



# The Republic of The Gambia



## Programme for Accelerated Growth and Employment (PAGE) 2012 -2015





# Republic of The Gambia



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Growth and Employment  
(PAGE)  
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## Acronyms

ACE	Africa Coast to Europe
AfDB	African Development Bank
AGOA	Africa Growth and Opportunity Act
ACP	Africa, Caribbean and Pacific
AIDS	Acquired Immune Deficiency Syndrome
AISI	African Information society Initiatives
AMP	Aid Management Platform
ANR	Agriculture and Natural Resources
APR	Annual Progress Reviews
ASYCUDA++	Automated SYstem for CUstoms DAta
BIA	Banjul International Airport
BOP	Balance of Payments
BSC	Balanced Scorecard
CBG	Central Bank of The Gambia
CBOs	Community Based Organizations
CCF	Christian Children's Fund now Child Fund
CDDP	Community Driven Development Programme
CEDAW	Convention for Elimination of all Forms of Discrimination Against Women
CET	Common External Tariff
CFAA	Country Financial Accountability Assessment
CILIP	Community-based Infrastructure and Livelihood Improvement Project
CPA	Child protection Alliance
CPI	Consumer Price Index
CPIA	Country Policy and Institutional Assessment
CRR	Central River Region
CSO	Civil Society Organizations
CSRPF	Civil Service Reform Programme
DBS	Dedicated Bus System
DFID	UK Department for International development
DPO	Disabled Persons Alliance
DPO	Development Policy Operation
ECOWAS	Economic Community of West African States
ECF	Extended Credit Facility
EmOC	Emergency Obstetrics Care
ETLS	Economic Community of West African States Trade Liberalization Scheme
EU	European Union
FDI	Foreign Direct Investment
FPAC	Finance and Public Accounts Committee
FTI	Fast Track Initiatives
GALDEP	Gambia Lowland Agricultural Development Project
GAMJOBS	Gambia Priority Employment Project
GAMCEL	Gambia Cellular Company Limited
GAMTEL	Gambia Telecommunications company Limited
GAMWORKS	Gambian Agency for the Management of Public Works
GBMA	Gambia Budget Management and Accountability
GBoS	Gambia Bureau of Statistics
GCCI	Gambia Chamber of Commerce and Industry

GDP	Gross Domestic Product
GEAPP	Gambia Emergency Agricultural Production Project
GEG	Global Energy Group
GET FUND	Gambia Enterprise and Skills Development and Training Fund
GFS	Government Finance Statistics
GIEPA	Gambia Investment and Export Promotion Agency
GIPFZA	Gambia Investment Promotion and Free Zones Agency
GMD	Gambia Dalasi
GNAIP	Gambia National Agricultural Investment Programme
GNPC	Gambia National Petroleum Company
GoTG	Government of The Gambia
GPA	Gambia Ports Authority
GPPA	Gambia Public Procurement Act
GPTC	Gambia Public Transportation Corporation
GRA	Gambia Revenue Authority
GREC	Gambia Renewable Energy Centre
GRTS	Gambia Radio and Television Services
GRTSA	Gambia Roads and Technical Services Authority
GSM	Global System for Mobile Communications
GTTI	Gambia Technical Training Institute
HDI	Human Development Index
HDR	Human Development Report
HILEC	High Level Economic Committee
HIPC	Heavily Indebted Poor Countries
HIV	Human Immunodeficiency Virus
HMIS	Health Management Information System
ICAO	International Civil Aviation Organization
ICT	Information and Communication Technology
IDA	Iron Deficiency Anaemia
IDD	Iodine Deficiency Disorders
IFMIS	Integrated Financial Management Information System
IHS	Integrated Household Survey
IMF	International Monetary Fund
IMR	Infant Mortality Rate
ISRT	Interstate Road Transit
IT	Information Technology
ITNs	Insecticide treated bed Nets
LGAs	Local Government Areas
LHDP	Livestock and Horticultural Development Project
LRR	Lower River Region
M&E	Monitoring and Evaluation
MDA	Ministries, Departments, Agencies
MDGs	Millennium Development Goals
MDI	Management Development Institute
MDRI	Multilateral Debt Relief Initiative
MICS	Multiple Indicator Cluster Survey
MFS	Monetary Financial Statistics
MOFEA	Ministry of Finance and Economic Affairs
MPAU	Macroeconomic Policy Analysis Unit
MSME	Micro Small Medium Enterprises
MTEF	Medium Term Expenditure Framework

MW	Mega watts
NAO	National Audit Office
NAPA	National Adaptation Programme of Action
NAWEC	National Water and Electricity Company
NBR	North Bank Region
NCDs	Non-Communicable Diseases
NFA	Net Foreign Assets
NGOs	Non-Governmental Organizations
NHPS	National Household Poverty Survey
NIC	National Implementation Committee
NICI	National Information and Communication Infrastructure
NMT	Non-Motorized Means of Transport
NPAWG	National Policy for the Advancement of Gambian Women
NRA	National Roads Authority
NRC	National Rehabilitation Centre
NTA	National Training Authority
OB	Outside Broadcast
ODA	Overseas Development Assistance
OECD	Organization for Economic Cooperation and development
OMVG	Gambia River Basin Development Organization
OPHI	Oxford Poverty and Human Development Initiative
PAC	Public Accounts Committee
PACAB	Poverty Alleviation and Capacity Building Project
PAGE	Programme for Accelerated Growth and Employment
PAP	Priority Action Plan
PBB	Programme-Based Budgeting
PC	Personal Computers
PE	Public Expenditures
PFM	Public Financial Management
PIWAMP	Participatory Integrated Watershed Management Project
PLWHA	People Living with HIV/AIDs
PMO	Personnel Management Office
POP/FLE	Population/Family Life Education
PPA	Power Purchasing Agreement
PPI	Producer Price Index
PPP	Purchasing Power Parity
PPP	Public Private Partnerships
PRGF	Poverty Reduction and Growth Facility
PRSP	Poverty Reduction Strategy Paper
PSP	Private Sector Participation
PSs	Permanent Secretaries
PURA	Public Utility Regulatory Authority
PWD	People with Disabilities
REGAM	Renewable Energy Association of The Gambia
RFP	Rural Finance Project
RH	Reproductive Health
RTGS	Real Time Gross Settlement
RVTH	Royal Victoria Teaching Hospital
SOE	State-Owned Enterprises
SPA	Strategy for Poverty Alleviation
SSA	Sub-Saharan Africa

STIs	Sexually-Transmitted Infections
SWAps	Sector Wide Approaches
T-bills	Treasury Bills
TDM	Transport Demand Management
TVET	Technical Vocational and Education Training
U5IMR	Under 5 Infant Mortality Rate
UN-SNA	United Nations System of National Accounts
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNFPA	United Nations Population Fund
UNICEF	United Nations Children’s Fund
URR	Upper River Region
USD	American Dollar
UTG	University of The Gambia
VAD	Vitamin A Deficiency
VAT	Value-Added Tax
WB	World Bank
WCR	West Coast Region
WFP	World Food Programme
WHO	World Health Organization
WTO	World Trade Organization

## Foreword by H.E The President of The Republic of The Gambia

As we continue our national quest to achieve the development aspirations of Vision 2020, the Republic of The Gambia under my stewardship proudly maintains the laudable gains registered in both the economic and social spheres. During the period 2008 to 2011, The Gambia's Gross Domestic Product (GDP) grew by an average of **4.5%** a year while the incidence of poverty among the population dwindled from **58%** to **48%** over the past decade. Considered from the narrowest perspective, these socio-economic gains are significant but it assumes a greater importance when viewed within the context of the current global economic crisis. Indeed it is a testimony to the hard work and resilience of the Gambian people and the commendable support we continue to receive from foreign-based friends that the country had used mainly agriculture to drive its impressive GDP growth.

The Programme for Accelerated Growth and Employment (PAGE) will be implemented during the period 2012 to 2015 and is the successor to the Gambia's Poverty Reduction Strategy Paper II, whose implementation cycle ends this year. As is expected of all effective national development plans, the PAGE will build up on the gains of the PRSP II and learn lessons from the challenges experienced therein. Furthermore and as implied by its title, the main thrust of the PAGE is mainly to improve – inter alia- employment levels, per capita income, social services, gender equity and The Gambia's economic competitiveness. It is our fervent desire to work collectively as proud Gambians and responsible members of the human family to achieve these development goals through honesty, patriotism, self-reliance and a strong divine faith. We therefore envisage that by the end of 2015, the gains accrued from our noble efforts will serve as a spring board for The Gambia's "take-off" into a prosperous post MDGs era guaranteeing prosperity for all.

As we implement the PAGE, our national priorities will revolve around sustainably exploiting agriculture, tourism, infrastructure and other natural resources. We will also consolidate the gains registered in the health and education sectors and further develop them. In terms of resource requirements for the PAGE, we do recognize that the resource requirements are colossal as evidenced by the Priority Action Plan (PAP). We however similarly recognize that in an environment of sound monetary policies, public financial management, the maintenance of peace, stability, the rule of law, efficient policies and regulation, research and academia and with support from our development partners, we can achieve our objectives.

By the same token, we will continue to provide a conducive environment for a private sector led economic development while we partner with civil society organizations to provide relevant social services and protection to all.

In line with the ongoing revitalization of effective public sector planning and the civil service reforms, this National Development Plan emphasizes evidence based planning, lucid implementation frameworks as well as effective monitoring and evaluation mechanisms. As a sign of my continued commitment to availing to the Gambian people, value for their expenditures, I will continue to personally evaluate all interventions to ensure results and accountability of office. The successful implementation of PAGE will require the collective commitment and efforts of all Gambians and calls for positive attitudes towards making our country the best among Nations.

In conclusion I wish to reiterate our nation's commitment to peaceful coexistence, global peace and stability and regional integration. I also wish to thank all Gambians and friends of The Gambia for their loyal and continued support to the development efforts of my government. I also wish to commend all who contributed to the preparatory process of the PAGE, especially the Ministry of Finance and Economic Affairs for coordinating the process, and the United Nations Economic Commission for Africa (UNECA) and the United Nations Development Programme (UNDP) for technical and financial support to the process. I also commend the CSOs, private sector and all other stakeholders for their support to the preparation of the PAGE.



**Yahya A. J.J. Jammeh**

**President of The Republic of The Gambia**

## Executive Summary

The Government of The Gambia is committed to reducing poverty and improving the well-being of its population. This commitment is driven by the Government's long-term strategy, Vision 2020, which is being executed through a series of medium-term development plans since 1994. The Programme for Accelerated Growth and Employment (PAGE) is The Gambia's development strategy and investment programme for 2012 to 2015. PAGE 2012-2015 is based on Vision 2020 and various sector strategies, and is consistent with the Paris Declaration's resolutions on aid effectiveness and the ownership of development. PAGE is the main interface between the Government and The Gambia's development partners and is fully aligned with the Millennium Development Goals (MDGs) and is a medium term strategic plan leading to a developed and prosperous Gambia. The focus of PAGE is to accelerate pro-poor growth and generate employment.

The implementation of PAGE 2012-15 will be done through the Priority Action Plan (PAP) that will require private sector participation and heavy financial support from development partners. This support will help consolidate the gains of recent years, boost employment, and sustain development in The Gambia. The preparation of PAGE was highly participatory at all levels of society ensuring national ownership. It was coordinated by the Ministry of Finance and Economic Affairs.

The PAGE document is organised in three sections and 11 chapters. The first section presents the background for PAGE and justifies the Government's approach. The second section discusses PAGE's five pillars and the Government's priorities. The last section presents the steps needed to implement, monitor and evaluate PAGE.

