

Central African Republic

Unity - Dignity - Labour



PRSP II 2011-2015

Poverty Reduction Strategy Paper

Reducing extreme poverty



Central African Republic

Unity - Dignity - Labour

PRSP II 2011-2015

Poverty Reduction Strategy Paper

Reducing extreme poverty

Foreword

The Poverty Reduction Strategy Paper (PRSP) 2008-2010 has expired after three (3) years of implementation.

The aim of this first PRSP was to arrive at an independent assessment dealing, essentially, with the way it would be formulated, the institutional devices needed for its implementation and follow-up implementation, as well as the implementation itself, in terms of relevance, efficiency and outcomes. The assessment report, including the strengths and weaknesses of the PRSP followed by recommendations was returned both to Bangui and in the seven (7) regions of the Central African Republic. The lessons learned from this assessment have been used to establish the general approaches to be adopted by a second Poverty Reduction Strategy Paper (PRSP 2). These approaches are aimed at accelerated pro-poor growth focused on rural development, together with the struggle against foods insecurity, the reinforcement of the basic infrastructures supporting growth, the development of human capital and the population's access to basic social services with a view to accelerating progress towards the achievement of the Millennium Development Goals (MDG).

PRSP 2 includes some innovations covering: (i) the involvement of a large number of concerned parties; and (ii) the incorporation of new subject areas such as the environment, tourism and the private sector which were not really taken into account in the first PRSP as well as emerging and overarching sectors including Information and Telecommunications Technologies and Youth. It also has provided an opportunity for our major development partners who have spared no efforts to provide support in a wide range of different ways in the various tasks involved in formulating the national strategy.

In addition to national and international expert consultancy, this work has involved a number of studies and surveys which have been undertaken over the last few years.

PRSP 2, which is based on the MDG, is the base document for the great Round Table planned for the first half of 2011. In this respect it will be recalled that during the 65th session of the General Assembly of the United Nations held between September 20 and 22, 2010 in New York on the theme "World Governance based on the MDG", particular emphasis was placed on the MDG Acceleration Framework. This Acceleration Framework is focused on countries which, like the CAR, are finding it difficult to achieve their MDG by the 2015 deadline. On the same occasion, a number of partners who had taken part in the special session devoted to the CAR made a commitment to support the country in the efforts agreed to by the Government. Emphasis should also be placed on the important part played by the partners who decided to support the CAR in the preparation and organisation of this Round Table.

The drafting and development of this document called for the very widest participation of the parties involved, at both national and international levels, and the outcome is very much a joint effort.

Sylvain MALIKO

Minister of State for Planning and the Economy

April 2011

List of acronyms and abbreviations

ACAP	Central African Press Agency;
MCA	Multiple Correspondence Analysis
LASWCW	Light Arms and Small Calibre Weapons
ANIF	National Financial Investigation Agency
APEI	Agency to promote exports and investment
EPA-EU	Economic Partnership Agreements - European Union
PSRA	Petroleum products prices stabilisation and regulation agency
BEAC	Bank of Central African States
WB	World Bank
AHC	Ascending Hierarchical Classification
CAS-DF	Special Forestry Development Allocation Account
CCC	Communication on Changing Behaviour
CDMT	Medium-term expenses framework
CEEAC	Central African Economic and Monetary Community
EIC	Independent Electoral Commission
CEMAC	Central African Economic and Monetary Community
CES	Economic and Social Council
CIEE	
CMC	Mutual Credit Fund
CNJ	National Youth Council
CNLS	National Committee for combating AIDS
NSC	National Strategic Committee
NTC	National Technical Committee
COGES	Health Management Committee
CP	Steering Committee
CPJ	
RCs	Regional Committees
SCs	Sector-based Committees
CSCP	Strategic framework for consolidating peace
CTM	Technical ministerial Committees
CTP-PAS	Permanent technical committee to monitor structural adjustment programmes
CVC	
DAD	Development assistance database
DDR	Disarmament, demobilisation and reinsertion
DevInfo	Development of information
DGB	General Budget Department
DGPE	Economic Programme Department
DGPS	Department of Policies and Strategies
IPD	Inclusive Political Dialogue
DPN	National Policy Document
PRSP	Poverty Reduction Strategy Document (PRSD)
EBC	Consumption budget survey
CARSWFE	Central African Republic Survey of Well-being Follow-up Evaluation
ECOFAC	Central African Forestry Ecosystems
SULS/ SRLS	Surveys of the living standards of households in urban and rural environments
EMF	Establishment of microfinance
ENAM	National school of administration and magistracy
ENR	New and renewable energies
NPP	National survey on poverty perception
FACA	Central African Armed Forces
FCFA	Franc of the African French-speaking Community
SDF	Security and Defence Forces
FGT	Foster, Greer & Thorbecke
FLEGT	Voluntary Partnership Agreement
IMF	International Monetary Fund
FNAIJ	National fund to support youth inclusion
FRPG	Facility for the Reduction of Poverty and Growth
GBV	Gender based violence
GLIN	Global legal information network

GR	Regional groups
GT	Thematic groups
HCDHBG	High Commissariat for Human Rights and Good Governance
MDCI	Multilateral debt cancellation initiative
CARISESR	Central African Republic Institute for Statistics and Economic and Social Research
IMIS	
IVIPC	Initiative of Very Indebted Poor Countries
IST	Sexually Transmitted Infection (STI/STD)
EITI	Extractive Industries Transparency Initiative
Kcal	Kilocalories
MCA	
MICOPAX	Mission to consolidate peace
MICS3	Multiple Indicators Survey
MINURCAT	United Nations Mission in the Central African Republic and Chad
MPECI	Ministry for Planning, the Economy and International Cooperation
MSFP	Public Finance Statistics Manuals
OAC	Community based organisation
OEV	Orphans and other vulnerable children
OMC	World Trade Organisation (WTO)
MDG	Millennium Development Goals
ONG	Non-governmental organisation (NGO)
ONU	United Nations (UN)
ORCCPA	Office for the regulation, control and marketing of agricultural produce
PARPAF	Project to support the implementation of forestry development plans
PAP	Priority actions programme
PEFA	
PME/PMI	Small and medium-sized enterprise/small and medium-sized industry
PMEA/ PMIAA	Small and medium-sized agricultural enterprise/small and medium-sized agribusiness industries
UNDP	United Nations Development Programme
PND	National Healthcare Development Plan
PPCP	Priority plan to consolidate peace
VIPC	Very Indebted Poor Countries
PRI	Industrial redeployment policy
PTPE	Plan to prevent parent-child transmission
PVVIH	Person living with HIV
CAR	Central African Republic
DRC	Democratic Republic of the Congo
GCPA	General census of the population and accommodation
SSR	Security sector reform
SISE	
SOCASP	Central African oil product storage Company
SOCATEL	Central African Telecommunications Company
SODECA	Central African Water Distribution Company
SPMP	Public Contracts Tendering Department
SR	Reproductive health
SRP	Poverty reduction strategy
NSS	National Statistical System
NTS	National Technical Secretariat
STP	Permanent Technical Secretariat
TGI	High Court
TIC	Information and Communication Technologies (ICT)
USD	US dollar
USGP	Project monitoring and management unit
VIH/SIDA	HIV/AIDS
ZESCA	Central African special economic zone

Table of Contents

Executive Summary	7
-------------------	---

Part One

Socio-economic Context and Profile of Poverty	9
---	---

1. Political and Socio-economic Context	10
1.1. Political context	10
1.2. Socio-economic context	11
1.2.1. Results of PRSP 1	15
a. Execution level of PRSP 1	15
b. Resource mobilisation for funding PRSP1	17
1.2.2. Implications for the design of PRSP 2	19
1.3. Profile and Determining Features of Poverty	19
1.3.1. Measuring poverty	19
a. Monetary poverty	20
b. Monetary poverty and the characteristics of the households	21
c. Non-monetary poverty	22
d. Subjective poverty	23
e. Perception of poverty by the population	23
f. Minimum needs for adequate living standards	24
1.3.2. The determining factors of poverty in 2008	24
1.4. Situation Regarding the MDGs in the Car and the Main Challenges to be Addressed	27
1.4.1. Situation regarding the MDGs	27
1.4.2. Main challenges to achieving the MDGs	28
a. Rendering the whole of the territory secure, consolidating peace and national cohesion	28
b. Mobilising resources	29
c. Strengthening institutional and human capabilities	29
d. Rehabilitating the economic and social infrastructures	29

Part two

Strategic View and Directions in PRSP 2	31
---	----

2. Strategic View and Directions in PRSP 2	32
2.1. PRSP 2 - the vision	32
2.2. Strategic directions	34
2.2.1. Security and Peace, Governance and the Legally Constituted State	34
a. Security and Peace	34
b. Governance and the legally constituted State	35
2.2.2. Economic Revival and Regional Integration	48
a. Situational analysis: the major obstacles and challenges involved in reviving the economy	48
b. Growth strategy and associated levers	48
c. Promoting growth clusters	50
d. Development of infrastructure to support growth	64
e. Regional integration and opportunity for development	70
2.2.3. Human Capital and Essential Social Services	72
a. National education	72
b. Health and nutrition	76
c. HIV/AIDS	81
d. Youth and Sports	84
e. Arts and Culture	87
f. Water and sanitation	89
g. Housing and the Habitat	92
h. Gender	93
i. The environment and climatic changes	96
j. Employment and social protection	98

Third section

Costs of the programmes and financing	101
---------------------------------------	-----

3. Costs of the programmes and financing	102
3.1. Scenarios of growth and modalities for financing programmes	102
3.1.1. The trend scenario	102
a. Description	102
b. Implications of the trend scenario	103
3.1.2. The voluntarist scenario	106
c. The objectives	107
d. The involvement of the voluntary sector	109
e. Poverty	111

Part four

Implementation of the Programme and Monitoring - Evaluation	113
---	-----

4. Implementation of the Programme and Monitoring - Evaluation	114
4.1. Principles, approaches and intervention programmes	114
4.1.1. Principles of intervention	114
4.1.2. Guiding principles of the implementation	115
4.1.3. Roles and responsibilities of the players	115
a. State	115
b. Development partners	115
c. Other players: (parliament and other non-state participants)	115
4.1.4. Implementation instruments and procedures	116
4.1.5. Implementation and Monitoring-Evaluation of RPSD 2	116
a. Operating plan	116
4.1.6. Monitoring and evaluation of the RPSD 2	118
a. Principles of intervention	118
b. Information system	118
4.2. Constraints and Risks	121
4.2.1. Internal constraints and risks	121
a. Political constraints and risks (internal instability)	121
b. Economic constraints and risks	121
c. Constraints and risks linked to the participative process or weak appropriation	122
d. Social and human constraints and risks	122
e. Constraints and risks linked to insufficient viable statistics	122
4.2.2. External constraints and risks	122

General Bibliography	124
----------------------	-----

Annexes	125
---------	-----

List of boxed texts; List of tables;
List of maps; List of graphs and diagrams

Executive Summary



Part One

Socio-economic Context and Profile of Poverty

1. Political and Socio-economic Context

1.1. Political context

The Central African Republic (CAR), having been racked by many military/political crises over the past three decades, re-discovered socio-political stability with the change which took place in 2003 and the constitutional order which emerged from the 2005 elections. This has provided a foundation on which to begin to rebuild the country thanks to the framing and implementation of the first Poverty Reduction Strategy Paper (PRSP) intended to be completed in 2010.

In the wake of the 2007 Round Table, with the intention of finding a way to address this situation and create the conditions for the implementation of the RPSD 2008-2010, an in-depth reform of the security sector was instituted, including the disarmament and demobilisation of some political/military groups and their re-establishment (DDR) in their various original environments.

In the framework of sub-regional mediation, a number of peace accords have been signed with the political/military movements; (i) the Forces Démocratiques pour le Peuple Centrafricain (FDPC) in Syrte, in February 2007, the Union des Forces Démocratiques pour le Rassemblement (UFDR) (Birao, April 2007), the Armée Populaire pour la Restauration de la Démocratie (APRD) and the UFDR in Libreville in June 2008. All these accords have resulted in the need to implement a Demobilisation, Disarmament and Reintegration (DDR) programme officially launched in August 2009 and supported by CEMAC and the European Union. In addition, in response to the need for dialogue with the democratic opposition, the Government, with the support of the United Nations Security Council Peace building Commission (PBC) via the priority plan for consolidating peace of June 2008, has undertaken the preparation and organisation of an Inclusive Political Dialogue (IPD) which includes all parties involved: the political majority, the public authorities, the democratic opposition, the armed movements and the former presidents of the Republic. Implementation of the recommendations put forward by this IPD has made it possible to set up a committee to monitor the recommendations of the Inclusive Political Dialogue and an Independent Electoral Commission (IEC) entrusted with the task of leading the country toward the general elections. With a view to finding a solution for the sub-regional insecurity associated with the recurrent conflicts in Darfur, Chad and on its own soil, the Central African Government has made use of United Nations Security Council resolution 1778 passed on September 25, 2007 setting up a multi-dimensional force (MINURCAT) in the east of Chad and the north-east of the CAR. The presence of MINURCAT, FOMUC and then MICOPAX has meant that calm has returned to the main conflict zones of the north-east and the north-west. During this period, strong emphasis has been placed on the security sector reform (SSR), which has made it possible to reconcile the FDS [Defence and Security Forces] with the population and to reinforce their republican character. All current efforts towards pacification are in danger of failing to produce the desired effects because of the presence in the east of the CAR of the Lord's Resistance Army (LRA), the armed Ugandan rebels. The Government has taken an important initial step towards improving the situation in the Vakaga region, in the north-east, where political and ethnic tensions plus the activities of poachers, bandits and armed groups, recently including the Lord's Resistance Army (LRA), are a source of insecurity. On September 6, five Ministers of State met at Birao, the main town in Vakaga, to hold a reconciliation ceremony among the Gula, Kara, Yulu, Haussa, Sara, Runga ethnic groups and the Arabs who coexist in the region¹.

¹ Report by the Secretary General of the United Nations, November 2010

Because of this, the significant changes observed have opened up new opportunities for sustainable and balanced development. Thus, the holding of the Inclusive Political Dialogue (IPD) in December 2008, and the results of the reforms, mainly the implementation of the road map which arose from the mid-term review of the PRSP, have made it possible to reach a completion point in the Initiative of Highly Indebted Poor Countries in June 2009, setting the CAR on the path to the economic growth which has been so favourable to the reduction of poverty. It is in this context that the ex-combatants' DDR programme has been set up to reinforce the return of security needed to underpin the establishment of the electoral process of January and March 2011 which proceeded to the satisfaction of all.

In actual fact, the 2010-2011 electoral process took place in line with the recommendations of the IPD, in a spirit of participation and was open to all players in the political landscape. With a view to pressing forward with the process of consolidating the democratic institutions to stabilise the country, the national authorities sought and obtained the support of the United Nations and other Development Partners in the organisation of the presidential and legislative elections.

With a view to guaranteeing the conditions for preparing and organising these elections the Government, favouring dialogue and consensus, managed to rescue the electoral process on a number of occasions from the danger of jamming. However, the Independent Electoral Commission (IEC), supported by all political factions, civil society and the six bodies participating in the political dialogue without exclusion were called upon to revise the consensual electoral calendar based on presidential decree. This calendar sets the dates for the registration of the electors, the nomination of the candidates and a possible second runoff of the presidential and legislative election, which should take place on March 20, 2011¹.

Despite these few difficulties, the elections proceeded under satisfactory conditions. The completion of the electoral process concluded with the oath of the President elect (March 5, 2011) and the installation of the fifth legislature (May 3, 2011).

1.2. Socio-economic context

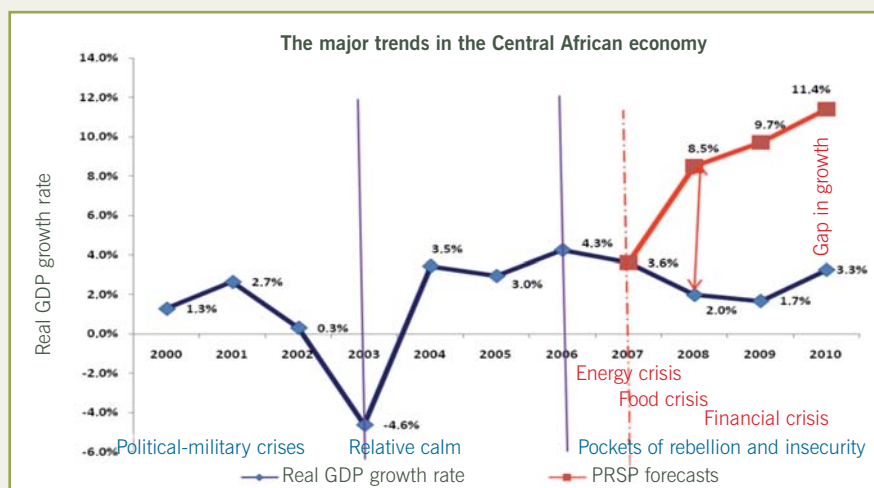
The Central African Republic has been racked over the past twenty years with successive crises of a political, economic and social nature, plus armed conflicts, which have shattered public and private institutions, and brought about the destruction of economic and social infrastructures, and the general deterioration of the living standards of the population.

Illustration 1.

Development of the Central African Republic economy

Source:

Ministry for Planning and the Economy



The consequences of this situation can be seen in a sharp contraction of the national economy. From 2000 to 2003, the average annual per capita GDP growth fell by 8.9%, exacerbating poverty. Over the same period, economic activity plummeted by -7.1%. All economic sectors were affected by the armed conflicts.

However, this trend eased over the 2004-2008 period, which saw a steady return to socio-political stability and economic growth. From mid-2004, the Central African Republic has been involved in a reconstruction phase with the support of the international community. Although the socio-economic indicators for the country are at their lowest level, the political stability of the country since 2005 has meant that the structural reform programme intended to remove the various hurdles and obstacles which weaken the national economy could be launched.

The economic recovery, which began in 2004, has allowed the CAR steadily to ease itself out of the long period of instability it had been experiencing. The actual GDP growth rate rose from 2.4% in 2005 to 3.8% in 2006 thanks to the prudent policies implemented by the Government and wide-ranging reforms which have made it possible to re-establish the conditions necessary for sustainable economic recovery.

However, the year 2008 which coincided with the first year of the implementation of the PRSP was marked by a number of shocks, including the electricity crisis at national level, the rocketing of world food prices, the increase in the price of oil, the depreciation of the American dollar compared with the Euro, and the international financial crisis which reduced exports of timber and diamonds. This set of crises led to the slowdown of the national economy, producing an actual GDP growth rate which slumped from 3.8% in 2006 to 3.7% in 2007, 2% in 2008 and 1.7% in 2009. Despite this trend, the Central African Republic economy remains dominated by the primary sector, which represents 50.2% of Gross Domestic Product (GDP) in 2009. The main activities in the primary sector are subsistence farming (28.3% of GDP) and livestock (12.7% of GDP). The tertiary sector (31.7%) consists essentially of trade (12.2% of GDP), while manufacturing industries and construction (building and public works) make up the majority of the secondary sector (12.3% of GDP).

The weak economic growth recorded in 2009 was essentially supported by the consolidation of subsistence farming and the energy of the BPW (Building and Public Works) and trade services, particularly commercial and telecommunications. These three sub-sectors have helped the GDP to reach a current height of 2.4 percentage points. Export farming (coffee and cotton) grew considerably in 2009 (13.5%), but their contribution to growth is still marginal because of their insignificant input into GDP. However, the sharp fall in forestry (33.3%) and mining (24.9%) led to a loss of 2.0 points in growth, even though these two sub-sectors represent less than 5% of GDP. Manufacturing industries (less than 3%) also had a negative impact on growth.

The forestry and mining sectors suffered from the persistence of the crisis which has affected the international timber and diamond market since 2008. Log production slumped by 30%, as did the production of sawn timber and plywood, which fell by 26%, in spite of the fiscal measures taken to mitigate the effects of the crisis on timber companies; also despite the issue of two new permits and the application of the new Forestry Code. Diamond production also fell, particularly in the wake of the suspension of the Gem Diamonds Company, and the withdrawal of official approval from 8 out of 11 of the diamond buying offices and some collectors.

The BPW contribution to growth strengthened in 2009, although by less than initial forecasts because of the downward revision of public and private investment, due to the postponement of the building of the factory at Areva. Manufacturing industry, in decline since 2009, dragged actual GDP growth back slightly, while the energy sector added to the margin it created.

The main sources of growth in the tertiary sector are commercial activities, telecommunications and non-trade services. The strength of these areas was partly supported by the consolidation of domestic demand, particularly private consumption, together with the increase in the wage amount, itself due to the regular payment of wages and to recruitment in the priority sectors of education, health and security.

With a view to limiting the effects of this world recession on the national economy, the Government adopted a series of additional measures while still adhering to the goals of the reforms implemented since 2005, reports of which by the IMF and the World Bank have helped the CAR speedily to reach the completion point of the Very Indebted Poor Countries.

Despite these negative shocks, macroeconomic stability has been preserved. The implementation of the Facility for the Reduction of Poverty and Growth (FRPG) supported by the IMF has been judged as satisfactory. The sixth review of the performance of the CAR in the framework of the FRPG received a positive verdict in December 2009 by the IMF Board of Directors, which approved an extension of the programme until June 30, 2010 in the context of an extended credit facility.

The implementation of budgetary policy was deemed satisfactory on the whole. The government succeeded in mobilising more domestic resources, in controlling expenses more effectively, paying off a significant portion of the outstanding domestic debt, and restricting borrowing from commercial banks.

Budgetary income stabilised at 10.2% of GDP, and public expenses at 14.8%. The primary domestic balance rose from 0.8% of GDP in 2009 to 1.1% in 2010. On the question of public debt, reaching the IVIPC completion point in June 2009 took the form of the cancellation of the total CAR debt estimated at 578.2 million USD in current net values at the end of 2006, and by an additional cancellation under the multilateral debt cancellation initiative (MDCI) estimated at 342.79 million USD in face value. The provision of VIPC and MDCI assistance took the form of a reduction in the ratio of debt to GDP in net updated value, which fell from 43% at the end of 2008 to 8.3% at the end of 2009, and the ratio of debt servicing to budgetary income, which fell from 383.5% at the end of 2008 to 79% at the end of 2009.

Inflation, which climbed sharply to 9.3% in 2008, eased to 3.5% in 2009. The reasons behind this fall were lower oil prices, modest rises in foodstuff prices and the slight appreciation of the dollar compared with the Euro (which has fixed parity with the CFA franc). Inflation is likely to decline further and settle at 2.5% in 2011 if the prices of oil products and foodstuffs stabilise in line with expectations.

On the other hand, the business climate is not yet very favourable, since the CAR occupies the second from last position in the 183 countries ranked in the World Bank 2010 report Doing Business. This ranking system

factors in all the burdens on investment and the private sector, particularly: (i) the weakness of the regulatory framework and the transparency of the business environment; (ii) the weakness of the capabilities of SMEs in terms of management and access to credit markets; (iii) the weight of the public debt on private enterprises; (iv) the inadequacy of electricity supply which burdens production costs (See Commerce for supplement to the efforts of the Government at the level of the inter-ministerial committee); and (v) the low involvement of women and the young resulting from the exclusion of these two socio-occupational groups from the public and private production system.

At the social level, the reforms instituted by the Government in particular as regards the settlement of cotton growers' and coffee farmers' arrears, including wages, the regular payment of grants and pensions, and the partial unfreezing of wages led to something of a lull despite the effects of the energy and food crisis of 2008 and 2009. Despite these actions, the CAR occupies the 159th position out of 169 countries listed in the UNDP report on sustainable human development.

The CAR is one of the least advanced countries because of its low socio-economic indicator readings (extreme poverty, per capita income level and life expectancy at birth). According to the 2010 Human Development report, the country is ranked number 159 out of the 169 countries listed. The profile and the indicators establishing this position are summed up in the following table:

Table 1.

**Country profile
and human
development
indicators**

Source:
UNDP, RMDH 2010

Health	Life expectancy at birth (in years)	47.7
Education	Average length of time spent in school (in years)	3.5
Income	GDI (Gross domestic income) per inhabitant (2008 in US\$)	757.8
Inequality	Human Development Index (HDI) adjusted for inequalities	0.183
Poverty	Deprivation intensity	59.3
Sex	Gender inequality index	0.768
Sustainability	Net adjusted savings rate (as a % of GNI)	-4.6
Human security	Refugees per country of origin (in thousands)	125.1
Composite indices	Human development index (HDI)	0.315
HDI	Ranking	159

Factoring in the development of the HDI between 1990 and 2010, the Central African Republic has increased by 0.6% per year, advancing from 0.293 to 0.315 today, which now places it at number 159 of the 169 countries for which comparable data is available. If you take into account the fact that there are 18 which are not ranked and 5 others not mentioned in WHDR 2010, the position occupied in the 2010 classification is more comfortable than in the past (159 out of 192 countries).

Table 2.
Development of
HDI

Year	CAR	Sub-Saharan Africa	World
1990	0.293	0.354	0.526
2000	0.299	0.315	0.570
2005	0.299	0.366	0.598
2006	0.302	0.372	0.604
2007	0.306	0.377	0.611
2008	0.308	0.379	0.615
2009	0.311	0.384	0.619
2010	0.315	0.389	0.624

Source:
WHDR 2010/UNDP

1.2.1. Results of PRSP 1

Thanks to the independent assessment of the first Poverty Reduction Strategy Paper (PRSP 2008-2010) it was possible to analyse the strengths and weaknesses of the PRSP, to appreciate the effectiveness and efficiency of its implementation and the effects of the obtained results on the population. The conclusions of the assessment concerned essentially the formulation of the PRSP, the way it was implemented, the follow-up and monitoring system, the success of the workings of the institutional arrangements, the communication strategy and the extent to which the players involved owned it.

The main results of this assessment highlighted the fact that, although the circumstances were very constricting, the conflict resolution process led to the organisation of the Inclusive Political Dialogue (IPD) in December 2008, safeguarding peace and social cohesion. The Government's efforts also meant that a decision could be taken regarding the reinforced Initiative in favour of the Very Indebted Poor Countries (VIPC) in 2008 and the completion point in 2009, resulting in the easing of the CAR's multilateral and bilateral debt.

The country thus capitalised on results of some significance: re-opening cooperation with the entirety of the international community, access to reforms under the FRPG and the internalisation of the MTEF development procedures.

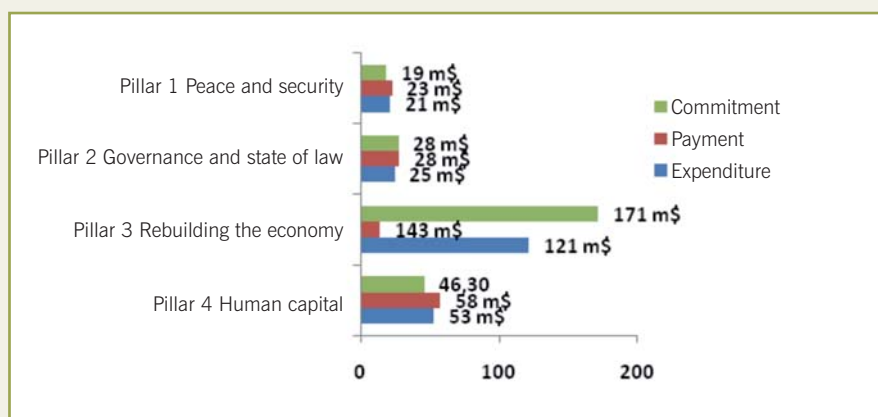
a. Execution level of PRSP 1

On its return from the Brussels Round Table in 2007, the Government set to work implementing the main commitments binding upon it, particularly the establishment of a follow-up and monitoring tool and the implementation of the strategy while ensuring leadership. Within its four sections, PRSP1 was divided into 17 sectors, 51 strategic objectives and 171 priority actions. The financial results summed up in Illustration 2 show the status of implementation per section of PRSP 1.

Within its four sections, PRSP1 was divided into 17 sectors, 51 strategic objectives and 171 priority actions.

Illustration 2.**Financial results per section****Sources:**

Development Assistance
Data (DAD, provisional)



This means that the following broad results can be drawn from PRSP 1 per section:

Section 1: Restoring security, consolidating peace and preventing conflicts. The actions implemented in this section are concerned with the fields of Security, Peace and Justice. Four (4) strategic objectives for thirteen (13) priority actions have been decided upon. Eight (8) priority actions have been achieved, a 62% success rate. These successes have been funded using State finances and those of the development partners². All the actions undertaken concluded with the essential activities, the short-term implementation of SSR procedures, the launch of DDR moves, the signing of peace accords with the political/military movements and the return of some form of peace to the conflict zones, the organisation of the Inclusive Political Dialogue (IPD), the organisation of general elections and the establishment of the strategic framework for the consolidation of peace.

Section 2: Promoting good governance and the legally constituted state.

Activities undertaken here are concerned with the areas of governance, the business climate, population and gender. Nine (9) strategic goals and thirty-six (36) priority actions characterise this section, of which twenty-three (23) have been achieved, a 64% success rate. These achievements have been supported by financial aid from the State and from the development partners³. The execution of a large proportion of the priority actions, mainly the implementation of the road map arising from the mid-term PRSP review made it possible to arrive at completion point for the IVIPC. Among others, the following achievements are worthy of note: the adoption of Mining and Forestry Codes, the CAR joining the EITI, the strengthening of the Kimberley process, the audit of six (6) target ministers in the framework of the buttressing of Civil Service governance, the reform of public finances, the adoption of the national anti-corruption campaign strategy, and the development of preparatory work for the launch of the development sections programme.

² Support from the UNDP, the EU, PBF and France.

³ Support from France, Germany, the UNDP, the WB, the ADB, USAID, CF, the EU, the UNO, the FRCA, UNFPA and the PBF.

Section 3: Rebuilding and diversifying the economy. In this section, actions dealt with basic infrastructures, rural development and food security, commerce, the private sector, regional integration, employment, water and public health. Twenty-three (23) strategic goals for seventy-four (74) priority actions were planned. Twenty-eight (28) priority actions were achieved, a 38% success rate, including the launch in 2009 of the sealing of National Highway No. 3, the opening of the rural infrastructure rehabilitation programme which was launched on March 30 2010, and the implementation of the reinforced integrated Framework programme. This work was made possible with State funds and financing from the development partners⁴.

Section 4: Developing human capital. Actions here concern Education, Health and HIV/AIDS. Fifteen (15) strategic goals and forty-eight (48) priority actions have been identified. Twenty-four (24) priority actions have been achieved, a 50% success rate. The achievements have made possible the essential initiative, which is the launch of the Education programme for an all-initiative Fast Track, the execution of the project including the building of 11 primary schools in Bangui, the execution of the project for the building of a 100 bed hospital in Bimbo, the adoption of high-impact actions to accelerate the reduction in death rates and in material and baby/infant mortality rates, introduction of actions to deal with childhood diseases at community level (PECADOM), with performance-based contracts to upgrade the results of the actions at population level. These results were achieved thanks to the financial support of the development partners⁵.

b. Resource mobilisation for funding PRSP1

At the level of resource mobilisation, for the period 2008-2010, the DAD recorded commitments of a total sum of 1,731 million \$US of which 747 million \$US was for the cancellation of the debt and budgetary aid (584 million \$US for the IVIPC), 269 million \$US for humanitarian aid and 715 million \$US in development aid, excluding budgetary support and debt cancellation.

⁴ Support from the EU, France, the AfDB, the AFD [French Development Agency], the BDEAC, the WB, the FAO, Libya, the WTO, the OIF [Int. Fr. speaking org.], the UNDP, UNICEF, and the AWF/AfDB of the FAE/BAD

⁵ Support from the AFD, the BADEA, the EU, the WB, the World Fund, GAVI, UNFPA and UNICEF

Table 3.**Resources mobilised per finance type** (In million \$US)

Type of funding	2008			2009			2010			Total 2008-2010		
	Com.	Paid.	Dep.	Com.	Paid.	Dep.	Com.	Paid.	Dep.	Com.	Paid.	Dep.
1. Debt cancellation and budgetary aid	12	37	42	664	71	71	71	40	39	747	148	152
- Budgetary aid	12	37	42	80	70	70	66	40	39	158	147	151
- Debt cancellation	0			584	1	1	5	0	0	589	1	1
2. Humanitarian aid	114	112	98	80	71	50	75	69	70	269	252	218
3. Development aid (Excluding debt cancellation and budgetary aid)	281	179	131	210	228	134	224	56	98	715	463	363
Total	407	328	271	954	370	255	370	165	207	1,731	863	733

Sources:

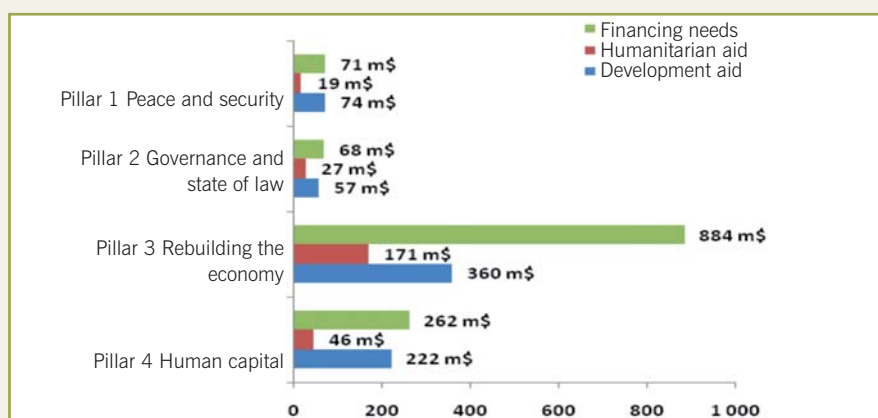
Development Assistance Data (DAD, provisional)

With reference to the statements by the Brussels Round Table, of which the sum was set at 670 million \$US, the contribution of the CAR's development partners exceeded initial intentions, even if only aid for development programmes and projects are considered (715 million \$US). While bearing in mind the fact that current data is provisional and separating out the special operation associated with the IVIPC, the level of resources made available to the CAR on the basis of commitments (agreements and accords signed) is 75% and that of expenses on the basis of payments received, 85%.

An analysis of the funding of the PRSP 2008-2010 shows, however (Illustration no. 3), that the funding needs of PRSP 1 to the tune of 1,285,000,000 USD have only been covered to a level of 76%, leaving a funding gap of 310 million \$US. Section 3 "Rebuilding and diversifying the economy" is unusual in that it is the only one where the overall needs have not been fully covered (60%). Moreover, humanitarian aid represents 47% of the funding of this section, particularly in the area of rural development. In this area, humanitarian aid (food aid) represents, over the 2008 to 2010 period, double the sum allocated to development aid (100 million \$US compared with 50 million \$US).

Illustration 3.**Mobilisation of resources per section****Sources:**

Development Assistance Data (DAD, provisional)



In the framework of the dialogue with the development partners, five (5) sector-based Round Tables have been organised. The sectors in question are: Education, Water and Public Health, Commerce, Security Sector Reform and Basis Infrastructures. These big meetings involving a considerable number of non-traditional partners have given rise to several statements. In addition, the experience gained and the incorporation of the PRSP have made it possible to support the Government in the preparation of the special session devoted to the CAR on the periphery of the 65th session of the General Assembly of the United Nations in September 2010 in New York, a meeting during which the international community undertook to support the CAR at the 2011 Round Table.

With regard to implementing the PRSP, in order to guarantee leadership, the Government has set up an institutional system for implementation and follow-up/monitoring. For monitoring implementation, the following bodies are in position: the National Strategic Committee (NSC), the National Technical Committee (NTC), the National Technical Secretariat of the PRSP (NTS), the Sector-based Committees (SCs) and the Regional Committees (RCs). As regards the information system, three (3) sub-systems have been set up: sub-system 1 entrusted with the duty of monitoring the living conditions of households; sub-system 2, to monitor the execution of programmes and projects; and sub-system 3, to evaluate the impact of the strategy. These monitoring and evaluation system structures have not worked well because of the lack of qualified human resources and the shortage of the financial resources needed for monitoring activities in the field.

