricultural development of 1,500 hectares for family-type farms and pilot agricultural entrepreneurial-type farms;
- Fruits and vegetable production by operators on more than 300 hectares;
- Three (3) pastoral areas developed and delimited (13,000 hectares), a closed area around the lake (900 crocodiles, 200 hippos) and an ecotourism pole of 108 beds

(modern facilities, accommodation, restaurant, conference room, game room, pool, space for children and beach on the lake;

- At least CFA francs 100 billion invested by the government and the development partners in the construction of the dam, the primary irrigation channels, the distribution of electricity from the 16 MW hydroelectric dam of Bagre;
- Easy access to major consumer markets of WAEMU and ECOWAS through available transport and communication infrastructure;
- The presence of a radio with a 100 km transmission range, mainly dedicated to communication and awareness on the interventions of the project area;
- A detachment of mounted police squad sent exclusively for the purpose of securing the geographic region of the BGPP;
- Banks and other vital services to support business development in the BGPP.

Achievements

As of today, achievements under the development of the BGPP are among others:

- The institutional anchoring of BAGREPOLE under the administrative supervision of the Prime Ministry according to Decree No. 2012-180/PRES/PM of 12 March 2012;
- The set-up of a Mixed Economy Company (BAGREPOLE) with a capital of CFA francs one billion of which 61.5% is owned by the State and its services and 38.5% by the private sector;
- The implementation of the National Growth Poles Management Committee (NGPMC) and other project management bodies;
- The implementation of the master plan for the planning and development of the Public Utility Area of the Bagre Growth Pole, adopted in February 2013;
- The increase in rice yields in the dry countryside land of 4.5 T/ha to nearly 6 T/ha;
- The holding of the first conference of investors who brought together 682 investors, including 561 national and 121 foreign investors from 26 countries, with needs in land valued at over 98,000 ha;
- The implementation of a Surveillance and Intervention platoon of the Gendarmerie at Bagre with 30 gendarmes;
- The authorisation for the establishment and opening of the Rural Development Training Institute with an enrolment of 140 students for the Rural Development Agents cycle;
- The carrying out of studies on Environmental and Social Impact and Action Plan for the Relocation of development sites and other infrastructure;
- The compensation of 1,773 people affected by the project for crops, habitats and associated infrastructure losses to the tune of USD 3.6 million with 300 developed plots for the resettlement of displaced persons;

- The establishment of an office for the monitoring and control of all work (development of 13,000 ha, construction of tracks and roads);
- The launch of the international tender file for hydro-agricultural works on 8,200 hectares of the North and East extensions;
- The launch of the technical studies for the development of the business center, industrial area, pastoral areas and the building of pastoral water infrastructure;
- The construction and the airing of radio Bagrepole FM with a 100 km broadcasting coverage.

Funding

For the 2011-2018 period, the financial resources mobilised for the construction of infrastructure and other up-front investments to facilitate the installation of foreign investors has been estimated at about USD 235 million. The major donors are the World Bank through the IDA, the State, the AfDB, and beneficiaries' resources.

Moreover, foreign investors have already been selected through an international call for expression of interest for an expected USD 252 million investment cost. These investments will focus, on sugar cane production, bio-energy, market gardening, Moringa Oleifera, seeds, sunflower, solar energy, etc.

Expected Results of the Implementation of the BGPP

The results expected from the first period of implementation of the BGPP include, among others:

- The creation of at least 30,000 direct jobs;
- CFA francs 10 billion of private investment capital;
- 20,000 direct beneficiaries, of which 30% are women;
- 250,000 indirect beneficiaries;
- 15,000 hectares of developed land;
- 190,000 tonnes of cereal and horticultural production;
- At least 80 suppliers of vital services.

Furthermore, it should be noted that the sequential delivery of basic infrastructure to agro-investors is scheduled for 2017.