### PART I: CONTEXT AND JUSTIFICATION

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The first section of the PAGE document presents the performance of The Gambia over the last five years and justifies the Government's choice of strategy including:

- the country's socioeconomic development and assessment of the achievements of the Poverty Reduction Strategy Paper II
- the poverty reduction assessment
- the challenges, the constraints and the opportunities facing The Gambia.

#### 1. Recent socioeconomic developments

**Economic growth trends.** The main drivers of economic growth for The Gambia remain the agriculture sector and the tourism industry. Real GDP growth declined from an average of 5.9% between 2003 and 2006 to 4.7% in 2007 and 5.3% in 2008, led by strong growth in agriculture,

tourism, and the construction industry. Revised real GDP growth in 2009 was 6.3 per cent compared to 6.1 per cent in 2010.

**Fiscal policy.** The Government's revenue outturn weakened during the first half of 2010, resulting in a higher than budgeted deficit in the basic fiscal balance (by 0.5% of GDP). Revenues from fuel and company income taxes were particularly hard hit. Expenditures were prioritized according to a 3-tier system; included in the highest priority expenditures were non-discretionary and most PRSP II expenditures. Fiscal policy for 2011 is anchored in achieving a significant reduction in domestic debt relative to GDP. It is envisaged that net domestic financing would be reduced to near zero in 2014 and beyond, which would allow the stock of debt to fall relative to GDP.

**External Sector.** The current account deficit (including official transfers) is estimated to have declined to 10 per cent of GDP in 2010. This one percentage point decrease largely reflects a pick-up in exports of man-made filaments, groundnuts, and cashew nuts. Travel income (in per cent of GDP) rose by about 11 per cent reflecting the rebound in the tourism sector while remittances increased by about 10 per cent, having declined significantly in 2009. FDI declined by an estimated 14 per cent in 2010 having witnessed high growth rates in the past two years with the more than doubling of the number of foreign commercial banks in the country.

**Public debt.** In 2009, domestic borrowing led to a significant increase in the stock of debt, with T-bills and Government bonds reaching GMD 5.08 billion at end-December thus increasing pressure on T-bill yields. Interest costs totalled 19.1 per cent of Government revenues, of which 15.1 per cent of Government revenues, was interest on domestic debt. T-bill yields began to fall marginally in January and February 2010, with a tightened fiscal stance, but this was undone in March through May due to further borrowing.

**Monetary policy and exchange rate.** Monetary aggregates grew at a rapid pace in 2010. Reserve money and broad money growth reached 21 per cent and 20 per cent (year to year) in September 2010, overshooting the CBG's monetary targets. Time deposits increased by 42 per cent in the 12 months ending in September 2010, thus accounting for half of the increase in broad money. A significant part of this increase was due to the portfolio reallocation decisions of the Social Security and Housing Finance Corporation. Overall credit to the private sector and public enterprises increased by 17 per cent over the same period. This was partly financed by a rundown of Net Foreign Assets (NFA) of commercial banks. The Government's higher-than-expected recourse to Central Bank financing contributed to the rapid growth in reserve money. The Government's reduced use of domestic financing, and consequent easing in T-bill yields, is expected to increase private sector credit growth.

**Quality of life and welfare of the population.** The Gambia has a comprehensive policy framework for addressing development issues in the social sectors of health and education, among others. Access to basic health services is generally good, although there are still some pockets in the rural areas with poor access. Significant achievements have been registered with regard to



immunization services and HIV-1 prevalence. Pursuant to the objectives of the Education Sector Policy, The Gambia has made significant strides in improving the literacy rate. The country is on course to meet its national target of a 50% reduction in illiteracy rates by 2015. Current trends indicate that The Gambia will attain primary school enrolment targets.

**Good governance, transparency and accountability.** The Gambia has been making significant progress on Public Financial Management (PFM), the judiciary and civil service reforms. There are ongoing reforms in the area of decentralization. Apart from the reforms, various institutions have been set up to improve good governance, transparency and accountability.

**PRSP II assessment.** The Government's second Poverty Reduction Strategy Paper was initiated in 2007 as a follow-up to PRSP I and was focused on improving the welfare of all Gambians as well as eradicating poverty. Poverty declined from 58 per cent in 2003 to 36.7 per cent for the proportion of the population living below \$1 per person per day and to 48.4 per cent for the population living below \$1.25 per day. Despite several key achievements, one has to acknowledge the challenges encountered in the implementation of this strategy. Poor targeting and coordination of interventions amongst others, explain the limited impact of PRSP II implementation on overall poverty levels despite the significant progress registered in some pillars. In addition, the mixed performance is further explained by the limited human resource capacity and the slow start to implementing some of the key building blocks of the implementation framework of PRSP II. Lessons have been drawn from the implementation of the PRSP II and have been used to improve the elaboration of the current strategy. The remaining challenges have been also identified and addressed in the current one.

## 2. Dynamics of poverty

The Gambia is among the poorest countries in the world. It ranked 168 out of 187 in the United Nations Development Programme's Human Development Report (HDR) for the year 2011.

**Poverty trends.** Regional differences in the incidence of poverty are high and poverty is higher in the rural areas. In The Gambia, as in many developing countries, poverty is a predominantly rural phenomenon, although urban poverty is becoming a concern. Between 1998 and 2003, poverty decreased in all regions except in the Central River Region. The 2010 Integrated Household Survey has shown that the overall incidence of poverty has been decreasing. The distribution of extreme poverty across regions shows that urban residents had lower rates of extreme poverty than rural residents.

**Determinants of poverty.** Poverty is multi-dimensional and is determined by many factors, such as education of the head of the household, employment, residence, sex, age, occupation, industry, and family size. For these reasons, disparities manifest themselves in many ways. Poverty is strongly associated with the employment type of household heads. Poverty incidence is highest in households headed by agricultural and fishery workers, followed by households headed by people who work in construction. Agricultural productivity is and will continue to be a significant

determinant of poverty. The Gambia experiences marked spatial difference in poverty levels, especially between the rural and urban areas. The educational attainment of the head of the household—particularly when the head has no education, or just a primary school education—is another important determinant of poverty in the country. Another determinant of poverty in The Gambia is the gender of the head of household, as female-headed households are more likely to be poor than households headed by men. In addition, it has to be noted that the larger the household, the higher the likelihood of being poor.

### **3. Development strengths, challenges and constraints**

**Growth diagnostics and sources.** The main components of The Gambia’s growth during the last decade were physical capital accumulation, labour productivity, and total factor productivity. The agriculture and natural resources sector contributed on average about 24.8 per cent of GDP from 2004 to 2009. Although the agricultural sector’s production did not experience a significant change in structure during the period 2004 - 2009, differences in subsectors’ contributions to agricultural growth emerged. The industrial sector’s contribution to GDP (including mining and quarrying, manufacturing, electricity, gas and water supply, and construction) averaged about 14 per cent between 2005 and 2010. The contribution of the services sector to GDP is becoming increasingly dominant, with the sector consistently contributing more than 50 per cent of GDP between 2005 and 2010. This strong contribution has been driven by the wholesale and retail subsectors, with the transportation, storage and communications subsector ranking next in importance.

**Development strengths.** Over the years, The Gambia’s development focus has adopted a quasi-market approach that mixes Government investments in strategic areas with private sector market-driven actions, especially in the productive sectors. Telecommunications is one of the sectors where private sector participation has the most strengthened infrastructure. The rapid expansion of mobile telephone companies in The Gambia is a prime example. On the financial front, the outlook for banking is positive.

**Development opportunities.** To a great extent, development salvation lies in better agricultural productivity, not in increasing the area under cultivation. The River Gambia has tremendous potentials to contribute water for agricultural use and facilitate local transportation. Developing youth and mobilizing young people for sustainable national development can increase productivity. Managed well, the country’s young population has the potential to provide labour to all sectors and could ultimately lead to equitable growth. Tourism is a key driver of the economy and the country’s most significant earner of foreign currency. If properly reviewed and organized, the public works or infrastructure subsector could offer much gainful employment to Gambian youth. These are to be complemented by the enabling environment.

**Challenges to The Gambia’s development.** Ten constraints to development have been identified and will be addressed by the Government’s new development strategy. These constraints are:

- Inadequate macroeconomic management
- Inadequate financing and financial services
- A constricted business environment
- Inadequate transport, energy and ICT infrastructure
- Weak public sector management and economic competitiveness
- Negative attitudes, cultural practices and perceptions
- Inadequate critical production inputs
- Inadequate social services and safety nets
- Natural and man-made disasters
- Underdeveloped human resources

## **PART II. THE STRATEGY**

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The main goal of PAGE 2012-2015 is to significantly increase the welfare of The Gambia's population through accelerated and sustained economic growth and employment. The average economic growth rate is expected to reach 11.5 per cent. The incidence of poverty would decrease by 15 percentage points. The overall objective of PAGE strategies is to accelerate pro-poor growth and generation of significant employment.

These overall objectives will be achieved through five pillars. Each pillar has elaborated priority actions to execute the Government's strategy. The five pillars are:

- Accelerating and sustaining economic growth
- Improving and modernising infrastructure
- Strengthening human capital stock to enhance employment opportunities
- Improving governance and fighting corruption
- Reinforcing social cohesion and cross cutting interventions

The first pillar—accelerating and sustaining economic growth—will be achieved by: consolidating the macroeconomic framework, strengthening the main sources of economic growth, and increasing investment opportunities.

The second pillar—improving and modernising infrastructure—will be achieved by heavy public and private sector investments in three sectors: transport, energy and information and communications technology.

Pillar 3—strengthening human capital stock to enhance employment opportunities—will be implemented through strategies to improve access, equity, quality and equality, and by financing education, health, and water and sanitation.

Pillar 4 - improve governance and fighting corruption - the Government will focus on four areas between 2012 and 2015: public service, decentralisation, public financial management, and fighting corruption.

Finally, regarding Pillar 5—reinforcing social cohesion and cross-cutting interventions, the Government will work in ten areas.

#### **4. Accelerating and sustaining economic growth**

To accelerate and sustained economic growth, the Government will continue to consolidate the macroeconomic framework, strengthen the main sources of economic growth, and improve competitiveness.

**Consolidating the macroeconomic framework.** For The Gambia to continue enjoying sustainable economic growth rate that exceeds five per cent, the Government will continue to strengthen macroeconomic stability and beyond for development and prosperity. More specifically, it will continue to implement structural reforms to improve the fiscal balance, pursue sound monetary and exchange rate policies to keep inflation below 5 per cent, and build up the financial system.

**The growth scenarios.** Three scenarios have been run with the model: baseline scenario, intermediate scenario, and optimistic scenario (MDG achievement scenario). For each of these scenarios, Government revenues and expenditure have been estimated. The assumptions for each of these scenarios are also presented. PAGE will focus on the optimistic scenario for optimal delivery

**Strengthening the main sources of economic growth.** To accelerate growth and reduce poverty, the Government plans to strengthen sources of economic growth, especially growth that will benefit the poor. The Government will promote inclusive growth to create economic opportunities along with ensuring equal access to them. In addition, inclusive growth will address the issue of inequality, and also make the poverty reduction efforts more effective by explicitly creating productive economic opportunities for the poor and vulnerable sections of the society.

**Improving competitiveness.** The strategy of the Government to improve competitiveness is to adopt measures that sustain macroeconomic stability, make the business environment more competitive, and strengthen the relationship between the Government and the private sector. To reinforce its actions to improve the business sector climate, the Government has committed itself to acting in three areas between 2012 and 2015: trade facilitation, the improvement of the investment climate, and quality control systems.