1.2.2. Implications for the design of PRSP 2

The following implications emerge from this evaluation: (i) the duration of the implementation of PRSP 2 has gone from 3 to 5 and includes a priority action programme (PAP) to support the narrative section of the PRSP by incorporating the sector-based sections; (ii) the buttressing of the national takeover of the PRSP by the participation of all national players (central, regional and local administration, civil society, private sector) at all stages of design, implementation and follow-up/assessment; (iii) the need to concentrate the efforts of government via PRSP 2 on consolidating the security of the territory and peace, improving the bases for economic growth to guarantee sustainability and upgrading the abilities (human, technical and logistical) of all the players involved in the implementation of the PRSP; (iv) the effective decentralisation of decision making and the resources needed for the activities; and (v) the factoring in of emerging challenges (environment and climate change; youth, information and communication technologies, etc.)

1.3. Profile and Determining Features of Poverty

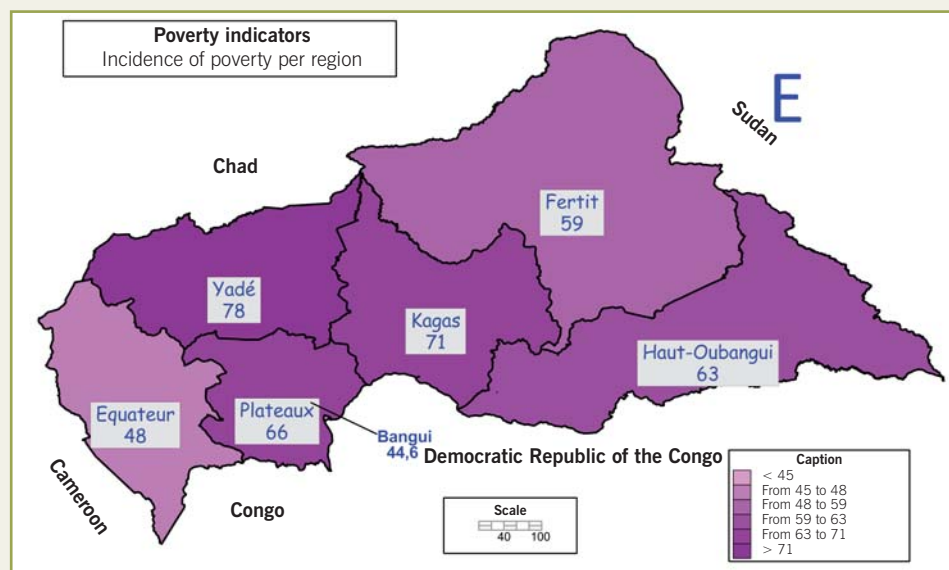
1.3.1. Measuring poverty

The data on the living conditions of households in the CAR is derived from surveys on the living standards of households in rural and urban environments (SULS/SRLS) and the General Census of the Population and Housing (GCPA03) in 2003, and then the Multiple Indicators Survey (MICS3) in 2006 and the Central African Republic Survey of Well-being Follow-up Evaluation (CARSWFE) in 2008. This data can be used to measure the extent of the deterioration of living standards and to update the profiles of monetary and non-monetary profiles⁶, which are needed for a better understanding of poverty.

⁶ Non-monetary poverty is measured in two ways: (i) the objective approach (multidimensional poverty); and (ii) the subjective approach (opinion of the members of the household).

Map 1.
Incidence of poverty

Source:
Ministry for Planning
and the Economy



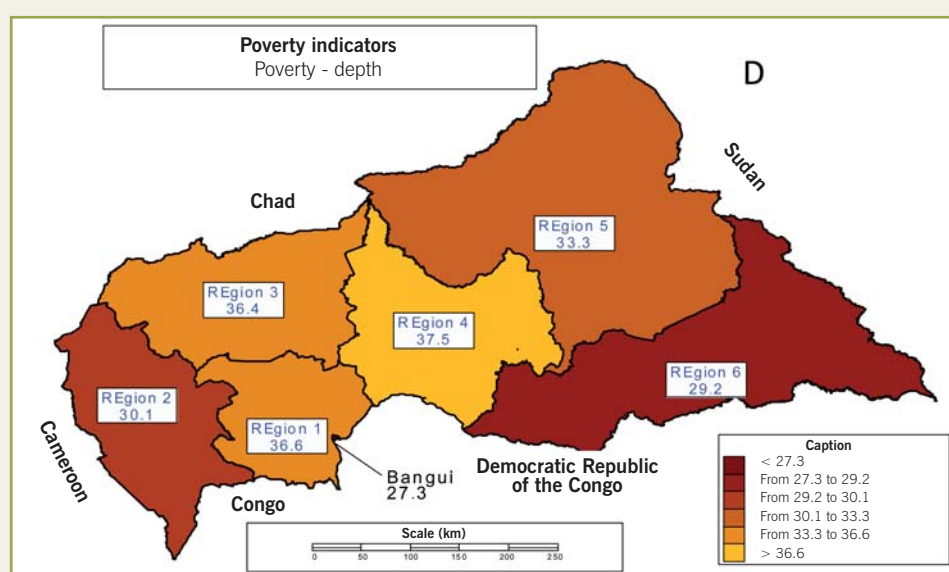
The recent poverty profile on the CAR was produced by CARSWFE 2008, the elements of which are analysed in this chapter where we address the three dimension of poverty: monetary poverty, non-monetary poverty (based on living standards) and subjective poverty, or the perception of poverty.

a. Monetary poverty

The 2008 monetary poverty threshold was set using the same methodology used in 2003, which was based on a basket of food items equalling 2100 Kcal. Monetary poverty is measured in terms of incidence (P0), depth (P1) and severity (P2). In this way the poverty threshold at the national level was estimated in 2008 at 259,255 FCFA (around 530 \$) per adult equivalent. The table below shows the indicators for measuring monetary poverty according to a set of fixed characteristics.

Map 2.
Poverty - depth

Source:
Ministry for Planning
and the Economy



Characteristics of monetary poverty: An examination of the table below shows that slightly more than three Central African Republican households out of 5 (62%) are poor, or in other words on average, an adult from these households lives on less than 259,255 FCFA per year, that is, 710 FCFA per day. The poverty of these households is still generalised throughout the CAR and very widespread (a depth rate of 33.1%).

Poverty is still generalised throughout the CAR and very widespread (a depth rate of 33.1%).

Table 4.
Profile of monetary poverty

	P ₀	P ₁	P ₂	Population structure	Distribution of the poor	Gini index
Altogether	62	33.1	21.1	100	100	0.543
Environment						
Urban	49.6	29.8	20.5	37.2	29.7	0.533
Rural	69.4	35	21.5	62.8	70.3	0.533
Region						
Region 1	66.1	36.6	23.5	16.3	17.4	0.616
Region 2	48.5	30.1	21.2	16.9	13.2	0.437
Region 3	78.2	36.4	21.2	19	23.9	0.51
Region 4	70.6	37.5	23.7	14.8	16.8	0.516
Region 5	58.5	33.3	21.9	5.1	4.8	0.544
Region 6	63.3	29.2	16.9	12.4	12.7	0.623
Bangui	44.6	27.3	19.1	15.5	11.1	0.553

Source:
CARSWFE 2008

Poverty is more pronounced in rural zones (69.4%) than in urban zones (49.6%). The poorest regions in decreasing order of poverty rate are: Region 3, Region 4, Region 1 and Region 6 which, unlike the three others have a higher poverty incidence than the average for the country (Bangui, Region 2 and Region 5).

b. Monetary poverty and the characteristics of the households

Analysis shows that in the larger households, where the head of the household is already old, the extent of monetary poverty is considerable. The same is true for households managed by men. It can also be said that the higher the level of education of the head of the household, the lower the incidence of poverty in the household. Even so, slightly more than a third of the households where the head of the household is of higher class, are poor (35%). This means that poverty is generalised at all levels.

Overall, the results show that wage earners or self-employed workers in areas other than agriculture tend to be less exposed to this scourge than the peasant-farmers.

c. Non-monetary poverty

The non-monetary poverty threshold has been set based on a composite non-monetary indicator obtained from primary indicators and the poverty threshold (see box 1). The variables selected to establish the indicators include housing and hygiene standards, community infrastructures (schools, drinkable water supplies, health infrastructure, market, etc.), the durable goods the households possess, and vulnerability indicators (income stability, disease prevention measures, ability to read and write).

Box 1: Poverty measurements

To address the poverty profile of a country or a region, three elements are required: a well-being indicator, a poverty threshold and poverty indicators. These indicators, known as FGTs (d), three in number (O3) are the incidence (P0), depth (P1) and severity (P2) of the poverty.

In the case of monetary poverty, the well-being indicator chosen is the annual income, or the annual household consumer expenses, and the monetary poverty threshold is estimated using the basic needs cost method. This method assesses the cost of a minimum of the food products needed for the survival of an individual over the period of a year (food threshold (a)) plus the cost of a minimum of non-food goods (non-food threshold). According to this method a poor person is any individual or household member whose annual income per adult equivalent (or annual outlay per adult equivalent) is lower than the set threshold.

In the non-monetary case, using the living standards approach, the well-being indicator is slightly more complex. It consists of a total of the primary well-being indicators (binary) corresponding to the commodities satisfying basic household needs, such as access to drinkable water, to health infrastructures, to economic infrastructures, the nature of the housing (walls, floor and roof), the human capital indicators (level of education) or property (land or durable goods).

This overall multi-dimensional well-being indicator appears as an arithmetical average of the primary (binary) (b) indicators thus identified representing basic commodities, weighted by scores obtained from a multi-dimensional data analysis method, particularly that of multiple correspondences analysis (MCA) (Asselin, 2000).

The poverty threshold can be set in two ways. The first, more standardised, chooses a minimum of reference commodities for which a total score is estimated and seen as the well-being threshold. The second divides the household group into two sub-groups (c). The first group where the living standards are more marginal is that of the poor, and the other, that of the rich. An intermediate threshold is then set on the well-being axis in the interval, which separates the poor from the rich. (a) The basket of minimum food items has been estimated at the equivalent of 2100 kilocalories (Kcal) per adult equivalent. (b) The binary indicators are codified 0 if the household does not possess the items in question and 1 if it does. (c) The multi-dimensional analysis method is mainly Hierarchical Ascendant Classification (HAC) or the dynamic cloud method. (d) From the names of the creators (Foster, Greer and Thorbecke, 1984).

Characterising living standards poverty:

Non-monetary poverty in the CAR was very serious in 2008. Indeed, with an average incidence of 75% (37% in the urban environment and 94% in the rural zones) this form of poverty is more widespread than monetary poverty, particularly in the rural areas where it affected almost everybody. Among the regions worst hit by living standards poverty are Region 6, Region 3, Region 4 and Region 5. However, least affected were Region 1, Region 2 and above all the Bangui region where it affected only 6.6% of the population.

The cross-over of the non-monetary poverty quintiles and the primary well-being indicators show that the least discriminatory features at the household level are: access to drinkable water, the use of a light for illumination, access to primary schooling and to health infrastructures, the ownership of a radio and literacy. This covers access to basic social services. In contrast, the indicators which show the greatest differences between households are: the composition of the floor and roof, the nature of the toilet, the ownership of a mobile telephone and the use of charcoal as a fuel. At issue here are the nature of the housing and access to communication services.

Table 5.**Profile of living standards poverty**

	Incidence (P_0)	Depth (P_1)	Severity (P_2)	Population structure	Distribution of the poor
Altogether	75.1	31.4	16.7	100	100
Residence environment					
Urban	36.6	8.3	2.8	33.4	16.3
Rural	94.5	43	23.6	66.6	83.7
Region					
Region 1	72.9	23.5	10.1	15.7	15.3
Region 2	76.7	27.8	13.3	17.5	17.9
Region 3	91.3	43.2	24.8	20.2	24.6
Region 4	89.7	39.7	21.7	14.4	17.2
Region 5	84.8	32.2	16.2	5.4	6.1
Region 6	95.1	46.2	26.3	14.1	17.9
Bangui	6.6	0.9	0.2	12.6	1.1
Head of household sex					
Male	76.6	31.4	16.3	78.2	79.7
Females	70	31.4	18.1	21.8	20.3

Source:

Author's calculations based on CARSWFE 2008 data

Within the population, the physically or mentally handicapped form a very vulnerable group. It appears that of every 100 households where the head is physically or mentally handicapped, slightly over 35% are in the 1st quintile, that is, the poorest quintile, while the in the other quintiles this proportion is close to 15%. The proportion at the national level is 3.2%. It is noticeable, however, that household heads suffering from a physical or mental handicap are relatively more numerous in Region 6 (7.8%) and more specifically in the rural part of the zone (8.2%). The same applies to the urban part of Region 1 (4%).

d. Subjective poverty

Two factors are used for a qualitative measurement of poverty: the opinion of the households on the various aspects of poverty and the minimum needs for achieving an adequate standard of living (CARSWFE, 2008).

e. Perception of poverty by the population

Apart from the numerous definitions of the phenomenon of poverty generally suggested by the specialists in the field, the poor themselves have very clear and precise perception of their situation as poor. The participatory assessment recently carried out in 2007⁷ and more recently in 2008⁸ shows that people have a very good understanding and also a conception of the poverty level of their situation and are capable of identifying the underlying and structural causes for their condition. This means that poverty is seen in different ways according to the zones and the home environments of these populations.

⁷ National survey on poverty perception (NPP), Technical Secretariat of the RPSD, Ministry for Planning and the Economy and International Cooperation, funding by the World Bank, 2006/2007

⁸ Central African Republic Survey on well-being assessment monitoring (CARSWAM), CARISESR, Ministry for Planning and the Economy and International Cooperation, funding by the World Bank and UNDP, Bangui, 2009

With a view to better coordination for the campaign against poverty, in 2003 and 2008 the CAR carried out two reference studies which were designed to assess the extent of the phenomenon and to target the most at-risk category of the population. The poverty profile was worked out with specific attention paid to the estimated minimum daily energy needs for the adult-equivalent (i.e. 2100 Kcal). According to the estimates made in 2008, the poverty threshold was set at 710 FCFA per day or 259255 FCFA per year (around 530 \$). On the basis of the poverty threshold, it could be estimated that in 2008 62% of the population of the Central African Republic lived below the poverty line. The extent of the problem was worse in the rural zones, where two thirds of the population live. Poverty is also serious in Region 1 but also, and in particular, in Regions 3 and 4, which record incidences altogether higher than the national average.

f. Minimum needs for adequate living standards

To live decently, households (around 95%) state as the basic condition the possession of a dwelling; this opinion is more widespread in the rural zone than in the urban zone, but unanimity on this point decreases with the education level of the household. The ability to take care of oneself is another aspect of well-being. The same can be said for education and finding a stable and sustainable job. In addition to the dwelling, decent clothing, the ability to use public transport or to eat three meals every day are seen as aspects of well-being, particularly in the rural zones; access to running water or electricity is also seen by households as essentials for living decently.

Interviews and analyses in addition to the participatory assessments show that rural populations are concerned about social problems, while not actually seeing this as a form of poverty. This information tends to show that while the urban populations see joblessness (the lack of an income) as an important cause of poverty, for country people poverty is essentially associated with the development difficulties of the rural world against a backdrop of the problems concerned with the farming and stock rearing which provide their food and their incomes.

Analysing the various dimensions of poverty illuminated at the same time by the opinions of the people and the results of surveys, shows that the main challenges faced by all the development players in the CAR depend on reducing poverty; these are: (i) consolidating peace and security throughout the entire extent of the national territory; (ii) promoting accelerated growth and transparently and effectively managing public resources; and (iii) developing human capital.

1.3.2. The determining factors of poverty in 2008

The incidence of poverty appears to depend on the area of residence, the region, and also certain specific characteristics of the household, such as age, sex, the level of education, the area of activity of the head of the household, and whether or not the household owns land.

Age lies behind the inequality of access to the job market, which means a high rate of youth unemployment and vulnerability on the part of the older population, most of whom have insufficient savings or income to guarantee their survival. As far as gender is concerned, it turns out that female heads of households are often less educated and find themselves excluded from the labour market for that reason despite themselves.

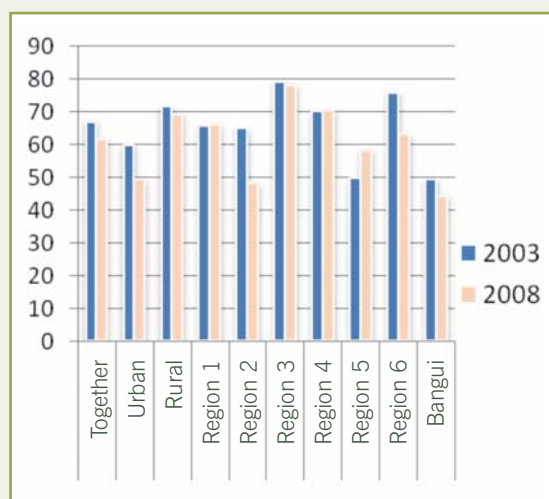
On the question of educational level and activity sector, areas which are to some extent interdependent, the analysis shows that the incidence of poverty is higher in households where the head of the household has little or no education. The same goes for farming households or those dependent upon handicrafts or trades.

Another element is the lack of access to economic and community infrastructures (roads, markets, health centres, drinkable water, etc.), which is a result of the isolated nature of certain regions of the country, most significant being Regions 3, 4, 1 and 6.

The poverty profile for 2008 shows a reduction but an aggravation in terms of the depth and severity of the poverty, particularly in Regions 1, 4, 5 and 7 (Bangui).

Illustration 4.

Incidence of poverty (as a %) in 2003 and 2008

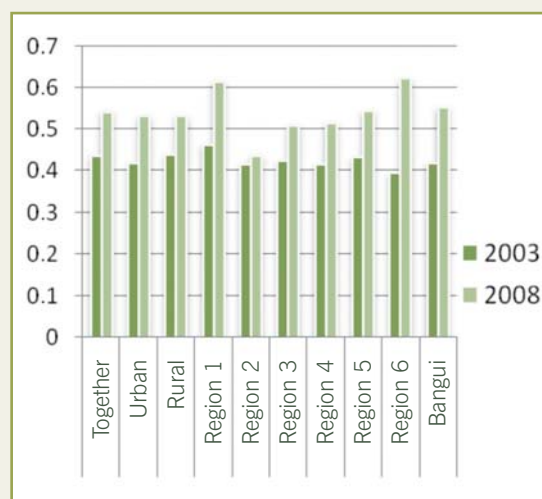


Source:

Ministry for Planning and the Economy

Illustration 5.

Inequality index in 2003 and 2008



Source:

Ministry for Planning and the Economy

An examination of the two block diagrams above shows that the incidence of poverty fell in 2008. But all poor households experienced a deterioration of their standard of living in terms of the depth and severity of their poverty.

What this means is that the actions for improving living standards should in the main be directed at rural zones and those where the majority of the vulnerable groups live.

In order for the PRSP to be effective, then, it should focus specifically on each of the dimensions of poverty. What is needed is (i) an improvement in the levels of expenses and expectations of the households; (ii) an increase in the supply of goods such as foodstuffs to combat hunger (MDG1); and (iii) an increase in opportunities for employment and occupational inclusion (See World Bank, 1998).

Table 6.

Characteristics and determining features of poverty according to the different approaches

	Analytical approaches		
	Objective monetary	Objective non-monetary	Subjective
Characteristic variables	▼ Consumption expenses	▼ Accommodation and cleanliness	▼ Income
	▼ Income from activities	▼ Access to community infrastructure	▼ Housing
		▼ Health and hygiene	▼ Health
		▼ Possessions and durable goods	▼ Education
		▼ Literacy	▼ Employment
		▼ Social capital and vulnerability	▼ Clothing
			▼ Access to means of transport
			▼ Food
			▼ Access to water and electricity
Determining factors	▼ Residence zone: rural	▼ Residence zone: rural and urban	Regional approach
	▼ Region: Region 3, Region 6 and Region 4	▼ Region: Region 6, Region 3, Region 4 and Region 5	
	▼ Level of education of the head of the household: no level, primary	▼ Level of education of the head of the household: no level, primary, lower secondary	
	▼ Age of the head of the household: younger, older	▼ Age of the head of the household: older	
	▼ Sex of the head of the household: female	▼ Size of the household: extreme sizes	
	▼ Area of activity: agriculture, craft, trades	▼ Conflict zone	
	▼ No land owned	▼ Isolated zone	

Source:

Ministry for Planning, the Economy and International Cooperation

On the matter of improving the framework of the people's lives, there is a need to (i) respond to the people's basic needs; (ii) implement relevant programmes regarding housing standards and cleanliness, access to drinkable water and basic infrastructures (primary school and health training); (iii) undertake the redeployment of economic infrastructures (markets and country roads or even tracks) throughout the whole of the territory; and (iv) support the socio-economic integration of the populations affected by conflicts via the reconstruction of infrastructures, access to basic services, vocational training and actions targeting the support of groups traumatised by the conflict situation (survivors of sexual violence, orphan children, witnesses, be they individuals or households and/or victims of other forms of war trauma, etc.

In order to return the feeling of "being a part" of the community to the people (i) their aspirations must be factored into the design of plans and programmes; (ii) contact must be retained between the populations of different regions; and (iii) regular consultation sessions must be held with them to raise their awareness, keep them informed and to listen to their opinions.

1.4. Situation Regarding the MDGs in the Car and the Main Challenges to be Addressed

The implementation of the Poverty Reduction Strategy Paper (PRSP1) was designed to arrive at suitable responses for the extreme poverty in which the majority of the population of the Central African Republic lives (62%). Efforts made to achieve the MDGs have been set back somewhat by the economic, financial and food crises, as well as the national electricity crisis. Despite the long way there remains to go to achieve the MDGs, noticeable progress has been recorded in certain social sectors during the period under review.

1.4.1. Situation regarding the MDGs

As with other countries seeking to achieve the MDGs, by the 2015 deadline the CAR could record only downgraded results. However, in actual fact, the mid-term assessment in September 2010 showed that the CAR had probably noticeably improved its situation in the areas of: (i) primary schooling; (ii) promoting gender equality and the boy-girl ratio in primary schools; and (iii) supplying drinkable water.

Table 7.
Levels of the MDGs

MDGS	Main Indicators	Data 2003	Objective 2015	Data 2008
MDG 1: Eradicating extreme poverty and hunger	▼ Proportion of the population with less than one dollar a day	67%	31%	62%
	▼ Proportion of underweight children	21%	11.5%	28.3%
MDG 2: Guaranteeing primary education for all	▼ Net rate of primary schooling	55%	100%	63.3%
	▼ Proportion of pupils starting in the 1 st year and finishing the 5 th year	31%	100%	36%
MDG 3: Promoting sex equality and female emancipation	▼ Girl/boy ratio in primary schools	60%	100%	72%
MDG 4: Reducing infant mortality among under-5s	▼ Rate of infant mortality among the under-5s	220‰	70‰	173‰
	▼ Proportion of one-year-olds vaccinated against measles	65%	100%	62%
MDG 5: Improving maternal health	▼ Maternal death rate	1,355 pour 100,000 NV	171 pour 100,000 NV	540 pour 100,000
MDG 6: Combating HIV/Aids, malaria and other diseases	▼ Rate of HIV prevalence among pregnant women aged from 15 to 49	15%	-	6.2%
	▼ Rate of prevalence of malaria	31.8%	-	22%
MDG 7: Guaranteeing a sustainable environment	▼ Proportion of the population having no access to a supply of drinkable water	74%	40%	65%
	▼ Proportion of the population having no access to basic health care	69%	37%	65%

Source:
National Follow-up Report on MDGs in RCA, MPECI, 2010.

Key:
Probable
Possible
Impossible

1.4.2. Main challenges to achieving the MDGs

The achievement of the MDGs will depend on the ability of the authorities and national development players to address, with the support of all the national and international partners, these four main challenges: (i) rendering the whole of the national territory secure and consolidating peace and national cohesion; (ii) mobilising the resources needed to implement the national strategies governing the achievement of the MDGs; (iii) upgrading the powers of institutions and deploying their services throughout the whole of the territory; and (iv) strengthening the dynamics of reconstruction and extending the area covered in the rural zone by rehabilitating the economic and social infrastructures.

a. Rendering the whole of the territory secure, consolidating peace and national cohesion.

National reconciliation, expressed in the Global Political Accord, and the recent advances made in the area of political governance, have been crucial in consolidating the peace process and the reforms designed to buttress social cohesion. This is essential if a peaceful political and social climate is to be created. With this in mind, the Government has directed its actions towards extending political and social reform with the support of the various political and social organisations and the development partners. The essential priorities are concerned with: (i) ensuring that the powers of the main institutions of the Republic work effectively or are strengthened; (ii) consolidating advances made in the field of democracy; (iii) accelerating the reform of the security sector; and (iv) promoting and protecting human rights. Cohesion and national consensus also imply a level of governance which can rehabilitate the State, both central and territorial administration, with a view to greater effectiveness, competence, efficiency, transparency and responsibility. A further dimension essential for achieving the MDGs is social mobilisation, which means encouraging the people to become involved in addressing the decisions which affect them.

Box 2: Millennium Development Goals (MDGs)

On the occasion of the New York summit in the USA in September 2010, devoted to follow-up on the implementation of the Millennium Development Goals, the Central African Republic Authorities reaffirmed their commitment to implement the public policies needed to achieve the MDGs by 2015. But the delicate and post-conflict nature of the CAR acts as a brake on making progress towards the achievement of the MDGs. According to the conclusions of the national report on the follow-up of the MDGs in 2010, indicators reveal that very little progress has been made, given the size of the challenges. Only the targets concerned with public access to drinkable water (65% of the population having no access to drinkable water in 2008 compared with 74% in 2003) and the education of girls are in any way encouraging (2% of girls in school in 2010 compared with 60% in 2003).

In addition to this, the world analysis of vulnerability and food security carried out in 2009 by the WFP, UNDP and FAO shows that a large number of Central African Republic households (30.2%) have no food security. Of this proportion, 7.5% can be seen as in a situation of severe food insecurity and 22.7% in moderate food insecurity.

On the other hand, other targets have made no progress, specifically hunger, employment, maternal and infant mortality. It is unlikely that they will be achieved by 2015. The Central African Republic, with the aid of its development partners, is committed to developing its strategy for accelerating the achievement of the MDGs over the last (5) years up to the 2015 deadline.

b. Mobilising resources.

The technical and financial support of the CAR partners is crucial for the task of removing the various obstacles which hinder the growth of fiscal income, mainly the difficulty of enlarging the tax base in a context in which a large proportion of the economy pays no tax (agriculture, the informal sector), where tax evasion and fraud are commonplace, taxation and customs exemptions are excessive, and financial systems are ineffective. The CAR is now equipped with another lever at the level of external resources: the suspension of the cooperation of the main partners in 2003 has significantly reduced external financial support⁹. Nowadays, consistent external aid on strictly governed concessionary terms and which can be rapidly mobilised will affect the achievement of the MDGs in the CAR. The government could probably adopt measures likely to encourage this effort on the part of the international community. They would consist for the most part of: (i) upgrading the coordination of aid so that the programmes were more consistent and their implementation in the field could be monitored better; (ii) setting up an expanded resource mobilisation strategy; and (iii) improving the reliability of the public funding management system.

c. Strengthening institutional and human capabilities.

The sustainable raising of economic growth and a significant absorption of the resources intended for development also demand that the capabilities of the private sector be upgraded. The fact is that institutions which really work based on operating principles such as effectiveness, efficiency, competence, operational transparency and responsibility for its actions are essential to drive the development process. The competence of an institution depends on the quality of the human resources driving it. Development insists that the country identify the types of women and men which society, the Administration and the private sector need for today and tomorrow.

d. Rehabilitating the economic and social infrastructures

The majority of the citizens of the CAR have no access to basic socio-economic structures, and the weakness of the public services is made worse by the fact that the existing structures are not maintained. The road network is in a bad way and is often unusable during the rainy season. Apart from the Bangui-Douala corridor (which is not yet fully sealed), the network of sealed roads is almost non-existent. The Ubangi and Congo are only navigable for four months out of the year, and river transportation is very limited. The poverty of the infrastructure aimed at opening up the country adds to transportation costs and the cost of basic products in the CAR which are higher than neighbouring countries which are not cut off. Efforts to re-launch economic activities are so feeble that the reconstruction process is barely noticeable in the rural zones and even in the urban zones where 80% of the population is concentrated. The reconstruction strategy incorporated into the national anti-poverty campaign was conceived on the basis of a programme designed to rehabilitate/modernise the basic infrastructures, if the level of public and private investment in these sectors was sharply increased. Post-conflict increases could at least be of significant benefit, and simultaneously, to the production sectors, (particularly agriculture and stock-rearing), the social sectors and to the deployment of administrative services in the framework of the Development Section programme.

⁹ Aid development statistics to be specified



Part two

Strategic View and Directions in PRSP 2

2. Strategic View and Directions in PRSP 2

The battle against poverty is an undertaking for the long haul which must be seen in perspective as a long-term project for both society and the national economy. In the absence of a prospective study of Central African Republican society, this view is a synthesis of the results of surveys, but also of the political will expressed by the President of the Republic in his Programme for society and his investiture speech.

2.1. PRSP 2 - the vision

The aim of PRSP 2 is to promote strong growth for the benefit of the poor, the vulnerable and with a view to sustainable human development. Indeed, the quest for strong and sustained growth is fundamental to achieving the goal of poverty reduction, particularly as regards MDG No. 1; the rate and features of this growth will provide opportunities and abilities whereby the poor will find themselves able to participate in economic activity and to profit by it.

The long-term view for the CAR is to "Become an emerging economy, built on a diversified, sustainable economy, evenly spread out throughout the national territory, a modern state open to the world, underpinned by a system of ethics and technological innovation". In actual fact, an analysis of the characteristics of poverty reveals the fact that national development must be seen from the medium and long-term perspective. It is hoped that this view will be adopted with an aggressive approach which will lead to a proactive attitude whereby events will not be merely experienced; rather, it is hoped that action will lead to the desired changes.

The road towards this perception of the CAR is bound to take time. It will fall to the men and women of the Central African Republic to stay on course for this period and to start working now to establish the foundations needed to achieve it, striving not to relax or backslide in the march towards the final goal of the development of the nation as a whole.

In addition to this, the overall goal of PRSP2 will be to improve the well-being of the people. In specific terms, it is the firm intention of the CAR to reduce poverty in all its dimensions and to achieve the MDGs set for the 2015 deadline. Incomes will increase for all strata of society via productive mechanisms and the redistribution of the wealth created, the health and nutritional levels of the Central African Republic will be improved, their level of education will be raised, environmental balances will be preserved, access to modern power services and drinkable water will be powerfully upgraded, participation in decision-making processes will be institutionalised, the easing of the isolation of the towns and rural areas by means of adequate infrastructures and universal access to ITCs will be a priority.

A reduction in the inequalities between people, wherever they live and the promotion of a society governed by equality and gender fairness among all communities in all areas and at all levels, will likewise serve as bases for the strategy. In a similar manner, it will be possible for national cohesion to be consolidated, and every citizen of the Republic will live in peace and will be guaranteed social protection.

To be sustainable, growth must have the widest possible base, and must include the high potential sectors and zones which cover the largest proportions of the active population and preserve the environment. From this point of view, addressing overarching questions, such as gender, the population, youth employment and human rights are indispensable essentials.

The achievement of this vision will be sustained by the implementation of the Rural Sector Development Strategy (RSDS), particularly by agriculture, developing economic infrastructures, restoring activity in the mining and forestry sectors, upgrading human and institutional capacities, plus effectiveness and transparency in the management of public finances.

The affirmation of a sustained political will is one of the necessary conditions for the achievement of this vision. Thanks to a structural analysis of society and the economy it has been possible to identify the determining factors and the systems supporting the achievement of the social and economic ambitions.

The economic and social ambitions will involve a disciplined workforce, effective human resources with available jobs, expanding agricultural production and strong and sustainable economic growth.

The determining factors will be focused on the consolidation of peace and the strengthening of good governance via: (i) a redefinition of the role of the State; (ii) the modernisation of the administration; (iii) buttressing economic management skills; (iv) upgrading the ability of the CAR to better manage external determining factors (international institutions, aid, international markets, the effects of the globalisation of the economy) in such a way that they will contribute to the achievement of the ambitions rather than hinder the process; and (v) the State's negotiating ability and the skill of the national media to keep the people objectively and fully informed.

The main challenges to be faced are: achieving large scale investment, a consistent city-planning policy and the development of communications systems and interchange between the groupings of society.

The main social issues have been identified as: raising the educational level of the population, improving the nutritional and health situation, public health and the promotion of personal hygiene, protecting women and children against violence, and the social protection of individuals and vulnerable sectors of the community.

2.2. Strategic directions

PRSP2 adopts three interdependent strategic directions: (i) Consolidating peace, governance and the legally constituted state; (ii) Re-launching the economy and regional integration; and (iii) Developing human capital and essential social services.

2.2.1. Security and Peace, Governance and the Legally Constituted State

One of the priorities for the people of the Central African Republic is the return to sustainable peace after the long period of crisis which has racked the country. The partners in the development of the CAR are supporting the Government to meet these conditions.

In order to ensure that the citizens of the Central African Republic benefit from the dividends of peace, in other words, that they profit by the re-launch of the socio-economic development of the country, the Government is committed to consolidating the achievements of the peace process, security and governance, won during the period of the implementation of PRSP 1, and the reforms to be pursued in the framework of PRSP 2 until a sustainable peace is achieved and a legally constituted state is effectively re-established.

This strategic approach comprises two wide-ranging areas of action: (i) the consolidation of peace and security; and (ii) governance through the legally constituted state.

a. Security and Peace

As far as security is concerned, the CAR faces threats on two fronts. On the domestic front we see: (i) rebellions by political-military groups; (ii) the depredations of the LRA (Lord's Resistance Army); (iii) acts of violence against women and children; (iv) crime and poaching; and (v) the inability of the State to maintain an effective presence up-country. Externally, difficulties arise from: (i) the location of the CAR in an unstable region where recurrent conflicts leave the nation open to use as a support base for armed rebellions; (ii) a long and porous border; and (iii) the large-scale and cross-border movement of Light Arms and Small Calibre Weapons (LASCW).

To deal with these threats, the Government, with the support of its partners, has undertaken a number of actions among which the following are worthy of note: (i) the Project for the Control and Reduction of Light Arms and Small Calibre Weapons implemented between 2007 and 2009; (ii) the Peace Accords signed with the Political-Military Groups and in particular the Global Peace Accord signed on June 21 2008 in Libreville (iii) the promulgation of a General Amnesty Law in October 2008; (iv) the National Seminar on the Reform of the Security Sector held between April 14 and 17 2008, under the sponsorship of the Head of State with the support of the Technical and Financial Partners; (v) the Security Sector Reform (SSR) implemented in the framework of the 2008-2010 PRSP; (vi) the organising and holding of free and transparent elections; and (vii) the contribution of the International Community to the Consolidation of Peace.

The main gains from the security sector reform are shown in the facing box.

Box 3: Security Sector Reform - Gains

The reform actions, undertaken in the framework of the short-term activities of the SSR, produced the following results per SSR component:

National Defence (FACA [Central African Armed Forces] and State Police): (i) the passing of the Military Planning Law 2009-2013 (July 2009); (ii) the lowering of the average age of the men thanks to the retirement of around seven hundred (700) soldiers and police agents ("Ripe for Retirement 2007" project); (iii) the multi-ethnic recruitment of 1800 service members on a multi-regional basis observing the principles of gender and the incorporation of ex-combatants within the Army; (iv) the creation of a Human Resources section in the Ministry for National Defence in October 2009; (v) the repeated update of the National Army legislation to include a new Regulation for the General Discipline of the Army in December 2009 and the new Soldier's Code of Conduct; and (vi) training organised for the protection of children before, during and after conflicts; (vii) the signing of the additional protocol on the Convention on the Rights of the Child (CRC) covering the involvement of children in armed conflicts.

Domestic security (Police): (i) a special Statute for the police the text of which was passed in January 2009 and an organisational structure for the Police force adopted in August 2009; (ii) the reorganisation of the Central Police Inspectorate; (iii) a Police Code of Conduct; (iv) the organisation of a series of meetings between the police and the mayors of the Bangui districts; (v) a range of training schemes organised with the support of the development partners, particularly France, Germany, Sudan, BINUCA [Bureau intégré des Nations Unies pour la consolidation de la paix en République centrafricaine - Integrated United Nations Office for the Consolidation of Peace in the Central African Republic] and the International French-speaking Organisation; (vi) the establishment of an entrance examination for the National Police College; (vii) the provision of uniforms and peacekeeping equipment by the Ministry for Public Security; (viii) the rehabilitation of various infrastructures such as: the Bangui police stations, the Judiciary Police Departments, the Central Crime Elimination Office, the Central Office for the Anti-Drugs Campaign and the National Police College; (ix) the strengthening of the Youth Police; (x) the ratification of the additional protocol of the CRC regarding the involvement of children in armed conflicts; and (xi) the creation of the youth service to facilitate preliminary enquiries on youth questions.

Legal and Criminal Administration: (i) the building of four (4) detention centres for women and four (4) courts of law in Bozoum, Bossangoa, Sibut and Kaga-Bandoro; (ii) the revision of the Criminal Code containing new provisions designed to align national law with international standards; (iii) the revision of legal texts covering the organisation and operations of the Supreme Council of the Magistracy; (iv) the revision in progress of the Code of Military Justice; (v) the passing of two new Laws relating to the Supreme Court and the Status of the Profession of the Lawyer; (vi) an assessment of the Central African Republican prisons, including structures for the re-education of children separated from adults; (vii) the mission for the exchange of experience with Burkina Faso on alternative measures to prison for children in conflict with the law; (viii) the training of legal professionals in the implementation of alternative measures to prison for children in conflict with the law; and (ix) the appointment of juvenile court judges at the three appeal courts; (x) the ratification of the additional protocol of the CRC concerning the involvement of children in armed conflicts.

Territorial management (Waters and Forests): (i) the passing and promulgation of Codes governing the Forests, Fauna protection and Public Markets; (ii) the translation of these various Codes into Sango; (iii) the completion of the study on the identification and updating of stock-droving corridors, where the movement of cattle from Chad and Sudan was used to produce an Atlas of social and institutional land use systems in the east of the Central African Republic; (iv) the recruitment, training and incorporation of 100 Forestry Officers into the Civil Service.

Finance/ Customs: (i) specific training programmes provided abroad for 40 Customs Officers in the Harmonised System, the value and origin of the Customs, the fight against fraud and BOIS training by BIVAC; (ii) the training of 09 customs officers in scanner handling; (iii) essential military training for customs officers accepted for the Inter-State Customs College; (iv) the adoption of texts suppressing exemption under exceptional circumstances and the return of seized goods; (v) the computerisation of services via the implementation of Sydonia in Bangui and Berberati; (vi) the bank-based organisation of duty/customs income upgrading the performance of financial systems.

Democratic control: This covers: (i) An awareness-raising and information seminar for Representatives on their role in the SSR; (ii) the development of a general training programme for officers in the National Assembly via the National Assembly Capability Reinforcement Support Project; (iii) the organisation in September 2009 of a Seminar on SSR for the Media; (iv) the presentation of a Guide to the Parliamentary Control of the Security Sector (the IPU and DCAF Guide) for the Representatives; (v) a range of legislative and regulatory texts, which have been passed and promulgated among which the following are worthy of mention: the Law on Military Planning, the Forestry Code, the Public Markets Code, the Public Accounting Law.

■ Main challenges

Despite the efforts made, challenges and problems in the area of security remain, in particular: (i) the task of reconstructing the Republican SDF so that they will be professional, competent, disciplined, and gender respecting, who will be redeployed up-country and capable of taking responsibility for the protection of people and property throughout the entire national territory; (ii) reducing destabilising external threats by means of sub-regional military cooperation and also thanks to the permanent campaign against the cross-border spread of Light Arms and Small Calibre Weapons; (iii) strengthening and accelerating the implementation of the Gender approach in the Security and Defence Force recruitment and training policy and setting up women's investigation units to deal with sexist violence in the SDF.

The strategic goal of the Government over the period of the implementation of PRSP 2 as regards security lies in the peace and political stability consolidation process which is intended to create a secure environment favourable to a vigorous economic re-launch, particularly in the rural zone.

■ Results and strategic directions

To achieve this goal, the Government is intending to continue with the medium and long-term SSR activities aimed at the 2015 deadline which are intended to: (i) buttress security and political stability; (ii) consolidate peace and social cohesion; and (iii) reduce poverty.

On the matter of territorial security, the challenge is to reorganise, train, equip and turn the Security and Defence Forces (FACA, State Police, Police, Customs, Waters and Forest Rangers and Private Security Agents) into professionals. The SDF will be provided with operational capacities whereby they will be able to reduce threats and guarantee the security of the country as well as the protection of people and property throughout the whole of the national territory. These actions will allow the SDF to guarantee the safety and peace of the population so that it can devote itself to the socio-economic activities which the country needs to reduce poverty, particularly in the rural zones where 67% of the CAR poor live.

The priority actions to be undertaken are concerned with: (i) the initial and on-going training of the Army and State Police; (ii) the initial and on-going training of the police officers; (iii) the building of barracks, State Police headquarters and social housing; (iv) building and equipping police stations; (v) rehabilitating and equipping forestry, hunting and fishing training units (Mbaïki and Grimari); (vi) the social reintegration of ex-combatants of both sexes and the women and children associated with the armed groups within the framework of the DDR; (vii) controlling and reducing the movement of LASCW.

■ Peace consolidation

In the area of peace consolidation, thanks to the Security Sector Reform (SSR) measures including Disarmament Demobilisation and Reinsertion (DDR), the CAR has been able to adopt an approach towards the regularisation of socio-political life and peace consolidation. In other words, the Peace Accords signed with the Political-Military Groups and the General Amnesty Law which followed them meant that it was easier to hold the Inclusive Political Dialogue (DPI) which formed the basis of national reconciliation since it brought round the same table the Presidential Majority, the Democratic Opposition, the Public Authorities, Civil Society and the Political-Military Movements.

These encouraging steps forward were followed by the formation of a Government of National Union, the establishment of an Independent Electoral Commission (EIC) and the holding of credible elections (presidential and legislative) during the first quarter of 2011.

On the basis of the level of security currently in place which is continually being upgraded, and the peace which becomes sounder every day, it is possible to imagine the prospect of a long-term development of this country focused on improving the living standards of the population. The achievement of the goals in this development perspective will depend on the ability of the Public Authorities, Civil Society and the private sector to address a range of challenges, the major ones being: (i) re-establishing the effective presence of the State throughout the whole territory by strengthening the institutions, deploying the basic public services and decentralising the administration; (ii) bracing the national reconstruction effort, particularly in the rural zones by rehabilitating economic and social infrastructures; (iii) re-building trust between the Economic Operators in the Private Sector and the Public Authorities, particularly as regards the application of regulations; and (iv) effectively mobilising the resources needed to implement the economic and social programmes, again in the rural environment.

Peace Consolidation actions will be continued in the framework of PRSP 2 by urging forward both the Priority Peace Consolidation Plan and the Strategic Peace Consolidation Framework by means of the following priority actions: (i) pressing on with the Disarmament, Demobilisation and Reinsertion Programme until the point when all ex-combatants have been absorbed by various State institutions and Reception Communities; (ii) provision of support for the Communities which have been the victims in conflict zones; (iii) support for at-risk groups; and (iv) intensifying the participation of the CAR in the International Dialogue on Peace Consolidation and the Reinforcement of the State.

Box 4: International Dialogue on Peace Consolidation and the Reinforcement of the State

In the CAR, the main priorities identified for the Consolidation of Peace and the Strengthening of the State are: (i) security and peace via SSR and DDR; (ii) economic and political governance; (iii) economic and social development particularly by the deployment of local development by means of the development offices. These priorities, shared by the national players and supported by the Development Partners, led the Government to take part in the International Dialogue on the Peace Consolidation and the Strengthening of the State in order to learn by the experience of other countries. In this light, the efforts of the Government took shape at the national level in the following actions: (i) the development, via a participatory process of the Strategic Framework for the Consolidation of Peace; (ii) the establishment of the Priority Action Plan for the Consolidation of Peace; (iii) an exchange of views between the national players and international residents on the problem scenario raised by the Consolidation of Peace and the Strengthening of the State.

At an international level, the CAR took part in the International Dialogue held in Dili in East Timor and continued its efforts by taking part in the efforts of working groups set up by the Dili meeting to address the following areas: (i) Aid instruments; (ii) Skills development; (iii) Strategic planning; and (iv) Political dialogue.

It should be noted that the recommendations emerging from these working groups will provide subject matter for the discussions of the fourth high level forum on the effectiveness of aid which should be held in South Korea. The CAR has also become involved in the creation of G7+, a group of Fragile States which it is hoped will develop a lobbying action on the problem scenario of Fragile States, their concern with post-conflict recovery and the constraints to which they are subject in taking decisions at world level. In the framework of this procedure, the CAR has organised surveys on the principles of international commitment to the Fragile States, all of which are involved in the preparation of the fourth high level forum on the effectiveness of aid.

All these actions, addressed in the framework of PRSP1 via the International Dialogue, are to be continued in the implementation of PRSP2 with a view to achieving the effective Strengthening of the State and to streamlining development and reducing poverty.

b. Governance and the legally constituted State

In its efforts to establish political stability and economic progress, the Central African Republic has for several years been busily promoting good governance and building a legally constituted State. Considerable progress has been achieved in the execution and implementation of the priority recommendations and actions which led to the achievement of the IVIPC and the re-establishment of a legally constituted State. It is the intention of the Government to consolidate the promotion of governance and the legally constituted State by emphasising four (4) priority action areas for the next five (5) years: (i) political and democratic Governance; (ii) administrative Governance; (iii) financial Governance and the anti-corruption campaign; (iv) reinforcing justice and the legally constituted State.

■ Political and Democratic Governance

The Government's main aim as regards political governance is to reinforce democratic governance and leadership mechanisms by creating a favourable environment based on rules and respect for the rights of the citizen. The priority action areas chosen for the next five years are: (i) support of democratic institutions (the National Assembly; and the Social and Economic Council); (ii) upgrading the participation of Civil Society in democratic control; and (iii) improving Communications for peace and reconciliation.

■ Support for the Republic's democratic institutions

The Republican institutions laid down in the Constitution of December 27, 2004 and in the process of progressively being installed, are now operational, but still experiencing difficulties, such as: (i) the weakness of their technical and managerial capacities; (ii) inefficient communication systems to inform the public as to their roles; and (iii) inadequate inter-institutional collaboration.

To address these weaknesses and to help the institutions to play their parts to the full, the Government is committed to providing them with substantial support as a response to the priorities defined by the institutions themselves.

National Assembly: the efforts made by the Government over the past few years to support the National Assembly so that it can perform its duty in voting on laws and monitoring the action of the government have covered: (i) the signing of the Parliamentary functions statute; (ii) the establishment of the joint administrative commission of the National Assembly; (iii) the establishment of the higher commission on parliamentary administration; and (iv) the organisation of the legislative elections and the installation of the new legislature (5th legislature), on May 3, 2011.

Despite this support, the National Assembly is dogged by a range of serious difficulties, predominantly the shortage of operational resources and the limited skills of the representatives to satisfactorily perform the duties entrusted to them. To solve these problems, the Government accepts as a priority the need to upgrade the legal, institutional, technical and physical capacities of the National Assembly by: (i) revising the basic laws governing the National Assembly; (ii) rehabilitating and equipping the National Assembly chamber; (iii) building and equipping the attached premises; and (iv) organising IEC campaigns and/or seminars for the benefit of the representatives and staff on the work of the parliament.



Economic and Social Council: Since it is the premier institution of its kind in the State's tools of governance, the ESC suffers from a variety of recurrent difficulties which hinder its efforts to operate satisfactorily. The main problems are: (i) the lack of suitable premises; (ii) inadequate financial and equipment resources; (iii) the non-existence of decentralised structures.

To boost the participation of the ECS in democratic life, the Government plans to (i) upgrade the institutional, operational and human resources of the ECS; and (ii) create the conditions whereby the ECS can decentralise its activities to the regional level.

■ Increasing the involvement of Civil Society in democratic control

Conscious of the importance of the involvement of Civil Society Organisations in national reconstruction, in 2010 the Government carried out a survey of the part played by non-State bodies in national reconstruction (the NGOs case) which became the subject of a reconstruction workshop held on December 9, 2010 at the National Assembly Auditorium.

This study showed that Civil Society involvement in democratic control is characterised by: (i) a lack of citizenship culture; (ii) the non-existence of any platform which genuinely represents Civil Society; (iii) a lack of means on the part of civil society to mobilise resources and to act, and the non-existence of a system for funding activities; and (iv) the non-existence of a suitable legal framework. On the specific question of NGOs, we observe: (i) poor supervision of the players; (ii) ineffective coordination systems; (iii) a lack of collaboration between NGOs; (iv) the absence of a permanent framework of cooperation between the State, the NGOs and the development partners; (v) an excess of supervisory structures; and (vi) difficulties on the part of the national NGOs to access sources of funding.

Despite these weaknesses, the survey noted that the main civil society players are becoming increasingly aware of the job they have to do and their involvement in the design and implementation of a variety of development projects and programmes is steadily growing.

To boost this involvement, the Government is determined to promote a representative, citizen-based and proactive civil society platform. From this viewpoint, the priority actions adopted are to: (i) strengthen the powers of civil society; (ii) help the basic community organisations to structure themselves and organise their administration; (iii) upgrade the ability of civil society organisation to access multilateral and bilateral funding; (iv) factor in the opinions of non-State players in the revision of Law No. 02-004 of May 22, 2002 covering the organisation and operations of NGOs; (v) upgrade the powers of the NGO coordination bodies, to wit, the Permanent Secretariat of the NGOs (PSNGO) and the Community Development Management (CDM); (vi) review the competencies of the PSNGO and the CDM; (vii) factor in the establishment of an overall control mechanism for NGO funding channels in the revision of Law No. 02-004 of May 22, 2002; and (viii) set up a unique contact channel within the administration, like that of the Minister for Trade, for the use of the NGOs in order to guarantee effective provision of information.

■ Upgrading Communications for national peace and reconciliation

Strengthening social cohesion for greater stability and peace consolidation is an issue of crucial importance, and it calls for more focused development of the participatory approach so that the population will come to accept the various concepts and will become involved in the processes at regional, municipal and local grouping levels. To this effect, the objective of Government policy on Communication for National Peace and Reconciliation is to raise awareness, to educate and to inform the various strata of society to secure their participation and involve them in the work of national reconstruction and the preservation of peace.

To ensure that the population can access information on a range of topics, the Government has adopted a raft of measures, including the establishment of the Higher Communication Council (a regulation and self-regulation authority), the opening up of audio-visual space to the private sector, the extension of the Bimbo broadcasting centre, the equipping of 3 local radio stations (Nola, Berbérati and Bambari) with logistics, the installation of community radio stations in Paoua, Kaga-Bandoro and Birao and the decriminalisation of the breach of press laws, which has favoured the emergence of private print and audiovisual media.

Despite these advances, Government goals are held firmly back by a range of factors: (i) inadequate media cover of the country as a whole as far as radio and television are concerned; (ii) out of date technical equipment and material in the analogue systems used by Radio Centrafrique and Télé Centrafrique; (iii) the fact that the parties involved are not au fait with the relevant ethics and codes of conduct.

To address these problems, the Government plans to implement a strategy pivoting on the following points:

The Promotion of democratic culture and national reconciliation: this amounts to (i) organising sessions for information distribution, for raising awareness to Reconciliation and peace consolidation; (ii) setting up a permanent dialogue framework and ensuring that IPD activities can be continually monitored; (iii) upgrading the technical and logistical capacities of the Representatives and Heads of the Reconciliation Cells.

Upgrading the capacities of equipment, staff and media: this will consist of (i) purchasing modern technical and logistical equipment suitable for Radio and Television; (ii) rehabilitating and equipping studios B and D for digital production; and (iii) reinforcing the technical capabilities of rural and community radio stations; (iv) setting up an education and training plan for media personnel; and (v) digitising the Radio Centrafrique sound archives.

■ Administrative governance

Government action on administrative governance is structured around the four (4) following action areas: (i) coordinating Government Action and the publication of the rule of law; (ii) Territorial administration and Decentralisation; and (iii) the Civil Service.

Administration operations have to deal with a variety of obstacles, including notably: (i) the shortage of financial and equipment resources; (ii) the limited capabilities of the human resources; (iii) weak structural and organisational capabilities; (iv) poor technical work tools and the non-existence of clearly defined and shared administrative procedures; and (v) the inadequacy of the information circuit between the various central State services on the one hand and between them and the decentralised services on the other.

The major challenges are: (i) to restore the authority of the State throughout the whole territory; (ii) to establish an approachable administration offering quality services to the people; (iii) to promote local governance; (iv) to consolidate the coordination of Government action; and (v) to promote the territorial civil service and consolidate local finances.

▼ Coordinating Government Action and the publication of the rule of law

As part of the re-establishment of the authority of the State and the efforts of the Government to re-energise the operations of the public administration, the Government has undertaken certain analyses as of 2005. The Government's goal is to improve the performance of Government action and to publish an Official Gazette.

With this in mind, the Government strategy seeks to **reinforce the coordination mechanisms of Government Action and to modernise the Official Gazette**. Modernising the coordination mechanism of Government Action includes: (i) upgrading the human capacities of the Ministry responsible for the General Government Secretariat and Relations with the Institutions; (ii) setting up a system for regularising the texts of laws and a legal information centre; (iii) promoting the digitisation of documentation and establishing a computerised system for managing the work of the Council of Ministers; and (iv) building an office for the Ministry. In order to keep the people regularly informed, plans are afoot to: (i) train the Official Gazette management staff and specialists; (ii) make up for the issues which failed to appear; (iii) promote and popularise the Official Gazette. In order to modernise the Official Gazette and to render the GLIN station operational, the intention is to (i) digitise the Official Gazette; and (ii) set up a GLIN station.

To ensure that the civil service is provided with qualified, well-trained staff, the Government plans to speed up the reform currently in progress at the National School of Administration Magistracy (ENAM) by upgrading its institutional, human and equipment levels and to open a new section to address the needs of Public and Private Administration and those of Civil Society.

As far as the civil service is concerned, the Government has performed a census of State officers and agents and is checking the qualifications which were used as the basis for recruitment and/or redeployment. On this basis, a new procedure was instituted under the 2007 Decree to ensure salary processing is secure. Despite these initiatives, the Central African Republic administration continues to face serious problems, in particular: (i) malfunctions which are hardly likely to help the socio-economic development of the country, common within the decentralised services and particularly so in the conflict-affected areas where public services are more or

less non-existent; (ii) the administrative system is based on a concentration of decision-making powers and control at central level; (iii) the decentralised services are for the most part in a situation of destitution, exacerbated by the reduction in financial resources and questions of security; (iv) the tiny incomes of State officers and agents; (v) the general lack of motivation of the Civil Service staff; (vi) poor yield; (vii) generalised corruption and embezzlement; (viii) the absence of a suitable organic framework, leading to difficulties in rationally and efficiently managing human resources and matching people to jobs and profiles to jobs; and (ix) the lack of a secure information system about the civil service staff. However, a range of actions have been carried out, most important of which is the study on the categorisation of civil service positions.

To correct this situation, the simplified State employee analysis procedure (2008) has been applied together with the Audit of Key Ministries, the revision and adoption of the General Civil Service Statute (2009), the adoption of the organic draft public administration framework and a working plan to recast it.

The Government's strategic goal is to create the conditions necessary for an effective administration designed to provide quality services via the **promotion of a Public Position Office**. This will call for the management of jobs and skills by: (i) setting up a salary system and an assessment system; and (ii) establishing a State personnel management system.

■ Territorial administration and decentralisation

The Territorial Administration is having to deal with a range of problems, including: (i) the fact that the texts of the laws do not match the December 27, 2004 Constitution and administrative practices; (ii) the Regions established by Law No. 96.013 of January 13, 1996, setting up the aforementioned Regions and defining their territorial borders, have remained to this day without any administrative structure; and (iii) municipalities are administered by Special Delegations in the absence of municipal elections, which have not taken place for over thirty (30) years, the result being poor management of municipal property.

To address these problems, the Government has strengthened the institutional control framework and the decentralisation procedure by appointing prefects and sub-prefects throughout the entirety of the territory, by revising the electoral code, and by carrying out, with the aid of the partners, monographic studies on the Regions as part of the development areas programme framework.

Despite these efforts, the development of the territorial administration must address challenges requiring: (i) the upgrading of the powers of the decentralised services so that decentralisation works; (ii) the organisation of regional and municipal elections to consolidate total democracy; (iii) a guarantee that the administrative regions operate as such; (iv) the revitalisation of the central services of the Department to strengthen their human and financial resources, as well as equipment; and (v) the refurbishment and/or construction from scratch the administrative buildings to be used as the offices and accommodation of the Prefects and Sub-Prefects.

The Government is planning to carry out a range of actions focusing on the following approaches:

Improving the skilling levels of staff members within the central, Regional and decentralised services.

To improve staff skill levels at the central, Regional and decentralised services, the plan is to: (i) train staff in the field of local finance; (ii) train staff in the field of strategic planning; (iii) recycle and educate the central services agents in general administration at the NSAM; (iv) train central services officers in ICT (office systems, programming and maintenance); (v) set up on-going training systems for the General Secretaries and Accountants with the Mayor's offices at the NSAM; (vi) organise the Prefects Conference on an annual basis. In a context of upgrading the equipment levels of the central, Regional and decentralised service, there is a need to (i) provide Central Inspectors, Mission Heads, General Managers, Prefect and Sub-prefects with transportation means, offices and computer equipment. No one will respect the institutions unless they are decently housed. The plan is therefore to (i) rehabilitate the Administrative Building; and (ii) build or refurbish the offices and residences of the Prefects and Sub-prefects.

Promoting local democracy. This refers to the organisation of regional and municipal elections. Local democracy of this kind will be justified by the return of power to local elected authorities who will be relatively independent.

Decentralisation: The decentralisation procedure, which began in 1995, has encountered the following major obstacles: (i) the lack of basic laws regulating the Decentralisation and Regionalisation policy; (ii) little understanding on the part of the people and other players (Administrations, Civil Society and Development Partners) of the concept of Decentralisation and Regionalisation; and (iii) the difficulty of finding a firm anchor point between development and decentralisation programmes.

To cope with these problems a procedure designed to strengthen the powers of the High Commission on Decentralisation was launched with the training of 100 Mayors for Bangui and Bambari and an information and awareness-raising campaign to tell the people what was meant by the decentralisation process. Then, in 2008, the decentralisation process was launched afresh, and a Framework Democratic Governance and Decentralisation Programme (FRGD) was worked out and implemented. This has facilitated the strengthening of the institutional framework of the High Commission on Decentralisation and Regionalisation. This has been supported by the basic studies needed to draw up draft bills dealing among other matters with the transfer of powers and local finances, in the context of the formulation of a national policy on decentralisation and regionalisation. This process has been buttressed with the creation of the Regional Plan Delegations and ten (10) secondary pilot towns as development areas.

The challenges facing this sector are: (i) to re-launch the decentralisation process; to reinforce local development via the decentralisation process; (ii) to transfer State skills to the Regions and the municipalities; (iii) to set up an equipment fund for territorial groups; then establish the status of the prefecture corps; (iv) to draft the bill on the status of the capital, Bangui; (v) to draft the bill determining the financial resources of the city of Bangui; and (vi) to draft the bill on the funding of the territorial groupings.

The Government's priority actions for the five upcoming years will focus on: (i) Updating and strengthening the institutional and legal framework for decentralisation involving participatory action. This will mean upgrading the powers of the Institutional system and organising the general Decentralisation States; and (ii) reforming the Territorial Administration. This will require the establishment of a legal and regulatory framework. Also, with a view to ensuring that the decentralised structures of the State are operational, the plan is to ensure that the decentralised structures of the State are operational [sic] and to have the Territorial Grouping managed by elected bodies.

■ Reinforcing justice and the Legally Constituted State

The ten-year Justice Reform Programme (March 25, 2010) has revealed serious problems with the justice sector and the criminal administration system, such as those spotlighted by the national conferences which examined the state of health of the justice system. Essentially, the problems can be summed up as follows: (i) insufficient human and equipment resources; (ii) inadequate legal and penal infrastructure; (iii) police lacking training and equipment; (iv) obsolescence of the legislative and regulatory texts as regards both the careers of judges and how they operate in courts, (v) the well-known lack of motivation and professional awareness on the part of the legal professionals, arising from a permanent deterioration in the living and working conditions of judges and legal professionals; (vi) inadequate geographical cover of both court system and judges, resulting in justice being far from the criminal and breach of the rule demanding the separation of the functions of the Public Prosecutor and the Bench, with the same judge acting as President of the Court, Public Prosecutor and Examining Magistrate.

In the framework of the strengthening of the powers of the court officers and legal professionals, the Government has set up a programme intended to improve the conditions under which women are detained in the rural areas, particularly in the post-conflict zones (Ouham, Ouham-Pendé, Nana-Gribizi) by building detention facilities for women which are separate from those for men, and the training of female prison wardens and guards. In addition to this programme, other positive actions have been flagged, such as: (i) review of the legal texts (Code of Civil Procedure, Family Code, law on the Profession of Court Usher and the application of the code, Labour Code, Criminal Code, Code of Criminal Procedure, the new law on the High Court of Justice, the new law on the Status of the Profession of the Lawyer, etc.); (ii) refurbishing and/or building infrastructures (refurbishing and/or building the Courts of First Instance in Sibut, Kaga-Bandoro, Bossangoa, Bozoum and Nola, the refurbishing and/or building of 09 detention centres in Sibut, Kaga-Bandoro, Bossangoa, Bozoum and Bimbo, five of which are for women, the building of a Hearing Chamber for the Court of Cassation and the building of five houses for the purposes of the law), and equipment.

The main challenges in the sector are to: (i) establish real leadership to the advantage of the sector by upgrading human and equipment resources for the Central Administration and by establishing regional administrative links, particularly in the criminal field; (ii) set up a system of laws which are consistent, respectful of human rights, familiar and accessible; (iii) reinforce the independence and neutrality of the legal and penal system officers by paying salaries which factor in the delicate nature of their work; (iv) improve the working conditions of the legal and penal system professionals by building effective infrastructure and providing equipment which suits the

speed required in processing legal cases; and (v) speed up the implementation of mechanisms to facilitate the access of the people to the law and justice.

To consolidate the legally constituted State and to guarantee the conditions for a genuine consolidation of peace, the Government is planning, over the 2011-2015 period, to ensure that the sector is in possession of the basic elements required to offer the people a quality justice system and to ensure that they can access it.

With this in mind, the Government strategy is based on the following themes:

▼ **Modernising and distributing the law.**

In the framework of developing and updating the main texts, what this means is (i) developing the code of court organisation; (ii) adopting and promulgating the code of military justice; (iii) freshly updating the family code and the code of civil procedure; and (iv) developing the children's code. To ensure that the legal players and accused are supplied with the basic texts of the legal system, the plan is to: (i) publish and distribute the codes adopted; (ii) build and place the website of the Ministry of Justice on line; and (iii) set up the Ministry of Justice documentation centre.

▼ **Setting up an effective, impartial and responsible legal system**

With the aim of allowing the legal professionals to develop in a professional environment designed to guarantee their independence and to awaken their sense of responsibility, the plan is to: (i) review the texts which govern the bodies which manage the career of the judge; (ii) harmonise the texts governing the career of the Clerk of the Court with that governing the Civil Service; (iii) strengthen the powers of the Minister for Justice; and (iv) reinforce the operational resources of the General Inspectorate of Legal Services. To upgrade the legitimacy of the legal professionals and the trust of the people in justice: (i) three levels of legal probationers and trainee Clerks of the Court must be recruited, with careful attention paid to the "gender" issue; (ii) a school for training legal professionals must be set up; (iii) the initial training modules for legal professionals must be reviewed; and (iv) a continuous training programme must be established designed to upgrade the capacities of the legal personnel.

▼ **Facilitating fair access for all in the service of justice.**

In order to set up support mechanisms for the poor and vulnerable: (i) the legal aid mechanism must be set up and rendered operational (legal aid and legal representation); (ii) the costs of legal actions must be revised downwards and they must be applied equally throughout the whole of the national territory; (iii) the legal liberal professions must be urged to cover the whole of the national territory; and (iv) access on the part of women to justice must be facilitated. In order to ensure that defendants are provided with the services of the law: (i) the court-oriented map of the CAR must be redefined; (ii) legal infrastructures must be standardised; (iii) the most needed Courts of First Instance must be identified, built and equipped; (iv) the means of itinerant courts, criminal court sessions and permanent Court Martial must be budgeted; and (v) the National Police Record must be set up.

- Demilitarising and professionalizing the prison system and placing it under civil control, guaranteeing international human rights standards and developing a policy for rehabilitating prisoners.

To ensure that penal facilities operate on the basis of standards guaranteeing human dignity: (i) the process of developing the bill on prisons and the preparation of the application texts must continue; (ii) the framework of the corps of the prison administration must be redefined in keeping with the general status of the Civil Service; and (iii) manpower requirements must be assessed and prison staff recruited. To ensure that the physical environment of penal facilities in the CAR obeys international commitments on human rights, the plan is to: (i) define a new penal charter supporting effective and efficient management; (ii) develop a pilot programme for setting up a model facility, based on a separation of the classes of inmates (women, children); and (iii) creating an independent observatory for prisons (with a mixed membership).

- Reinforcing the key State and Civil Society institutions responsible for the promotion of the legally constituted State and the protection of human rights.

To ensure that the people know their rights and that they are protected: (i) behaviour change communication campaigns (BCC) must be organised regarding human rights and the rights of specific groups; and (ii) the national action plan on human rights must be adopted and implemented. In order to strengthen the institutional system and guarantee the protection of human rights, particularly of women and children: (i) an independent national human rights commission must be established; (ii) contractual reports must be produced on human rights; (iii) the operational powers of the High Commission of Human Rights and Good Governance (HCHRGG) must be strengthened.

- Financial governance and the fight against corruption.

In the framework of the implementation of PRSP 1 and the various cooperation programmes with the IMF, the Government has initiated important reforms focusing on good economic and financial governance. These include, in particular: (i) the modernisation of the legal framework for the management of public finances with the adoption of the new Organic Law governing financial law in 2006, the new Regulation on Public Accountability; (ii) the Regulation governing the procedures for the execution of budgetary operations, the development of budgetary and accounting categories; (iii) the reorganisation of financial administrations (Taxes and Customs), the computerisation of budgetary management and the adoption of new texts relating to calls for tenders, the development of the management account and the administrative account for the year 2008; (iv) the regular payment of wages; (v) the achievement of the completion point of the VIPC initiative in 2009. On December 8, 2010, the Government also signed, with the technical and financial partners, a memorandum defining the principles and terms and conditions for the design and implementation of budgetary support programmes backing the implementation of the PRSP, opening the way to the factoring in of priority sectors such as Education, Health, Social Affairs, Equipment and Infrastructures, and Rural Development in the share-out of budget envelopes.

Despite the encouraging results of these reforms, a great deal remains to be done to achieve the desired optimum level of public resource mobilisation.

In order to achieve this, the Government intends: (i) to continue with the task of stabilising the public finance situation; (ii) to complete the structural reforms already under way; (iii) to improve the coordination and management of the movements of development aid; and (iv) to reinforce the framework of transparency and the battle against corruption.

■ Continuing the stabilisation of public finances

As far as income is concerned, the Government must: (i) continue fiscal administration reform by modifying fiscal policy; (ii) speed up the reorganisation of the customs services and improve customs policy in general (reorganising customs clearance and transit procedures, upgrading the skills of customs staff, etc.); and (iii) developing and implementing a new taxation code.

On the matter of the public expenses system, it must: (i) improve the management of the Treasury; (ii) improve the way expenses and budget management are monitored; (iii) improve the management of the debt (national and foreign); and (iv) improve the transparency of public finances.

■ Completion of structural reforms

This involves: (i) strengthening the banking system so as to guarantee financial stability; (ii) continuing to restructure the financial condition of public and public/private companies (ENERCA, SODECA, SOCATEL, etc.); (iii) reinforcing the application of the new petroleum product price adjustment mechanism; and (iv) continuing with the overall application of the public market approval code.

■ Streamlining the coordination and management of development aid movements

In this area, the Government intends to continue its current actions with the support of the technical and financial partners in order to: (i) ensure that the coordination and monitoring of aid is operational; and (ii) publicise and strengthen the use of the development aid management tool (DAD).

■ Strengthening the framework of transparency and the fight against corruption

The Government strategy on transparency and the fight against corruption focuses on two issues: (i) the establishment of a national anti-corruption policy; and (ii) the establishment of the National Financial Investigation Agency (NFIA).

The battle against corruption: On July 31, 2008 the Government set up a National Anti-Corruption Campaign Committee (NACCC). As soon as it was in place, the NACCC developed the National Anti-Corruption Campaign Project which is currently awaiting approval.

The actions envisaged by the Government to buttress the battle against corruption involve: (i) adopting, publicising and implementing the national anti-corruption strategy; (ii) promoting citizen participation in the fight against corruption and raising awareness of the problem; (iii) developing and setting up effective public service management tools and working to ensure

On July 31, 2008 the Government set up a National Anti-Corruption Campaign Committee (NACCC).

that the different managerial levels of the civil service learn to accept responsibility; (iv) the establishment of a policy for motivating State officers and agents (improving career management, a rational promotion policy, etc.); and (v) upgrading the powers of all institutions involved in the battle against corruption.

National Financial Investigation Agency (NFIA): This is the Central African Republic Financial Information Unit (FIU). It acts as the national centre for collecting, analysing and communicating statements concerning suspicious operations and other information about actions likely to be involved with money laundering and financing terrorism. There are three (03) basic challenges to be addressed: (i) the battle with financial crime and corruption; (ii) guaranteeing the stability of the financial system; and (iii) supporting development.

The main actions envisaged by the Government are designed to create an effective device which can be used to battle money laundering, corruption, the misuse of public funds, fraud, illegal conflict of interest, and financing terrorism. To achieve this, it will be necessary to: (i) support the designated financial and non-financial institutions involved in the fight against money laundering and financing terrorism; (ii) open a training and documentation centre for management and staff involved; (iii) set up a timetable for categorisation actions; (vi) inform and raise the awareness of the various strata of the population; and (v) seek cooperation and coordination with national, regional and international authorities working in the same field.

2.2.2. Economic Revival and Regional Integration

a. Situational analysis: the major obstacles and challenges involved in reviving the economy

The main obstacles to the development of profitable activities, economic growth and poverty reduction can be summed up as: (i) a lack of security and obstacles associated with the free movement of persons, goods and services in the wake of the conflicts which upset the productive apparatus, particularly in the rural areas; (ii) an unfavourable business environment characterised by the weakness of the legal system and the police force, the long delay and high cost of opening and closing a business, a discouraging fiscal policy and little dialogue between the State and the private sector; (iii) inadequate exploitation of the potential of natural resources, inefficient human capital, lack of financial resources and basic infrastructures; (iv) internal and external isolation characterised by long distances from sea ports (the nearest port, Douala in Cameroon, is 1,500 km away) and inadequate transportation infrastructures; (v) the weakness of the industries, problems with accessing economic information and the low level of support services for the private sector; and (vi) the fragility of the critical links between production, manufacturing and the search for markets. All this is exacerbated by the country's poor purchasing power, small market and low competitiveness compared with the regional market.

b. Growth strategy and associated levers

The accelerated growth strategy outlined in the second generation PRSP starts from an analysis of the situation in the CAR and emphasises the strengthening of institutional powers, and recommends an informed selection of clusters of economic activities and priority reforms aimed at stabilising the business environment. The Government envisages the implementation of this strategy in the framework of a vigorous economic revival based on a wealth creation process and added value designed to combat extreme poverty, particularly in the rural zones (MDG 1).