#### **5. Improving and modernizing infrastructure**

The Government recognizes the essential and integral link between infrastructure and the economy. The Government is also aware that despite significant improvements to its infrastructure base, there is still much to be done. For the PAGE 2012-15, the Government, while encouraging

the participation of the private sector, has decided to heavily invest in the following sectors: transport, energy and information and communications technology (ICT).

**Reforming and strengthening the transport sector.** Accessible and affordable transport infrastructure facilitates and supports economic and social interactions and sustained economic growth. Improving and modernizing the transport infrastructure will contribute immensely to economic growth and employment generation in the country. The transport sector has the potential to support the productive capacity and long-term expansion of the economy. Therefore, the Government has taken significant steps towards the attainment of this goal through investment and projects to improve road, maritime, river and air transport.

**Increasing access to energy.** The energy sector is a crucial support to economic development. The Government places a lot of importance on the energy sector for development. It will focus its support in this sector through: improving electricity supply, use of renewable energy, existing regulatory framework, and supporting petroleum exploration and regulatory framework.

**Information and communications technology (ICT).** ICT has been one of the fastest growing sectors of the Gambian economy, as it relates to its contribution to GDP. The aim of the Government is to make the country “e-ready” in terms of infrastructure. The Government intends to take advantage of the ICT to boost economic development by focusing on: telecommunications, information technology, and media.

## 6. Strengthening human capital stock to enhance employment opportunities

Within the context of economic growth and employment, the Government of The Gambia seeks to strengthen the human capital stock. It will do this by linking capacity building initiatives to job market requirements, ensuring increased access to quality basic education, relevant tertiary and higher education, reducing morbidity and mortality, and increasing access to safe drinking water and sanitation services across the country. During the PAGE period, the Government will stay committed to improving human capital stock. The main constraints facing the Government are mainly related to access, equity and equality, and financing the social services. For each of these constraints, the Government will design specific interventions for: education, health services, and water and sanitation services.

**Improving access to education.** Undertaking education is an investment in the acquisition of skills and knowledge which will increase earnings as well as provide other long-term benefits. The Government enjoyed several achievements in education and the country is on track to achieve the education MDG target for net enrolment in primary education and literacy rate among the population aged 15-24 years. However, the issue of quality remains a challenge. Therefore, the Government will continue prioritizing basic/primary education, while expanding access to secondary, higher and tertiary education with emphasis on improving quality.

**Improving access and quality of health services.** Promoting and protecting health is vital for human welfare and sustained socioeconomic development of a country. Despite recent progress, the country is not on track to achieve MDG 4 and 5 by 2015 if the historical trends continue. To overcome these health sector issues, the Government will focus its efforts within the next four-year period to ensure accessibility and affordability of quality services at the point of demand, particularly, for women and children. Basic and minimum healthcare packages for each level of care delivery are important to enhance standards and serve as an efficient and effective mechanism for disease control and prevention. Therefore, basic healthcare packages and relevant programmes for each level of health care system will be established and promoted.

**Water and sanitation.** Increasing the population's access to safe drinking water and basic sanitation dramatically reduces their susceptibility to water-borne diseases and decreases their likelihood (especially women and children) from incurring additional expenses related to treatment. In The Gambia, the efforts to ensure access to safe drinking water have been effective over the past years. The steps that the Government will undertake in the area of water and sanitation include provision of safe drinking water supply to all education and health facilities across the country as well as to the entire population of The Gambia. The Government also plans to improve the operation and maintenance arrangements for water and sanitation facilities, and to mobilize stakeholders in the water and sanitation sector so as to improve governance of water resources and address climate change issues.

**Better employment opportunities.** The Government has formulated a National Employment Policy and Strategies 2010-2014, whose main goal is “the promotion of more rapid growth of the productive employment sectors.” It expects to achieve more employment-intensive, inclusive and equitable economic growth.

**The gap between education and the job market.** It has become increasingly evident that economic growth does not necessarily alleviate or eliminate unemployment or distribute income more equitably. To improve the link between education and job market, the Government will: design training programs and activities consistent with the demands of the job market, create accessible credit schemes for women and youth, build the capacities of the National Training Authority and key vocational and technical training institutions, and establish a reliable and efficient labour market information system.

## **7. Improving governance and fighting corruption**

Good governance at all levels of a country's operations is instrumental to economic growth, commercial development and employment. The Government has made good governance a key pillar of its strategy and intends to focus on the following areas: public service, decentralisation public financial management, and fighting corruption

**Strengthening governance in the public service.** Strengthening the governance of public services is a centrepiece of the Government's strategy to boost economic growth, improve the business sector environment, increase employment, eradicate poverty, and reduce corruption. The Government's comprehensive Civil Service Reform Strategy 2012-15 seeks to make public institutions more effective. More specifically, to address the constraints identified above, one of the Government's priorities during 2012-15 will be to implement the following reforms: capacity-building within ministries, human resource reforms, result-based management, and service delivery.

**Local governance and decentralization.** Local Governments play a critical role in overall governance in The Gambia and are key players in economic development, growth and employment. The Government's overarching objective is to accelerate decentralisation and increase the autonomy of local governments, helping them provide more effective and efficient social services and make a greater contribution to economic growth and employment in local communities. To achieve this objective, the Government will pursue four actions: assist local government authorities, technical line departments, and community institutions to coordinate, inspect, implement, manage, monitor and evaluate decentralised development programmes in a democratic and transparent manner, ensure that land is used rationally and equitably for different purposes that promote socioeconomic development, promote people's participation in determining the country's destiny through a participatory development process, and administer land judiciously and make access more equitable through comprehensive surveying and mapping.

**Land use planning.** The Government recognizes that economic growth and employment will be largely influenced by proper land use planning and a regulatory regime that affords its management. This is why it puts such importance on the creation of a National Spatial Plan to ensure optimum utilization of the land and its resources. The Government intends, during the life of the PAGE, to strengthen the basis of land use planning to add to the necessary foundations of a functional and operational National Spatial Development Plan. This will be accomplished by reforming land policies and regulations, updating standards and guidelines, and revitalizing and strengthening planning at all levels.

**Reinforcing the quality of public financial management (PFM).** The Government has developed a PFM Reform Strategy with an action plan to improve PFM systems between the years 2010 and 2014. The main goal of the Government for Public Finance Management is to strengthen public service delivery, promote macroeconomic stability, improve the integrity of the budget and enhance good governance through a more transparent and accountable public finance system. The Government has embarked on an ambitious reform agenda to address these main weaknesses in PFM between 2012 and 2015. In doing so, it intends to implement at least the following seven reforms: introduction of an MTEF and PBB, improve budget coverage and documentation, improve procurement standards, increase capacity of FPAC in scrutinizing the budget and Government financial statements, roll out internal audit, strengthen internal and external audit

functions to deliver timely and comprehensive audit reports, and implement debt management strategy.

**Strengthening Government institutions and fighting corruption.** The Government recognises the need to strengthen institutional capacity with regard to policy-making, and the implementation of national development objectives. It is fully committed to strengthening its public institutions to better implement PAGE and reach the MDGs. It recognizes the need to strengthen ongoing reforms and institutional development across the board. The main areas to be reinforced are the following: judicial services, the Gambia Bureau of Statistics, the National Assembly, the civil service, the Independent Electoral Commission, the office of the Ombudsman, The Gambia Revenue Authority, Gambia Public Procurement Authority, Gambia Competition Commission, National Audit Office, and the Gambia Public Utilities Regulatory Authority.

## **8. Reinforcing social cohesion and cross cutting interventions**

The Government's vision to turn The Gambia into a middle income country calls for harmonized development and social cohesion. From 2012 to 2015, the Government intends to strengthen its efforts in eight areas: social protection, child protection and disability; food security, gender equality and women empowerment, environment, disaster risk reduction and climate change, nutrition, population, HIV/AIDS, and building a national volunteering infrastructure.

**Social protection, child protection and disability.** The Government is convinced that investing in social protection particularly for children, women, the poor, and people with disabilities is a vital tool for poverty eradication that will trigger a virtuous cycle of improved productivity and employability. Hence, the Government has developed several sector policies to improve social protection for the population.

**Food security.** The agriculture sector has the potential to become a pathway by which The Gambia can reach its long-term development goals, especially as regards reducing poverty and achieving food security. The Government will improve the organization and management of agricultural extension programmes so as to provide a sustained flow of technological and technical information relevant to farmers' production problems and to integrate water resources management into farming practices so as to boost agricultural productivity. Finally, the Government will encourage and facilitate the participation of the private sector and small-scale farmers in all aspects of agriculture.

**Gender equality and women empowerment.** Gender is a cross-cutting development concern and, for that reason, it needs to be addressed using a cross-sector approach. Realizing gender equality and basic human rights requires all sectors and actors in development to address this issue in their area of activity. To mainstream gender equality measures and empower women, the Government will continue to create an enabling policy framework based on a proper gender analysis and the provision of adequate gender statistics and budgets. Furthermore, the Government will improve women's and girls' employable skills and job opportunities by ensuring parity in primary, secondary and tertiary education, improve women's and girls' entrepreneurial skills and



opportunities in all productive sectors, mobilize resources for gender equality and women's empowerment interventions, and ensure the proper coordination, monitoring and evaluation of women's and gender-related programmes.

**Environment, disaster risk reduction, and climate change.** Because of the time lag between causes and effects within global climate systems, the adverse impacts of environmental degradation are likely to persist for decades and generations, even after the global community succeeds in limiting greenhouse gas concentrations in the atmosphere. Insofar as integrated energy planning in the energy sector is concerned, the Government's will pursue nine goals.

**Nutrition.** Nutrition is a cross-cutting development concern that influences and is being influenced by many factors. In recognition of this fact, The National Nutrition Policy 2010-2020 is a framework involving all partners working in development. The policy is accompanied by a strategic plan (2010 -2015) and business plan that will form the basis for its implementation.

**Sound population management.** In order to attain a desirable population growth and size for The Gambia, the Government for the past three decades has implemented and put in place many programmes and structures based on the National Population Policy.

**HIV and AIDS.** The main thrust of response management is overall coordination of the National Strategic Framework (NSF) while ensuring that at least 80% of the NSF results and set targets are achieved. The Government, through the gender and HIV programme, will implement three programmes for HIV/AIDS: gender competencies of multi-sectoral stakeholders, vulnerability of women and girls, and Men and Boys vulnerability to and Involvement in HIV programme. HIV/AIDS programme will continue to target the most at risk population especially long distance truck drivers, sex workers and people with disabilities.

**Building a national volunteering infrastructure.** The Government proposes to implement a new volunteer infrastructure. The proposed national volunteering infrastructure will be a Government agency that will mobilise the volunteer pool available to provide both development and humanitarian services.

### **PART III: IMPLEMENTATION AND MONITORING**

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The third section of this report discusses the implementation of PAGE 2012-2015. First, it presents the macroeconomic framework and discusses the assumptions for macroeconomic projections for each scenario. Next, the PAGE costing and financing arrangements are discussed. Finally, the Result Measurement Framework (RMF) and monitoring and evaluation mechanisms are presented.

## 9. Macroeconomic framework

**General assumptions.** To allow the implementation of PAGE, the Government will reform its macroeconomic sector. The main reforms are translated into assumptions for the macroeconomic model. Regarding the fiscal framework, the Government will introduce a Value Added Tax (VAT), a Medium Term Expenditure Framework (MTEF) and a more comprehensive Programme Based Budgeting (PBB) system. Monetary policy will be designed to keep inflation in the low single digits. For the real sector, the Government will increase investment in agriculture from about 6 per cent of domestic resources in 2011 to 10 per cent during the PAGE period. The Government will also increase the borrowing space on both external and domestic fronts.