It essentially depends on four major levers:

The promotion of growth clusters in particular, the development and expansion of the agricultural, sylvo-pastoral and fishery sector designed to increase the income of the majority of the population which is essentially living in the rural zone, the development of the mining sector and other natural resources, forestry, tourism, telecommunications, to upgrade the added value of these sectors, to promote the competitiveness of the CAR economy and to create decent jobs;

The development of basic infrastructures as an important level on which the Government is intending to depend to support the emergence and development of the growth clusters selected and to create opportunities for isolated populations. Particular emphasis will be placed on the control of energy, an essential factor for the creation and development of country roads;

Reinforcing the role of the players and improving the business climate by the development of a dynamic, competitive private sector, creating wealth and jobs, contributing to the reduction of poverty, in the rural zone in particular; promoting public-private partnerships (PPP) and stabilising the business climate in a general way in order to attain a better Doing Business ranking for the CAR and promoting investment, foreign and domestic. And finally, to re-establish the CAR on the international market and to upgrade the competitiveness of its economy, a consistent policy of regional integration will be implemented, including on the one hand the strengthening of the country within the regional and sub-regional sub-groups, and on the other, the development of anti-isolation procedures;

Regional integration and development opportunity. The growth strategy can only be possible within a perspective of development and the conquest of sub-regional markets. The production and marketing of local produce plus the importation of equipment and inputs can only be at optimal level if the operators have access to regional and sub-regional opportunities. The strengthening of the position of the CAR in the sub-regional organisation will also be a priority.

Furthermore, other factors must be taken into account to guarantee the operation of the growth policy, such as the questions related to population, gender and development areas. The fact is that the economic revival strategy must take account of the population dynamics (demographic trends resulting from changes in mortality rates, fertility rates and population movements) of the CAR, since this is a crucial element which is mainly responsible for patterns of consumption, production, lifestyles and long-term viability. It must factor ecological and environmental considerations into a sustainable development picture with the ultimate goals of easing the poverty and improving the health and living standards of the population. The promotion of equality and gender balance will also be taken into account with a view to the optimum mobilisation of production capacities, the establishment of female emancipation and a speedier attainment of the MDGs.

In addition to this, given that CAR towns are bound to grow considerably in number and size, regardless of the demographic scenario, the establishment of Development Units around the zones of high economic potential, backed by a consistent decentralisation and land management policy, will help achieve an inclusive accelerated growth, one which will meet the needs of the most vulnerable population groups.

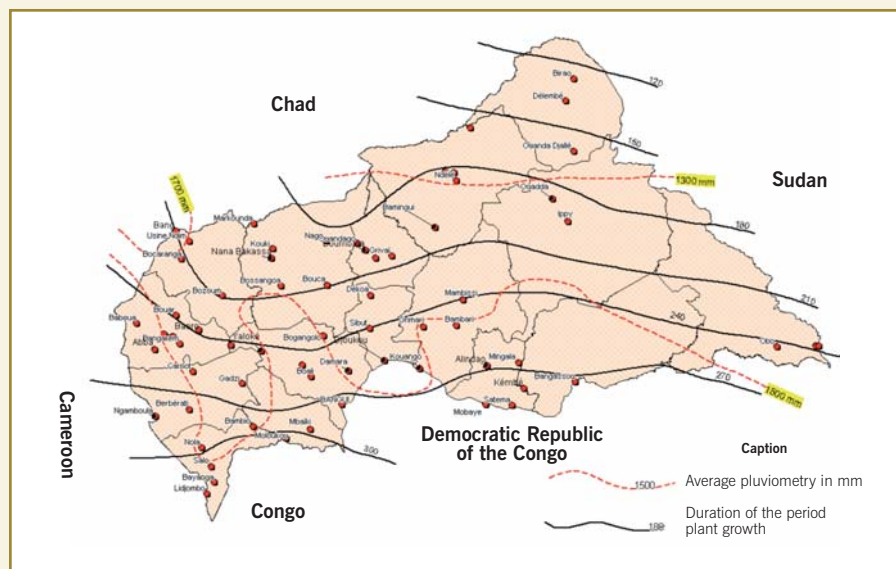
c. Promoting growth clusters

Rural development and food security. The Central African Republic is relatively rich in natural resources and the agricultural/ecological conditions are generally favourable for agriculture and stock-rearing.

Map 3.

Duration of growth and pluviometry isohyets

Source:
Ministry of Rural Development and Agriculture

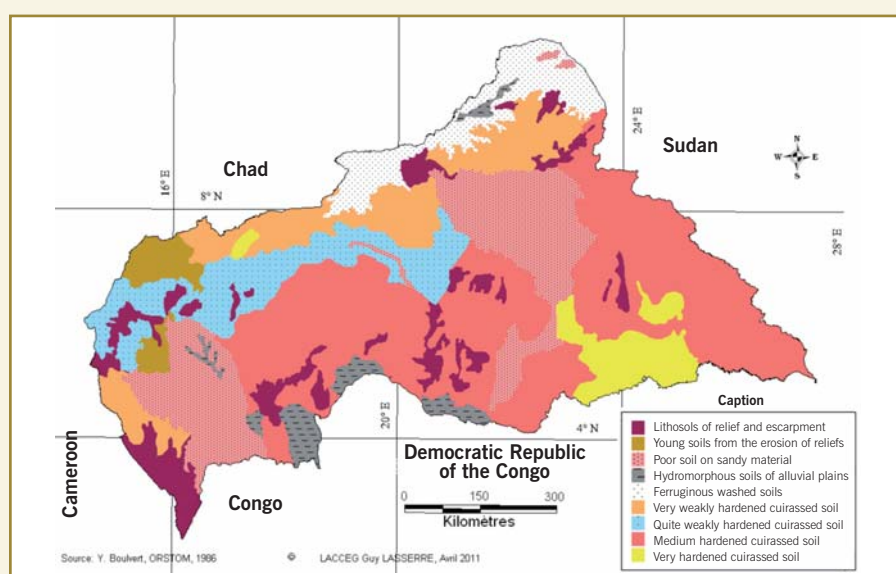


To be precise, this potential includes: (i) a climate favourable to rain-fed agriculture with relatively long growing seasons; (ii) some 15 million hectares of arable land which has been only lightly worked, with around 5% being cropped each year, with on average less than 0.5 ha worked per farmer; and (iii) a total area of pasture and driving routes estimated at 16 million ha where only 9 million ha are grazed by a national herd of 3.7 million head of cattle.

Map 4.

Pedological outline of the CAR

Source:
Ministry of Rural Development and Agriculture

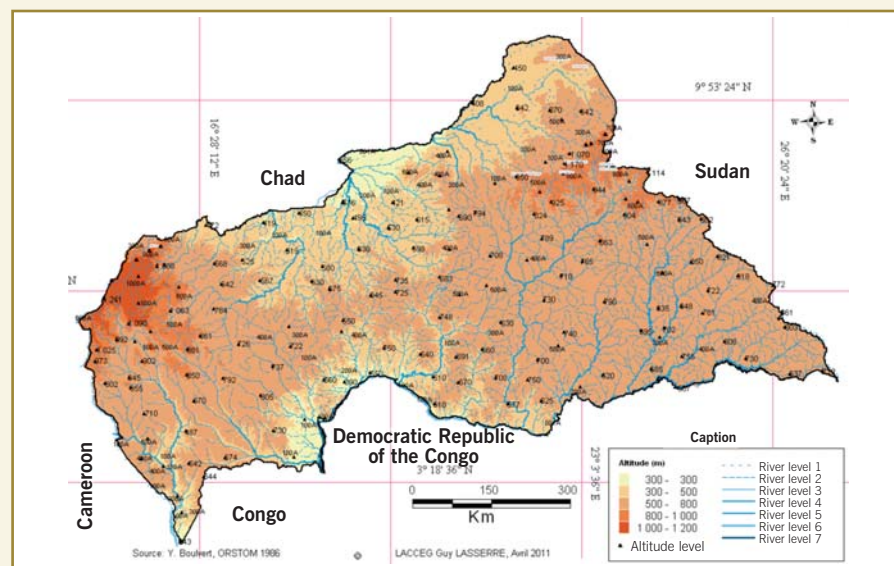


Also noticeable is an abundance of water resources, thanks to a large network of waterways. This has potential with a view to intensifying farming and stabilising stock-rearing and re-energising groups of fishermen and fish farmers.

Map 5.
Relief and
hydrography
of the CAR

Source:

Ministry of Rural
Development and
Agriculture



Even so, rural development and food security is under threat from the following: (i) the impoverishment of soils and the degradation of farmland; (ii) rudimentary production means, inefficient farming techniques; (iii) a low rate of use of mineral and organic fertilisers; (iv) a shortage of structures devoted to research, organisation, supervision, advice and support for farmers and stock-raisers; (v) inadequate infrastructure for storing and preserving harvested produce; (vi) the non-existence of information facilities on agricultural produce and foodstuffs markets; (vii) badly organised marketing systems; (viii) difficulties preventing family farms from accessing credit and equipment; (ix) unsafe driving paths and country roads with the phenomenon of armed bands in some parts of the territory; (x) the absence of a suitable institutional framework and effective structures for supervision; (xi) the non-existence of reliable data for decision-making, since the most recent agricultural census was in 1985; (xii) the weakness of public finance in the sector.

As far as stock-rearing is concerned, the dominant features are: (i) poor pasture management by the stock farmers; (ii) the existence of emerging and re-emerging cross-border diseases; (iii) absence of stock-rearing statistical management; (iv) the non-existence of an adequate industrial fabric for processing the produce from stock-rearing; (v) the absence of land title security for pastoral activities; and (vi) the inadequacy of suitable services for preserving products.

In the area of fishing and fish-farming, the main constraints are: (i) insufficient knowledge about the state of resources; (ii) rudimentary techniques for catching and preserving products; (iii) the lack of training and organisation on the part of the players in this area. In actual fact, inland fishing has not formed the subject of an adequate development strategy, which explains the weakness of the methods used and of the qualification of the players in the sub-sector. Inland water resources are also characterised by a noticeable deterioration of fish habitats and a net fall-off in productivity.

The following factors should be added to the above: (i) the precarious nature of life in a rural environment (lack of social/community infrastructures, low housing quality, isolation, the poor state of country roads, low rate of access to health services, little access to drinkable water, etc.); and (ii) the low value accorded to women in rural development.

To address this situation, the Government set itself the goal of achieving an average activity growth in real terms of 6% per year by 2015 (base line: 2%) and to reduce the rate of food insecurity by half (base line: 30.2%). With this in mind, the actions of the Government for the upcoming five years will be shaped by the guidelines of the Strategy for Rural Development, Agriculture and Food Security (SRDAFS)¹⁰ in line with the following four factors: (i) upgrading the institutional framework and production environment; (ii) promoting and developing professional agricultural and rural organisations; (iii) improving the production, processing and marketing movements of agricultural produce domestically and for export; (iv) reviving fishing and the development of fish farming; (v) bracing food security; and (vi) promoting local development.

Improving the institutional framework and the production environment

Developing land tenure and productive investment. To ease all forms of pressure on the available land and to reduce usage disputes, the Government intends to pass and effectively implement laws relating to the Land Tenure Code of the Central African Republic to facilitate access by national and international private investors, and by the at-risk sectors, particularly women and the young, to these resources.

Buttressing agricultural institutions: Strengthening the capacities of planning, research, consultancy, training and communication institutions by: (i) defining new missions and developing new action patterns; and (ii) upgrading the operational and human resource capacities of the Rural Development Ministry services responsible for agricultural statistics, planning, support for agricultural development players and monitoring and assessing the actions implemented.

■ Promoting and developing professional agricultural and rural organisations

Strengthening the capabilities of smallholder organisations: Raising the responsibility levels of small producers, training and advising them, as well as bracing the powers of their organisations: (i) restructuring and reorganising the rural players and smallholder organisations; (ii) reinforcing the human, financial and equipment resources of the smallholder organisations; and (iii) supporting the intensification of the participation of Chamber of Agriculture officers.

The Government set itself the goal of achieving an average activity growth in real terms of 6% per year by 2015 (base line: 2%) and to reduce the rate of food insecurity by half (base line: 30.2%).

¹⁰ The SRDAFS was worked out along the lines of the Maputo Commitments regarding the Detailed African Agriculture Development Plan (DAADP)

In this way, the organisation of small producers will be focused on with a view to helping them access production resources on a sustainable basis.

Improving the production, processing and marketing movements of agricultural produce for domestic consumptions and export.

Reducing the vulnerability of agricultural activities. In order to address the uncertainties of rainfall and erosion, the plan is to pursue a water management policy by promoting and developing small-scale irrigation, managing downturns in high-potential areas, publicising well-thought-out crop rotation and fertilisation plans designed to ensure soil conservation and the retain fertility levels.

Diversification, intensification and mechanisation of family-based agriculture. Agricultural intensification and diversification in line with the specific nature and potential of each zone, taking account of complementarity effects and expected synergies, mainly at the initiative of the development centre promotion. Action will take place via: (i) the revival of the finance system adapted for re-provisioning with agricultural equipment, the supply of inputs and product marketing; (ii) the revival of production units and the multiplication of seed for high value-added, accelerated growth speculation, in crop production (manioc, groundnuts, sesame, oil palms, maize and rice) and stock raising (poultry and other unconventional, short turnaround products in semi-urban and rural zones); (iii) promoting the processing of agricultural produce and the purchase of small-scale processing plant; (iv) reviving research and publication structures adapted to the needs of producers; (v) the establishment of a framework for promoting the incentive-based private sector, bearing in mind the high potential for agricultural development and the low population of the country.

Also required are the: (vi) promotion of sustainable, organic agriculture; (vii) support for the production and consumption of local produce; (viii) the revival or the use of draft animals and the promotion of mechanised farming; (ix) publicising and applying the results of research; and (x) facilitating access to inputs and agricultural equipment for poor small producers.

Where cash farming is concerned, the Government envisages: (i) diversifying the traditional export products (cotton, coffee) to revive products such as rubber, cocoa, capsicum, chilli and onion; (ii) promoting the processing of agricultural produce (cottonseed, palm, sugar cane) regarding which the CAR has high potential. In order to achieve this goal, the Government intends: (i) to re-launch the production of cottonseed and oil palm and encourage potential

investors; (ii) to support efforts to promote and develop the processing of cotton fibre (spinning, cottonseed oil production and oilseed cake production), upgrade groundnut, sesame and fruit processing on the spot, and enter into dialogue with private enterprise; (iii) to monitor product traceability by upgrading the capabilities of the Agricultural Produce Regulation, Control and Marketing (APRCMO); (iv) to upgrade the technical capacities of the existing processing units; and (v) to create the conditions for the installation of new processing units.



With particular focus on the rehabilitation of the growing of cotton and coffee, which supports around two million CAR citizens, to facilitate an increase in crop (cotton) production, which is important to increase the incomes of smallholders in certain regions (savannah and forest zones), priority actions will cover: (i) rendering the new textile fibre company operational; (ii) implementing a cotton production intensification policy; and (iii) adopting incentive policies to rehabilitate the coffee plantations and get the industrial equipment back into operation.



In the stock-rearing area, priority actions include: promoting public and private animal health services, improving the management of pastureland (ZAGROP) and re-energising the local systems for settling and managing disputes between arable farmers and stock-raisers.

Promoting sustainable land management and zone governance: the CAR possesses significant natural resources with low population pressure. With the intention of combating the steady deterioration of the environment (soils, pasture, waters), it is essential to: (i) organise a rational zoning system with clear indications of arming areas, driving routes and various activities; (ii) to reinforce the capacities of the local communities for the sensible and sustainable management of these resources. To achieve this, Government actions will focus on the development and effective implementation of occupation and soil conservation plans and the establishment of systems designed to settle disputes to avoid recourse to violence on the part of the various users.

Promoting produce quality management, post-harvest loss reduction and the incorporation of the systems into the markets. At least one third of foodstuffs produced is lost after harvesting. Some of these losses are due to the fact that some foodstuffs are highly perishable and suffer the consequences of inadequate access to processing, sorting, storage and transport infrastructures, and the like. What is called for is the implementation of actions designed to minimise the level of these losses. With this in mind, it is the intention of the government to develop local storage and food processing infrastructures for produce which cannot be stored for a prolonged period of time, and to promote agro-industry. Priority actions include: (i) improving traditional barns, building or refurbishing existing storage warehouses, developing agro-industry via processing and conservation structures; (ii) upgrading the capabilities of women in the area of processing and marketing horticultural and market gardening produce; (iii) re-establishing the value of local production and consumption; (iv) setting up a micro-credit system.

■ Reviving fishing and the development of fish-farming

The strategy designed to revive fishing and the development of fish-farming rests on three factors: 1/ upgrading the capabilities of the parties involved by: (i) supporting the installation of a small cold chain; (ii) support for the equipping of refrigerated vehicles for the distribution of fresh fish; (iii) support for the upgrading of the capabilities of female fish traders; (iv) support for the organisation of a fish products marketing circuit; (v) raising the awareness of the players in the sector as to the sustainable management of fish products; (vi) support for the establishment of a fish production data collection system; (vii) support for information, education and

communication (IEC) regarding the fishing and fish-farming sector. 2/ upgrading fish production via: (i) support for the strengthening of the technical capabilities of the fishermen and the creation of small fish preservation units; (ii) support for the establishment of fishing supplies shops; (iii) support for the management of fishing sites; (iv) support for control and inspection of fishing activities; (v) support for the organisation and equipping of workers in the fishing industry. 3/upgrading fish-farming by: (i) support for the revival of professional semi-urban and rural fish-farming; (ii) support for the strengthening of the fish-farmers' technical abilities; (iii) support for the establishment of fish-farming supplies shops; (iv) support for the organisation and equipping of workers in the fish-farming industry.

■ Reinforcing food security

Priority measures in the area of food security are designed to curb measures which are currently in progress. The situation is that efforts have been made to guarantee the supply of foodstuffs for the population based on national production, commercial imports and food aid. Such efforts must be continued to achieve this general objective which relates back to a variety of determining features, such as: (i) the availability of foodstuffs to facilitate the supply of areas of shortfall; (ii) accessibility to high production areas to remove the isolation which afflicts them; (iii) stabilising production by improved post-harvest management; (iv) the optimum use of foodstuffs in line with the millennium goals and those laid down at the world food summit; (v) buttressing the vulnerability and food safety follow-up system with an early warning system.

■ Promoting local development

Promoting non-agricultural rural employment. The development of non-agricultural rural employment is one of the important measures designed to reduce poverty. Actions in progress in the area of the local processing of agricultural produce and facilitating the marketing of that produce in domestic and foreign markets contribute to the diversification of non-agricultural incomes. From this point of view, the expansion of activities mainly undertaken by women and the young can also be of use in the context of the promotion de micro-enterprises or small rural businesses.

The implementation of all these actions depends on: (i) the promotion of the Development Centres to seek synergies between urban centres and rural zones; and (ii) the promotion of sexual equality, since agricultural development and food security cannot be achieved without a balanced involvement of men and women. The efforts of the Government will be aimed at ensuring that the policies and programmes which facilitate the fair access of women to the land, to professional agricultural training, to inputs and equipment, and to funding. Their abilities will be upgraded so that they can make an effective contribution to the economic and social development of the country, and their participation in decision-making authorities should be strongly encouraged.

■ Forestry development

The geographical location of the Central African Republic means that it possesses a wide range of ecosystems, containing forestry, fauna and fish resources and is covered by a dense, humid forest of around 5.6 millions hectares, some 8% of the national territory, which is divided into two sections, which are: the south-western

section (3.8 million hectares) which is flagged for timber production and represents an economic potential which can be mobilised, and the south-eastern section (1.8 million hectares), industrially unused because of its distance from the western ports, is set aside for conservation.

The rest of the country, in the northern and central zones, is covered by wooded savannahs and open forest. The map below provides a bird's-eye view of the situation regarding the forestry resources of the country.

Map 6.

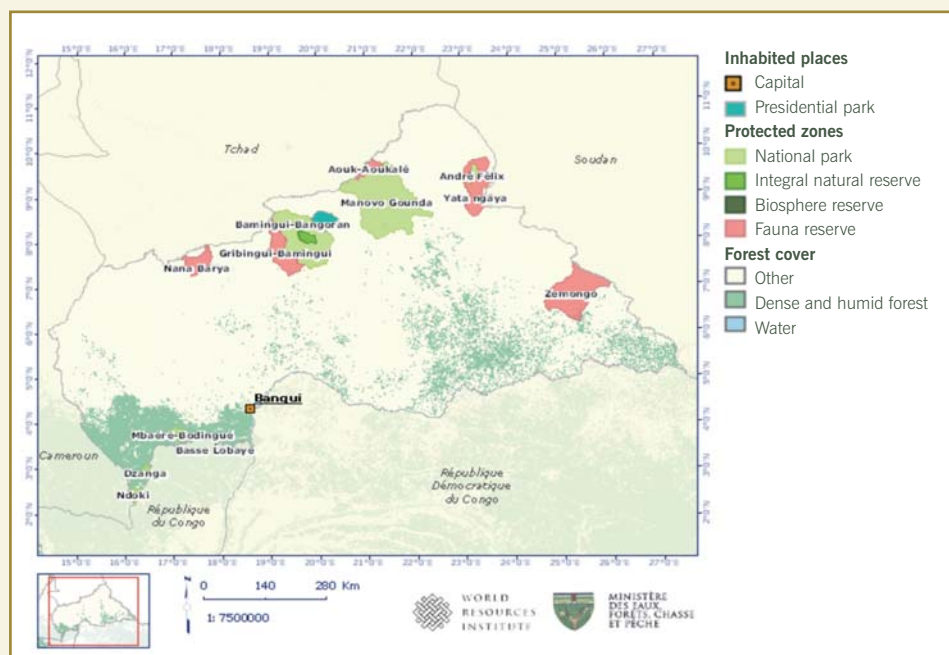
Interactive Atlas of the Central African Republic

(Version 1.0)

Situation in
December 2009

Source:

Ministry of Waters,
Forests, Hunting
and Fishing



It should also be noted that forestry occupies the first position on value of exports, some 35 billion FCFA on average per year, which means that it adds 10% to the creation of the nation's wealth. Timber operations also help in the fight against poverty to the tune of around 4,000 direct wage packets, not to mention seasonal workers and thousands of temporary employees on the jobs front, via the input of the logging companies and self-promoting organisations operating as a basis for this industry. The exploitation of faunal reserves also generates considerable resources.

For some years now the Government has been undertaking reforms in the sector, with the main results appearing as: (i) membership of the FLEGT process; (ii) the adoption of the application texts of the Forestry code; (iii) the granting of Operating and Exploitation Permits (OEP); (iv) the review of market price list values; (v) the creation of the Economic Timber Industry Observatory in the Central African Republic (ETIOCAR).

Despite the many potential and current actions, many constraints still hold back the development of the forestry industry, such as: (i) the lack of an adapted forestry policy; (ii) the shortage of human, institutional and technical capacity; (iii) the low level of production tool modernisation for want of an investment credit policy for the industry; (iv) the shortage of funds for repairing equipment, the unattractive investment programme, preventing a more intense timber processing to create greater added value; and (v) the lack of an overall inventory of forest, fauna and fish resources.

Box 5: The FLEGT process in the CAR

The Voluntary Partnership Agreement (VPA) between the CAR and the European Union in the framework of the FLEGT process is a response to the problem of the illegal exploitation of the forest, which is having a devastating impact on the natural spaces and riparian populations who depend on it.

The goals of the VPA are (i) to improve the sustainable management of the forests so that all the productive areas of the forest are provided with a management plan; (ii) to contribute to economic growth and the fight against poverty through the tax returns, a part of which is returned to the municipalities and communities; (iii) to create jobs in the timber industry; and (iv) to set up forest which are privately or community-owned which are directly managed by the parties concerned.

This agreement will improve the governance of the forestry sector by clarifying and simplifying management systems, increasing transparency, recourse to public information and the respect for the rights of the local and native peoples to the resources.

Progress already made in the negotiations. A number of actions have already been undertaken. In this line, a project for developing the traceability system is in progress. During the preparatory stage, the emphasis was on reinforcing capabilities, communicating information about the VPA to the administrations, communities and logging companies. The forestry administration will support civil society in actions designed to train communities in legal aspects. An environmental impact regulation has been developed and is awaiting approval. Other regulations on other types of privately or community owned forest and small-scale operations are available.

Implementation of the VPA. The first FLEGT permits will be issued in 2014. The period between initialising the agreement and 2014 will be the preparation stage: updating the legal framework, developing procedures, etc. The implementation stage follows ratification by both parties.

Implementing, monitoring and controlling the agreement. The VPA provides for the establishment of a joint agreement implementation committee designed to facilitate the monitoring and assessment of the VPA. This Committee is supported by the Permanent Technical Secretariat.

Life of the agreement. The agreement is set up for a period of 6 years and can be renewed by tacit agreement for subsequent period of 6 years.

It is the goal of the Government for the 2015 deadline to increase the contribution of the forestry sector to direct fiscal revenue (10% of total revenue), and hence its contribution to poverty reduction.

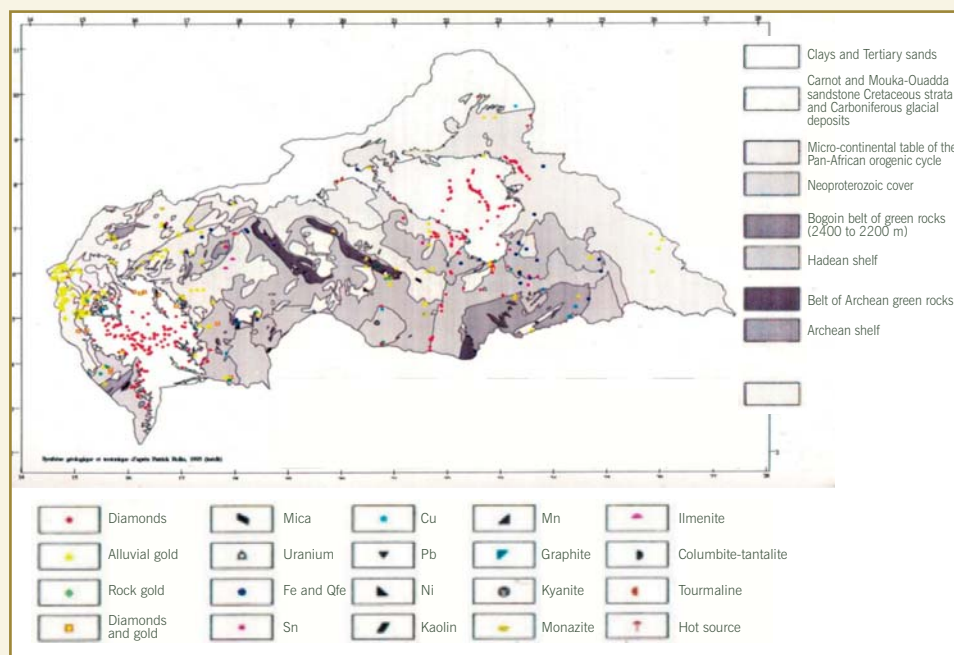
To achieve this, the Government intends to put into effect **a rational and transparent management system for the forestry and fauna reserves in a participatory manner** by (i) updating the management and control standards for the village hunting zones to ensure sustainable development; (ii) strengthening monitoring and inspection powers and Regional Managements in the forest zones; (iii) establishing a mechanism for the optimal management of the Forest development Special Allocation Account (SAA-FD); and (iv) promoting the increase and diversification of forestry production in the broadest sense (timber, fauna, fishery and non-timber products), coupled with the promotion of an effective and competitive timber industry.

■ Development of mining operations

The CAR is crammed with immense mineral potential, with some 470 varieties of minerals identified (see map No. 7). The evidence suggests the presence of economically viable primary reserves of gold and oil which have so far remained unexploited because of the political risks and the poor infrastructures and transportation facilities. Uranium deposits have also been found in Bakouma estimated at 20,000 tonnes of uranium metal and iron at Bogoin where the proven reserves are 3.5 million tonnes of ore with a content between 60 and 65%. The mineralised quartz with a high copper content near Ngadé is next to a high quality deposit in Sudan and there is also a possibility of copper in the Bakouma basin. The other important deposits are lignite in Nzacko and calcium in Bobassa and Fatima. Evidence of manganese, tin, de nickel, chromium and rare earths are to be found in different areas spread out throughout the territory.

Map 7.
CAR -
mineral finds

Source:
Department of Mines



The proportion of the mining sector of economic activity was set in 2010 at 1.9% of the GDP¹¹. The export share it contributed was calculated at 38.1% in 2010¹² and the amount it added to State revenue was an average of 2.40% in 2009¹³. Despite the fact that this is a relatively small amount, over 95% of the mining sector is small-scale. This means the small-scale diamond and gold mining directly feeds 500,000 people; allowing for multiplier economic effects, this provides an income for around 60% of the population¹⁴. Of course, multiplier effects are only valid in the case of legal exports.

A significant minority of production output, albeit hard to measure, is subject to illegal trade and export. This fraud deprives not only the State of the resources needed for the development of the Nation, it also deprives the local communities of the benefits of the trickle-down effects to other local sub-sectors.

A number of gains can be attributed to the mining sector, including: (i) the establishment, with the support of the AfDB, of the EITI membership process which led to the creation of an institutional tool, the "EITI-CAR" in July 2008 and the adoption of an EITI-CAR Action Plan 2008; (ii) the granting to the CAR, on March 2 2011, of the status of a Compliant State; (iii) the establishment of the Permanent Secretariat of the Kimberley Procedure; the establishment of the National Union of Central African Mining Cooperatives; (iv) the adoption of the law on the minimum export value for the Purchasing Offices; (v) the second revision of the Code of Mining, which is designed to make private investment more attractive and which led, as a corollary, to the establishment of the Geological Research and Mining Operations Office (GRMOO), the Minerals and Gems Counter (COMIGEM), the Special Anti-Fraud Unit (SAFU) plus the reimbursement of 20% of the ground taxes to the local grouping where the ground was located, the subject of the mining title and the mining convention based on the international model; (vi) the signing of the agreement with the DPDDA Project; (vii) the correction of the licences for small scale miners; and (viii) the recommencement of the activities of certain purchasing offices.

¹¹ Bank of Central African States (BCAS), 2011.

¹² BCAS, 2011.

¹³ PTC/SAP, 2011.

¹⁴ Comparative Study: legal and fiscal systems for small-scale diamond mining, Project DPDDA, USAID, October 2010.

Important factors affecting the governance of the sector are: (i) the lack of a clearly defined mining policy; (ii) lack of security due to the numerous rebel groups and the highwaymen operating in the mining areas; (iii) the very low level of formal work in the small-scale mining sector, ignorance of mining law and the failure to apply it, leading to a high incidence of fraud and corruption; (iv) ineffective institutional systems for monitoring diamond traceability; (v) confusion regarding property rights and the rights to use natural resources; (vi) the limited powers of the public authorities responsible for controlling and combating mining fraud; (vii) low productivity on the part of small-scale miners, who are poor and have little technical knowledge, are unskilled in financial management and lack the right tools; and (viii) the rudimentary nature of the mining equipment.

In order to address these problems, the Government has plans to stabilise the mining sector to ensure that fraud continues to shrink, production continues to grow, and the incomes of the miners, the State and operators continue to rise so that by 2015 the proportion of State revenue from the mining sector will stand at 5% and the poverty rate of the population in the mining zone will fall from 83.6% to 70%.

The government policy designed to achieve this is based on the following approaches:

Clarification, publication and adaptation of mining law for the benefit of the small-scale miners: This essentially consists of (i) ensuring that the Government adopts a clear mining policy after consultation and dialogue with the key players in the sector; (ii) clarifying the usage rights of the miners as regards what is under the surface, and rendering the situation secure; and (iii) encouraging small-scale miners to declare their production and to demand the supporting documentation regarding transactions (purchase dockets) in order to combat fraud from the bottom up.

Reinforcing the diamond traceability system: This means setting up an effective geographical traceability system based on the principle of geographically identifying the mining sites in order to complement the commercial traceability system. This system will allow the State to compare the production figures with export figures and to identify the areas where fraud occurs.

Upgrading mining output and the incomes of the population in mining areas. This implies (i) improving the techniques of small-scale mining production; (ii) setting up legal incentive schemes for the small-scale miners; (iii) encouraging SMEs/SMIs and mining companies to contribute to production; (iv) organising the local communities and diversifying their activities within the mining areas; and (v) promoting the exploitation of other ores (limestone for cement production, petroleum, uranium and gold).

These supporting activities will be subject to evidence of legalisation by the small-scale miners (mining activity licences, production reports showing output and purchase dockets to prove legal sales), which should help combat fraud from the bottom up, in other words, by the fact that the miners refuse to sell to illegal buyers or those who offer no legal documentation.

Strengthening the power of the public authorities responsible for control and enforcement. This means strengthening the presence and powers of the Ministry of Mines in the provinces where production takes place in such a way as to raise awareness, prevent fraud and enforce the law. This will require more manpower and equipment to be made available to the Regional Mining Departments, as well as the implementation of a Special Anti-Fraud Unit (SAFU) with an increased number of men on the ground providing a better awareness of fraud networks.

The Extractive Industries Transparency Initiative (EITI) is a world-wide standard for promoting transparency and responsibility in the field of payments and income in the countries which produce oil, gas and mining resources. The institutional EITI-CAR framework consists of three bodies: the National Council, the Steering Committee and the Technical Secretariat with membership reflecting a participatory approach involving Government, the mining companies and civil society organisations.

Box 6: CAR membership of the EITI

Before the 2007 Brussels Round Table, the situation in the mining sector was characterised by, among other attributes, the weakness of the institutional, legal and fiscal framework; by weakness from the external point of view as regards the traceability system of the Kimberley Process; and by the weakness of the institutional system for controlling and combating mining fraud. The Government expressed its willingness to see the mining sector as the engine for reviving and supporting economic growth and poverty reduction, and made a clear commitment in the RPSD to undertake an audit of the mining sector which would lead to a revision of the mining code and the development of a standard-type mining convention along with a standard specification, including a plan for environmental protection and rehabilitation in keeping with international standards, and membership of the Extractive Industries Transparency Initiative (EITI).

After the Round Table, the Government set in motion the procedure for joining the Extractive Industries Transparency Initiative (EITI), one of the elements which would trigger the Initiative for the Highly Indebted Very Poor Countries (IHIVP). The five (5) membership criteria were all met: (i) the solemn declaration by the President of the Republic and Head of State of CAR membership of the EITI; (ii) the commitment of the Government to work with the operators in the mining sector and civil society players in April 2008; (iii) the recruitment of the British consultant GOOD CORPORATION on June 23, 2010 to proceed with the validation of the EITI procedure; (iv) the appointment between July and August 2008 of the members of the various bodies making up the EITI: the National Council, the Steering Committee and the Technical Secretariat; (v) the adoption of the three-year Action Plan, 2008-2010 on September 03, 2008.

On November 21, 2008, the CAR gained the status of "candidate country". A number of events followed. On March 23, 2009, the first EITI-CAR report was published on the fiscal and statistical data for the year 2006; on March 9, 2010, a Charter was signed headed the "Protocol of Understanding" between the government, the operators in the mining sector and the civil society players, signifying their effective involvement in the implementation of the EITI as of December 2009, the establishment of the EITI Committees in all prefectures of the CAR as links in the broadcasting system for the distribution of the EITI Programme and Reports. The second EITI-CAR report was published on December 6, 2010 and covered the periods 2007, 2008 and 2009. The CAR was then dubbed the best French-speaking candidate country with the best practice for the communication strategy on the occasion of the Berlin, Germany, seminar held between June 29 and July 2 on the theme: "EITI Communications". The British consultant GOOD CORPORATION had been hired on June 23, 2010 to proceed with the validation of the EITI procedure and the final validation report for the EITI-CAR membership procedure was communicated to the International Secretariat on November 18, 2010 and March 1, 2011, under the aegis of the World EITI Conference, held in Paris, where the International Secretariat presented the Central African Republic with the award for the rapid implementation of the EITI; and then on March 2 2011, the RCA was granted the status of "compliant country", thus becoming the first compliant country of the EITI procedure in central Africa. Thanks to EITI membership and compliance, the CAR will be able to: (i) improve the way the nation is viewed, particularly as regards the mining sector; (ii) reduce fiscal and mining fraud and increase production levels; and (iii) boost the income of the State and the small-scale miners.

It is the duty of the National Council to define the political and strategic directions to be taken in the implementation of the ITIE; the Steering Committee monitors the implementation of the EITI; while the Technical Secretariat coordinates and executes the national programmes for the implementation of the initiative.

The Central African Republic is fortunate in possessing a rich and varied mining potential, with at least 470 minerals present. It has diamond, copper, iron, uranium, oil, manganese, cement, slate, and many more. Since independence, the contribution of these resources to the economic development of our country has remained very low because of the extent of fraud, smuggling and above all, impenetrable management systems.

Since the patriotic takeover of March 15, 2003, with a view to stabilising the mining sector, the Government has launched a number of initiatives designed to improve the management of mining resources. These cover: (i) checking and suspending all fraudulently-issued titles; (ii) holding forums for the mining sector; (iii) adapting the Mining Code to the context of globalisation; (iv) promulgating the application law of the

code in question; (v) reinforcing the position of the CAR in the Kimberley Process with a view to better traceability; (vi) organising the small-scale miners into cooperatives; and (vii) promulgating the Law on Radioactive Minerals.

Once the sector has been stabilised, the next crucial question is how the sector can contribute to the reduction of poverty. It was for this reason that in 2007, the President of the Republic, the Head of State, made a commitment that the CAR should sign up to the Extractive Industries Transparency Initiative (EITI).

EITI-CAR activities are funded by the State Budget, the World Bank and the contributions of other bilateral or multilateral partners.

■ Promoting tourism and handicrafts

This sub-sector is of considerable potential, mainly due to: (i) location in the Congo basin; (ii) the abundance and variety of national resources; (iii) the existence of parks and reserves (Manovo-Gounda-Saint-Floris National Park, Bamingui-Bangoran National Park, Dzanga-Ndoki National Park, Dzanga-Sangha Special Fauna Reserve, Mbaéré-Bodingué Park, etc.) with the wealth of different species of flora and fauna; (iv) the existence of other tourist venues and attractions, such as waterfalls, lakes, beaches, hot springs, caves, forest communities, megaliths, etc.; (v) a particularly large handicraft potential; (vii) the surprising expansion of the hospitality sector.

The main challenges involve: (i) diversifying tourist and handicraft products and ensuring that they are competitive; (ii) developing tourism in such a way as to support the poor and local communities; (iii) developing scientific tourism; (iv) increasing the extent of tourist and handicraft infrastructure.

In the light of this potential and these advantages, the Government is planning to implement a strategy based on the following factors:

Upgrading the technical and institutional capacities of the Ministries responsible for tourism and handicrafts. In real terms, this means: (i) training or improving the skills of the staff of the Ministries responsible for tourism and handicrafts; (ii) building and fitting out a tourism and handicrafts information centre; (iii) fitting out the National Taxidermy Laboratory; and (iv) providing the Ministry with logistical resources.

Reinforcing the private sector: The Government has undertaken to: (i) draft the tourism development strategy and policy document; (ii) draft, update and distribute the texts of the laws supporting the development of the tourism and handicrafts sub-sectors; (iii) set up a discussion forum framework between the MDTA [Ministry for the Development of Tourism and Handicrafts] and the operators in the two sub-sectors; (iv) set up a handicraft artists' support and coordination team; (v) train the handicraft and tourism professionals.

The Government also intends to reinforce and establish tourism and handicraft infrastructures. This will mean: (i) building a conference centre; (ii) building a cultural tourism centre; (iii) refurbishing 50 accommodation facilities in Bangui and the provinces; (iv) refurbishing 200 restaurant facilities in Bangui and the provinces; (v) building four (4) handicraft initiative and upgrade centres in Bangui and the provinces; (vi) building four handicraft villages in four towns throughout the country.

Upgrading tourist venues: The Government is committed to the following actions:

Organising and upgrading tourist venues at the level of the local communities: in real terms this means supporting the upgrading of the following tourist venues: (i) organising the Forest of Alimbou at Bria (Huata Kotto) for eco-tourism; Botambi Forest; Lake Towé in the vicinity of Salanga village; (ii) refurbishing the infrastructures of Crocodile Lake; (iii) building and fitting out a tourist reception centre in Bocangolo.

Upgrading local tourist activities in the Bangui area. This means: (i) upgrading a part of Lower Ubangi Hill; (ii) upgrading Pama beach; (iii) improving the banks of the Ubangi.

Improving and upgrading protected zones for eco-tourism: the Government has plans to: (i) organise and upgrade Mbaéré Bodingué Park; (ii) organise and upgrade Manovo-Gounda Saint Floris Park; (iii) organise and upgrade the Awakaba zone.

Promoting tourist resources and products at national and international levels: this means the following: (i) making an inventory of tourist and handicraft resources; (ii) promoting tourism and handicrafts at national and international levels; (iii) publishing promotional material about CAR tourism and handicrafts.

■ Developing telecommunications and ICTs

The infrastructure available for CAR telecommunications, the Post Office and Information and Communications Technologies (ICT) are inadequate, dilapidated and obsolete. They fail to cover the whole of the country and fail to meet the people's ever-growing demands and the emergence of the interactive media (the growth of IT, telecommunications and audio-visual media).

The previous telecommunications and ICT situation can be summed up as inadequate national coverage, an ineffective regulatory body, SOCATEL in a state of decay, a particularly discouraging commercial situation and on-going deterioration, use which was declining and paralysed by technical and organisational failures, a critical financial situation and almost nothing in the bank. This has led to a total loss of credibility. This situation will continue to punish the country, since, without the rapid development of telecommunications, neither the rebuilding of the nation and the easing of the isolation of the rural zones, nor participation by national companies in global trade and the reduction of poverty can be addressed.

The actions undertaken with the support of the partners in the Post Office and ICT sub-sector are as follows:

■ ICT

Policy. This has consisted of the adoption of the document entitled: "Policy, Strategies and Action Plan for the Construction of the Information Society in the Central African Republic".

Regulations. The legal texts and decrees passed by the Government are: Law No. 07,020 of December 28, 2007, governing the regulation of telecommunications in the Central African Republic; Law 07,021 of December 28, 2007, establishing the rates and charges for setting up and/or operating telecommunications network

services throughout the entirety of the National Territory; and Decree No. 09,209 of July 17, 2009, establishing the terms and conditions of the application of Law No. 07020 of December 28, 2007 covering telecommunications regulation.

Implementation. Worthy of note: the partial completion of the pilot stage of the GSM/Will to cover 15,000 subscribers (extendible to 300,000 lines) and the deployment of a high-speed internet network (ADSL) to cover 500 subscribers, extendible to 1024.

The synoptic analysis of the telecommunications market by the Markets Observatory reveals: (i) the existence of a mobile phone pool of 1,215,093 subscribers; (ii) the total number of fixed line telephone customers is 4,718; (iii) the total number of internet clients is 754; the penetration rate is 27%; (iv) national coverage is 55%; and (v) the Central African Optical Fibre Connection Project (CAB).

▼ Post office

As far as regulations are concerned, a bill has been passed regulating postal activities in the Central African Republic. In physical terms, the Mandate Express (International and Local) is in place in seven major towns.

Major problems encountered in the sub-sector. As far as ICTs are concerned, the main problems are: (i) poor national coverage; (ii) an ineffective regulatory body; (iii) the age of the infrastructures (cable network, transmission and switching equipment); (iv) a lack of institutional support for the traditional operator after the privatisation of the sector; and (v) the non-existence of resource people.

The postal sector suffers from: (i) the age of the infrastructures (a dilapidated postal network); (ii) an absence of national regulation for the sector leading to the proliferation of parallel services; (iii) non-adaptation to new technologies; and (iv) the non-existence of resource people.

Under the combined effect of the technological revolution and the advance of the telecommunications market, the regulation of the sector must take account of the intensification of competition, the explosion of the mobile phone market, the rise of the internet and digital convergence.

The Government has taken as its goal the intention of promoting and reinforcing an environment intended to attract private investors. The strategic results of the sector up to the 2015 deadline are framed in the Government's sector-based policy, which is expressed in the Sector-based Policy Statement (SPS) which is broken down into 10 priority areas for the building of the information society in the CAR. This includes the ART, the break-up of the State system, the coordination of the sector activities so that they can participate actively in the development of the various segments of the telecommunications market and implement the sector-based policy.

The priorities of the Government have therefore been grouped into the following four goals:

Continuing with the improvement of the legislative, regulatory, institutional and operational framework: this means (i) harmonising the legislative and regulatory texts in line with the CEMAC directives and updating them so that they take account of the market's development requirements; (ii) strengthening the institutional and operational powers of the officers of Ministry, the A.R.T., SOCATEL, and the Post Office responsible for management, follow-up/assessment.

Encouraging the establishment of broadband infrastructure: This means building a national broadband infrastructure connection between the major prefecture cities and Bangui to allow for the development of national coverage at affordable prices. The terms and conditions of the development of the "structural" infrastructure must, however, be defined in terms of both funding and use in terms of a public-private partnership.

Prioritising the development of networks and access means to ICTs: this means incorporating the progress made on the CAB (optical fibre) project to establish an international fibre-optic broadband access structure connecting Bangui to the SAT3/WASC undersea cable so that internet development becomes viable and mobile phone penetration will grow thanks to the falling of international prices, allowing for a total coverage of the population by 2020 throughout the entire extent of the territory.

Spreading the use of the internet then re-energising the activities of SOCATEL and the Post Office thanks to ICTs: This means multiplying the number of community access points to ITC and promoting access by business, by means of internet content (e-Government, e-commerce, e-health, etc.).

d. Development of infrastructure to support growth

The “basic infrastructure” sector in the Central African Republic, made up of the sub-sectors of transport, public works and eliminating land-locking, energy and urban planning.

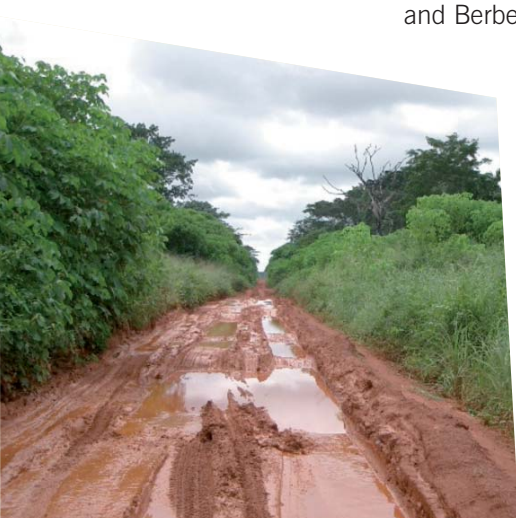
The sub-sector of transport is characterised by two land-locking situations, notably exterior and interior land-locking, which has impact on travel by people, goods and services. As such, the sub-sector is currently experiencing huge difficulties and constraints linked to exterior land-locking which is explained by the distance from seaports (the first, closest port is located approximately 1,500 km away: Douala in Cameroon), and interior land-locking characterised by the non-existence, inadequacy and deterioration of the railway, road, airport and river infrastructure, which are unequally distributed across the national territory, when we know that almost 62.1% of the Central African population lives in rural zones and have to take impractical tracks and paths to undertake day-to-day tasks and productive activities.

The navigable waterways for extra-community transport, of which there are only two (2), notably the Bangui-Brazzaville and Mossaka-nola river ways are 1,910 km in total length. Navigability remains limited in Ubangi (6 to 7 months out of twelve) during the low water period.

To deal with this situation, the Government has undertaken reforms and measures, of which the main ones are (i) the review and amendment of the Central African Republic Rules of the Road; and (ii) compliance with international safety and security standards of Civil Aviation at the Airport of Bangui M’poko. In terms of physical implementation, the following results have been recorded: (i) construction of the coach station at Bossangoa, the refurbishment of the offices in the coach stations at Berberati and Bangui; (ii) the renewal of productive equipment of transport by waterways. (iii) service to the country by five (5) new airlines (TAG, Afrikiya, Ethiopian-air lines, Kenya-Air ways).

Despite the recorded results, the sub-sector is still experiencing other difficulties linked to (i) the inadequacy of the operational capacity to draw up, manage and coordinate programmes and projects; (ii) the distance from seaports; (iii) the non-existence, inadequacy and deterioration of transport infrastructure characterised by the absence of railway infrastructure, the inadequacy and deterioration of road, airport and river infrastructure distributed across the national territory; (iv) the low level of means of transport services and the low diversification of the transport mode.

By 2015, the Government's aim is to implement interior and exterior opening up of the country and to acquire a cohesive and integrating framework for the management of transport infrastructure. On this basis, the objective has been set of reducing the accident rate by approximately 30%, refurbishment and/or construction of the transport platforms by 25% and to attain a 20% reduction in transport costs. Furthermore, facilitation of transport will be made effective, transport infrastructure will be renovated and/or built; the navigable waterways (Ubangi and Sangha) will be made practicable and 30% of aerodromes will be functional and the airports of Bangui and Berberati raised to an international standard.



The Government's strategy will revolve around the following strategic axes:

The continuation of the improvement of the legislative, regulatory and institutional framework of Civil Transport and Aviation:

this will involve continuing reforms, adjusting the regulatory frameworks of the structures responsible for executing the sector programmes and plans, and continuing reforms, re-designing the regulatory structures responsible for executing the sector programmes and plans, and proceeding with the reinforcement of the frameworks and players involved.

Strengthening of capacities of structures to coordinate activities:

this will involve proceeding with an improvement of the sub-sector information system, training of administration planners as well as training of managers of the involved private sector and civil society.

The development and promotion of the sector through construction, renovation, making infrastructure viable and enhancing its value:

this means prioritising, building, renovating and then making viable the transport infrastructure to favour knowledge clusters.

The mobilisation of diversified, stable and regular resources:

this involves establishing a mechanism to mobilise both national and international resources while favouring a Public Private Partnership (PPP). To do this, we shall advance to deregulation and promotion of the sub-sector with a view to facilitating the public-private partnership.

■ The sub-sector of public works and the elimination of land-locking

It is made up of a road network covering 24,307 km of 5,376 km of national roads (22% of the network), 3761 km of regional roads (15% of the network) and 15,000 km of rural tracks (63% of the network). Over this entire network, only 702 km of national roads, (i.e. 3% of the network) are asphalted.

The situation of the sub-sector is characterised by: (i) a faulty state of the roads with 3,000 km of non-usable rural tracks, 12,000 km which have seriously deteriorated by 80%; and (ii) a serious deterioration of the overall condition of the total road network, of which 3% are not usable and 50% have an average level of usability.

Given this situation, the Government has undertaken reforms aimed at: (i) the free movement of persons and goods throughout the territory (ii) the construction or covering of 155 km of the main Bouar-Garoua-Mboulai corridor; (iii) the renovation of 1800 km of earth roads of the priority network; (iv) the construction of several works of art and pipes as well as the repair of pits in the East of the country; and (v) the adoption of measures to facilitate transport.

To do this the Government will have to take action on the following points:

Weak operational capacity to draw up, manage and coordinate programmes and projects, the resolution of the country's interior and exterior land locking problems, the renovation/construction of roads, rural tracks and works of art, and the mobilisation of resources for the benefit of the sub-sector

To this end, the Government intends to undertake the following activities by 2015: (i) the construction of 1055 km of surfaced national roads; (ii) the renovation of 600 km of surfaced roads; (iii) the renovation of 2650 km of earthen national roads; the renovation of 5671 km of regional earthen roads; the renovation of 3992 km of rural tracks; (iv) the construction of 26 major art works and 50 works of art on the rural tracks; (v) to raise the RAIL resources to 4 billion and maintain cooperation so that the sub-sector is regularly financed; and (vi) reinforce the operational capacities of five (5) structures in the sub-sector.

To do this, the Government's actions will deal with four (4) priority strategic axes:

Continuation of the improvement in the legislative, regulatory and institutional framework for Public Works and elimination of land locking: this involves continuing reforms, reorganising the regulatory frameworks of the structures in charge of executing programmes and projects in the sector and proceeding with a strengthening of the operational capacities of the frameworks and players involved.

The reinforcement of the capacities of the structures for coordinating activities: this will involve proceeding with an improvement in the sector's information system, training of the public service planners in charge of the road infrastructure and training the private sector and civil society managers who are involved. It entails strengthening the operational capacity of the base communities and the entities involved in the sub-sector.

The development and promotion of the sector through construction, renovation, making infrastructure viable and enhancing its value: this will involve prioritising, building, renovating and then making viable infrastructure that is likely to favour the promotion of growth clusters.

The mobilisation of diversified, stable and regular resource: this will involve implementing a mechanism to mobilise both national and international resources by favouring Public Private Partnerships (PPPs) and creating national funds.

■ The energy sub-sector

The Central African Republic has a dense hydroelectric network and a non-exhaustive hydroelectric potential estimated at 2000 GW which is spread across several hydroelectric sites that can be developed across the country. The partial inventories carried out have made it possible to highlight thirty hydroelectric sites with power varying from 5 to 180 MW.

Furthermore, it is necessary to note the country's total dependence on hydrocarbon supplies, the absence of an electrification code capable of protecting users and developing the electricity sector, prolonged power interruptions throughout the country due to the age of the equipment, and ENERCA's inability to cover national needs. This means that there is a low level of national electrification (3%), with 10% for the capital Bangui, 1% in the secondary centres and 0% in the rural centres.

Given their awareness of the situation and in an effort to deal with it, the Government has undertaken reforms whose results are: (i) the adoption and implementation of the Energy sector policy document and the enforceable provisions in the Electricity Code; (ii) the drawing up of enforceable provisions in the law on biofuels; (iii) the drawing up of enforceable provisions in the law on hydrocarbons; (iv) the training of executives in the Directorate General of Energy in the field of reforming the oil sub-sector; (v) the implementation of several feasibility studies, notably concerning the governing plan for national electrification, the development plan for the oil product storage infrastructure, the exploitation of biofuel and the promotion of R.C.A – R.D.C electric energy exchanges (the Boali-Zongo link and an electricity supply to the towns of Konbgo, Alindao and Bambari from the Mobaye dam).

To alleviate this situation, the Government's goal by 2015 is to allow the populations of urban and rural zones to access high-quality energy services at a lower cost and to manage resources sustainably through diversified financing that favours Public Private Partnership initiatives. The Government specifically envisages increasing the rate of access to electricity from 4.46% to 7%, to supply the public in urban and rural zones regularly, to guarantee the strategic safety stock of hydrocarbons of 122 days; and to reduce the share of the end-consumption of wood energy in the energy balance from 87.7% to 70%.

To do this, the Government's priorities will deal with: (i) creating and making operable an energy information system; (ii) the increase of capacities to produce, transmit and distribute electricity in the connected network; (iii) substituting hydroelectricity to replace thermal power plants; and (iv) promoting electric energy exchanges at sub-regional and regional levels; (v) the restructuring of the legal, financial and institutional framework in the electricity sector; (vi) decentralisation and strengthening of the storage and diversification capacities of the supply routes; and (vii) the promotion of access to energy in the rural environment through the use of multifunctional platforms.

■ The urban planning sub-sector

The sub-sector is characterised by the absence of an appropriate policy in the field of urban planning, leading to the locking off of unhealthy and vulnerable districts, the deterioration of existing infrastructure, the absence of a household refuse collection and treatment system, the inadequacy of the maintenance of the rainwater drainage system and uncontrolled growth of extensions.

To remedy this situation, the Government adopted and implemented the law on orienting the national policy for developing the country in January 2009, with the goal of ensuring a better distribution of (human, material and technical) resources across the national territory. To this end, the implementations related to: (i) the implementation of the emergency project to renovate infrastructure and urban services; (ii) the execution of the TAG project; and (iii) the renovation of public urban infrastructure.

Despite these efforts, problems still persist; these include: the absence of a Governing Urban Planning Framework, the inadequacy of the operational capacity to draw up, manage and track programmes and projects: the low capacity to plan, manage and coordinate the sub-sector, the absence of a system to collect and treat household refuse and the inadequacy of a system to maintain the rainwater drainage system.

Given this situation, the Government plans to implement a topographical and urban planning strategy to ensure the harmonious development of the country's cities in 2015.

To achieve this, it envisages establishing the following priority actions:

Continued improvement of the legislative, regulatory and institutional framework of the basic infrastructure: this will involve pursuing reforms, reorganising the regulatory frameworks of the structures responsible for executing the programmes and projects in the urban planning sub-sector, and proceeding with strengthening the operational capacities of the frameworks and players involved.

The development and promotion of the sector through construction, renovation, making basic infrastructure viable and enhancing its value: this will entail prioritising, building, renovating and then making viable urban infrastructure that is likely to favour the promotion of growth clusters.

■ Strengthening of the role of players and improvement of the business environment

Ranked at the bottom of the ladder in the “Doing Business” reports by the World Bank (listed number 182 out of 183 countries classified), the Central African Republic has adopted a set of measures to improve the business climate and to strengthen the role of the private sector.

Box 7: Ranking of the Central African Republic according to the Doing Business 2011 report by indicator

Doing Business is a World Bank structure, which evaluates countries' business environment, through a certain number of indicators.

The 2011 report ranks the Central African Republic in position 182 out of 183 countries studied, just ahead of the last one, which is the Democratic Republic of the Congo. But in 2010, the Central African Republic was last. This slight improvement (+1) in the ranking is the result of reforms undertaken in the field of creating businesses, notably the establishment of the one-stop-shop for corporate formalities since 2008.

The ranking by indicator is as follows:

Indicators	Ranking
Creation of businesses	161
Issuance of building permits	148
Transfer of ownership	141
Acquisition of loans	138
Protection of investors	132
Payment of taxes	182
Cross-border trade	182
Execution of contracts	173
Shutdown of companies	183

In parallel with more in-depth reforms of the macroeconomic setting, the Government's efforts will concentrate in the short and medium-terms on removing several constraints that hamper the development of the private sector by improving the business climate.

To this end, a mixed committee entrusted with improving the business environment has already been established, is chaired by the Prime Minister and is made up of representatives of public service departments, the private sector, civil society and development partners. Its main mission involves proposing reform measures focusing essentially on indicators linked, *inter alia*, to the mission of facilitating the creation and development of countries as well as protecting investment.

To allow the public sector to develop, the Government envisages improving the business environment significantly by 2015 with the aim of attracting foreign direct investment, strengthening supply capacities through the diversification of export products and increasing the participation of women in the performance of economic activities.

For this, it intends: (i) to adopt incentive measures aimed at facilitating and securing economic activities; (ii) strengthening competition, especially through taxation reforms to facilitate access to the factors of production; (iii) revitalising the existing institutions and favouring the development of services to support companies (iv) create structures to support SMEs; and (v) develop exports.

On this basis, it counts on: (i) revitalising existing institutions; and (ii) favouring the development of services to support businesses. In the area of the strategy of developing female entrepreneurship, this will involve: (i) identifying activities that generate income for women; (ii) developing national training programmes on managing and setting up projects for women; and (iii) facilitating women's access to microfinance and the creation of a National Women's Entrepreneurship Fund; and (iv) creating umbrella organisations for women entrepreneurs.

The Government's strategy will deal with:

■ The strengthening of public/private partnerships.

This will involve entrusting a management role to the private sector in certain sectors such as redevelopment or health, a field where the latter has comparative advantages and skills. The private sector will be involved in the definition of policies and strategies relating to these activities. For this, a climate of confidence must be established between the public service and the private sector in order to enable the latter to play its role in economic growth and the battle against poverty more effectively.

■ The promotion of financing systems suited to operators' capacities and needs

This will involve developing financing mechanisms suited to the capacities of economic players and in particular their need to strengthen equity capital, collateral and the cost of borrowing. To this end, a national strategy to promote micro-finance will be developed to support micro-businesses and SMEs. Facilitating access to bank credit, the creation of funds to support businesses, the development of appropriate financial products such as leasing finance, guarantee funds and venture capital will be envisaged in a second stage once the business environment has been redeveloped.

■ Reforms to redevelop the business climate and to promote investments

As the Central African Republic has considered the weak performance of its regulatory system in the business sector, revealed by its ranking at the bottom of the scale in the “Doing business” reports, it has undertaken a set of measures that make it possible to improve the business environment. A permanent public-private sector consultation framework has been established and ensures dialogue between the two players in economic life on the measures to be taken, on monitoring these and relevant evaluation. This dialogue, which is being consolidated, offers enhanced prospects. The national investment charter has been reviewed with the aim of promoting the development of SMEs.

e. Regional integration and opportunity for development

The Central African Republic is a land-locked country which depends hugely on its neighbours for its imports and for access by its products to external markets.

The Central African Republic is a land-locked country which depends hugely on its neighbours for its imports and for access by its products to external markets. The factors explaining the increased cost of international transport are not only the access distance to the nearest port and the state of road infrastructure, but also and especially regulations which penalise hauliers and informal taxation which comprise a heavy burden on the cost of imported and exported products. A significant section of the country’s economic development depends on exports to the sub-region. In particular, Chad, the Congo, Sudan and in the near future Southern Sudan offer the Central African Republic sizeable and growing markets for wood, cattle, sesame and many other agricultural products.

The increase in energy production at competitive prices, as well as the increase in energy production at competitive prices, as well as the development and modernisation of the telecommunications system, depend on interconnections with the electricity networks in Cameroon and other neighbouring countries.

The Central African Government is aware of the importance of regional integration, not only with the countries in the Economic Community of Central African States, but also with other sub-regional groups (SADC, COMESA, etc.), and Sudan in particular. In this context, it envisages strengthening its efforts to promote the reinforcement of ECCAS institutions and to bring the attention of other member countries of specific problems which are blocking its development in the context of the Regional Economic Programme, whose first phase aims at removing the land-locking of the Central African Republic. With this in mind, the main projects planned in the Regional Economic Programme (REP) include the development of the Congo-Ubangi river network, the building of dry ports in Bangui and Brazzaville, the establishment of a dredging and river navigation infrastructure company and the creation of a regional sea coastal traffic company.

Furthermore, to ensure that regional integration is beneficial, it must be reflected in a reduction of differences between the Central African Republic and other ECCAS countries in terms of level of development.

The Government’s strategy will focus on:

■ The Congo Basin – Ocean Growth Corridor

This initiative, which interests the Central African Republic, the Congo and the Democratic Republic of the Congo (DRC) in its first phase, neighbouring countries to Ubangi and the Congo River, ECCAS members, aims to restore

the multimodal infrastructure (sea, rail, river and road) of the trans-equatorial region and also their exploitation in a community context. The Corridor is a more competitive route than the Bangui Douala road route and offers high loading-capacity services which can facilitate imports and exports at competitive prices with prospects for the integration of the regional and international market. It offers prospects for projection towards the large market of the north of the DRC, South Sudan and even North Sudan.

■ Special Economic Zone

To re-launch industrial production in the Central African Republic, the designation of certain geographical zones of the country as special economic zones, which offer better conditions for production and the exploitation of the benefits that are abundantly present in certain geographical areas, has been selected to integrate the Central African Republic in the sub-region's productive and trading system.

In this respect, the thrusts of operational approaches on behalf of ZESCA (special economic zones), entail: (i) the establishment of a legal system that opens up the path for promoting ZESCA; (ii) the geographical definition of ZESCA (identification of the site and sizing); (iii) the drawing up of Layout Designs for ZESCA; (iii) financial, economic and environmental technical feasibility studies; (iv) the search for partnerships; (v) promotion of ZESCA; (vi) the implementation of infrastructure projects while following the cycle of each project; and (vii) the incentive to different operators to include ZESCA.

As regards the activities to be promoted in the ZESCA, they will be based on the economic potentialities to be valued by companies. The implementation of an infrastructural development programme that is suited to the needs of companies and the economic operators will precede making ZESCA operational.

The main players in the economic recovery are: the State and the private sector. The State will have the main missions of taking legal and regulatory missions relating to the identification of zones, the basic conditions for implementing the new approach and incentives in favour of economic operators, etc.

The private sector will be linked to the process, through the existing consultation mechanism. It will be up to it to mobilise the resources required to deploy in the special economic zones in order to take advantage of the opportunities that exist there.

To accompany the national policies as well as the accelerated growth strategy whose foundations are based on the development of the rural sector and promotion of the private sector, micro-finance will be called on to play a dominant role. To this end, the Government intends to consolidate the strategy of supporting the emergence of an inclusive financial sector.

Among the gains made by this sector we can count: (i) the existence of regulation; (ii) the arrival of new players in the sector, notably those which have the legal form of a Public Limited Company, which are starting their activities on a professional basis and which have prospects of expansion in the provinces and; (ii) the existence of an EMF operating on professional basis.

Supported by these gains with a view to developing a redeveloped, viable microfinance sector which is linked to the financial system and national policies, that offers varied financial services that are adapted to poor people and micro-entrepreneurs throughout the entire national territory and operating in a secure environment, by 2015 the Government envisages: (i) improving the legal, regulatory and institutional framework to allow EMFs to carry out their activities in a favourable and secure framework; (ii) favour greater financial inclusion of poor publics, particularly in rural communities and secondary towns by improving the geographical cover of the country with diversified and appropriate financial services; (iii) make permanent the interventions of EMFs by professionalization so that they offer financial services on a sustainable basis; and (iv) increase the access of EMFs to resources and reinforce the integration of microfinance into the financial sector.

2.2.3. Human Capital and Essential Social Services

Developing human capital and social services is an imperative factor in the strategy of reducing poverty in a country which, like the Central African Republic, is emerging from a long conflict. This imperative will only be effective with an increased financial effort by the public authorities and **the private sector**.

Human development is the measurement of a country's achievements in three key aspects of its well-being: health, education including and income per head per inhabitant. It emphasises that individuals and their capacities should be the ultimate criterion for evaluating and developing a country. On this basis, the strategy of reducing poverty aims at increasing human development in the essential fields cited above, sustainably to the benefit of the public in general and those who are most vulnerable and particularly affected (women, children, senior citizens, the disabled, victims of conflict, orphans, people living with HIV, etc.). To evolve towards this sustainable development, it is appropriate to concentrate interventions on promoting human capital.

This axis brings together eight (08) sectors, notably: 1) Education and higher education; 2) Health; 3) HIV and AIDS; 4) Youth and Sports; 5) Arts and Culture; 6) Water and redevelopment; 7) Human establishments and 8) Gender.

a. National education

The educational system includes several degrees of teaching: pre-school, primary levels 1 and 2, general secondary, technical, professional and higher. The sector looks after the training of the individual as a citizen and as a player in development.

As the educational sector's mission is to model the citizen of tomorrow, its contribution to socio-economic development will involve responsible training human resources who are able to meet the challenges of the 21st century and to position the country in the gathering of nations.

The gross rate of schooling in 2007 was 74%, including 63% for girls and 85% for boys. The 2009 data shows a significant increase in this indicator (84%, including 71% for girls and 96% for boys). The net rate of schooling followed the same trend but at a slower pace, (56% in 2007, including 48.5% for girls and 63% for boys), moving to 63% including 55% for girls and 71% for boys. For the same period, the equity index remained



almost stationary (0.74), i.e. boy/girl parity has not been reached yet and efforts still have to be pursued in this direction. We note that this disparity becomes pressing in favour of citizens when we reason in terms of the urban residency environment and the rural environment (out of 10 CI pupils, there are 07 boys for every 03 girls).

Despite the growing number of school pupils, we have noticed stagnation in the pupils/teacher ratio of around 90/1 in recent years. As such, since the establishment of accelerated teacher training in the 09 Regional Pedagogical Centres (RPGs) to support the Primary School Teacher Training Institute (ENI) and then the establishment of the training of teaching masters, there is a hope that the pupils/teacher ratio will increase further.

The transition between the Fundamental 1 (F1) level and Fundamental 2 (F2) is determined on the one hand by weak school acquisitions and on the other hand, by the reception capacity of secondary facilities. Just 60% of the children registered in CM2 succeed in making this transition. In terms of the 2007-2008 school year, girls only represented 33% of those present at this level.

The weakness of school achievements and therefore the low level of completion of Fundamental 1 is essentially explained by the poor teaching-learning conditions. Teaching is provided by masters/parents who account for more than 50% of the teaching sector. They have little or no training; they do not have a specific status and receive very little payment from the village community. The phenomenon of violence in the school environment, the distance of schools from locations of residence which sometimes reaches more than 5 km and the absence of school canteens are causes for the absence from school of poor, orphan and vulnerable children and girls in particular.

Levels of the Fundamental 2 (F2) pupils are evolving with difficulty, in comparison with the public which is eligible for schooling. The gross rate of schooling in F2, from the 2000 decade is approximately 12%, including 9% for girls and 16% for boys. The data has not changed despite the development of private establishments. Furthermore, it is also necessary to point out that as the F2 establishments are mainly in sub-prefectures and prefectures, children from a rural background and especially girls, are underprivileged (8.7%).

Moreover, violent behaviours (emotional, psychological and relational violence) exhibited in F2, among the students themselves or with the teaching staff and management, do not favour the maintenance of pupils at school. As such, 73% of pupils in F2 and 90.1% of teachers are allegedly involved in acts of violence within and in the vicinity of schools.

With respect to **literacy and non-formal education**, the lack of resources and the lack of staff only reduced activities in Bangui. From 1963 up to now, 09 programmes have been developed in cooperation with the partners. An analysis of the situation has been carried out and a project has been drawn up in partnership with UNESCO to re-launch literacy teaching activities.

■ Technical and professional teaching

It is less developed. There are only seven (07) establishments, including four (04) public ones which host young pupils (4781 pupils including 1692 girls in 2010). The rural training and educational centres are not operating any longer, thus penalising rural young people who wish to learn a trade to become independent. The Technical Secondary School of Sabonga and the Professional Ladies' Secondary School are both located in Bangui, which disadvantages rural children.

In the context of the post-conflict situation, the Government with the support of UNESCO has a programme to open Rural Training and Education Centres. This is inadequate in view of demand for technical and professional training.

Another category of informal school which exists is the Koranic school. It is used for learning and reading the Koran. As this type of school has no legal status, it cannot award an official diploma.

■ Higher Education

This sector includes the institutions placed under the supervision of the Ministry of National Education, Higher Education and Research, i.e. a State university and ten private higher education institutes. These are supplemented by other institutes such as ENAM, which is a higher professional training establishment and confessional higher-education education establishments (the Greater Seminary of Bangui, FATEB).

The University of Bangui, which was initially built for 300 places in 1970, now hosts more than 20,000 students. The infrastructure reserved for this small group no longer suffices at the current time given the number of graduates, which has multiplied by 1,000 in 10 years. However, despite the growing level of students, the Central African Republic remains below the average of the 12 African French-speaking countries.

A National Strategy by the Sector was adopted by the Government and endorsed by the international community in 2008. It aims at improving the quality of teaching and increasing the hosting capacity of the system overall from 2008 to 2020. The implementation of the first phase of the National Education Sector Strategy (SNSE) covers the period 2009-2012.

Despite the State's financial constraints, the Government has undertaken to improve its contribution on a growing basis. Apart from State financing, the involvement of the Association of Presidents of Private Establishments, the Managers of the Associated Catholic Schools of Central Africa and the National Federation of the Parents of Pupils in Central Africa is appreciable.

The sector's major problems are as follows: (i) demographics and the prevalence of HIV/AIDS; (ii) an unfavourable allocation of resources for education; (iii) the dual employment market and the weak appropriateness of human capital production to the needs of the economy; (iv) the existence of quality problems

across all levels of teaching; (v) the strong disparity in access to education; (vi) the lack of equity in the management of (human, financial and material) resources; (vii) pedagogic management characterised by a low cost-efficiency policy, education; (vi) the lack of equity and efficiency in the management of (human, financial, material and redeployment) resources; (vii) school harassment with respect to pupils and teaching staff, (viii) the inadequacy of national training structures for teachers; (ix) the inadequacy of the strategy in the struggle against violence linked to gender in the school environment; and (x) the very low proportion of women in the teaching profession, especially in the rural environment and in posts of responsibility.