**The macro model.** The Macroeconomic Policy Analysis Unit (MPAU) of the Ministry of Finance and Economic Affairs has developed, tested, and calibrated an “Operational Consistent Macroeconomic Accounting Spreadsheet Model” for the Gambian economy. The analytical framework is consistent with the basic concepts and interrelations under the UN System of National Accounts (UN-SNA), and the IMF Government Finance Statistics (GFS), Balance of Payments (BOP) Statistics, and the Monetary-Financial Statistics (MFS).

## 10. Costing and financing requirements

**Financial arrangements.** The implementation of PAGE will require an important level of financial resources from the Government and the private sector as well as from The Gambia’s development partners. To be able to attract the required resources, the Government intends to strengthen its resource mobilization unit and develop a comprehensive Results Measurement Framework (RMF). With respect to external financing, the Government is committed to mobilizing resources, in line with the principles of the Paris Declaration (PD). The preferred instruments for the delivery of external financing would be general budget support, sector budget support, sector basket funding, and project aid. The private sector will also be strongly encouraged to finance the implementation of PAGE.

The mobilization of these resources will require rigorous accountability and transparency, which the Government is committed to ensuring. In this context, the Government will develop an RMF that will go beyond a standard M&E tool, since it will also look at the operational and institutional efficiencies of the Government in implementing projects and programmes. A four-level RMF has already been designed by the Government and will be finalized, in collaboration with development partners, in the first year of PAGE to ensure a high rate of results’ achievement.

**The Priority Action Plan.** The implementation of PAGE will be driven by the Priority Action Plan (PAP) and monitored by the RMF) The PAP compiles all the projects and programmes that support the five pillars of the PAGE. The costing of the PAGE has been done through the elaboration of the PAP. The PAP is a four-year rolling development plan that will be updated annually. However, where everything in the sectors is seen as priority, with limited resources,

PAGE will focus only on the programmes and projects that have a high premium in accelerating growth and generating employment.

**Costing.** The total cost of implementing the PAGE is 19.02 billion Dalasi equivalent to US\$ 651.52 million over the PAGE period. The Gambia Government will commit 35 per cent of this amount and the rest will be financed through loans, grants, and private sector participation

## 11. Implementation and M & E process

**Implementation.** The Government realizes that the most critical element of any planning process is its implementation. Responsibility and accountability of PAGE implementation lie first in the hands of the politicians, the most senior levels of management, the Permanent Secretaries (PSs), then all Government employees who must contribute in any way that they can. More specifically, a National Coordination Committee chaired by the Secretary General and Head of the Civil Service and comprising PSs, the Statistician General of the Gambia Bureau of Statistics, TANGO with one member, and the Gambia Chamber of Commerce and Industry with one member, will ensure that the process of implementation is progressing and that any impediments are removed to ensure that it is functioning effectively.

**National Implementation Team.** The National Implementation Team will be established and will be comprise senior staff members across all sectors equipped with knowledge and capabilities to ensure that the planning process is followed. Sector Teams will be responsible for the daily implementation, monitoring and evaluation of the progress of PAGE. The Directorate of Development Planning under MOFEA will have the responsibility to identify key areas for action, and clarify any policy issues that may require attention.

The Government will use the Technical Advisory Committees (TACs) and other existing structures as a community implementation team at the decentralized levels to monitor and supervise project closest to the community. There is a multitude of capacity building needs and requirements that have been identified in the information gathering process that has transpired in building the PAGE. The first priority of the Government's capacity building efforts will be in inculcating awareness and understanding of the necessity and practicalities of an overall strategic approach to development through systematic and evolving action. An overall capacity building programme throughout the public service will be beneficial, not only for the implementation of PAGE but also for the future economic development of The Gambia.

**Monitoring and evaluation strategy.** The Government of The Gambia in the process of developing its National Development Plan entitled Programme for Accelerated Growth and Employment (PAGE) recognised the importance of integrating in it a rigorous M&E strategy. Monitoring and Evaluation techniques are meant to measure whether PAGE is implemented as planned and how successfully it achieves its intended results. The M&E framework describes how

inputs and activities will result in outputs and outcomes to be delivered by programmes as articulated in the National Development Strategy.

As part of the monitoring and evaluation strategies of PAGE, an RMF will be institutionalized. Monitoring will be based on the various indicators set out under the PAGE Results Framework. Beside the proposed annual Progress Reviews (APR), Government will also conduct comprehensive mid-term and final evaluations of the National Development Plan.

**The Result Measurement Framework.** Going beyond the standard M&E, The Government of The Gambia is committed to strengthening the achievement of development results during the implementation of PAGE and to report more systematically on this contribution. To achieve this commitment, the Government has designed an RMF for the implementation of the PAGE. The RMF goes beyond the standard monitoring and evaluation process by identifying and monitoring the causes of success or failure of the implementation of the PAGE. This will allow it to address the main issues of PAGE implementation and increase the chances of success.

The RMF, which will support the implementation of the Government poverty reduction programme, aims to ensure that The Gambia meets its goals during 2012 - 2015. It assesses progress at four different levels: development results in The Gambia, the Government's contributions to development results, The Gambia's operational effectiveness, and The Gambia's institutional efficiency.

## INTRODUCTION

1. The Government of The Gambia has been committed to reducing poverty and improving the well-being of its population since designing its first development strategy in 1994. This commitment is driven by the Government's long-term strategy, Vision 2020, whose goal is *to transform The Gambia into a financial centre, a tourist paradise, a trading export-oriented agricultural and manufacturing nation, thriving on free market policies and a vibrant private sector, sustained by a well-educated, skilled, healthy, self-reliant and enterprising population, guaranteeing a well-balanced ecosystem and a decent standard of living for all, under a system of Government based on the consent of the citizenry*. Vision 2020 is being executed through a series of medium development plans.

2. The Programme for Accelerated Growth and Employment (PAGE) is the Gambia's development strategy and investment programme for 2012 to 2015. It succeeds the Poverty Reduction Strategy Paper II (PRSP II). In terms of poverty reduction and the improvement of popular welfare, the achievements of the country's last two strategies—the first and second poverty reduction strategies were mixed, mainly because of external shocks and the lack of financial resources. Overall, great achievements were registered in the social and infrastructure sectors but income poverty remains a challenge.

3. PAGE 2012-2015 draws on lessons learnt from the execution of past strategies to strengthen The Gambia's achievements. PAGE is based on Vision 2020 and various sector strategies, and is the execution template for the Government's long-term vision. Consistent with the Paris Declaration's resolutions on aid efficiency and the ownership of development, PAGE acts as the main interface between the Government and The Gambia's development partners. PAGE is fully aligned with the Millennium Development Goals (MDGs). Table 1 shows the correspondence between each pillar of the PAGE and the MDGs in The Gambia.

4. PAGE's principal objective is to accelerate growth and employment in order to sustain recent economic achievements and reinforce gains in welfare over the past five years. PAGE takes the new domestic and international economic context into consideration.

5. The Gambia's Ministry of Finance and Economic Affairs coordinated the preparation of PAGE in several steps.

- (a) First, the Ministry set up a national task force in charge of assessing the Poverty Reduction Strategy Paper (PRSP) II, reviewing Vision 2020 strategies, and suggesting new areas of intervention to accelerate The Gambia's socioeconomic development.

- (b) During the preparatory process, the Ministry created a six-member coordinating team. Each coordinator facilitated meetings of thematic groups and conducted technical supervision to ensure adherence to PAGE frameworks. The groups were populated by the representatives from public sector institutions, private sector entities, development partners, and civil society organizations. The themes of the groups corresponded to 13 strategic areas of intervention:

Government institutions and public financial management, Tourism, The business sector, Land use planning, Agriculture, Energy, Information and communication infrastructure. National human capital stock formation, Health, Transport infrastructure, Decentralization, Social protection, and Macroeconomic matters

- (c) The thematic groups were tasked with:

- reviewing and aligning strategies and sector policies to PAGE
- setting standards for production and service delivery
- identifying annual performance targets
- developing a monitoring framework and indicators and establishing timelines and prioritising interventions.

The findings of the thematic groups were reviewed with all stakeholders in review and validation processes. The reviews aimed to authenticate and ensure country ownership of PAGE. The review and validation exercise was undertaken by stakeholders such as the Government of The Gambia's High Level Economic Committee, development partners, civil society organisation/ non-Governmental organisations, and private sector entities.

- (d) To capture perspectives at the community level, community consultations on the Millennium Development Goals Needs Assessment and the focus for the Programme for Accelerated growth and Employment (PAGE) took place in all local Government areas.

- (e) The final PAGE report was written by a core team of staff from various ministries. The team ensured that crosscutting issues such as climate change, nutrition, and gender were considered throughout, along with the need for data.

- (f) The writing of the PAGE report was followed by the development of a Priority Action Plan (PAP). This plan lists the programmes and projects that will be implemented during the PAGE period to ensure that PAGE meets its main objective.

- (g) The full PAGE report has been discussed at all regional levels to ensure full ownership of the programme.

6. Cost estimates indicate that implementing PAGE and the PAP will go beyond public funding and will require private sector, civil society participation, and heavy financial support from development partners. This support will help to consolidate the gains of recent years, boost employment, and sustain development in The Gambia.

7. This report is organized in three sections and 11 chapters. The first section presents the background for PAGE and justifies the Government's approach. The second section discusses PAGE's five pillars and the Government's priorities. The last section presents the steps needed to implement, monitor, and evaluate the implementation of PAGE.

**Table 1: Alignment between PAGE Pillars and the MDGs**

<b>PAGE PILLARS</b>	<b>MILLENNIUM DEVELOPMENT GOALS</b>
Pillar 1: Accelerating and sustaining economic growth	Goal 1: Eradicate extreme poverty and hunger Goal 7: Ensure environmental sustainability Goal 8 : Develop a global partnership for development
Pillar 2: Improving and modernizing infrastructure	Goal 1: Eradicate extreme poverty and hunger
Pillar 3: Strengthening human capital stock to enhance employment opportunities	Goal 2: Achieve universal primary education Goal 3: Promote gender equality and empower women Goal 4: Reduce child mortality Goal 5: Improve maternal health Goal 6: Combat HIV/AIDS, malaria, and other diseases
Pillar 4: Improving governance and increasing economic competitiveness	Goal 8: Develop a global partnership for development Goal 1: Eradicate extreme poverty and hunger
Pillar 5: Reinforcing social cohesion and mainstreaming cross-cutting issues	Goal 3: Promote gender equality and empower women Goal 4: Reduce child mortality Goal 5: Improve maternal health Goal 7: Ensure environmental sustainability



## **PART I: CONTEXT AND JUSTIFICATION: WHERE WE ARE.**

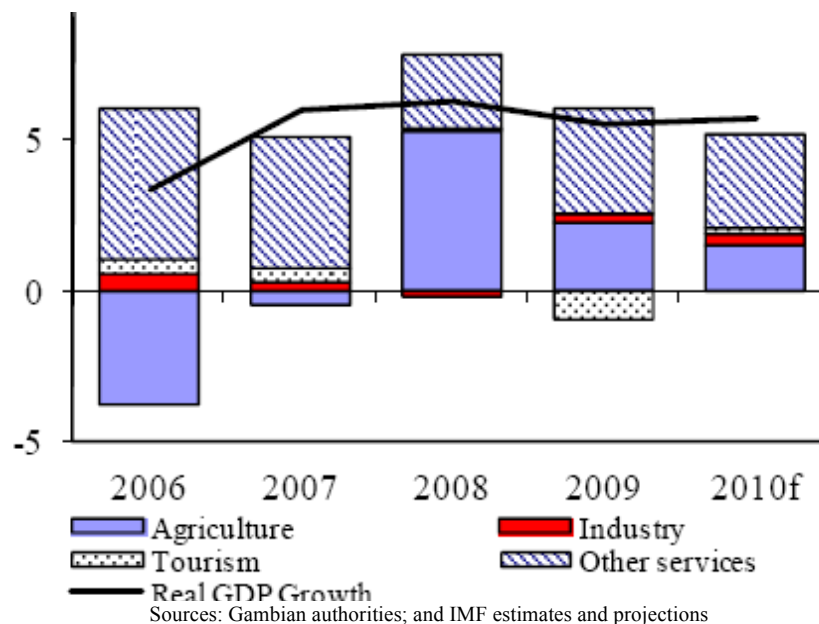
*This section consists of three chapters and summarizes the performance of The Gambia over the last five years and justifies the Government's choice of strategy. Chapter 1 discusses the country's socioeconomic development and assesses the achievements of the Poverty Reduction Strategy Paper II. Chapter 2 presents the country's status in terms of poverty and poverty reduction. Chapter 3 discusses the challenges, constraints and opportunities facing The Gambia.*

## Chapter 1: RECENT SOCIOECONOMIC DEVELOPMENTS

### 1.1. Economic growth trends

8. The main drivers of economic growth for The Gambia remain the agriculture sector and tourism industry. Real GDP growth declined from an average of 5.9 per cent between 2003 and 2006 to about 4.7 per cent in 2007. In 2009 real GDP grew by 6.3 per cent, led by strong growth in agriculture, tourism, and the construction industry. These fluctuations are largely attributable to the effect of climate conditions on agricultural output, but also due to variable growth in key sectors such as tourism, industry, re-export trade activities, and construction in recent years.