The problems of higher education are linked to: (i) the deterioration of the student/teacher ratio and the quality of the education provided; (ii) the weak yield from the higher education system; (iii) the mismatch of training and employment; and (iv) the weak performance of research activities.

In the light of the statistical data and the constraints of the educational system, the Central African Republic remains form Millennium Development Goals (MDG) 2 and 3.

In the area of national education, the Government intends to ensure global educational coverage and full quality teaching, including for other levels for all children of the two sexes, regardless of their residency environment, to develop technical and professional teaching and the professionalization of higher-education teaching streams. As a result, by 2015 it envisages: (i) raising the net level of schooling by 6%; (ii) increasing the completion rate by 6%; (iii) raising the gross rate of fundamental 2 and secondary education by 4 points; (iv) creating ten (10) technical and professional training centres; and (v) ensuring the professionalization of the streams of 90% of higher education establishments and making the LMD reform operational at the University of Bangui.

In accordance with the defined vision and goals, the Government intends to raise the education budget to 20% of State expenditure to implement a strategy aimed at improving the quality of teaching and increasing the system's reception capacity overall from 2008 to 2020, which hinges around the following thrusts:

The development of childcare. This will involve preparing children to approach their schooling with a sense of confidence. The priority actions selected for doing this are: (i) building and renovating the centres; (ii) training and recruiting teachers and monitoring their performance; (iii) equipping the centres with pedagogical materials, games and school books.

The consolidation of gains and the provision of universal schooling. The following main activities will be implemented: (i) the building and renovation of classrooms and lavatories; (ii) the retraining, training and recruitment of teachers and their supervisory staff; (iii) pedagogical enhancement and statutory regularisation of masters/parents (iv) equipment of the establishments with school books, furniture and IT tools; (v) support for schooling of the most vulnerable children, with the help of support measures: free school books, school canteens, boarding, bursaries, healthcare cover and the creation of a special fund to accelerate the schooling of girls; and (vi) supplying establishments with school books, furniture and IT tools.

The increase in supply and an improvement in the quality of other teaching cycles, especially Fundamental 2 and secondary education via the following actions: (i) public engineering works for infrastructure; (ii) training of both teachers and supervisory staff and the recruitment of trained teachers; (iii) equipment of the establishments with school furniture; and (iv) supplying the establishments with school books, pedagogical materials and IT equipment; and (v) support for the schooling of the most vulnerable children through support measures; free school books, school canteens, boarding, bursaries and healthcare cover.

The development of literacy programmes. The Government undertakes to implement actions to allow it to: (i) open initial literacy and post-literacy teaching centres; (ii) retrain and train literacy teachers and their supervisors; and (iii) equip the centres with specific pedagogical materials.

Supply remains very limited in technical teaching and professional training and the programmes are out of date, thus depriving the country of a skilled workforce. The strategy to be implemented aims towards:

The development of short-term professional training focused on: (i) strengthening the orientation services; (ii) the renovation, construction and fitting out of training centres; (iii) supplying the centres with specific pedagogical materials; and (iv) the retraining, training and recruitment of educators and their supervisory staff.

The strategy aimed at developing and modernising higher education is based on the following thrusts:

An increase in the reception capacity. This will involve building and renovating lecture halls, seminar rooms and specialist rooms.

Development of human resources. Retraining, recruiting and training teaching staff is planned.

Supply of specific materials. This will involve equipping libraries, laboratories and specialist rooms with suitable equipment.

Adaptation of the legal and regulatory curricula to the LMD system. It is planned to (i) revise the basic texts governing the higher-education establishments; and (ii) review curricula.

Creation of an institutional framework for the development of science, technology and innovation. This will involve (i) drawing up and adopting a law that organises scientific and technological research plus innovation; and (ii) incorporating the texts enforcing the law.

b. Health and nutrition

Health and nutrition, two priority sectors at national level, are essential components in the struggle against poverty in the Central African Republic. They contribute to the quality of human capital, a country's foundation for socio-economic development. While poverty is often defined in terms of economics as "people who live on less than one dollar per day", in the health sector poverty is defined as a lack of access to basic social services and it acutely affects all vulnerable groups, i.e. children, women and the elderly. By improving availability, access at a lower cost and the use of basic social services, we shall efficiently and effectively combat poverty in the communities being served.

When groups enjoy good health, they are able-bodied and participate actively and optimally in development actions.

■ The state of health of Central African citizens

As health indicator levels show, this factor still remains a matter for concern. The Central African Republic is ranked among the countries in the world with very low healthcare coverage. The general mortality rate rose from 17‰ in 1988 to 20‰ in 2003. In fifteen years, the life expectancy of the population at birth fell by more than 6 years, slipping from 49 years in 1988 to 43 years in 2003. This decline in life expectancy is mainly linked to poverty, infection with HIV/AIDS, and a low level of education among the public, especially women. The low accessibility of high-quality health services in general and for reproductive health in particular is more pronounced in the rural environment.

■ Levels of maternal and child mortality

These follow the same trends as life expectancy. After reaching a peak in 2003 at 1355 deaths per 100,000 live births (MICS 2003 survey), the mortality rate fell in 2008 to 980 maternal deaths per 100,000 births (ECASEB 2008). Despite this fall, the maternal mortality rate is still high and remains higher than that of 1995 (596 deaths per 100,000 births). These high mortality levels result mainly from low levels of pre-natal cover (34%) (at 4 CPN), assisted childbirths (44%) and prevalence of contraception (6.9%). Furthermore, pregnancies in close intervals, abortions caused by ignorance and non-use of contraceptives are harming health. As such, a Central African woman suffers from weak economic, financial and decision-making power, which partly limits her opportunity to access health services.

■ Mortality of children aged under 5

This statistic still shows worrying levels. The rate of infant mortality changed from 130.6‰ in 2000 (MICS 2000) to 132‰ in 2003 (RGPH 03), to 106‰ in 2006 (MICS III) and to 105‰ in 2010. The level of infant mortality is more pronounced in the rural environment than in an urban setting. Infant-juvenile mortality is also quite high. Its rate was approximately 176‰ in 2006 (MICS III) compared with a goal of 70‰ in 2015 (MDO). Thus, the analysis of current trends in infantile and maternal mortality show that it will be difficult to reach MDO 4 and 5 in 2015, without a plan to accelerate the MDOs.

■ The infant-juvenile death rate

This level is situated at 220‰ at the national level (188‰ in an urban setting and 238 in a rural environment), according to the results of RGPH 2003. However, according to the results of MICS III, this rate is 176‰ in 2006 and 174‰ in 2010. This mortality can be attributed to Acute Respiratory Infections, malaria, diarrhoea-related diseases, HIV/AIDS, or severe protein-energy malnutrition. In 2006, with the support of partners, vaccine support for children of less than one year improved and is now at over 80% for all antigens. In 2010, we noted a regression in the PEV performance, which is reflected by vaccine coverage in pentavalent-3 of 57%, according to JRF 2010.

■ Malaria, AIDS and tuberculosis

These diseases comprise the main causes of morbidity and mortality. Malaria affects 37% of the total population, of whom approximately 32% are children aged less than 5. This illness counts among the leading three causes of morbidity and mortality among children and women, with a hospital lethality rate of 0.5%. According to the data available, malaria accounts for approximately 40% for the reasons for consultation and hospitalisation, with a prevalence of 21.7% (MICSIII) among children aged below 5, who comprise vulnerable groups along with pregnant women. Since 2009, one child of under 5 years out of five (i.e. 27%) has suffered from malaria, compared with 31.8% in 2001. The main indicator relating to prevention notes the low use of impregnated mosquito nets in general and among children under 5 (i.e. 15% MICSIII) and pregnant women (i.e. 9% MICSIII) in particular.



The annual risk of tuberculosis is 3%. We note an upsurge due to the high prevalence of HIV/AIDS and the strong resistance of the Koch Bacillus to anti-tubercular drugs. The main diseases with a high epidemic potential in the Central African Republic are meningococcal meningitis, red diarrhoea, viral hepatitis, including hepatitis E, salmonella, whooping cough and influenza. A rubella epidemic which was declared in 2007 ravaged the country.

The humanitarian situation of the public in the north has deteriorated significantly following armed conflicts.

■ The nutritional situation of children under the age of 5

This remains a matter of concern. 8.1% of children suffer from excessive weight deficiency and 18.7% exhibit severe delayed growth, whereas 68.2% of children aged from 6 to 36 months suffer from an intra-clinical lack of vitamin A, and 84% of children in the same age bracket are anaemic (MICSIII, 2006). Malnutrition affects 21.1% of the adult population aged over 18, 28% of children under 5 and 32% of children from 5 to 10 years.

Active screening and care of cases of malnutrition in the country still remains in an embryonic phase. Malnutrition is an underlying cause in more than 50% of cases of death recorded among children of less than 5 years. Essential practices for feeding the infant and young child still remain in weak evidence (only 23% of children have been breast-fed exclusively during the first 6 months of their life and just 55% of children aged 6-9 months receive appropriate additional nutrients).

This malnutrition is experienced in all regions of the country, especially in the tobacco, mining and forestry zones where food crop production has not kept up with the increase in the population. The deterioration of the road network and the transport conditions and the stagnation of household incomes are contributing to the decline in the country's nutritional situation.

Nevertheless, farming women devote the main part of their efforts to the production of food and market-gardening crops, which logically should contribute to the public's food security. The nutritional situation is precarious in some regions of the country because the level of global acute malnutrition exceeds the alert level of 10% in 9 of the 16 prefectures. The country remains exposed to nutritional emergency peaks - as in 2009 in the prefecture of Mambéré Kadei where a survey carried out by the NGO Action Contre la Faim (ACF) revealed a prevalence of 5.84% for acute severe malnutrition with a lethality rate of 25.47 per 1000. The actions undertaken to reduce this level have stayed at a very early stage, thus indicating the institutional difficulties in reacting to nutritional emergencies in the country. As such, in the affected prefecture, the interventions to take charge of cases of malnutrition stayed embryonic both at the curative level (therapeutic units) and at the preventive level (adoption of good practices for feeding young children).

The country's sanitary situation is far from being satisfactory with respect to the level of health indicators (life expectancy, malnutrition rate, maternal and infant mortality, as well as the prevalence of diseases including HIV/AIDS, despite the efforts made by the Government with support from its partners. These worrying indicators are the logical consequence of malfunctions of the sanitary system and the exclusion experienced by poor sections of the public in recent years.

For more than a decade, the public authorities have adopted and implemented a national health plan founded on primary healthcare and the Bamako initiative (decentralisation and community participation) via the National Sanitary Development Plan I 1994-1998 (PNDS I) and the Interim Health Plan. The evaluations of these plans highlighted inadequacies in terms of human, infrastructure, equipment and financial resources capacities which prevented the achievement of the plan's goals. The poor regions still suffer from a cruel lack of medical and paramedical staff. The healthcare staff/inhabitants ratios by professional category show an unequal distribution between the capital Bangui and the rest of the country. The data from the Mapping of the Supply of Services carried out in 2006 shows a doctor per 4,000 inhabitants in Bangui compared with 7,000 elsewhere; an SFDE (midwife) per 8,000 inhabitants in Bangui compared with 10,000 in the country. In the organisation and administrative management, we note that the responsibilities and tasks of the different players intervening in the health system are imperfectly defined; this continues to be verifiable at the level of the institutional framework, the regulatory structures and both public and private healthcare providers, leading to a handicap in their development towards full autonomy; the management bodies of the FOSAs (management members of the ECD and Management Committees) are often immersed in conflict-laden cooperation which further aggravates the frustrations of the community and de-motivation among staff.

The priority problems from the health viewpoint are as follows: (i) the weak performance by the health care system; (ii) high levels of maternal and infantile mortality; (iii) the high prevalence of transmittable and endemic epidemic diseases, especially STDs/HIV and AIDS, malaria and tuberculosis.

However, it should be noted that the level of the different indicators continues to be very worrying and the analysis of current trends shows that it will be difficult to reach MDO 4 and 5 by 2015.

To this effect, the Government, in compliance with the orientations defined in the second-generation National Sanitary Development Plan (PNDS 2006-2015), envisages that the sector will contribute to improving the life expectancy at birth of Central African citizens and the quality of their life, with the involvement and participation of local communities, including women and young people. To do this, by 2015, it envisages: (i) facilitating the access to healthcare services to 72% of the population, especially the very poor; (ii) facilitating access to high-quality care for 22% of this group; (iii) reducing the rate of infant-juvenile and maternal mortality from 176‰ to 103‰ and from 596 to 500 respectively for 100,000 live births; and (iv) reducing the rate of morbidity and mortality linked to transmittable and non-transmittable diseases, including those in emergency situations.

To cope with this situation, the Government has defined new orientations through the second-generation National Sanitary Development Plan (PNDS 2006-2015), which hinges on the following strategic axes:

Reinforcement of the health care system and rendering permanent of priority interventions. The Government intends to pursue the actions underway in the context of reforming the health care system with a view to equipping it with required resources, making it high-performing and capable of producing quality health services. The priority actions selected are: (i) the renovation and building of healthcare structures according to the standards in force; (ii) supplying and equipping healthcare structures with essential technical and medicinal equipment, vaccines and biomedical and surgical consumables; (iii) the revitalising and/or creation of mechanisms for the pooling of contracts and mutualisation of health committees and COGESs; (iv) the strengthening of human resources at all levels and their equitable distribution throughout the country; (v) the involvement of NGOs, Civil Society and the private sector in the management of health programmes and the implementation of an operational mechanism to supervise and track the operation of the health system.

Promotion of reproductive health with a view to improving the health of the mother, the child and the new-born. The priority actions selected in this framework relate to: (i) increase and improve health services to the benefit of women, teenagers, young people and children aged from 0 to 5; (ii) the implementation of a minimum package of activity in accordance with the standards in the health structures; (iii) an increase in assisted childbirths, emergency obstetrical care and neo-natal care; (iv) intensification of Communication for Change in Behaviour (CCC) actions on reproductive health to the benefit of women and men, especially the widespread communication of family practices that are essential for the survival of the child, mother and infant; (vii) the performance contract with a view to improving results in terms of cover among the public; (viii) reduction of financial barriers to services through suitable approaches (subsidy or free access for the poorest, development of mutual health insurance funds, review of the system to recover costs with the aim of making services more affordable for the very poor.

Reduction in mortality and morbidity attributable to transmittable and non-transmittable illnesses and to emergency situations. This will involve carrying out the following priority actions: (i) control of the prevalence of malaria by intensifying preventive measures (use of impregnated mosquito nets, prevention among pregnant women, treatment of cases both at the level of health training and at home, hygiene and redevelopment of the environment; (ii) the prevention of tuberculosis and bolstering the care of tubercular patients; (iii) the prevention of deficiencies in micro-nutrients (supplements for vitamin A, Iron and comprehensive iodine treatment of salt),

the promotion of essential family practices and the inclusion of malnutrition control in healthcare; (iv) strengthening of the battle against epidemics, food/nutritional crises and disasters through the implementation of operational intervention structures in the preparation of and response to emergency situations and disasters.

c. HIV/AIDS

HIV/AIDS comprises a transversal sub-sector, which incorporates the entire struggle against AIDS carried out by the other sectors. The National Committee for the Struggle against AIDS (CNLS) is the multi-sector coordination structure in the battle against AIDS, and is chaired by the Head of State. Ministries other than the Ministry of Health have units which implement their programme to combat AIDS.

Parental-child transmission of HIV is estimated at 35%, with 11,000 women requiring anti-retroviral drugs in 2007.

According to the MICS 2006 survey, the national prevalence of HIV among men and women aged from 15 to 49, is 6.2%. The epidemic of HIV in the Central African Republic is therefore generalised in type, with disparities from one prefecture to another, fluctuating between 2.6% and 13.6%. This prevalence is twice as high in an urban setting (8.3%) than the rural environment (4.7%). It is also twice as high among women (7.8%) as among men (4.3%) of the same age group. The disparities between men (1.0%) and women (5.7%) are clearer among young people aged 15-24. We recorded 14,000 HIV/AIDS orphans in 2009. These results are not comparable with the previous results received on watch groups where the prevalence rate was 15% in 2002 (mapping of serology among pregnant women). Parental-child transmission of HIV is estimated at 35%, with 11,000 women requiring anti-retroviral drugs in 2007.

The number of adults aged from 15-49 living with HIV in the Central African Republic is estimated at 119,000, including 76,300 women (almost two thirds) and 42,700 men, which is a ratio per gender of 179 women living with HIV compared with 100 men. The number of adults and children who require anti-retroviral drugs was estimated in 2007 at 45,000, including 14,000 children aged 0-14.

It is also estimated that 33.5% of people living with HIV have access to anti-retroviral drugs, among those who need these. Mortality due to AIDS is not very well documented. However, routine data shows that the survival of people living with HIV (adults and children) taking anti-retroviral drugs is estimated at 83.24% after twelve months. Information on survival after 24 and 36 months is not available. Everything leads us to believe that mortality linked to HIV still remains high.

The determining factors in the propagation of HIV are (i) heterosexual transmission (11.7%); (ii) the low level of education; (iii) socio-cultural factors and vulnerability (poverty, stigmatisation, low coverage of services, status of the woman, etc.); (iv) the inadequacy and inappropriateness of the political and institutional framework; (v) the low allocation of human, material and financial resources and the absence of the strategy to mobilise resources; and (vi) weak partnership with civil society and the private sector.

After the discovery of the first cases of HIV infections in 1984, the Central African Republic Government implemented a National Programme to Combat AIDS (PNLS) within the Ministry of Health from 1987. From 1987 to 1999, three (03) national plans (one short-term plan and two medium-term plans) have been implemented. These plans made it possible to implement information-education-communication (IEC) actions to the benefit of the public and certain specific groups, improve transfusion-safety relating to HIV and other markers for transmittable diseases, the collection of epidemiological data and psychological and social support for people infected and/or affected by HIV.

In 2000, the Central African Government, with support from UNAIDS, initiated its first process of strategic planning of the national response to HIV and AIDS. This process, which aimed to correct, reinforce and expand the national response to HIV and AIDS led to the drawing up of the National Strategic Framework Plan to combat AIDS (PCSN) 2002-2005. The implementation of this PCSN suffered from the inadequacy of the resources mobilised for its financing and its weak endorsement by national players.

At the expiry of the period covered by the PCSN 2002-2005, a new National Strategic Framework Plan to combat AIDS (CSN), covering the period 2006-2010, was drawn up. The implementation of this CSN made it possible to trigger the transition to the level of prevention, care and support for HIV actions with a view to universal access. The CSN 2006-2010 formed the subject of a final review at the end of 2010. A new strategic framework is being drawn up.

These different instruments have been developed by the Central African Government to deal with the worrying epidemiological situation of HIV and its negative impacts.

The HIV/AIDS sub-sector is dealing with three (03) main problems, which are (i) a still high prevalence of HIV among the population and groups at risk; (ii) a heavy burden of infected people who need to be monitored and (iii) high mortality.

This epidemic not only has an impact on the life of individuals and families, but also on the country's social and economic structure. This explains the importance of having multi-sector responses.

At the macroeconomic level, AIDS has an impact on the accumulation of wealth and long-term development of the economy: a reduction in life expectancy and alteration of workers' productivity. It is also possible to note that an increase in cases of AIDS leads to an increase in health expenditure. This is divided into direct and indirect costs.

A person who develops AIDS sees his or her productive capacity decline because the person falls ill regularly. The reduction in the working capacity means a reduction in the household's resources if the victim has family responsibility. For the very poor, this fall is even more unbearable as opportunist illnesses burden the household's healthcare spending.

Some professional activities are more sensitive to contamination, either for behavioural reasons (e.g. in the transport sector where employees are often far from home), or for reasons of exposure (e.g. health professionals). In general, the premature death of a worker leads to the disappearance of knowledge which can no longer serve production or be transmitted.

In the absence of assistance, the fall in resources linked to AIDS could have even higher deferred consequences, because it risks modifying the household's production structure and in particular its "educational" function. The spouse who is not ill (which often appears to be unlikely) or is "not ill yet" will dedicate more of his or her time to work and less time to educating children. The children themselves are occasionally diverted from their schooling and find themselves obliged to work; the "deviation of production" induced by access to school seems to be too costly given the financial emergency faced by the household.

In total, in the absence of recent data to bear witness to the real development of prevalence and the change of behaviour within the target public and given the number of people to be placed under anti-retroviral drugs, it is unlikely that MDO 6 concerning HIV and AIDS will be reached by 2015, with the exception of the indicator on schooling OEVs.

The Government has made a commitment in the field of the struggle against HIV and AIDS in relation to the MDOs and to have a Country where there no new HIV infections and where infected people (men, women, young people and children) have equitable access to global high-quality care.

Thus, by 2015 it envisages: (i) contributing to lowering the propagation of HIV and its impacts on individuals, families and society; (ii) stabilising the general prevalence of HIV at 6.2%.; (iii) stabilising the prevalence of HIV among young people aged 15-24 at 3.6%; (iv) ensuring the survival of people living with HIV (adults and children) under anti-retroviral drugs after 12 months from a rate of 83.2% to 90%; (v) reducing the proportion of newborn children infected by HIV among HIV-positive mothers taking anti-retroviral drugs from 12.5% to 5%; (vi) increasing the proportion of young men and women aged 15 to 24 years who correctly identify the modes of contamination and prevention of HIV and rejecting false ideas from 70% to 90%; (vii) increasing the proportion of young people aged 15-24 who used a condom during their last sexual encounter with a partner who is not married to him or her or not cohabiting among those who have sexual relations with several partners, from 40.6% among young women and 59.6% among male youths to at least 80% among the two sexes.

To achieve this, the government has selected four (04) strategic axes, i.e.

■ Prevention of the transmission of HIV

This will involve leading young people, men and women aged 15-49 (including the groups who are most at risk and those who are difficult to reach, notably those in conflict zones, minority groups or people in zones which are not equipped with healthcare services and actions) to adopt risk-free behaviours and practices. To this end, the selected priority actions relate to: (i) improving the access of young people, men and women aged 15-49 years to information on HIV and information and communication services for a change in behaviour; (ii) the free or subsidised distribution of male and female contraceptives to sexually active groups; (iii) the organisation of media campaigns on voluntary detection of HIV aimed at increasing demand and improving the quality and supply of related services; and (iv) carrying out studies on socio-cultural barriers to a change in behaviours of women and men with respect to new HIV and AIDS infections.

■ Reinforcement and extension of Parent-Child Transmission

This will involve placing a complete package of PTPE services at the disposal of HIV-positive women. The priority actions selected are: (i) the updating and implementation of a PTPE communication strategy that incorporates prevention aspects among young people to the benefit of social networks; (ii) the improvement of the quality and supply of Voluntary Detection Centres in the PTPE; (iii) the integration of pillar 1 PTPE in healthcare education and the improvement of PTPE/PRCP services; and (iv) the establishment of a functional reference system for mothers and children.

■ Reinforcement of acceptance of People living with HIV, weakening the impact of HIV and promoting human rights

This will involve improving the access of people living with HIV and their families to high-quality healthcare, care and support services. The priority actions are: (i) the improvement over the entire scale of the territory of the supply and quality of medical, psychological and social services to take charge of the medical, psychological and social care of people living with HIV; (ii) the implementation of a package of services to support OEVs (access to basic healthcare, support for schooling and professional training, support for the launch or consolidation of activities that generate income for households) to the benefit of children living with HIV and those who have become orphans because of HIV; (iii) the establishment of assistance services to people living with HIV, who are faced with judicial problems linked to their HIV-positive status; (iv) monitoring of the implementation of the internal policy of the struggle against HIV/AIDS in the workplace in all companies with more than 50 workers.

■ Improvement of monitoring-evaluation, the management of strategic information and coordination/partnership.

This will involve improving the coordination and monitoring-evaluation of all interventions and all of the intervening parties in the sector. Two priority actions have been selected: (i) the completion of studies and operations to collect data that makes it possible to follow the epidemic and the progress of the national response; and (ii) the establishment of a framework that favours the implementation of the “Three-One” principles, the acceleration of the process of decentralisation of the response through mobilisation and involvement by civil society.

d. Youth and Sports

The youth and sports sector is suffering from a shortage of staff. Fewer than 200 people intervene in the supervision of young people. The distribution of executives by unit is very unequal and is inadequate with respect to the need to supervise young people.

To date we count six (06) (qualified) youth inspectors, sixteen (16) Main Youth Advisors and forty-nine (49) Youth Instructors. The majority of the sector leaders are Physical Education and Sports Masters.

The staffing level per Youth Centre is 01 person, in contrast to the ideal which is at least five (05) people, which is very inadequate for the operation of the said structure. This lack of qualified staff in the youth field does not allow youth organisations to receive the required supervision, given their genuine participation in the development process. Furthermore, we note a lack of infrastructure, especially in the sub-prefectures where the public service for youth is not yet represented. Of the 72 Sub-prefectures in the Central African Republic, only 26 currently have a Youth Centre, which represents a coverage rate of 37%. The Regional Inspectorates do not have their own premises and are most frequently housed in youth centres, which therefore disturbs the administration of these establishments.

The absence of a covered space intended for large-scale cultural and sports events is hampering activities in favour of young people.

Several documents to orient the national policy on supervising young people have been drawn up in recent years. These notably include the Charter of Central African Youth, which defines the rights and obligations of young people and the State's commitments in favour of youth, while the National Policy for the Promotion of Youth has defined thrusts for intervention in favour of young people. To favour the full participation of young people in decision-making and the drawing up of programmes that affect them, the National Youth Council has been established with decentralised bodies at the level of each Prefecture.

The Government has established a programme to combat vulnerability with assistance from UNICEF. Centres for Reading and Cultural Events (CLAC) have been set up and are operational with support from the International Francophone Organisation (OIF).

The importance of the sector emerges in terms of promoting education, training and preparing young people for working life (socio-educational supervision) through learning and carrying out social, political, economic and cultural responsibilities.

The sub-sector is faced with challenges linked to promotion, education, training and the preparation of young people for working life (socio-economic supervision) through learning and the performance of social, political, economic and cultural responsibilities.

The sector's major problems are as follows: (i) the low credit allocated by the Central African State to the youth and sports sector; (ii) a rampant abandonment of schooling, plus idleness and unemployment among young people; (iii) the inadequacy of the socio-educational and socio-economic inclusion structures; (iv) a very limited number of sports infrastructure units to international standards; (v) the inadequacy of qualified human resources; (vi) the absence of a partnership platform with professional training and employment structures for young people; and (vii) the lack of technical, financial and material support for youth associations and for sports associations; and (viii) the low recognition of the potential role of young people in civic actions and in the process of consolidating peace, as well as more generally in the Country's political life.

With respect to the problems faced by the Youth and Sports sector, reaching MDOs for targets 1, 2, 3, 5, 6 and 7 is unlikely by 2015.

Given this situation, the Government's ambition is for the young Central African citizen to enjoy economic, social, intellectual, emotional, physical and spiritual well-being and the possibility of enjoying a better quality of life for him or herself, his/her family, community and nation. To do this, it envisages reaching the following goals by 2015: (i) increasing the access of 50% of young people to IEC; (ii) reducing the HIV infection rate among young people to 2%; (iii) increasing the coverage rate of Youth Centres from 37% to 60%; (iv) involving 60% of young people in civic actions, the promotion of peace and the prevention of conflicts; (v) reducing the level of illiteracy among young people by 30%; (vi) ensuring the creation of 50% of companies by young unemployed graduates by bolstering their abilities; (vii) including 60% of marginalized young people at the socio-professional level; and (viii) improving the performance of dispersed services and the Department with responsibility for young people.

Out of a population of 4,200,000 inhabitants, young people represent almost half of the profile group, i.e. 48%¹⁵.

Out of a population of 4,200,000 inhabitants, young people represent almost half of the profile group, i.e. 48%¹⁵. This sector of the population is faced with many challenges to which the Government is trying to provide solutions. The envisaged strategy hinges around the following axes:

■ Access by young people to information, education and quality communication

This will help young people to make responsible choices for their sexual and reproductive lives through the following actions: (i) the training/retraining of the managers of the decentralised services of the Department of Youth, NGOs/OACs and socio-educational structures on SR and the battle against STDs, HIV and AIDS, focusing on CVC, EVF/EMPs; (ii) the incorporation of SR activities into youth socio-educational structures; (iii) the organisation of awareness campaigns about SR, STDs/HIV and AIDS and on the value of voluntary detection in the school and non-school environments; and (iv) the integration of the CIEE model within socio-educational structures for young people and in religious confessions in Bangui and in the prefectures.

■ Provision of socio-educational services and quality leisure services to young people

The envisaged actions aim to fully develop young people at the emotional, physical, spiritual and intellectual levels through: (i) the building and endowment of Youth Centres; (ii) the construction of Rural Centres for young people in the communes; (iii) the renovation and fitting out of Youth and Cultural Centres; and (iv) the equipment of educational leisure areas for young people.

■ Development of the skills of young people and their active participation in the Country's democratic life

This will involve including young people in activities to promote culture, peace and democracy through: (i) the organisation of youth forums in all of the prefectures on the opportunities and problems experienced by young people; (ii) the organisation of forums on young people's civic and citizen culture; (iii) the training of managers

¹⁵ Projections from RGPH03

of youth organisations in leadership and management of youth projects; (iv) the training of managers of youth organisations in volunteering among young people; and (v) the training of youth organisation leaders in the management and prevention of conflicts.

▼ Socio-economic and professional integration of young people

The following actions are envisaged: (i) the creation of a National Fund for the Inclusion of Young People (FNAIJ); (ii) the organisation of sessions to train young people in entrepreneurial skills; (iii) the opening of literacy centres in Youth Centres; (iv) the organisation of sessions for youth training in the informal sector trades and activities; and (v) making marginalized young people independent through targeted strategies.

▼ Improvement of the performance of the Department's services and youth organisations

The actions relate to: (i) the building and fitting out of Regional Departments of youth and Prefecture inspectorates of youth; (ii) supplying the department with equipment and logistical resources; (iii) equipping the National Youth Council with equipment and logistic resources; (iv) the training of CNJ and CPJ managers in leadership and the management of projects for young people; (v) the training of Inspectors, Heads of Sector, Managers of Youth Centres and executives in the Directorate General for Youth on the planning and arrangement of youth activities focused on results; and (vi) the establishment of a database on Central African youth.

e. Arts and Culture

The Arts and Culture sector is made up of several artistic, cultural and patrimony sub-sectors, such as cultural hosting, cultural management and entrepreneurship, cultural engineering, the management of cultural, natural and mixed patrimony, cultural policies and the promotion of cultural industries and enterprises. It covers a huge field, ranging from the creation of production, dissemination and marketing of basic cultural services infrastructures, scientific research, training and advanced training of state and non-state players, the promotion and value enhancement of cultural patrimony, the development of human capital by making available knowledge tools through libraries and the value-enhancement of artistic and cultural potentials.

In Central Africa, culture has remained a marginal sector in development policies. The political institutions have not taken total account of the economic and social development potential represented by cultural resources on the one hand and the decisive importance of the transversal dimension of culture in the development process on the other hand. At the country level, there is no basic text that guarantees the organisation of culture. The actions undertaken in a dispersed order were unable to reach the development goals, because they only summarised folklore or hosted events to present solely the face of the diversity of Central African culture. Thus, the cultural sector was always considered as a non-productive sector, without a yield or profit. Yet, it goes without saying that cultural development is, at all levels of the economic mass, a significant factor in development, employment, the generation of resources and capacities, as well as technological innovation. It is now a question for the Central African Government to define the national cultural policy as a development factor by creating the conditions needed to establish a legal and institutional framework.

The weak financing of the sector is linked to the national budget and some subsidies from multi and bilateral partners in the context of cooperation (UNESCO, International Francophone Organisation (OIF), French Cooperation, China and some sponsor companies). It is experiencing difficulties in terms of infrastructure and equipment, apart from some socio-cultural hosting and patrimony value-enhancement infrastructures.

The sector's major problems can be summarised as: (i) lack of knowledge of the cultural sector by the public; (ii) the lack of qualified staff; (iii) a lack of financing for the implementation of action plans; (iv) the inadequacy of infrastructure for the creation, dissemination, promotion and marketing of cultural goods and services; and (v) a lack of socio-cultural hosting and patrimony value-enhancement infrastructure and equipment.

The importance of the sector as a support for the national strategy of socio-economic development is linked to the orientation of protection, conservation and value-enhancement of cultural potential towards a vision of the development of human capital.

Through its mission, the sector contributes to the attainment of MDOs 1, 6 and 7 through the creation of cultural enterprises or industries; the promotion of public reading, artistic productions and the protection and value enhancement of cultural, natural and mixed patrimony sites. However, in view of the inadequacies highlighted, it is unlikely that these MDOs will be reached by 2015.

To do so, the Government envisages making the arts and culture a sector that generates resources and employment. On this basis, it has set the following goals by 2015: (i) building one (01) cultural complex; (ii) renovating five (05) regional museums; (iii) developing and highlighting ten (10) intangible patrimony sites; (iv) creating ten (10) Reading and Cultural Hosting Centres (CLAC) in 10 locations; and (v) setting up six (06) cultural crossroads in Bangui and in certain provincial towns.

To make the arts and culture sector productive, the envisaged strategy revolves around the following thrusts:

■ **Strengthening of the capacities of the State and non-State players.**

This will entail (i) implementing a training plan for executives from the Department of Arts and Culture; (ii) further training the executives from the Department of Arts and Culture; and (iii) training cultural operators.

Construction, refurbishment and equipment of socio-cultural infrastructure.

This involves (i) building and equipping socio-cultural infrastructure; and (ii) renovating and equipping socio-cultural infrastructure.

■ **A listing, revitalisation and safeguarding of the Minority and Secret Communities' Cultural Patrimony**

The plan is to (i) list, revitalise and safeguard the Intangible Cultural Patrimony of minority and Secret Cultures.

- Restructuring and revitalising of the state and private institutions in charge of promoting and protecting cultural assets and services

This will involve reorganising the Ministry of Arts and Culture to take account of the new strategy.

- Creation of the National Art Market

Setting up and adopting legal, administrative and financial foundations are envisaged

f. Water and sanitation

The water sector covers the supply of drinking water, the use of water for agriculture, stock-breeding, hydroelectricity, industries as well as independent and collective redevelopment.

Since 1991, management of the public drinking water service in the urban environment has been provided by *Société de Distribution d'Eau de Centrafrique* (SODECA). It manages the drinking water systems for the country.

In general, the situation of the water supply in an urban and semi-urban environment is very precarious. In Bangui, the servicing level was approximately 28% in 2009, while the remainder of the population has recourse to other sources of water supplies (traditional wells, rainwater, streams) whose quality is not advisable for human consumption.

In the 7 provincial centres served by SODECA, four (4) have seen breaks in water distribution of a few days to several months. Some towns, which do not have a drinking water supply system, are equipped with water drilling units which made it possible to serve just approximately 10% of their population in 2009.

The existing networks and drilled units only covered 27.6% of the urban population's needs in 2009. This level rose to 31% in 2009. In 2009, there were 13,200 individual active connections, of which 78% were located in Bangui.

The public drinking water service is ensured without a genuine sustainable management policy for this sub-sector. Admittedly efforts have been made, but these still remain very inadequate given current needs.

So far the different village hydraulic programmes have allowed the implementation of 3,500 drilling units equipped with human-effort pumps, of which 20% exhibit malfunctions. We note a clear disparity in the distribution of implementations of water points between the different regions. Thus, five (5) Sub-Prefectures of the 73 in the Central African Republic alone have more than 1/3 of the existing drilled holes. Almost all of the AEP programmes and projects in the rural environment have been implemented on an administrative basis, which in the medium-term creates a problem of continuity for the hydraulic supply to the country.