**Figure 1: Contribution to Growth, 2006-2010 (per cent of GDP)**



9. Revised real GDP growth in 2009 was 6.3 per cent compared to 6.1 per cent in 2010. For the ECOWAS region, the GDP growth rate of 5 per cent recorded compares to that of the best performing economies. This growth was driven primarily by significant increases in agricultural production, underpinned by good rains and policy support (notably the programme to expand upland rice production). In 2011, the policy framework aims to strengthen the macroeconomic foundation needed to further enhance the enabling environment for rapid and sustainable economic growth and poverty reduction. In this context, for 2011, real GDP is projected to grow by 5.5 per cent.

### **Box 1: The Gambia's agricultural strategy**

The Agriculture and Natural Resources (ANR) Policy and The Gambia National Agricultural Investment Programme (GNAIP) combine policy, institutional, infrastructure and technology related measures to address the multiplicity of supply side constraints to enhance the growth of The Gambia's agriculture.

The overall objective of the ANR/GNAIP is to increase the agriculture sector's contribution to the national economy by increasing productivity through commercialization and active private sector participation predicated on a sound macroeconomic framework aimed at enhanced growth and employment creation. The policies and seven programmes below will facilitate and strengthen the productive capacities of small and medium-scale farmers to create an environment to promote large-scale farming and the development of agribusiness. It will also facilitate access to markets and value addition for a selected range of commodities such as rice, livestock, millet, sesame, cashew, fish and horticulture.

**Improvement of Agricultural Land and Water Management:** The overall aim of this programme is to ensure food security and rice self-sufficiency in The Gambia by cultivating 25,000 ha of land through the employment of appropriate and environmentally friendly water management techniques and cultivation practices. In addition, it will increase income-generating capacity and nutritional status of the farmer beneficiaries, especially women and youth through the use of sustainable land and water management practices

**Improved Management of the Other Shared Resources:** This programme aims to improve livelihoods and food security, and reduce poverty of populations that depend on The Gambia's other shared natural resources (including rangelands, forests, fisheries, parks and wildlife) through sustainable management and use of these resources.

**Development of Agricultural Chains and Market Promotion:** The goal of this programme is to enhance the transformation of agriculture from the traditional subsistence form to a commercial and modern Gambian model with well integrated food chains and a viable agro-processing private sector, resulting in increased incomes of agricultural value chain actors (including farmers, input suppliers, processors, traders and exporters) through the use of appropriate technologies for value addition.

**National Food and Nutritional Security.** This programme aims to improve national and household food security and adequate nutritional levels, including during periods of disaster, with attention to targeting the most vulnerable groups and households of rural and urban communities.

**Prevention and Management of Food Crises and Other Natural Disasters:** The objective of this programme is to reduce the negative impacts of disasters and situations leading to food crises by mobilizing adequate resources to help prevent and cope with food crises or natural disasters, as well as, reach those affected at the most appropriate time.

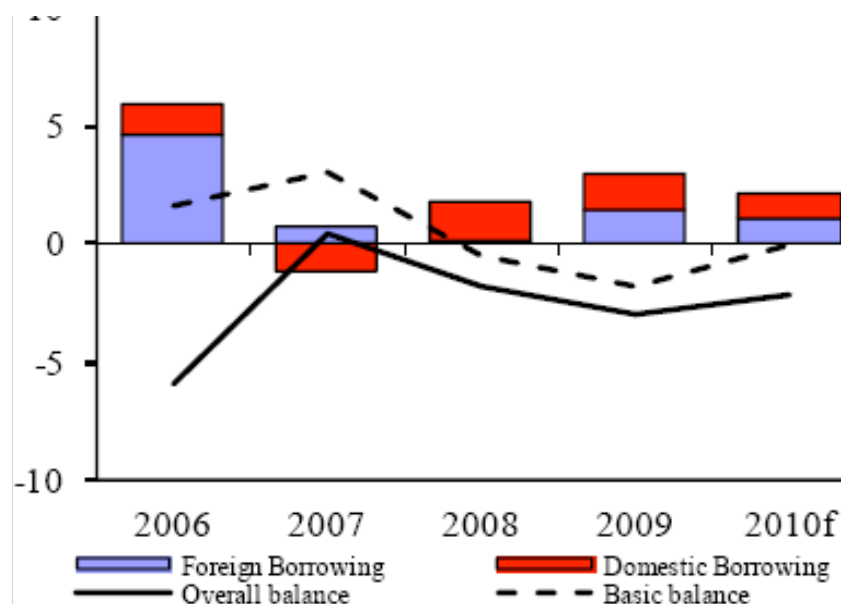
**Sustainable Farm Management:** This programme aims to improve the productivity of farms, especially that of small holders through enhanced soil fertility maintenance, appropriate farm and cropping practices and a reliable and controlled water management system.

**Institutional Capacity Building for Programme Implementation:** The objective of this programme is to strengthen the capacity of relevant institutions associated with GNAIP to create the enabling environment to facilitate the successful design and implementation of the GNAIP.

## 1.2. Fiscal policy

10. On the fiscal side, the Government's revenue outturn weakened during the first half of 2010, resulting in a higher than budgeted deficit in the basic fiscal balance (by GMD 147 million or 0.5 per cent of GDP). Revenues from fuel and company income taxes were particularly hard hit. Rising import prices of fuel eroded revenues from the Flumara, which is calculated as a residual given fixed retail fuel prices, while slow growth in the non-agriculture sectors of the economy dampened the company income tax base. In June 2010, the Government initiated concerted actions to correct the fiscal imbalance. First, fuel prices were raised, which helped to partly restore revenues.

**Figure 2: Fiscal Balance and Financing, 2006-10 (% of GDP)**



Sources: Gambian authorities; and Fund staff estimates and projections

11. Second, after re-estimating the Government's resource envelope, expenditures were tightly controlled to ensure that small surpluses in the basic fiscal balance would be achieved on a quarterly basis over the remainder of the year. Working with the line ministries, expenditures were prioritized according to a 3-tier system. Included in the highest priority expenditures were non-discretionary and most PRSP II expenditures. The Government did not resort to accumulating domestic arrears. Fiscal policy for 2011 is anchored in achieving a significant reduction in domestic debt relative to GDP by limiting net domestic financing to GMD 120 million (or 0.4 per cent of GDP).

### 1.3. External Sector

12. The current account deficit (including official transfers) is estimated to have declined to 10 per cent of GDP in 2010. This one percentage point decrease largely reflects a pick-up in exports of man-made filaments, groundnuts, and cashew nuts. Better marketing strategies by The Gambia Groundnut Corporation, and the formation of The Gambia Transportation Association helped to increase exports of groundnuts and re-exports, respectively. Building on the good harvests in 2010, increased domestic production of food crops helped to curb food imports in 2010 but oil imports have increased slightly in line with the growth in the real sector.

13. Travel income (in per cent of GDP) rose by about 11 per cent reflecting the rebound in the tourism sector while remittances increased by about 10 per cent, having declined significantly in 2009. FDI declined by an estimated 14 per cent in 2010 having witnessed high growth rates in the past two years with the more than doubling of the number of foreign commercial banks in the country. As of end-October, net international reserves stood at USD 121 million, down by USD 28.6 million since end-December 2009, while gross international reserves totalled USD 159 million (or 4.8 months of imports of goods and services).

### 1.4. Public debt

14. In 2009, domestic borrowing led to a significant increase in the stock of debt, with T-bills and Government bonds reaching GMD 5082 million at end-December and increasing pressure on T-bill yields. Interest costs totalled GMD 741 million (or 19.1 per cent of Government revenues), of which GMD 588 million (15.1 % of Government revenues) was interest on domestic debt. T-bill yields began to fall marginally in January and February 2010, with a tightened fiscal stance, but this was undone in March through May due to further borrowing. With renewed expenditure restraint and the increase in domestic fuel prices that recouped some of the lost fuel tax revenues, interest rates have fallen since by about 1 percentage point across all maturities, reaching a weighted average of 11.5 per cent in November 2010.

15. A principal goal of the policy framework is to ease the domestic debt burden by minimizing the Government's domestic financing needs. Although The Gambia is still classified as being at high risk of debt distress, the Government has endeavoured to make progress with its debt management capabilities, which is expected to eventually improve the country's risk rating. The Government will continue to seek grants and concessional loans to finance its infrastructure investment plans. It will also explore productive opportunities for public-private partnerships.

### 1.5. Monetary policy and exchange rate

16. Monetary aggregates grew at a rapid pace in 2010. Reserve money and broad money growth reached 21 per cent and 20 per cent (year to year) in September 2010, overshooting the CBG's monetary targets. Time deposits increased by 42 per cent in the 12 months ending in September 2010, thus accounting for half of the increase in broad money. A significant part of this increase was due to the portfolio reallocation decisions of the Social Security and Housing Finance Corporation. Overall credit to the private sector and public enterprises increased by 17 per cent over the same period. This was partly financed by a rundown of net foreign assets (NFA) of commercial banks. Although the CBG has indicated a more restrained monetary policy stance by raising the rediscount rate, reserve money expanded by a further 5.7 per cent in October, largely reflecting seasonal factors.

17. The Government's higher-than-expected recourse to central bank financing contributed to the rapid growth in reserve money. Since end-December 2009, the CBG's net claims on Government increased by GMD 395 million. At the same time, net foreign assets declined by USD 23.7 million, in part due to the interventions in the foreign exchange market in May-June.

18. The Government's reduced use of domestic financing, and consequent easing in T-bill yields, is expected to increase private sector credit growth. Credit to the private sector is projected to grow by about 25 per cent in 2011. In light of the CBG's loss of gross international reserves in the course of 2010, the CBG will have to rebuild its reserves in early 2011 to ensure that the reserves are adequate to cover 5 months of imports of goods and services. The CBG will continue to maintain a floating exchange rate policy, intervening in the market only to maintain orderly market conditions. If necessary, the CBG may purchase foreign exchange to meet its international reserves target. Allowing the Dalasi to reflect market conditions will continue to help the Gambian economy to adjust to external shocks that inevitably impact on small open economies.

### 1.6. Quality of life and welfare of the population

19. The Gambia has a comprehensive policy framework for addressing development issues in the social sectors of health and education, among others. Access to basic health services is generally good, although there are still some pockets in the rural areas with poor access. Significant achievements have been registered with regard to immunization services above 90 per cent of coverage for childhood immunization, in particular measles immunization was 92 per cent in 2010. Under-5 and infant mortality rates have also declined over the past 30 years from 320 and 217 per thousand live births respectively to the present levels estimated at 109 and 81 per 1000 live births (MICS IV, 2010)

respectively. The gains made in reducing infant mortality while increasing immunization rates are attributed to the expansion and improvement of primary healthcare and social services, including the provision of safe drinking water. Despite these gains, the current trends may not permit the attainment of the MDG targets for child mortality (the under-5 mortality rate set at 67.5 per 1000 live births and the infant mortality set at 42 per 1000 live birth). The most common causes of child mortality are malaria, diarrhoeal diseases and acute respiratory infection, all of which are influenced by malnutrition. The projected increase in malaria and respiratory diseases and decrease in food production in The Gambia under a changing climate will exacerbate child mortality.

20. The maternal mortality rate in 2001 averaged 730 per 100,000 live births. Causes of maternal mortality include postpartum haemorrhage, anaemia, malaria, and sepsis, etc. The incidence of malaria is declining but continues to be a health challenge, and is the number one killer disease in the country.

21. Between 2005 and 2008 HIV-1 prevalence has been fluctuating with the highest prevalence seen in 2006 (2.8 per cent) and lowest in 2005 (1.1 per cent). HIV-2, on the other hand, has maintained a fairly steady declining trend from 1.0 per cent in 1993/5 to 0.4 per cent in 2008. HIV epidemiological information is a challenge; for this reason the Government of The Gambia is planning to conduct the first ever DHS hopefully in 2012. The HIV prevalence has changed from 2.8 per cent in 2006 to 1.6 per cent in 2008 for HIV-1 whereas HIV-2 declined from 0.9 per cent in 2006 to 0.4 per cent in 2008 (NSS 2006/8). Overall, the number of PLWHA on ART significantly increased from 688 in 2008 to 2253 in 2011 (Global Funds progress report 2011). This significant increase is attributable to improved skills, establishment of additional ART centres and changes in the eligibility criteria for ART. Sexual debut for young women and men age 15-24 years have reduced to 1.5 per cent for males and 7.4 per cent for females in 2010 compared to 2.7 per cent for males and 17.1 per cent females in 2005.

22. The Global Fund HIV Round 8 and current Round 9 grants have immensely contributed in improving access to services and expansion through the scaling up of HIV services across the country. Access to HIV services such as HIV Voluntary Counselling & Testing (VCT); Prevention of Mother-to-Child Transmission (PMTCT); and Anti-retroviral treatment (ART) facilities have significantly increased resulting in increased utilization of services across the country. The introduction of the Health System Strengthening (HSS) further improved service provision, contributed in increasing the health workforce, improved infrastructures including the laboratory, provision of reliable health information for evidence-based planning and management and procurement services. The expansion and scaling up of HIV/AIDS services also contributed in mitigating the socioeconomic impact of the epidemic, especially on the orphans and

vulnerable children. Women and other vulnerable groups in our society are major programmatic intervention areas.

23. Pursuant to the objectives of the Education Sector Policy, The Gambia has made significant strides in improving the literacy rate, which now stands at 65 per cent. The country is on course to meet its national target of a 50 per cent reduction in illiteracy rates by 2015. Current trends indicate The Gambia will attain primary school enrolment targets, although completion rates need to be increased. Primary enrolment increased from 60 per cent in 2001/02 to 77 per cent in 2008/09. The reasons for increases in enrolment, especially for girls, include full scholarships, interventions by NGOs and the fact that over 200 schools have been built around the country over the past 10 years.

24. Good nutrition is a basic building block of human capital and, as such, contributes to economic development. In turn, sustainable and equitable economic growth in developing countries will convert these countries to “developed” states’. There is ample evidence showing the two-way relationship between nutrition and economic development. Malnutrition undermines economic growth and consequently brings about poverty. It is obvious that the world’s poor progress towards attaining the MDGs especially poverty reduction is due to the failure to tackle malnutrition by the international community and most Governments in developing countries over the years. Persistent malnutrition has contributed immensely to the failure to meet the MDGs of eradicating extreme poverty and hunger, achieving universal primary education, promoting gender equity, reducing child mortality, improving maternal health, combating HIV/AIDS, malaria and other diseases.

### **1.7. Good governance, transparency and accountability**

25. According to the 2005 and 2009 CFAAs noticeable progress was achieved in public financial management. Reforms have focused on strengthening the Integrated Financial Management and Information System (IFMIS) and improving budget procedures, including the eventual introduction of a medium-term expenditure framework (MTEF) and program budgeting. Advances in PFM could have the added benefit of eventually elevating The Gambia to a “medium performer” ranking in the World Bank’s Country Policy and Institutional Assessment (CPIA).

26. The ongoing PFM reform, which was further elaborated in the comprehensive PFM reform strategy adopted by Government in February 2010, is expected to yield significant advances in this regard. Key areas of the PFM reform to be implemented in 2011 include:



- Full implementation of the Integrated Financial Management Information System (IFMIS) by 2013: The IFMIS has been fully rolled out to all 29 budget entities<sup>1</sup> as at end February 2011;
- To achieve the timely implementation of the IFMIS interface with the CBG by March 2012, which will ensure that Government spending does not exceed available resources, the MoFEA and CBG will agree on the technical specifications for interfacing IFMIS with the national payments system;
- An internal Medium-Term Expenditure Framework (MTEF) will be completed in 2011, followed by a pilot in at least 3 line ministries in preparation for the 2013 budget.

### 1.8 PRSP II assessment

27. PRSP II, the Government's Second Poverty Reduction Strategy Paper, was initiated in 2007 as a follow-up to PRSP I and was focused on improving the welfare of all Gambians as well as eradicating poverty. It was envisaged that the number of people living under US\$1 a day would fall from 61 per cent in 2007 to less than 40 per cent in 2015. A distinguishing feature of PRSP II was that it was designed to serve as the national strategy for poverty reduction with focus on the MDGs in the medium term and the Vision 2020 in the long term.

28. It is worthy to note that the PRSP constituted the main reference document for all of the Government's development partners as a strategic framework, within which, to prioritize sector programmes and better combine them into national plans/programmes with set policy objectives, programming, and macroeconomic and fiscal management coordination.

29. PRSP II was broadly focused on the following five pillars:

- Improving the enabling policy environment to promote growth and poverty reduction
- Enhancing the capacity and output of productive sectors: agriculture, fisheries, industry, trade, tourism and infrastructure, with emphasis on productive capacities of the poor and vulnerable populations
- Improve coverage of the basic social services and social protection needs of the poor and vulnerable

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<sup>1</sup> Budget entities consists of Ministries and public sector agencies

- Enhance governance systems and build the capacity of local communities and Civil Society Organizations (CSOs) to play an active role in economic growth and poverty reduction
- Mainstreaming cross-cutting issues; gender, youths, population, HIV/AIDS, nutrition and environment into the development process

30. For the attainment of these broad pillar objectives, detailed policies and programmes were defined in a matrix linking identified poverty issues to policy responses, delivery strategies and targets both to facilitate implementation and enhance monitoring and evaluation of progress.

31. The 2010 Integrated Household Survey shows that the proportion of the population living below \$1 per person per day is 36.7 per cent and the headcount rate for the population living less than \$1.25 per person per day is 48.4 per cent which show a drop of 10 percentage points from the 2003 Integrated Household Survey which was 58 per cent. Comparing the 2003 Integrated Household survey and 2010 Integrated Household Survey using the less than 1\$ per person day, poverty has reduced significantly from 58.0 per cent to 36.7 per cent.

32. The mixed performance is further explained by the slow start to implementing some of the key building blocks to the implementation framework of PRSP II, namely the Sector Wide Approaches (SWAPs) designed to improve synergies and the Medium Term Expenditure Framework (MTEF) designed to enhance targeting.

33. Another factor worthy of mention is the limited human resource capacity in Government to implement the reforms. The Civil service reform project was launched at the end of 2008 and will take time to improve the acknowledged public service management deficiencies and delivery particularly at the level of the poor.

34. Findings in the 2007 and 2008 APRs also point to the problem of funding for the PRSP. There were funding gaps and most of the aid resources also went to the social sectors while the productive sectors hardly had any external funding. Coordination and effective use of aid resources is still identified as a challenge.

35. **Key Achievements.** Despite the many challenges there were many achievements that can be cited on the PRSP II. The following highlight some of the most significant:

- (a) Macroeconomic performance was gauged to be strong and economic growth targets set in the PRSP II were surpassed.
- (b) The focus of PRSP II on strengthening public expenditure management, internal controls on budgets and the fiscal and monetary coordination to prevent

macroeconomic slippages led to significant reforms impacting on financial governance and public sector reforms.

- (c) A comprehensive civil service reform strategy (Medium Term Plan - 2008 -2011) was eventually developed in 2008 aimed at strengthening institutional capacity for policy formulation, human resources development, enhanced performance and efficiency and programme coordination and monitoring.
- (d) The Government of The Gambia lifted import tax on all forms of renewable energy and energy efficiency equipment in March 2008. The Renewable Energy Association of The Gambia (REGAM) was also formed in April 2008 to promote development, sustainability, protection, standardization and uplifting of the sub-sector in The Gambia.
- (e) Major developments in improving the road network include the operationalization of the National Roads Authority (NRA) and in 2008 major investments in road improvements.
- (f) The development of the National Information and Communications Infrastructure policy, plans and strategies which encompasses plans of action such as the e-Government and other e-strategies and the enactment of the Information and Communication (IC) Act are key milestones in this endeavour.
- (g) Agricultural production has increased. Crop production increased from 353.4 thousand metric tonnes in 2008 to 355.8 thousand metric tonnes in 2010. Production is expected to increase to 366.5 thousand tonnes in 2011.
- (h) The Tourism Master Plan, a blueprint for the development of tourism to the year 2020 was created.
- (i) There were also some attractive additions to the available tourism infrastructure in the country including hotels and eco-tourism facilities.
- (j) In the trade sector activities to develop the national trade policy, operationalize the Competition Law and Policy and implementation of the ECOWAS Common External Tariff (CET) among others were initiated in 2008. The drafting of a Trade Policy Framework and Action Plan started in 2008 with the support of the West African Monetary Institute. The policy was validated and finalized in January 2010.
- (k) Government also sensitized and encouraged Gambian manufacturing companies to participate in the ECOWAS Trade Liberalization Scheme (ETLS).
- (l) Physical access to healthcare has also greatly improved by the expansion of health facilities and the local training and recruitment of health personnel, including doctors.

- (m) The introduction of the policy (universal primary education) with free basic education for the girl child has transformed the situation of enrolment.
- (n) There were significant increases in enrolment at The Gambia College, Management Development Institute (MDI), Gambia Technical Training Institute (GTTI), and University of The Gambia (UTG) and the number of academic graduates in the university is increasing, especially so for those aspiring to be teachers.
- (o) About 600 Communities are being supported to develop programmes to improve their livelihoods and the capacities of extension workers as well as local Government officials to support the Community Driven Development Programme (CDDP).
- (p) With regard to women empowerment, women have been trained in terms of skills development and income-generating activities and their active participation in the decision-making processes. Gender parity between boys and girls at the lower basic level has been significantly improved through free scholarships to girls across all the regions with many donor interventions.
- (q) Among the most notable achievements of The Gambia Environmental Action Plan (Phase I) were the establishment of a functional institutional framework for natural resources and environmental management and planning, and of a legal and regulatory policy framework for the environment.