Globally speaking, the sanitation situation is more critical, with a national coverage rate estimated at less than 10% in 2008. Although sanitation is one of the Government's concerns, this sector has not at all received the support needed for dynamic development. This weak level of access to an appropriate sanitation system affects the public in towns and villages at a healthcare level.

Drainage works for rainwater and for the treatment of waste water are practically non-existent in the majority of towns in the country, with a very low level of coverage of 2.4% in 2008. Up to then, the city of Bangui remained the only one with a very slightly developed system for the removal of rainwater; a spatial line of 11 km of covered canals is estimated by *Agence d'Exécution des Travaux d'Intérêt Public* (AGETIP). In the rainy season, floods affecting the majority of disadvantaged districts are recorded.

Domestic waste water is generally released into the natural environment. Management of waste is almost non-existent, except in the town of Bangui which has seen the start of an improvement in recent years. There are no controlled landfill sites, scrapping units and recycling arrangements throughout the country. Incinerators exist in just three hospitals throughout the country. Only a small section of the rural population has traditional, improved lavatories supplied by NGOs via humanitarian programmes. This occurs where the danger from faecal residue still remains high. In rural zones, the use of traditional lavatories is part of socio-cultural habits, but these most frequently do not meet required hygiene standards.

There are very few programmes/projects which are interested in the promotion of traditional improved lavatories and lavatories with ventilated pits. In the majority of cases, these interventions are carried out through humanitarian programmes. They are isolated and are still not supported by a genuine widespread policy which allows a general dissemination of these low-cost technologies at the national level.

Despite the existence of significant potential of water resources in the country, the rate of satisfaction of needs for drinking water remains weak (approximately 34%). As regards the question of redevelopment, the situation is very worrying, with a coverage rate of less than 10%.

The efforts of the Government, with the support of partners, have been translated by the drawing up of the document on Policy and Strategies on Water and Redevelopment (PSNEA). Two action plans were registered in the social and economic development plans (1983-1985 and 1986-1990) and implemented with globally satisfactory results, but which were very low given the huge needs. The actions undertaken related to improving the institutional framework, the building of drinking water infrastructure, basic redevelopment and the promotion of collective and individual hygiene.

In order to ensure the viability and durability of actions in the water sector, several actions have been initiated in recent years: the drawing up and adoption (2005) of a roadmap to promote integrated management of water resources; the review and adoption of the water policy and strategies document; the adoption and enactment of the Water Code in the Central African Republic; the enactment of the national policy and strategy document for the sector; the definition of a new framework for the Integrated Management of Water Resources (GIRE) which determines the role of service providers, managers and users' obligations; and the establishment of the Water Redevelopment Sector Committee.

The State's direct investment in the water sector is very low, with a decreasing trend in the past five (05) years. However, it facilitates the payment of the sector's receivables and debts. Financing of investments is mainly provided by technical and financial partners, notably UNICEF, the EU, Denmark, Germany (KFW), France (AFD), Japan (JICA), FAE/BAD and the World Bank.

While taking account of the diagnostic features, reaching MDO 7 in 2015 is improbable.

The major problems identified in the sector are: (i) the lack of qualified staff; (ii) the low financing of the sector; (iii) the absence of a mechanism to maintain the implemented infrastructures; (iv) non-adoption of the implemented infrastructure by the beneficiaries; (v) the lack of infrastructure; (vi) the absence of a policy and strategies on redevelopment; (vii) the non-existence of enforcement documents for the Water Code; and (viii) the absence of a framework for coordination and consultation among the players.

To tackle this, the Government envisages ensuring better national coverage with water and redevelopment. To this end, it aims to achieve the following results by 2015: (i) the deregulation of the water sector and development of public/private partnerships (PPP); (ii) the implementation of an investment plan to guarantee sustainable development in the sector; (iii) strengthening of capacities; (iv) the establishment of management and coordination bodies for action by the various players; (v) appropriation of hydraulic and redevelopment infrastructure by the beneficiaries; (vi) the development of a legal and institutional tool in the area of water and redevelopment; and (vii) promotion of hygiene and redevelopment at community and household level (Total Redevelopment Steered by the Community)

To deal with the challenges of the sector, the Government envisages implementing a certain number of actions which hinge around the following axes:

- Adoption and implementation of an appropriate institutional and regulatory framework and reinforcement of a water sector information system

This will involve revitalising the sector through the following priority actions: (i) the redevelopment of the institutional, legal and regulatory framework; (ii) strengthening the organisational framework; (iii) restructuring SODECA; and (iv) strengthening the Water Information Sector System (SISE).

- Reinforcement of national capacities in the area of management and planning of water resources.

With the aim of acquiring competent human resources, the following are envisaged: (i) a strengthening of the capacities of the water and redevelopment players; and (ii) efficient planning and high-performing management of water resources.

- Refurbishment and construction of appropriate water feeding and purification works

This will involve ensuring investment through the following priority actions: (i) making available the equipment and logistics needed to implement water and redevelopment infrastructure; (ii) the renovation of water supply and redevelopment works; (iii) the construction of water supply and redevelopment works; and (iv) the promotion of hygiene and redevelopment at community and household level (Total Redevelopment Steered by the Community).

■ Diversification and stabilisation of regular resources to finance the sector

To make the financing of the sector permanent, the main action selected is the implementation of a mechanism to mobilise national and external resources (Investment Plan).

g. Housing and the Habitat

The assessment of the Habitat and Housing sector takes account of housing, roads, various networks, gardens, green spaces, etc. The habitat in the Central African Republic is experiencing serious difficulties in view of accumulated deficiencies in this sector.

Studying the typology of the habitat leads us to highlight the malaise which affects this sub-sector, such as the consumption of space, the proliferation of an uncontrolled habitat in an urban setting, the increased density of central districts, the inadequate production of housing, the high cost of construction, and the absence of policy to promote local materials.

As such, the increase in demand for housing is continuing, because fewer than 2,000 homes have been built throughout the country in 60 years, leading to a shortfall of 500,000 homes. Annual housing requirements are approximately 10,000 to 15,000 in Bangui and in the country's towns.

The Government's efforts have been reflected in measures in the area of Urban Planning, Public Buildings, Habitat and Housing. At the urban planning and public buildings level, the Government adopted law no. 09.003 of January 16, 2009 aimed at orienting the national policy to develop the country. This law seeks a better distribution of resources (human, material and technical) across the entire national territory. At the level of habitat and housing, the Government has adopted law no. 09.001, of January 16, 2009, creating the Central African Agency for the Promotion of the Habitat (ACPH) and no. 09.002 of January 16, 2009 on the creation of the Habitat Bank (BH).

Annual housing requirements are approximately 10,000 to 15,000 in Bangui and in the country's towns.

Financing of the sector is essentially based on the State's budget, which takes full charge of the land and real estate aspects. However, the choice of budgetary priorities does not allow it to release sufficient resources for the benefit of the habitat and building.

The problems of the habitat and construction sectors are as follows: (i) a weakness in supply capacities in the area of habitat and housing; (ii) anarchic self-building which comprises a factor of insecurity, redevelopment and access; (iii) an absence of an appropriate habitat and construction policy; and (iv) the non-existence of a real estate code and a habitat bank.

Within this perspective, the Government envisages building 6,940 social housing units. To do this, it has set the following results for 2015: (i) the creation of decent homes for the public; (ii) the rendering available of developed sites which can be made viable to the public; and (iii) the implementation of urban planning plans for towns.

The Government's strategy in the Habitat and Housing sub-sector hinges around the following axes:

■ **Strengthening of institutional capacities**

It involves the following priority actions: (i) strengthening organisational and management capacities; and (ii) the implementation of technical, socio-economic and financing plans for home building.

■ **Development and promotion of the habitat public reserves and fields**

The actions to be developed are: (i) the construction and renovation of the habitat; and (ii) making public reserves and fields viable.

■ **Financing of the sector by diversified, stable and regular resources**

This will involve favouring a public-private partnership through priority actions, which are: (i) the implementation of a mechanism to mobilise resources; (ii) the promotion of the value enhancement of basic infrastructure; and (iii) the effective application of deregulation in the sector.

h. Gender

The gender sub-sector, which is transversal, forms a space of integration and horizontal articulation of the Government policy relating to the policy of equality and equity between the two sexes.

The analysis of performances in the area of human development highlights remarkable differences between the sexes. The rate of illiteracy among women is very high (68% of women, compared with 46.2% of men). The schooling rate at primary school level was 55% among girls compared with 71% among boys in 2009, just like the level of exits from school which is aggravated as girls reach the age of puberty. At the level of secondary education, the rate is 26.5% among boys and 15% for girls, and according to the Country Gender Profile for the CAR compiled by the African Development Bank in 2009, 23.46% of girls attend university, compared with a ratio of 76.53% boys.¹⁶

It is also noted that women are harder hit by poverty than men and that their contribution to national wealth appears to be low or underestimated. The poverty of existence of households is still predominant: more than half (50%) of Central African citizens are poor; in the rural environment 81% of women are affected by poverty compared with 69% of men.

From the viewpoint of human poverty, it should be emphasised that women run a higher risk of death between the ages of 15 and 49 due to maternal mortality linked to complications in childbirth and early marriages, although they had a higher average life expectancy than men. As regards the Human Development Index (HDI), the Central African Republic was ranked 178 out of 179 countries in 2007. On the basis of the Sex-specific Human Development Index, the CAR was ranked in the 153rd position out of 177 countries, which confirms the reality of gender inequalities in the country.

¹⁶ Gender Profile of the Central African Republic 2008

Promoting equality and gender equity is one of the Government priorities in the process of consolidating peace and sustainable development. On this basis, the Government recognises that the goal of gender perspectives in any peace and development process is to seek the efficiency and durability of policies and programmes through the taking into account and effective and significant participation of women at all levels and in all sectors.

The Government's efforts in the gender process have experienced a certain number of advances at the institutional, political and legal level. As such, the Government has undertaken practical multi-format actions. These respectively include the steering of promoting gender by the Ministry of Social Affairs, National Solidarity and the Family; creating the Sector Committee "Gender Equality and Reduction of Poverty"; the adoption of a national document to promote gender equality and equity and an action plan. As regards the legal framework, the CAR ratified the Convention on the elimination of all forms of discrimination against Women in 1991; the African Charter on Human and Peoples' Rights and its addendum. Thus, the country has an egalitarian constitution, a family code that is being reviewed and some laws which favour women.

The Government's efforts with support from partners also relate to the protection of childhood, care for orphans and other children who have been made vulnerable (OEV), the struggle against harmful practices and gender equality and equity and making women independent, the strengthening of the capacities of women's organisations affected by conflicts, and the socio-economic promotion of vulnerable groups, which is a merger of two Community projects, in particular the Community Development Project and Support for Vulnerable Groups (PDCAGV).

The political framework for the promotion of gender equality has the Central African Republic's endorsement of the Millennium Development Goals (MDG) as its backdrop. In practice, if a close look is taken, the indicators reveal persisting inequalities from year to year between boys and girls. These disparities are significant if reference is made to gender, age, the income level of households and the location of residence. In these conditions, reaching the MDG3 which establishes a ratio of equality between girls and boys by 2015 in Primary, Secondary and Third-level education seems to be improbable, given that conditions for girls' access to schools and staying there have not been met yet.

However, the sector is marked by: (i) the existence of socio-cultural taboos and prejudices; (ii) the low representation of women in modern law jurisdictions and their absence from customary law jurisdictions; (iii) physical and financial lack of access to law and the defence of vulnerable social groups; and (iv) the weakness of women's economic power; (v) early sexual relations and a high level of early marriages (20% of girls before the age of 15); (vi) the low application of laws on inheritance and succession; (vii) the persistence of harmful practices towards women and girls (levirate marriage and sororate marriage, genital mutilation, widowhood rites, etc.); and (viii) absence of the visibility and value enhancement of women's work in productive sectors.

Given this situation, the Government intends to create a macroeconomic, political and legal framework which favours equitable access by men and women to the conditions and opportunities to enjoy their right and develop

their potential. On this basis, it aims to achieve the following results by 2015: (i) inclusive civic participation in the framework of peace and democratic governance; (ii) a reduction in poverty, socio-economic disparities among groups; and (iii) an increase in equitable access by men and women to law and formal and customary justice; (iv) the struggle against all forms of discrimination and harmful practices and violence towards girls and women; (v) and the strengthening of the capacities and integration of women in the socio-economic fabric and decision-making processes; and (vi) the effective enforcement of recommendations from the CEDEF and the African Charter of Human and Peoples' Rights.

In view of accelerating the process of taking account of gender, the Government intends to implement a strategy, which revolves around the following axes:

- **Strengthening of the institutional and technical capacities of the central, regional and local development of gender Equality and Equity**

This will involve: (i) providing support for making operational the institutional and technical framework to implement the national policy to promote equality and equity; (ii) implementing a system to promote the systematic integration of gender issues into national development policies, programmes and plan; and (iii) informing, educating and communicating to ensure a change in behaviour.

- **Promotion of inclusive civic Participation in the context of consolidation of peace and democratic governance**

The main measures envisaged are: (i) supporting the implementation of a legal and regulatory framework which favours the participation of women in negotiating and decision-making authorities; and (ii) ensuring an equal exercise of civic and political rights by women and men at all levels; and (iii) implementing an appropriate strategy to establish the different policies adopted.

- **Reduction in poverty and socio-economic disparities**

To do this, the Government selected the following actions: (i) access by rural producers to agricultural and pastoral inputs; and (ii) nearby supervision of farmers for the diversification of productive activities, the promotion of employment among young people and female entrepreneurship.

- **Improvement of the access of vulnerable groups to law and to justice, the intensification of the struggle against all forms of violence base on gender and sorcery**

The main measures envisaged in this framework are: (i) the establishment of a pilot system of legal and judicial assistance to vulnerable groups, especially women, marginalized groups and minors; (ii) the promotion of equality and equity in the management and operation of customary law; and (iii) intensification of the struggle against Gender Based Violence and sorcery.

i. The environment and climatic changes

The environment is defined as a set of natural or artificial elements and biological balances in which they participate as well as economic, social and cultural factors which favour the existence, processing and development of the environment, living organisms and human activities.

The major problems of the environment are as follows: (i) the anarchic exploitation of natural resources; (ii) the loss of biodiversity; (iii) the deterioration of the environment, soil and air quality; (iv) the failure to integrate environmental parameters in national accounting; and (v) the lack of qualified and sufficient human resources in the environmental field.

With a view to preserving the environment and guaranteeing sustainable human development, the strategy which the Government intends to implement revolves around the following axes:

■ The development of the Ministry of the Environment and Ecology's human, institutional and systemic capacities

It will take place through the following priority actions: (i) the recruitment of new executives; (ii) on-going training of currently employed executives; and (iii) the construction and supply of appropriate equipment, office materials and resources.

■ The change in the population's behaviour in favour of sustainable management of the environment through Awareness-raising, Education and Information

The selected actions are: (i) the identification of priority environmental fields; (ii) the compilation and validation of the national strategy on communicating and raising awareness of environmental problems; (iii) the creation of communication tools; (iv) the organisation of meetings and awareness-creation workshops for the general public, schools, Civil Society Organisations and public and private institutions; and (v) the compilation and general dissemination of the enforceable texts on issues of environmental assessment and environmental impact studies among public and private institutions.

■ The integration of environmental questions through the implementation of impact studies on development for environmental issues through the completion of impact studies on development projects

The following are envisaged through the following actions: (i) the monitoring and validation of environmental impact studies; (ii) the monitoring and validation of screening files in the context of implementing projects; and (iii) the monitoring and evaluation of environmental management plans.

■ The development of early action to respond efficiently to the consequences of disruption of the climatic cycle

The Government has selected the following actions: (i) the organisation of reflection workshops on climate change phenomena; (ii) the proposal and validation of an early alert manual on the harmful effects of climate change; and (iii) the establishment of an early warning system.



■ The implementation of the medium-term investment plan for sustainable management of land

The selected priority actions are: (i) the self-organisation and reinforcement of the process of structuring local communities in the struggle against the deterioration of land; (ii) strengthening of the services of the State, public companies and NGOs; (iii) the definition of a suitable legal framework to combat the deterioration of land plus; (iv) information, communication and awareness-raising among all of the players.

The forestry taxes paid to the benefit of the State have been affected by the global economic crisis. The global amount for exploitation taxes fell from 2.4 billion in 2008 to 1.2 billion in 2009. The re-wooding taxes linked to the export of bark also experienced a fall, slipping from 1.2 billion in 2008 to 0.6 billion in 2009. We note a clear fall by the forestry sector to the national economy. This contribution declined from 40.3 billion in 2000 to 24.2 billion in 2009. Despite this decline in forestry receipts, the sector has continued to support the Government's efforts in its battle against poverty. Thus, approximately 997,656,552 CFA francs were paid to local authorities in forested areas in the past three years (2008 - 2010) for investment projects.

In practice, among the three main natural resources indicated above, forestry resources are the most important. The Central African Republic has a potential of approximately 5.4 million hectares of dense humid forests distributed into two blocks, in particular the South-West mass, which extends for 3,787,777 ha, including a 2,608,700 ha productive area with a global potential of some 866 million m³, including all types of species and types of wood together. Approximately 301 species of trees have been identified in an exploitable volume of some 241 million m³ whereby 66 species comprise a marketable volume of 93 million m³. The conservation mass located in the South-East with a surface area of 1,600,000 ha is exploited illegally on an artisanal basis to satisfy the public's demand for wood.

Between 2003 and 2010, environmental issues were taken into account by the General State Bodies for Water and Forests. At an institutional level the actions undertaken are: the enactment of the Environment Code, through law no.07/018 of December 27, 2007 and the National Environment Fund, created by law no.07.018 of December 27, 2007 dealing with the environment Code; the compilation of the national environmental action plan (PNAE) 2000-2020.

The Central African Government has undertaken a policy of protecting and managing natural resources. In the context of adapting and alleviating climatic changes, the sector benefits from international commitments,

The forestry taxes paid to the benefit of the State have been affected by the global economic crisis.

The Government intends to strengthen the capacities of the key publics and players and their effective participation in the sustainable management of natural and environmental resources in accordance with the international standards in force. To do this, it aims to reach the following results by 2015: (i) the taking into account of environmental issues and the struggle against climate change in the sector policies, strategies and plan; (ii) the definition and rendering operational of the legal and regulatory framework to manage the environment; and (iii) supplying the sector with an appropriate and functional framework.

j. Employment and social protection

Employment and social protection cover four fields, especially private and public employment in the modern sector, employment in the informal sector and so-called rural employment with ultimately subsistence agriculture and security, insurance and social assistance mechanisms to respond to the contingencies of the life cycle and economic and social shocks affecting workers and vulnerable people (women, children, very poor households, the elderly, the unemployed, the disabled, etc.) .

The major problems in the field of employment and social protection are as follows:

The employment and social protection situation is characterised by (i) the non-existence of a national employment and professional training policy; (ii) the non-existence of a national social protection policy; (iii) the sector's weak reception capacity as well as the non-diversification of the economy, which limits opportunities for employment and reduces the capacity to protect against economic and social risks and shocks; (iv) the absence of a policy to make independent and self-employ vulnerable groups; (v) the non-existence or inefficiency of a policy to access activities that generate income, financial services, to promote and manage small and micro-enterprises and to professionally develop young people and other disadvantaged groups, etc.; (vi) the absence of an appropriate policy to bolster the technical and operational capacities of Executives and Non-executives of Ministries in charge of issues of employment and social protection; (vii) the non-integration of the transversal dimension of employment in development projects and mechanisms of security, insurance and social assistance; (viii) the high concentration of decision-making and control powers; and (ix) the lack of control of flows of agents.

The Government's strategy in the employment area mainly involves developing self-employment and activities that generate income, High Labour Intensity Work and the promotion of employment in the modern private sector.

By 2015, the Government aims to have an efficient employment sector, which contributes to growth and reducing poverty through the implementation of a voluntarist strategy of creating and promoting new employment opportunities on behalf of the poorest groups in the public and the effective use of the pluralist system of security, insurance and social assistance.

Thus, it has committed itself to the following actions: (i) the reduction of the unemployment rate; (ii) an increase in employees' wages; (iii) the creation of decent jobs on behalf of the poorest sectors and vulnerable groups; and (iv) the participation of the working population in the creation of national wealth and the social protection of workers and their families; (v) the participation of the working population in the creation of national wealth; (vi) the development and implementation of a social protection policy for vulnerable groups against economic and social shocks to ensure greater socio-economic security through a contributory system for the formal and informal system and informal and a non-contributory one for vulnerable social groups through mechanisms for the redistribution of national wealth.

To do this, it retained the following main axes:

- The implementation of an encouraging institutional framework able to favour the creation of decent and lasting jobs

This involves: (i) the reform of legal and institutional texts; and (ii) the establishment of support and supervision structures for companies.

- Strengthening of institutions responsible for managing the national policy on employment and professional training and the training of human resources who are competitive in the employment market

The actions planned to this end are: (i) the strengthening of the operational capacities of the Ministry of Employment and Professional Training; (ii) the creation and/or reinforcement of tools to promote employment and professional training; and (iii) the drawing up, planning and implementation of professional training programmes while taking account of the real needs of the employment market; and (iv) facilitation of access and technical and financial support to income-generating activities.

- The implementation of an information, labour market management and professional training market

The actions planned to this end are: (i) the creation of an institutional and legal mechanism for social protection; and (ii) the rehabilitation of the National Social Security Fund's financial capacities; (iii) the formulation and implementation of a national social protection policy; (iv) the restoration of the National Social Security Fund's financial capacities; (v) the implementation of voluntary security and social insurance mechanisms and the mutualisation of risk for informal workers to ensure a better cover of the social protection contributory system; and (vi) the development and enactment of social protection programmes on behalf of women, children and other vulnerable groups (i.e. HIMO programmes, mutual health funds, non-contributory and/or contributory social transfers and other tools to reduce the financial barriers to access to basic social services for vulnerable sectors, etc.).



Third section

Costs of the programmes and financing

3. Costs of the programmes and financing

3.1. Scenarios of growth and modalities for financing programmes

This section presents the two RPSD macroeconomic scenarios (a trend scenario aligned to the FEC, and a voluntarist scenario to achieve the RPSD's goals) and their implications for the macroeconomic framework setting. The trend scenario is the basis and makes it possible to verify the credibility and realism of the Government's actions, through the economy's absorption capacity and respect for financing constraints. The alternative scenario or voluntarist scenario is one which translates the Government's full ambition to accelerate growth and to improve social indicators.

The scenarios are based on macroeconomic and social hypotheses and retain goals in these fields. The framework sets out their implications for the profile of global growth and sector performance indicators. This framework is supplemented by a risk analysis¹⁷ with a view to appreciating the implications of shocks, structural rigidities and other obstacles to the implementation of the strategy and the impact on macroeconomic, budgetary and sector goals.

Development of the international environment

Since 2010, the international environment has been characterised by a recovery in growth which could continue until 2015. This growth will be increasingly strong in emerging countries (China, India, Brazil, Taiwan, Indonesia and Malaysia) whose markets could advance to reach 33.5% of global GDP in 2015, according to the IMF. This trend will probably persist in the foreseeable future due to the dynamics of exports and domestic demand on the one hand and the stability of the political environment in these countries on the other.

The risks which weigh on global perspectives concern the continuous budgetary problems of some European countries, Japan's sluggish economy, the difficulties of the American real estate market and the prospect of a rise in inflation in emerging countries that are rising rapidly.

Since 2010, the international environment has been characterised by a recovery in growth which could continue until 2015.

3.1.1. The trend scenario

a. Description

The trend scenario lists the FEC hypotheses through which the Government intends to continue the reforms of the public finances and to stabilise the economy and to create conditions for stronger economic growth by strengthening the export sectors and stimulating domestic demand.

¹⁷ This analysis recalls the hypothetical nature of the alternative scenario, whose results depend on the fulfilment of a set of hypotheses in the economic situation on the one hand (exogenous factors), and on the other, the ability to implement priority actions (endogenous factors). Any disruption in one or other these two types of factors will lead to deviations in the macroeconomic framework and prospects for reducing poverty.

The public finance reforms envisaged to improve receipts target reinforcing the institutional capacities of the administrations, integration of operators from the informal sector into the taxation system, a review of taxation legislation and the strengthening of customs control along the entire national territory. Other measures involve the management of public expenditure, through which, it is planned to consolidate internal audit mechanisms, reinforce cash flow management and Medium-term Expenditure Frameworks (CDMT) as a tool for making macroeconomic and sector policies cohesive.

As regards improving the production environment, the priorities relate to securing and increasing the electricity supply and continuing the renovation of the Bangui-Douala route and other road or river transport infrastructure. In terms of the business environment, the emphasis will be placed on dialogue with the private sector and the judicious application of legislation on taxation and investment.

As a goal, the Government intends to raise the level of public investment in sectors that support growth to gradually reach a public investment level of 8% over the long-term. This increase in public investment could be financed by a stronger mobilisation of internal resources to a level of 14% of GDP, and external resources of 5.5% of GDP, essentially in the form of donations or loans at concessionary rates. Finally, with the aim of reducing financing costs and domestic arrears, the Government plans to call on the CEMAC public securities markets.

b. Implications of the trend scenario

■ At the macroeconomic level

Table 8.

Growth rate of GDP in volume in the trend scenario

Growth in GDP at a constant price (%)	2009	2010	2011	2012	2013	2014	2015
GDP	1.7%	3.2%	3.7%	4.5%	4.9%	5.3%	5.3%
Primary sector	0.7%	3.8%	2.6%	2.9%	3.1%	3.3%	3.4%
Secondary sector	-8.4%	-4.4%	9.3%	6.4%	3.4%	3.5%	3.4%
Services sector	0.1%	3.2%	1.1%	3.8%	4.7%	5.3%	4.3%
Impôts							
GDP and uses of GDP at current prices (billions of FCFA)	2009	2010	2011	2012	2013	2014	2015
GDP	840.6	906.0	947.0	996.0	1047.6	1109.7	1174.7
Households' final consumption	671.2	718.1	755.3	792.4	828.7	878.8	936.9
Final public service consumptions	163.8	186.9	188.6	197.3	207.1	217.1	229.9
Private FBCF	89.8	101.1	114.6	123.7	130.3	132.0	136.1
Public FBCF	26.2	38.5	42.8	42.8	46.5	51.0	55.9
Exports	89.1	104.9	110.1	119.7	126.6	133.1	133.0
Imports	201.6	245.5	262.2	277.3	288.5	299.5	313.6
In % of GDP	2009	2010	2011	2012	2013	2014	2015
Households' final consumption	79.8%	79.3%	79.8%	79.6%	79.1%	79.2%	79.8%
Final public service consumption	19.5%	20.6%	19.9%	19.8%	19.8%	19.6%	19.6%
Private FBCF	6.2%	6.2%	6.6%	6.5%	6.3%	5.8%	5.6%
Public FBCF	3.1%	4.2%	4.5%	4.3%	4.4%	4.6%	4.8%
Exports	10.6%	11.6%	11.6%	12.0%	12.1%	12.0%	11.3%
Imports	24.0%	27.1%	27.7%	27.8%	27.5%	27.0%	26.7%

Sources: Results of estimations and projections (MODESS model)

Real sector

From 2008 to 2010, the growth profile was marked by the effects of the recession. As of 2011, the pace will accelerate gradually, moving from 3.7% to 5.3% in 2015.

In the period from 2011 to 2015, the primary sector has a relatively weak growth profile of 2.6% to 3.4%. As regards the secondary sector, its growth rate starts from 9.3% in 2011, just after the recession period, but weakens from year to year to stabilise at 3.4% in 2015. In contrast, the services sector gradually rises from 1.1% in 2011, to reach 4.3% in 2015.

In terms of contribution, the greater proportion of growth is achieved by the primary sector and the services sector. For the primary sector, this is essentially due to its high weighting in GDP and the continued advance of its growth rate, at an annual average of 3%. The sub-sectors which determine growth in this sector are food crop agriculture with an average growth rate of approximately 3%, and stock breeding with an average rate of 2.8%. For the services sector, the relatively high contribution to the formation of GDP is largely due to the dynamism of the trading sector.

At the level of GDP employment, final consumption by households and public service departments comprises the main growth driver in the in the period under review. For households, the relatively strong contribution results from the gradual improvement in their disposable income. For the public service departments, this is due to a slight improvement in domestic receipts. Furthermore, public investments make a positive contribution to the formation of GDP in the same period.

The public finances

Table 9.
Public resources and expenses in the trend scenario

The State's financial operations (billions of FCFA)	2010	2011	2012	2013	2014	2015
Total receipts	161.3	163.7	174.6	185.9	200.3	216.8
Receipts (excluding donations)	107.1	113.4	121.1	128.3	138.2	149.6
Fiscal receipts	89.1	96.1	102.3	111.7	119.8	129.2
Non-fiscal receipts	18.0	17.3	18.8	16.6	18.4	20.4
Donations	54.2	50.3	53.5	57.6	62.1	67.2
Total expenditure	168.2	168.7	182.0	198.6	215.9	236.4
Current expenditure	109.0	102.8	110.4	120.2	129.9	140.6
Salaries	46.0	49.0	52.7	56.9	61.5	66.4
Transfers	25.0	21.7	23.4	26.5	28.6	30.9
Goods and services	32.3	27.9	30.0	32.4	34.9	37.7
Interest	5.7	4.2	4.3	4.4	4.9	5.6
Capital expenditure	59.2	65.9	71.6	78.4	86.0	95.8
Primary balance	3.8	14.8	15.0	12.5	13.2	14.6
Variation in arrears	20.0	15.0	15.0	15.0	15.0	15.0
Global balance						
Donations excluded	-61.1	-55.3	-60.9	-70.3	-77.7	-86.8
Donations included	-6.9	-5.0	-7.4	-12.7	-15.6	-19.6
Global balance (funding base)	-26.9	-18.9	-16.8	-18.9	-15.4	-14.0
Financing identified	10.2	7.9	3.9	9.0	15.4	14.0
External (net)	1.6	9.1	3.8	4.6	5.3	6.6
Internal	8.6	-1.2	0.1	4.4	10.1	7.4
Residual need for financing	37.1	26.8	20.7	27.9	30.8	28.0

Sources: Results of the estimates and projections (MODESS projections)

With regards to growth and poverty reduction goals, the public resources appear to be modest. In practice, the effort to mobilise internal resources leads to a slight advance in fiscal pressure which rises from 9.5% in 2010 to 10.2% in 2015. The total budgetary receipts rise from 161.3 billion in 2010 to nearly 217 billion in 2015. In the same period, donations evolve from 54.2 to 67.2 billion, which represents 31% of all budgetary resources in 2015.

In parallel with the effort to mobilise receipts, the State will aim to improve the allocation of public expenditure by increasing the weighting of public investment spending and by improving the targeting and execution of expenditure directed at priority sectors. On the one hand, the ambition to increase public investments is reflected by a gradual increase of the ratio of capital expenditure to total budget spending. In practice, the share of capital expenditure rises from 35% in 2010 to 40% in 2015, which is the equivalent of 6.5% of GDP in 2010 and 8.2% in 2015. On the other, whereas current primary expenditure rises from 9.5% of GDP in 2009 to 12% in 2015, the share represented by salaries is maintained at around 5% of GDP.

The primary balance excluding interest is positive for the period and its value is situated around an average of 14 billion. The budget deficit (excluding donations on a commitment basis) moves from 6.7% of GDP in 2011 and 7.4% in 2015. This is reflected by a residual balance of financing to be sought of 26.8 billion FCFA in 2011, 27.9 billion in 2013 and 28 billion FCFA in 2015.

The State is determined to adopt a prudent policy in the area of external indebtedness so it can keep the debt to a sustainable level, which is compatible with its repayment capacity. Furthermore, in compliance with the commitments undertaken in the context of the programme approved by the FEC, there will not be an accumulation of arrears on the external debt.

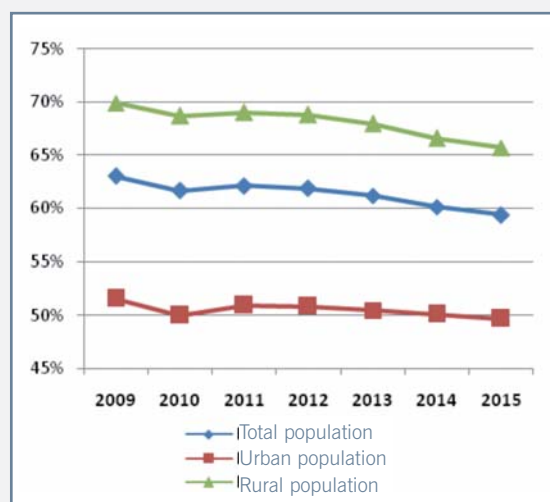
■ External sector

The deficit in the current balance is stabilising at around 8% of GDP in the forecast period, whereas the deficit in the trade balance is close to 17% of GDP due to the slower advance of exports relative to imports. The increase in domestic demand for energy and the increase in public investment programmes explains this gap in the pace of trading relationships.

Between 2011 and 2015, the balance of the capital account posts a surplus whose growing value rises from 5% of GDP to 14%, thus indicating the dynamism of the mobilisation of external resources; however, the financing requirement expressed by the economy would be close to 8% of GDP on average. In absolute terms, these results from the trend scenario reflect the situation of an economy which has an increasing need for the inflow of additional resources.

Illustration 6.

Development of the occurrence of poverty

**Sources:**

Results of the estimates and forecasts (MODESS model)

At the social level

The analysis of the impact of public measures is done using the results from a macroeconomic forecasting tool which only takes account of monetary poverty indicators.

According to these results, the trend scenario only has a limited impact on monetary poverty. Households' incomes, measured by real GDP per inhabitant, gradually rise with a growth rate of 0.7% in 2011 and 2.3% in 2015, after a sharp deterioration due to the economic recession.

As a result, the poverty rate for the population as a whole, evaluated at 62% in 2008 by ECASEB, initially becomes more pronounced between 2010 and 2012, before starting a slight gradual decline. The forecasts set this rate at 60.4% in 2015.

The analysis according to the residence environments reveals deterioration in the poverty rate in 2011 in general. A gradual improvement is being observed from 2012; however, this is relatively more pronounced in the rural part of the country. Yet, these results remain inadequate given the ambitions to reach MDOs in 2015.

3.1.2. The voluntarist scenario

Under the transversal hypotheses of gradual establishment of measures that make it possible to ensure the security of persons and assets, consolidation of peace and stability, the improvement of good governance and the maintenance of a stable and favourable environment, the voluntarist scenario retains several hypotheses about growth fundamentals. Firstly, this involves a satisfactory implementation of the programme to reform public finances. Secondly, this involves improving the business environment and regional integration through the removal of constraints and obstacles hampering sectors with a high potential as well as growth-generating sectors. Finally, it concerns agriculture through the implementation of PDDAA priority actions, whose main expected results are an increase in productivity and food production plus an improvement in infrastructure and access to the market.

c. The objectives

■ Growth

The Government is counting on quite high growth to reverse negative trends and to accelerate progress towards the MDOs. A GDP growth rate of at least 7% on average will be sought for the period 2011 – 2015. As a result, the GDP per inhabitant should increase at an average rate of at least 3%, above the growth rate of the population to accelerate the decline in poverty.

■ Domestic demand and public finances

With a view to supporting this level of growth, emphasis will be placed on growing public demand with the aim of improving the production environment. In practice, the Government intends to increase public investments substantially by raising their ratio from 6 to 12% of GDP in the period. The main priorities are basic infrastructure to support production and social infrastructure. In the first field, this will involve improving transport infrastructure, especially roads and rural tracks, navigable rivers, energy infrastructure linked to the water supply and oil products and telecommunications infrastructure. In the second field, the goal will be to substantially increase the size and access to healthcare and educational infrastructure and infrastructure linked to the supply of drinking water to the public.

To safeguard macroeconomic stability, the State shall make an effort to maintain the budget deficit at less than 3% of GDP, in agreement with the sub-regional Community standard. Furthermore, special attention will be paid to the volume and profile of external resources, with the aim of keeping external public debt indicators within the limits defined by the IPSTE criteria.