### **36. Lessons Learnt.**

- (a) Poor targeting and coordination of interventions explain the less than optimum impact of PRSP II implementation on overall poverty levels despite significant progress registered in some pillars.
- (b) The slow start to implementing some of the key sector strategies, such as SWAPs, designed to improve synergies and MTEF delayed achievements of the PRSP II.
- (c) Many of the objectives in the PRSP II were not clearly defined to provide a guide for implementation and the objective setting also failed to anchor the plan in a timeframe.
- (d) A comprehensive national rural development strategy should be articulated that integrates agricultural development with other sectoral interventions towards employment creation.
- (e) Inadequate infrastructure such as food and fruit processing facilities, insufficient human capacity and social capital, impedes development in agriculture sector.
- (f) Insufficient promotion of ICT usage, reliable and robust infrastructure to support sector services have been an obstacle to programme implementation as have

inadequate support, coordination and participation of Government and other institutions that are key stakeholders.

- (g) Despite strong policy pronouncements on decentralization and local Government administration reforms, implementation is slow and most issues are centrally designed and executed.
- (h) Climate change and its adverse impacts continue to affect the poor and vulnerable communities most severely.
- (i) Lack of data and the need to strengthen GBoS to implement the National Strategy for the Development of Statistics (NSDS). Revitalization of the employment and earnings unit at GBoS to address the issue of data on employment.

**37. Strategies to address remaining challenges:** With the completion of the PRSP II timeframe there are many challenges to be addressed.

- (a) **Financial and public sector reform.** Develop the medium term expenditure framework and link the national budget with the PAGE. Develop and maintain a National Aid Information Database for The Gambia.
- (b) **Energy.** Increase electricity production efficiency, transmission and distribution capacities, improve access to diversified electricity sources at affordable cost.
- (c) **Transportation and transport infrastructure.** (a) Provide the right policy environment for the provision of adequate and quality infrastructures for socio-economic development and poverty reduction, (b) Invest in and improve the condition of secondary and feeder roads and put in place a robust routine and preventive road maintenance programme, (c) Invest in further development and expansion of Banjul port to improve its competitiveness, (d) Further exploit river transport potentials to enhance the movement of goods and people as well as regional shipping, (e) Enhance inter-linkage between river and road transport infrastructure, (f) Improve services delivery in air access and egress for passengers and aircraft.
- (d) **ICT.** Develop the necessary ICT skills in order to efficiently implement and maintain ICT projects in a sustainable manner.
- (e) **Trade, industry and employment.** Implement the trade, industrial and employment policies and their action plans, develop a consumer protection law and policy, create a database of registered businesses and a mechanism to track their existence, and a functional labour market management information systems
- (f) **Agriculture, fisheries, and marine resources.** On the productive sector agriculture and fisheries should be given more priority, especially having a

- vibrant planning directorate in each of their respective departments/ministries. Conducting a natural resource mapping/survey will help in addressing the challenges. .
- (g) **Health.** Reduce maternal and child mortality by 75 per cent, create adequate facilities and services at the tertiary care level and build human resources capabilities to remove bottlenecks in managing the sector and its related budgetary problems, and create a sustainable Health Management Information System (HMIS).
  - (h) **Higher education, research, science and technology.** There is a need to increase resource allocation to the sector to meet the challenges of increased demand due to the increased completion rates from the basic and secondary levels.
  - (i) **Social protection and safety nets.** Provide social safety nets in the medium term for the poorest of the poor.
  - (j) **Water and sanitation:** Increase the percentage of the population with improved water drinking source from 85.8 per cent (MICS IV, 2010) and the proportion of the population with improved sanitary facilities from 76.3 per cent (MICS IV, 2010) to 100 per cent to meet the Millennium Development Goals and Vision 2020, and provide improved weather and climate services in support of disaster risk reduction, national development and climate change adaptation. In addition, develop a National Climate Change Strategy and mainstream climate change in national development frameworks (plans, programmes and policies).
  - (k) **Local governance and decentralization.** Transfer competences to Local Government Authorities, and ensure judicious administration of land and enhance its equitable access through comprehensive surveying and mapping processes.
  - (l) **Cross cutting issues.** All national development and sector plans and interventions must mainstream cross cutting issues

## Chapter 2. DYNAMICS OF POVERTY AND EMPLOYMENT

38. The Gambia is among the poorest countries in the world. It ranked 168 out of 187 in the United Nations Development Programme's Human Development Report (HDR) for the year 2011. The country has implemented programmes to reduce poverty since 1994, when it launched its first Strategy for Poverty Alleviation, and poverty has begun to show signs of decline, with the proportion of people living in poverty decreasing slightly. In addition, poverty assessment in 2008 suggests that poverty is decreasing in the country. The 2010 Integrated Household Survey has indicated further progress.

### 2.1. Poverty trends

39. **Regional differences in the incidence of poverty are high and poverty is greatest in rural areas.** Table 2 shows poverty incidence by region in 1998, 2003, and the national average for 2008 and the incidence of poverty in 2010. In 1998, the proportion of the population living on less than US\$1 a day (the overall poverty rate) was estimated at 69 per cent; according to the Integrated Household Survey, this decreased to 58 per cent in 2003 and the poverty assessment in 2008 shows that poverty has decreased to 55.5. In 2010 the proportion of the population living below \$1 per person per day has decreased significantly to 36.7 per cent. Using the \$1.25 dollar threshold per person per day, poverty has decreased by 10 percentage points to 48.4 per cent. The incidence of poverty was higher in the rural than in urban areas. Indeed, in The Gambia as in many developing countries, poverty is a predominantly rural phenomenon. Deprivation still exists in urban areas, however particularly in the Central River Region (North and South), as shown in the latest household surveys, especially the Multiple Indicator Cluster Surveys II, III and IV and the 2010 Integrated Household Survey.

**Table 2: Overall Poverty Rates by Region, 1998 and 2003**

Region/Municipality	1998	2003	2008	2010 (<\$1/per/per Day)	2010 (<\$1.25/per/person) Day
Banjul	50	7.6	-	7.1	16.4
Kanifing	53	37.6	-	15.0	26.0
West Coast Region	69	56.7	-	39.7	54.4
Lower River Region	80	62.6	-	45.4	57.2
North Bank Region	80	69.8	-	48.2	60
Central River Region-North	74	94.0	-	74.1	79.0
Central River Region-South	74	75.7	-	65.9	73.2
Upper River Region	80	67.9	-	56.7	65.6
National Average	69	58.0	55.5	36.7	48.4

Source: Government of the Gambia, 1998; 2003 & Integrated Household Survey and the 2008 Poverty Assessment, 2010 Integrated Household Survey

40. **Between 1998 and 2010, poverty has decreased in all regions for the population living below \$1 per person per day.** Banjul, Kanifing and the West Coast Region had the lowest poverty rates for this threshold with 7.1, 15.0 and 39.7 per cent respectively. For the population living below less than \$1.25 per person per day compared to those living below \$1 a day poverty has increased in all regions by more than 5 per cent except in the Central River Region (North), which is still the poorest region. Predominantly rural areas particularly in middle part of the country (CRR – North and South) that rely on agriculture for their main source of income have higher poverty rates. This is corroborated with the continued reduction in rainfall in these regions since the 1970s.

41. **Since 1998, the overall incidence of poverty has been decreasing.** In 1998, 69 per cent of the population were poor; this number fell to 58 per cent in 2003, and the poverty assessment (Box 2) suggests that poverty has decreased further to 55.5 per cent in 2008. In 2010, poverty has decreased to 36.7 per cent for the population living below \$1 per person per day and is 48.4 per cent for the population living below \$1.25 per person per day.



**Box 2: Poverty Surveys in The Gambia**

Few sources of poverty data exist for The Gambia to analyse poverty. The main ones are the following:

**Poverty surveys:** The first poverty study was conducted in 1992 followed by the 1998 poverty study, the 2003/04 Integrated Household Survey and the 2010 Integrated Household Survey. Although each survey adopted different methods, they all used overall poverty and food poverty to estimate the national poverty rate or the head count index. Very little work has assessed the evolution of poverty in The Gambia over time, but the 2003/2004 and the 2010 Integrated Household Survey addressed this problem and standardized the 1992 and 1998 datasets for methodological differences. The surveys analysed poverty using three indices: the head count, the poverty gap, and the severity of deprivation.

**2008 poverty assessment:** Conducted by the Government of The Gambia and the World Bank. This is a poverty assessment simulation exercise that began with 2003 poverty data and was extrapolated to 2008, taking economic growth, remittances and internal migration since 2003 into account. The assessment shows that poverty has dropped to 55.5 per cent from 58 per cent in 2003

**The 2010 Multi-dimensional Poverty Index (MPI)** was conducted for the United Nations Development Programme for the 2010 Human Development Report by the University of Oxford Poverty and Human development Initiative (OPHI) which included The Gambia. The Multi-dimensional Poverty Index uses 10 indicators to measure poverty in three dimensions: education, health and living standards. The index reflects both the incidence of poverty and the average intensity of deprivation. The analysis used the 2005/2006 data from The Gambia Multiple Indicator Cluster Survey.

42. The Multi-dimensional Poverty Index calculated that 34 per cent of the population live below the \$1.25/day poverty line and 57 per cent live below the \$2/day poverty line. The index estimates national poverty line at 61 per cent in 2010. The percentage of the population considered multi-dimensionally poor is higher in the rural than in the urban areas.

Table 3: Poverty Simulation Results (Upper Poverty Line)

	<b>Poverty incidence (Headcount Rate) per cent</b>
2003 baseline	58.0
2008 baseline	55.5
2008 baseline adjusted for -remittances	57.9
-internal migration	43.1
-remittances and migration	45.5

Source: 2008 Poverty Assessment Report

### **Box 3: Definitions of Concepts of Poverty**

**Poverty data:** Poverty measurements in The Gambia have generally collected information on expenditures, which are a proxy for income levels. Income information is derived from expenditure and consumption data. Self-produced items included in calculations of expenditures include rent for owner-occupied dwellings and firewood collected by rural households. Poverty measurements use the physiological deprivation model to assess individuals' lack of access to economic resources (income) to satisfy basic material needs.

**Poverty line:** A person (or household) is considered poor if the person's (or the household's) income cannot acquire a standard basket of goods and services. The value of this basket constitutes the poverty line.

**Poverty incidence:** The **head count or poverty incidence or income poverty** corresponds to the percentage of the population that is poor. Income poverty refers to those poor whose income or consumption falls below the poverty line i.e. access to economic resources is insufficient to acquire enough goods and services to meet basic material needs at any given point in time.

**Poverty gap:** It is the proportion of the poverty line that would have to be distributed to the poor to raise them out of poverty. It shows the share in the total value of minimum living standards that could eliminate poverty, if perfectly reallocated;

**Poverty severity:** It uses weights to measure how far the poor are from the poverty line. As such, it is a measure of extreme poverty.

## **2.2. Income poverty and the challenges of income distribution**

43. Table 4 shows that total household consumption for the poorest quintile doubled from 4 per cent in 1998 to 8.8 per cent in 2003 and decreased to about 6 per cent in 2010. Except for households in the richest quintile, whose consumption dropped from 56 per cent in 1998 to 38 per cent in 2003 and increased to 46.5 in 2010. It is observed that in 2010 the share of household consumption decreased for the first three quintiles but increased for the fourth and fifth quintiles. The average consumption in the richest quintile is about seven times higher than the average consumption of the poorest quintile.

This is an indication that the disparity between the rich and the poor is widening in the country.