■ Mobilisation of resources

In order to meet the challenges, high mobilisation of both external and internal resources is becoming a necessity. To attain the growth goal in the period, an increase in the level of investment in key sectors of the economy, notably in basic infrastructure to support production, agriculture and other exporting sectors, while maintaining macroeconomic stability is a prerequisite. The goal is to move gradually from a trend level of public capital expenditure of 6.5% of GDP up to 2010 to 12.5% in 2015. This corresponds to an accumulated public investment figure of at least 600 billion from 2011 to 2015.

To finance this gap, priority will be to implement reforms (public finances, management of natural resources, the business environment) and to advocate the mobilisation of external resources in the form of donations or loans at concessionary rates, in view of the post-PPTE nature of the country. Furthermore, more significant efforts will aim to increase domestic resources substantially. As such, in the logic of reforming the public finances, the Government intends to make a genuine fiscal effort to improve the tax base (new sectors taken into account and a widening of the taxation base) and the performance of the public service to raise the level of taxation pressure from 9.8% of GDP in 2010 to 12% in 2015. These resources will be supplemented derived from borrowings in the CEMAC financial market, thanks to the strengthening of the capacities of the responsible institutions.

The estimations, based on the abovementioned hypotheses, evaluate the gain in fiscal effort at an additional amount of approximately 86 billion over the period, i.e. 17.2 billion per year. Furthermore, the first estimates of the resources which can be mobilised in the CEMAC financial market indicate a minimum of approximately 30 billion in the period of RPSD 2. The estimated cumulated gains establish the internal resources at 150 billion above the trend scenario.

Equally, a level of cumulated external resources of 920 billion could be mobilised, representing a gain of approximately 650 billion compared with the trend scenario. Thus, under these voluntarist hypotheses, it will be possible to have a global differential amount of approximately 800 billion for the five (05) years.

Allocation of resources

The allocation of resources mobilised in this way translates the wish to create the basis for strong and durable growth, which responds on a priority basis to needs to reach MDOs. The required conditions are the recovery of agriculture and rural development through the detailed agricultural development programme (PDDAA), the development of infrastructure to support, more especially in rural areas and the improvement of the business environment (Axis 2 of the RPSD), as well as the continued raising of social indicators (Axis 3 of the RPSD). Thus, the distribution of resources will follow the grid below:

Table 10.
Priority of the RPSD 2 expenses

Shares	PRSP II	PRSP I	GAP
Infrastructure and growth sectors	30.0%	57.0%	-27.0%
Health education social affairs	25.0%	20.0%	5.0%
Rural development	20.0%	12.3%	7.7%
Administration	12.5%	10.0%	2.5%
Governance and security	10.0%		
Other sectors	2.5%	0.7%	1.8%

The additional resources should make it possible to fill the gap to achieve the transition to the scale needed to reach growth objectives and to reduce poverty. In view of the level of resources expected annually and the prioritisation expected for PRSP 2, the sector allocations of resources, starting from relatively modest levels up to 2010 and rising gradually, can be translated as follows:

Table 11.
Sectoral allocations

Budgets	2011	2012	2013	2014	2015
Infrastructure and growth sectors	21.5	36.8	48.6	58.2	67.4
Health education social affairs	17.9	30.7	40.5	48.5	56.2
Rural development	14.3	24.6	32.4	38.8	44.9
Administration	8.9	15.3	20.3	24.3	28.1
Governance and security	7.2	12.3	16.2	19.4	22.5
Other sectors	1.8	3.1	4.1	4.9	5.6
Total	71.5	122.8	162.0	194.2	224.7

The use of these resources will take place in a global stable macroeconomic framework which has both been made favourable for implementing and monitoring the PRSP.

■ Private investments

The enhancement in reforms and public investments to support product production should significantly improve the business environment and private investment opportunities. In the mining field, this should be translated by the allocation of new operating permits, and the effective launch of works by large mining companies. As regards the use of forests, in addition to the allocation of new operating permits, investments should be made for local wood processing in accordance with the new forestry code in order to boost the added value of this sector.

As regards the agribusiness industry, measures should allow the installation of small industry and the re-launch of activities by existing operators (CENTRAPALM, SUCAF, HUSACA, etc.) in order to complete the agricultural sectors involved and to expand growth prospects thanks to the strong existing potential. With respect to services, there is an expected continuation of the country by telecommunication operators, an improvement in the serving of the country and the different operating zones by transport companies (air, river, road and inter-urban), the continued cover of the territory by financial companies (bank and insurance), and the development of tourist activities through the promotion of travel agencies.

d. The involvement of the voluntary sector

■ Real sector

Thanks to reforms and the growth of investment in sectors supporting production, the implementation of the voluntarist scenario will lead to a clear improvement in growth. As such, the average growth rate in the resulting GDP is approximately 7% over the period of 2011 to 2015. This growth would be essentially due to the acceleration of activities in the services sector, whose average growth rate is estimated at 7.7% thanks to a significant improvement of the business environment and strong impetus from public expenditure, and the primary sector whose average growth rate is 6.2% (6.7% for food crop agriculture and 10% for annuity agriculture), thus benefiting from the improvement in the environment and the implementation of the PDDAA priority programmes.

In the PRSP 2 period, in addition to households' consumption boosted by the improvement in agricultural incomes, this pace of growth would be strongly supported by public expenditure and, to a certain extent, the restoration of private investments in buoyant sectors. The increase in exports would counter-act the rise in imports caused by the import content of expenditure by public service departments and households.

Table 12.

Comparison of the results of the two scenarios

	Voluntarist scenario	Trend scenario
Real sector		
GDP growth rate (average)	7.0%	3.8%
Primary sector	6.2%	3.1%
Secondary sector	8.0%	5.0%
Services sector	7.7%	4.0%
Public finances		
Fiscal pressure rate	12.0%	9.6%
Public investment (% of GDP)	12.5%	8.2%
Private investment (% of GDP)	8.0%	6.0%
External resources (% of GDP)	17.0%	5.6%
External sector		
Imports (% of GDP)	30.0%	26.0%
Exports (% of GDP)	15.0%	12.0%
Households' living conditions		
Real GDP growth rate per inhabitant	5.0%	2.3%
Incidence of poverty	53.4%	59.4%
Rural environment	61.2%	65.7%
Urban environment	40.3%	49.7%

Sources: Results of the estimates and forecasts (MODESS model)

External sector

One of the Government's goals is to give a real impetus to exports by increasing their share in GDP from 11% in 2010 to 15% in 2015. To this end, the strategy aims to develop the traditional sectors of agricultural exports (cotton, coffee, tobacco) or new agricultural sectors (sesame, bananas, sugar, etc.), plus the effective launch of industrial production of gold, uranium and cement, plus the revitalising of the wood industry whose rate of local processing should also be improved. This should logically derive from the enhancement of infrastructure to support production (energy, transport and telecommunications).

In view of the implementation of investment programmes, a surge in investments may take place. As such, given a contents in imports of public and private investment expenditure, plus consumption, the effort will entail maintaining imports at less than 30% of GDP in order to limit the deepening of the external deficit. Furthermore, this should also encourage the establishment of a minor import-substitution industry.

In total, the trade balance would deteriorate but stays in a range of 15% of GDP. The other balances would not undergo a sharp variation compared with the trend scenario.

e. Poverty

The strong growth in the period should lead to a high increase in households' incomes. As such, the real GDP per inhabitant projected over the period would evolve from an average rate of 5%, which comprises a strong acceleration compared with the average of 2.3% observed in the trend scenario. This acceleration of the average income per inhabitant, would be due to an improvement in agriculture revenues and the distribution of salary incomes by the divisions of the services sector. Furthermore, this is given that purchasing power has not been altered by inflation, whose rate is predicted at a maximum of 3% over the period.

As a result, we should see a significant reduction in the level of monetary poverty to 53.4% in 2015, compared with 59.4% observed in the trend scenario. This fall will be more pronounced for households in an urban setting than for those in a rural environment.



Part four

Implementation of the Programme and Monitoring - Evaluation

4. Implementation of the Programme and Monitoring - Evaluation

4.1. Principles, approaches and intervention programmes

The Central African Republic contributes to and is committed to the thinking and discussion on the effectiveness of aid. It has accordingly signed the Paris Declaration on aid effectiveness and taken part in the third high-level forum on the effectiveness of aid, as well as adopting its values and principles.

On the basis of international principles of cooperation, the CAR will have to pursue the development of an international partnership aiming for mutual support and cooperation by enhancing the comparative advantages of the different players (national, regional, international, and from governments and civil society) engaged in the struggle to reduce poverty.

4.1.1. Principles of intervention

The principles of intervention of the RPSD 2 are based on the international commitments to which the participants have signed up. These include the Paris Declaration on aid effectiveness (2005), *L'Engagement international dans les Etats fragiles et les situations de précarité* (The International Agreement on fragile states in precarious situations) (2007), and the *Division internationale du travail* (International Division of Labour) (2009). Add to these the regional and sub-regional Declarations from participating countries, particularly the African Union Declaration and the 2004 Maputo Agreement on Economic Partnership Agreements – European Union (*l'Accord de Maputo sur les Accords de Partenariat Economique-Union européenne: APE-UE*). These principles set out the specific intervention modalities in the context of the countries and the manner in which the aid that has been granted should be programmed or managed for better results in the area of development.

The partners will have to make sure that their intervention within the framework of the RPSD strengthens the capacities of the state and contributes to reinforcing peace. To achieve this they must: (i) use the context as a starting point; (ii) make strengthening the state the fundamental goal; (iii) acknowledge that there are links between the various political, security and developmental objectives; (iv) encourage non-discrimination as the cornerstone of stable and inclusive societies; (v) treat local priorities differently according to the context; (vi) agree on reliable systems for coordinating the actions of international players; (vii) act quickly. But also remain involved for long enough to have a chance of success and avoid creating pockets of exclusion. The international players must consider the problem of “aid orphans”.

The process of implementing RPSD2 will place the emphasis on (i) national appropriation; (ii) alignment on national priorities; (iii) harmonisation; (iv) results-based management; and (v) mutual responsibility based on the obligation to report and qualitatively assess the aid granted and the division of labour for more synergy.

4.1.2. Guiding principles of the implementation

Within the context of implementing RPSD2, the partnership will be based on the principle of mutual responsibility and the international division of labour, which advocates the adoption of a more effective policy of division of labour among those participating in the development. This system requires donors of expertise in the fields where they have a comparative advantage, and collaboration within the framework of measures based on joint programmes and delegated cooperation.

The Government will provide leadership during the implementation of the strategy in consultation with the other participants in the process. In this way, special emphasis will be placed on (i) participation; (ii) transparency; (iii) relevance; (iv) mutual support and cooperation; and (v) synergy to remedy the harmful effects of the excessive fragmentation of aid at global, national and sector levels on the one hand and effective financing of projects/programmes on the other.

4.1.3. Roles and responsibilities of the players

The State, the development partners, as well as the other players will all take care of the roles and responsibilities to varying degrees of involvement in intervention in and the execution of the priority programmes contained in RPSD 2, while striving for mutual cooperation and support for more coherence, harmony and effectiveness.

a. State

The State will be responsible for (i) mobilising internal and external resources; (ii) coordinating the interventions of development partners; (iii) supporting cooperation between the players; (iv) relating the State's budget to the priorities of RPSD2; (v) monitoring expenditure to promote priority sectors; (vi) the prompt payment of debt servicing and compensation funds; (vii) eliminating extra-budgetary expenditure; (viii) security sector reform (SSR).

b. Development partners

The development partners will see to (i) the use of simplified payment procedures for projects and programmes to improve the rate of consumption of resources; (ii) support for the mobilisation of financial resources; (iii) participation in the monitoring and evaluation of RPSD; (iv) contributing to wealth and job creation to support the impoverished; (v) the alignments of national priorities through the strengthening of national systems.

c. Other players: (parliament and other non-state participants)

They are responsible for (i) mobilising the populations to appropriate the RPSD; (ii) getting involved in the process of implementing and monitoring priority actions.

4.1.4. Implementation instruments and procedures

The instruments for implementing the strategy will be the projects and programmes being conducted within the framework of RPSD1 and the new ones to be included in RPSD2.

Approches d'intervention. They must be specifically defined and structured within the framework of the main programmes together with the operational implementation methods, whether or not they are closely related to the nature of the operations.

The main priority of the programmes, focussed as they are on improving the living conditions of the population, must be to empower the poor. Once they have acquired the ability and capacity to contribute to the implementation of some of these operations effectively and efficiently, the contribution of the poor will be indisputable. Where there is inadequate or limited capacity, the emphasis will be placed on a coaching approach enabling a direct apprenticeship and thus the training of qualified participants. Some operations will be implemented through the use of innovative technologies once practical measures for product viability and consolidating knowledge have been mastered.

Also, in order to allow greater mutual support and cooperation in the interventions and an assurance that all levels of intervention will be taken into consideration, the operations will target the local and sector levels, as well as the national dimension.

4.1.5. Implementation and Monitoring-Evaluation of RPSD 2

a. Operating plan

One of the Government's most serious challenges is to have a flexible system for monitoring the implementation of the *Document de Stratégie de Réduction de la Pauvreté* (RPSD – strategy document for reducing poverty) that can function at all levels. Sector and multi-sector programmes will be seen as the main implementation instruments for RPSD 2. These programmes will

Box 8: Stratégie nationale pour le développement de la statistique (SNDS) (National Strategy for the Development of Statistics)

The implementation of the first *Document de Stratégie de Réduction de la Pauvreté* (RPSD – strategy document for reducing poverty) for the period 2008-2010 paid insufficient attention to the question of monitoring and evaluation systems. Statistical needs were discussed. These concerned the regularity of indicators, their use locally and nationally and their comparability to the national level.

As the preparation of RPSD-2 will cover the period 2011-2013, it therefore provides the opportunity to integrate the development of statistical information as a production tool meriting priority cross-field attention for its implementation and achieving its goals. To ensure better monitoring and proper evaluation of the implementation of the projects and programmes that result from the *Stratégie de Réduction de la Pauvreté* (SRP – strategy for reducing poverty), it is necessary to have viable statistics that are available in real time.

Drafting principles

The drafting of the SNDS is a participative process that takes place in stages and requires the involvement of the different players (producers and users) of the national statistics system.

Goals of the SNDS

The SNDS should allow the permanent use of an information system (statistics) capable of supporting the development, the implementation, the monitoring and the evaluation of the RPSD in order to achieve the *Objectifs du Millénaire pour le Développement* (MDG - Millennium Development Goals).

The different stages

- (i) Developing the diagnostics for the *Système Statistique National* (SSN – national statistics system);
- (ii) Defining the vision and strategies for strengthening technical and institutional capacities that allow the vision to be achieved; (iii) preparing the Action Plan for the SNDS; (iv) Mobilising financial resources; and (v) Proposing a system for monitoring and assessing the implementation of the SNDS.

Results expected from the SNDS

In view of the diagnosis of the national statistics system, which revealed serious structural problems, the results expected from the SNDS can be summed up in the following points:

- (i) Strengthening the institutional and organisational framework; (ii) Development of human and material resources; (iii) Growth of financial resources; Development of statistical production; and (iv) Improving archiving and distribution of data.

be defined in detail regarding the different sectors in question, the goals to be achieved, the nature of the activities to be put into practice, the areas of intervention, the timetable for carrying out these activities and the results expected. They will constitute a framework that is flexible enough to coordinate the activities of the different players, who will be able to bring their own contributions into the fields where they have a comparative advantage.

■ Implementation of the SRP

■ Players

The execution of the strategy for reducing poverty (SRP) will rest with the sector ministers concerned, each in his/her field of expertise in partnership with the national players involved (private sector, local communities, civil society organisations, NGOs, religious faiths and grass-roots communities). The development partners will also work together to implement the actions in their fields and sectors of intervention on sector, regional and national levels.

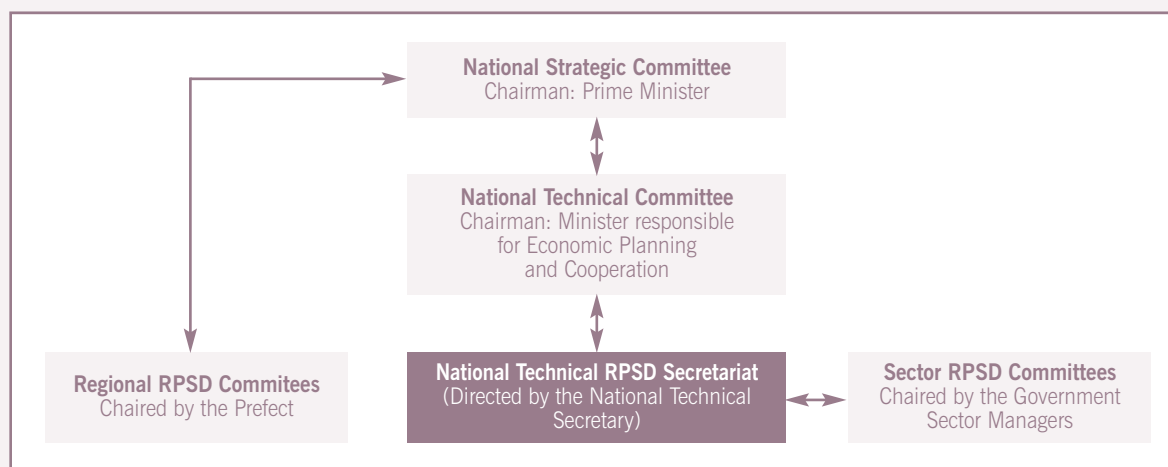
■ The institutional system of the RPSD 2

One of the Government's major challenges is to have an effective and operational monitoring-evaluation mechanism for the implementation of the strategy document for poverty (RPSD). Particular emphasis must be placed on one of the recommendations of the assessment report on RPSD 1 with regard to revitalising the institutional system in order to have timely access to the information required to make decisions. It is important for the National Technical Secretariat to encourage greater involvement by the sector committees and ministerial departments in the preparations for the work of the institutional system for better use of the results of the implementation of the RPSD2.

The implementation of the RPSD 2 will be monitored by the institutional system formed from the following bodies: (i) the Conseil National Stratégique du RPSD (CNS - RPSD National Strategic Council); (ii) the Comité National Technique (CNT - National Technical Committee); (iii) the Secrétariat Technique National du RPSD (STN – National Technical Secretariat); (iv) the Comités Sectoriels du RPSD (CS – sector committees); and (v) the Comités Régionaux du RPSD (CR – regional committees).

A procedural manual will set out in detail the modalities and functioning of these different bodies represented on the diagram below.

Diagram 1. Institutional framework for monitoring the implementation



4.1.6. Monitoring and evaluation of the RPSD 2

a. Principles of intervention

The system for monitoring and assessing the RPSD 2 meet information requirements for: (i) monitoring the welfare of the population; (ii) monitoring the execution of programmes and projects; and (iii) evaluating the progress made and the impact of the policies, programmes and projects for poverty reduction.

b. Information system

The activities of monitoring the implementation of the strategy will rely on the three (3) current sub-systems, distinct but complementary. They rely partly on the sector information systems.

■ Sub-system 1: Monitoring the living conditions of households

This sub-system aims to organise and supervise the monitoring of poverty in the living conditions of households and the economic and social situation. It systematically provides indicators for the living conditions of households and/or the basic data for each of the priority areas identified in the RPSD 2 and the MDGs. For this purpose, it centralises the indicators for: (i) changes in the development of poverty; (ii) macroeconomic growth and framework; (iii) the development of infrastructures; (iv) the social sector; and (v) governance.

The *Institut Centrafricain de la Statistique, des Etudes Économiques et Sociales* (ICASEES - Central African Republic Institute of Statistics and Social and Economic Studies) oversees the coordination of this sub-system. The members are representatives of the Direction Générale des Politiques et Stratégies (DGPS (Directorate-General of Policies and Strategies), the CTP-PAS, the *Banque des États de l'Afrique Centrale* (BEAC - Central African States Bank) and the statistics departments of the sector ministerial Directorates.

Box 9: DAD and aid coordination

The Central African Republic has a *base de Données sur l'Assistance au Développement* (DAD – Development Assistance Database), which records all the movements of development and humanitarian aid. This tool is supported by all the development partners from the countries supplying it through focal points intended and formed for this purpose. The analysis of the data produced supported the work of the National Strategic Committee in implementing RPSD from 2008 to 2010.

Although the DAD is operational, efforts must still be made to ensure that the data is regularly updated and published. With this in mind, it is important to develop a national aid coordination policy and, together with Government and development partners, to define the mechanism guaranteeing the regular and periodic updating of the data. It will also be necessary to formalise aid coordination procedures with assistance at a national level (CNS National Strategic Committee), sector level (sector committees – CS) and regional level (CRs – regional committees) in order to support the help that the data management system can give to the coordination set-up at these different levels. This involves the normal performance of the entire institutional system for the monitoring-evaluation of RPSD, but also a second generation RPSD based on the results and the MDGs, with an estimate of the necessary resources broken down into priority programmes at national, sector and regional levels. The costing must give enough details of the priority investments in progress and those whose financing is still to be researched.

The Government intends to take the steps required to make the DAD tool a permanent fixture and counts on the support of its development partners to reinforce the capacities of the national team responsible for managing the system in order to ensure greater transparency and efficiency in aid coordination.

Two databases developed at ICASEES, particularly DEV-INFO and IMIS, should be able to supply the indicators used for the monitoring-evaluation of RPSD 2. The monitoring-evaluation experts and databases for the ARCAD project will have to support ICASEES to draw up the list of monitoring-evaluation indicators for RPSD 2, with the help of the sectors.

■ Sub-system 2: Monitoring the execution of the programmes and projects.

The task of this sub-system is to monitor the physical and financial execution of the programmes and projects included in the *programme d'actions prioritaires* (PAP – programme of priority actions) in the strategy for reducing poverty in the different sectors. It will rely on the on-line database in external assistance (DAD) and the projects/programmes database developed for this purpose.

To ensure that this sub-system functions well, the job of programming the activities must be distinct from that of monitoring the execution of the projects and programmes at both sector and central levels. This sub-system will therefore be coordinated by the *Unité de Suivi et de Gestion des Projets* (USGP - Project Management and Monitoring Unit) including the development partners, the Studies and Planning Directorate and/or the Resources Directorate and the project management units from the sector ministries, the Directorate-General for the Budget (DGB), the *Direction Générale de la Programmation Economique* (DGPE – Directorate-General for Economic Programming) and the Directorate-General for Policies and Strategies (DGPS).

■ Sub-system 3: Evaluation of the impact of the policies and programmes.

The sub-system's mission is to assess the effects of the policies and the actions on the target groups and development goals (growth, poverty and social development). The evaluations will have to be better matched with the programming of sector activities and the review of programmes and sector strategies as well as the strategy in the SRP. They will also have to be used to assess the effectiveness of the priority programmes with regard to the long-term goals defined in the strategy. In collaboration with the participants in sub-systems 1 and 2, it will essentially be a question of: (i) identifying and selecting the pertinent problems to be analysed.

The sub-systems jobs will be coordinated by the Directorate-General of Policies and Strategies (DGPS) (Judge and party?). The members are ICASEES, the DGPE, the Civil Society (SC), the Studies and Planning Directorate from the ministries or the units for monitoring-evaluating priority sectors.

■ Indicators

Four types of indicators will be developed and monitored by the different structures in the system. These indicators will be for: (i) resources; (ii) activities; (iii) results; and (iv) impact.

The matrices for the resources and activities indicators will be developed by the sector departments and validated in a workshop involving all of the participants, organised with the support of the National Technical Secretariat. The indicators for monitoring living conditions of households will be prepared by ICASEES and the National Technical Secretariat, then validated during a workshop open to all of the participants.

A data collection plan (surveys/routine data collection) will be put together to provide the data required to inform the indicators in use. The needs in terms of data and the strengthening of capacities will be identified and costed.

■ Monitoring-evaluation tools

Monitoring plan, dashboards, quarterly activity/financial reports, field reports (mission), midcourse reviews ... They must enable a regular supply of data on the progress achieved in implementing the different development actions. The RPSD 2 reporting system will be flexible and simplified to allow the rapid preparation of the different reports. The following information and management tools will be used:

For (i) sub-system 1: Statistics directory, Quarterly statistics bulletin, Situation bulletin, Priority survey reports and Tableaux de bord social (TBS – social dashboards), and for data management (IMIS, DevInfo); (ii) sub-system 2: annual and biannual execution reports, monitoring dashboards for the priority projects and programmes, DAD databases, etc.; and (iii) sub-system 3: reports from surveys of beneficiaries, populations and service users and impact assessment reports of policies and programmes.

Communication on the RPSD 2 process

The implementation of the national strategy for the fight against poverty relies on an operational and efficient institutional system; indeed, all of the participants in the process must be at the same information level if they are to make better use of it.

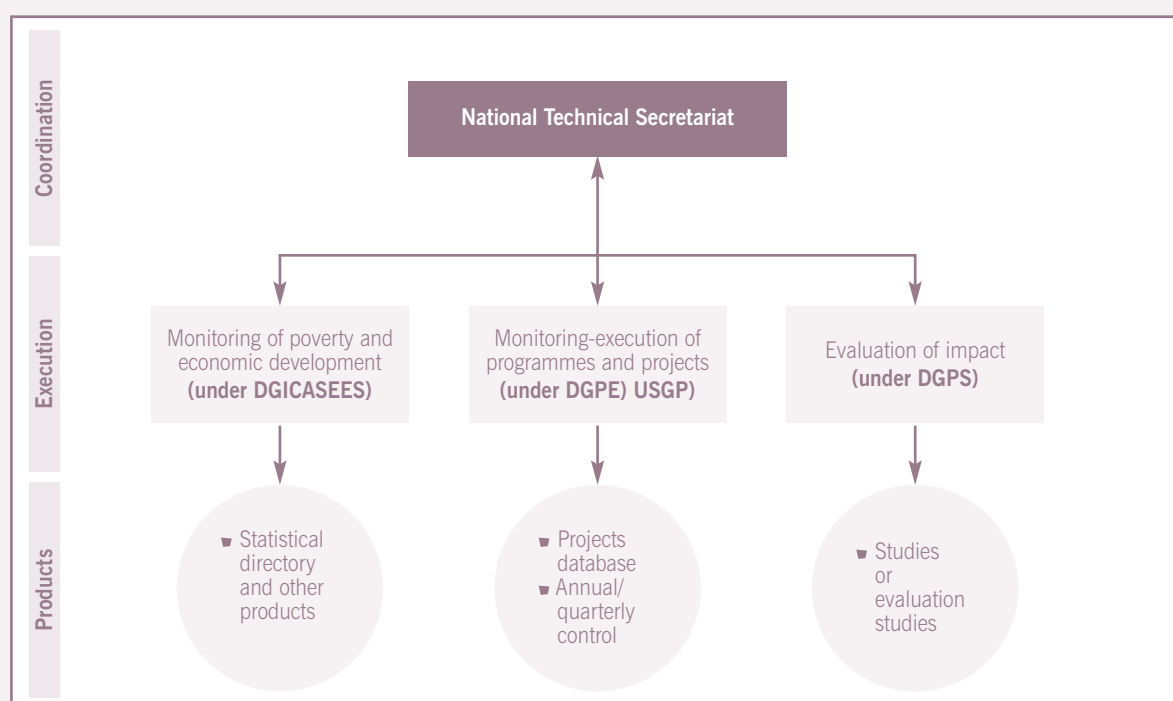
From this perspective, communication has not been sufficiently integrated into the implementation of RPSD 1 and must be strengthened and better focussed in its strategies as well as its goals. It will be relevant to the reporting system as well as general communication with the people. With regard to the reporting system, it will support the bodies distributing the information for monitoring and evaluation by the system's constituents; it will be a question of relaying the information on RPSD 2 by making it more accessible, and distributing and sharing with the players in the RPSD and the general public the information on the strategy's current state of progress.

The strategic direction will therefore cover (i) improving the distribution of information and the view the participants have of the RPSD process in which they are involved; and (ii) encouraging the interest of the people in the activities of RPSD 2 with a view to it being taken on nationally. The channels and messages will be identified and selected with these directions in mind.

System costs

The overall cost of the system will be assessed for each component in terms of: (i) operation of the bodies (permanent structures, structures meeting periodically); (ii) equipment, logistics and supplies; (iii) collection plan; (iv) setting up and running of data management system; (v) other costs; and (vi) Summary.

Diagram 2. Information system for monitoring and evaluating the SRP



4.2. Constraints and Risks

The implementation of RPSD 2 requires that the preliminaries of internal origin (political, economic and financial governance) and external (particular external financing) be completed to allow the desired results to be achieved. This implementation will take place in a less restrictive context where the pitfalls are identified and neutralised in advance to prevent things getting out of control.

4.2.1. Internal constraints and risks

a. Political constraints and risks (internal instability)

Certain constraints and risks are likely to hinder implementation of the strategy, particularly (i) insecurity; (ii) a resumption of conflict; and (iii) political, institutional and economic instability.

The destruction of social and economic infrastructures, goods and people, with as a serious corollary the displacement of the population, a rural exodus, police and administrative problems, a reduction in the active population (deaths, emigration, etc.) are all real constraints to economic growth and the implementation of this strategy.

A definitive return to peace and good political governance comprise the platform from which this strategy can be favourably launched.

b. Economic constraints and risks

The realisation of structural reforms works to re-establish a favourable climate for development. A low-level mobilisation of resources would therefore undoubtedly unsettle this fragile, post-conflict State and would make it difficult to implement the strategy.

There are other risks likely to endanger the implementation of the strategy: (i) inadequate and constantly dwindling budgetary resources that could also threaten the execution of sector policies and strategies benefitting the poor; (ii) not enough of the budget allocated to investment projects/programmes over the next three (3) years; (iii) low capacity to absorb external resources, especially IPTE resources, discouraging development partners and putting a brake on the mobilisation of extra resources; and (iv) the delay in using external resources to finance certain rapid impact projects or reforms.

To ensure the success of RPSD 2, the Central African Republic must continue its efforts to mobilise internal and external resources as a matter of priority for the efficient implementation of the strategy in accordance with the Paris Declaration.

c. Constraints and risks linked to the participative process or weak appropriation

The inadequacy of a communication system and a participative process would make it difficult for the players to provide support to the SRP. Weakness in the database and the data collection system would constitute a serious risk to the development, the implementation, the monitoring-evaluation and the execution of the strategy. A lack of effective coordination could endanger the implementation of the strategic direction of the second generation RPSD and profoundly affect its effectiveness.

The success of this strategy will largely depend on the degree of involvement of the different players engaged in the process. It therefore requires the effective support and appropriation of the strategy by the structures responsible for its implementation, i.e. in administration, the private sector, civil society, grass-roots communities, as well as the development partners.

d. Social and human constraints and risks

Alongside the above constraints and risks, the weak level of institutional and human capacities warrants reinforcement at all levels (central, sector, regional and local) in order to provide an administration capable of developing, executing and monitoring credible projects and programmes.

e. Constraints and risks linked to insufficient viable statistics

The regular monitoring and evaluation of activities takes account of the availability of viable statistics guaranteeing the successful implementation of the strategy. From this perspective, particular attention must be paid to strengthening the human, material and financial capacities of ICASEES for the purpose of fulfilling the missions assigned to it.

4.2.2. External constraints and risks

A land-locked country in the aftermath of conflict, the Central African Republic depends heavily on external aid. This situation today constitutes one of the main constraints to its development, due in particular to the weakness of its economic base that has been devastated by recurrent conflicts. Along the same lines, the drop in exports of commodities (e.g. cotton, coffee, tobacco, etc.) and the persistent international crises (e.g. increases in the price of oil) are also major hindrances.

The Government will ensure (i) that development partners fulfil their obligations; (ii) the establishment of an aid coordination mechanism based on national priorities; and (iii) improved transparency, efficiency and responsibility in managing resources allocated to development within the framework of the Paris Declaration.

General Bibliography

1. Address by His Excellency François BOZIZE to the 65th session of the United Nations on MDGs, Sept. 2010
2. UNDAF Common Country Assessment
3. Assessment (2005-2010), presentation by the Minister of State for Planning
4. Macroeconomic framework of the IMF
5. Strategy Document for Poverty Reduction, 2008-2010 (RPSD)
6. Paris Declaration
7. Poverty Profile, ECASEB 2008
8. Technical note - DDR and the elections in CAR
9. Technical note - Strategic framework for consolidating peace in CAR
10. Technical note - Environment and climate change in CAR
11. Technical note - Inclusive finance and poverty reduction in CAR
12. Technical note - Women and children in CAR
13. Technical note - Poverty reduction strategy in CAR
14. Technical note – Monitoring commitment principle in CAR.doc
15. Technical note – Consolidating peace and strengthening the State
16. Technical note – Views of women living with HIV in CAR
17. Technical note - Vulnerability in CAR.doc
18. Emergency Plan for consolidating peace
19. Report from the workshop officially launching the preparation process for RPSD 2
20. Minutes of the first meeting of the RPSD 2 Steering Committee
21. Questionnaire on types of violence based on sex
22. World Bank report
23. Evaluation report on RPSD1, June 2010
24. Review of the Brussels undertakings
25. Work report on the 2009 annual review of RPSD1
26. Work report on the 2010 annual review of RPSD1
27. Monitoring report on the MDGs in CAR, October 2010
28. Human development report, 2010
29. Evaluation report on the Paris Declaration, 2008
30. Work reports from the biannual review 2008
31. Work reports from the biannual review 2009
32. National reconstruction strategy
33. National strategy for promoting and developing female entrepreneurs in CAR
34. Communication support at the start of RPSD 2
35. Annual review of the undertakings of the Brussels Round Table, Nov. 2008
36. Document on the Heavily Indebted Poor Countries (HIPC) Initiative (WB/IMF)
37. Communication strategy for reforming the security sector
38. Report of the sector round table (table ronde sectorielle RSS), 2010
39. Mission report RSS
40. Sector strategy of the RSS in CAR
41. Detailed programme of development and agriculture in Africa, 2009.

List of boxed texts

Boxed text 1:	Poverty measurements
Boxed text 2:	Millennium Development Goals (MDGs)
Boxed text 3:	Security Sector Reform - Gains
Boxed text 4:	International Dialogue on Peace Consolidation and the Reinforcement of the State
Boxed text 5:	The FLEGT process in the CAR
Boxed text 6:	CAR membership of the EITI
Boxed text 7:	Ranking of the Central African Republic according to the Doing Business 2011 report by indicator
Boxed text 8:	Stratégie nationale pour le développement de la statistique (SNDS)
Boxed text 9:	DAD and aid coordination

List of tables

Table 1:	Country profile and human development indicators
Table 2:	Development of HDI
Table 3:	Resources mobilised per finance type (In million \$US)
Table 4:	Profile of monetary poverty
Table 5:	Profile of living standards poverty
Table 6:	Characteristics and determining features of poverty according to the different approaches
Table 7:	Levels of the MDGsD
Table 8:	Growth rate of GDP in volume in the trend scenario
Table 9:	Public resources and expenses in the trend scenario
Table 10:	Priority of the RPSD 2 expenses
Table 11:	Sectoral allocations
Table 12:	Comparison of the results of the two scenarios

List of maps

Map 1:	Incidence of poverty
Map 2:	Poverty - depth
Map 3:	Duration of growth and pluviometry isohyets
Map 4:	Pedological outline of the CAR
Map 5:	Relief and hydrography of the CAR
Map 6:	Interactive Atlas of the Central African Republic
Map 7:	CAR - mineral finds

List of illustrations and diagrams

Illustration 1:	Development of the Central African Republic economy
Illustration 2:	Financial results per section
Illustration 3:	Mobilisation of resources per section
Illustration 4:	Incidence of poverty (as a %) in 2003 and 2008
Illustration 5:	Inequality index in 2003 and 2008
Illustration 6:	Development of the occurrence of poverty
Diagram 1:	Institutional framework for monitoring the implementation
Diagram 2:	Information system for monitoring and evaluating the SRP