Table 4: Total Household Consumption by Quintile

Quintile	1998	2003	2010
	Estimate (per cent)		
1 <sup>st</sup> Quintile (poorest)	4.0	8.8	5.6
2 <sup>nd</sup> Quintile	7.6	13.6	10.5
3 <sup>rd</sup> Quintile	12.1	18.0	15.3
4 <sup>th</sup> Quintile	20.3	21.6	22.0
5 <sup>th</sup> Quintile (richest)	56.0	38.0	46.5

Source: 2003/2004 Integrated Household Survey /1998 NHPS, 2010 Integrated Household Survey

44. Average household consumption per capita for the poorest quintile stood at 29,948 Dalasi compared to 31,506 Dalasi in 2003 which is about nine times less than the per capita consumption of the richest quintile at 260,742 which was 136,069 in 2003 Dalasi as shown in Table 5.

Table 5: Average Household Consumption (in Gambian Dalasi)

Quintile	Estimate	Standard Error of Mean	Median
1 <sup>st</sup> Quintile (poorest)	29,948	391	30,797
2 <sup>nd</sup> Quintile	57,648	454	58,955
3 <sup>rd</sup> Quintile	84,847	659	87,768
4 <sup>th</sup> Quintile	122,441	913	125,391
5 <sup>th</sup> Quintile (richest)	260,742	5465	215,626

Source: 2010 Integrated Household Survey

### 2.3. Determinants of poverty

45. **Sector of employment:** Table 6 shows that poverty is strongly associated with the employment status of household heads. Poverty incidence is highest in households headed by agricultural workers for the both thresholds (less than \$1 and \$1.25 per person per day), followed by households headed by household heads working in the transport and communication sector. Most employers in these sectors engage their staff as casual or independent workers. Casual workers are mostly urban residents, and independent workers are mostly rural dwellers engaged in agriculture. Households headed by those who work in financial management sector have the lowest poverty rates for both thresholds...

**Table 6: Distribution of Poverty per Sector of Employment of Household Heads, 2010 (per cent)**

<b>Sector of Employment</b>	<b>Head count Rate (&lt;\$1/person/day)</b>	<b>Distribution of the poor (&lt;\$1/person/day)</b>	<b>Head count Rate (&lt;\$1.25/person per day)</b>	<b>Distribution of the poor (&lt;\$1.25/person/day)</b>
Agriculture and fishing	68.8	43.6	79.0	39.6
Manufacturing and energy	33.6	5.6	43.6	5.5
Construction	35.6	5.2	50.2	5.6
Trade, hotels and restaurants	24.2	14.3	36.2	16.3
Transport and communication	37.7	5.1	51.2	5.1
Financial management	20.7	0.4	32.8	0.6
Social and personal services	28.1	12.2	40.4	12.9

Source: 2010 Integrated Household Survey

46. Poverty is highest among household heads working in the agriculture and fishing industry, which employs almost 52 per cent of the working population. Using the threshold for the population living on less than one dollar per day, about 69 per cent of households headed by someone working in agriculture or fisheries are poor and, using the threshold of less than \$1.25 it has increased to 79 per cent. As expected poverty is lowest for household heads employed in the financial management sector for both thresholds. . Occupations with lower poverty rates—namely trade, hotels and restaurants, financial management and social and personal services—are mainly found in the urban areas. This scenario underlines the concentration of modern economic activities in the Greater Banjul Area, leaving other activities, mainly agricultural activities, to predominate in the other regions. This skewed development calls for decentralisation and diversification of economic activities across the regions.

47. **Place of residence.** The Gambia experiences marked spatial difference in poverty levels, especially between the rural and urban areas. Using the less than a \$1 threshold per person per day, 62.1 per cent of rural dwellers are poor, compared to 21.0 per cent of urban residents. Using the less than \$1.25 threshold per day, poverty is also higher in the rural than in the urban areas (73.9% compared to 32.7%). Poverty is multi-dimensional

and is determined by many factors, such as education of the head of the household, employment, residence, sex, age, occupation, industry, and family size. For those reasons, disparities manifest themselves in many ways. Agricultural productivity is and will continue to be a significant determinant of poverty, given that the agriculture sector remains highly climate dependent and employs most of the population, and the majority are poor. This high rate helps explain the large urban-rural differential in the poverty rates for both thresholds.

**Table 7: Poverty by Place of Residence**

	<b>Headcount Rate (&lt;\$1/person/day)</b>	<b>Distribution of the poor (&lt;\$1/person/day)</b>	<b>Headcount Rate (&lt;\$1.25/person/day)</b>	<b>Distribution of the poor (&lt;\$1/person/day)</b>
<b>Total</b>	<b>36.7</b>		48.4	
Urban	21.0	32.0	32.7	37.8
Rural	62.1	68.0	73.9	62.2

Source: Integrated Household Survey, 2010

48. **Education.** The educational attainment of the head of the household—particularly when the head has no education, or just a primary school education—is another important determinant of poverty in The Gambia. The 2010 headcount index varied from 46.2 per cent of people living in households where heads had no formal education to 10.9 per cent of people living in household where heads had a tertiary-level education using the less than \$1 per person per day threshold. Using the less \$1.25 threshold per person per day, poverty is also highest for household heads with no education (58.4%) compared to about 18 per cent for households heads with tertiary education. Poverty rates are almost uniformly lower for individuals whose household heads have higher levels of education.

**Table 8: Poverty by Educational Level of Household Head (Upper Poverty Line)**

<b>Level of Education</b>	<b>Headcount Rate (&lt;\$1/person/day)</b>	<b>Distribution of the poor (&lt;\$1/person/day)</b>	<b>Headcount Rate (&lt;\$1.25/person/day)</b>	<b>Distribution of the poor (&lt;\$1.25/person/day)</b>
None	46.2	78.3	58.4	75.7
Primary	31.6	4.9	42.1	5.1
Secondary	21.4	10.6	33.5	12.4
Vocational	13.3	0.5	25.0	0.7
Tertiary	10.9	2.6	17.8	2.9

Source: 2010, Integrated Household Survey

49. **Gender.** Another determinant of poverty in The Gambia is the gender of the head of the household. Table 9 shows that male-headed households are more likely to be poor than female-headed households using both thresholds (the less than \$1 and the less than \$1.25 per person per day). This scenario depicts variations in socioeconomic characteristics of households headed by the different sexes. Socioeconomic factors resulting in these differences are household size for the different sexes, location of the households, and remittances received. The IHS 2010 data shows that male headed household sizes (8.4 persons) are larger than female headed households (6.6 persons). In general, female headed households are mostly found in the urban areas and these household heads are generally gainfully employed. Female headed households are also households that receive a lot of remittances especially those in the urban areas whose average annual remittance were D23,886 compared to D9,580 received by their rural counterparts.

**Table 9: Poverty by Gender of the household head**

<b>Gender of Household head</b>	<b>Headcount Rate (&lt;\$1/person/day)</b>	<b>Distribution of the poor (&lt;\$1/person/day)</b>	<b>Headcount Rate (&lt;\$1.25/person/day)</b>	<b>Distribution of the poor (&lt;\$1.25/person/day)</b>
Male	38.8	88.2	50.9	87.6
Female	28.8	11.8	38.3	12.4

Source: 2010, Integrated Household Survey

50. The above scenario should also be interpreted with caution in view of the fact that the range of the per capita consumption for male headed households is wider than that of the female headed households. As far as per capita income per annum is concerned, male headed households have slightly higher income than their female counterparts (D16,015 compared to D15,582).

51. **Household size.** Another determinant of poverty in The Gambia is household size (Table 10). Analyses of poverty rates by household size and composition show that the larger the household, the higher the likelihood of being poor. According to the 2003 Population and Housing Census, the average household counts 8.3 people. Regional disparities are huge, with predominantly rural areas having larger households.

**Table 10: Poverty by Household Size**

	<b>Headcount Rate (&lt;\$1/person/day)</b>	<b>Distribution of the poor (&lt;\$1/person/day)</b>	<b>Headcount Rate (&lt;\$1.25/person/day)</b>	<b>Distribution of the poor (&lt;\$1.25/person/day)</b>
Household size				
1	5.6	0.1	10.9	0.2
2	9.6	0.3	12.3	0.3
3	10.7	0.6	20.3	0.8
4	19.0	1.7	30.2	2.2
5	24.1	2.7	37.8	3.5
6	27.5	3.9	38.8	4.4
7	39.0	5.3	51.7	5.8
8	45.1	6.0	64.2	7.0
9	51.4	6.6	66.6	6.9
10 or more	64.5	72.8	76.8	69.1

Source: 2010, Integrated Household Survey

52. For both thresholds (proportion of the population living below \$1 and \$1.25 per person per day) households with 10 or more members have the highest poverty rates, 64.5 and 76.8 per cent respectively. Poverty headcount ratios increase as the size of the household increases, resulting in a sizable difference in the poverty rates of the largest and smallest households.

**Table 11: Poverty by Age Group less than \$1 per day**

Age	Poverty Headcount Ratio	Share of the Poor Population	Share of the Entire Population
0-5	55.6	20.3	18.8
6-14	55.8	25.6	23.6
15-19	51.5	12.4	12.4
20-24	48.0	8.9	9.5
25-29	44.4	7.6	8.8
30-34	44.4	5.2	5.9
35-39	44.1	4.5	5.2
40-44	46.0	3.4	3.8
45-49	46.1	2.9	3.2
50-54	49.7	2.4	2.5
55-59	53.4	1.6	1.5
60-64	52.2	1.6	1.6
65+	57.9	3.5	3.1

Source: IHS 2010

53. **Population vulnerability and dynamics.** In 2003, the population of The Gambia was estimated to be 1,360,681, of which 50.7 per cent were female and 49.3 per cent were male. About 42 per cent of the population were below 15 years of age, 24 per cent were between 10 and 19 years old, and 22 per cent were between 15 and 24. Only 3.4 per cent of the population were 65 and over. The data shows higher poverty rates for children 0 - 5 and, 6 -14 and the population 65 years and above with 55.6, 55.8 and 57.9 per cent respectively... The population aged 65 and above has the highest poverty rate and constitute 3.1 per cent of the population.

54. Among these age groups, the productive population—those aged between 20 and 59—had lower headcount rates. This age group comprises 42 per cent of the population of the country. These figures suggest that younger people (0-19 years) and the elderly are most vulnerable to poverty. This could be attributed to the fact that the elderly have retired or the younger population are too young to work. Note that although the poverty rate is lowest in the middle age groups, it is still over 40 per cent.

#### 2.4. Employment Dynamics

55. According to the results of the 2010 Integrated Household Survey (IHS 2010) the employment rate for the population aged 15 – 64 is 73 per cent. The unemployment rate for the same age group is 22 per cent while 5 per cent of the surveyed population did not report on their employment status. The youth (15-30 years) unemployment rate is 26 per cent. This is expected to be higher due to the youthful nature of the population of the



Gambia based on the 2003 census. The high employment rate could be attributed to the high proportion of own account workers and contributing family workers (vulnerable employment rate) which is 79 per cent of the total employment figures. .

56. For both employment categories (own account worker and family) there are more females than males. These categories of employees are very vulnerable because they are not paid regular wages and have no security. In situations of socioeconomic and environmental shocks, they are the first to be hard hit. This category of workers is found predominantly in the rural areas.

57. Regarding the ratio of the working age population to the employed population, it is very low and stands at 0.46 (employment population ratio). This statistics underscores the need for creating better employment opportunities for the population.

58. The proportion of women in wage employment in the non-agricultural sector is 77 per cent. This could be the reason why the female-headed households had higher poverty rates than their male counterparts in 2003. It is observed that 40 per cent of the working population live on less than \$1.25 per day. This figure is higher for the population aged 15 – 24 and lowest for the population aged 30 to 34 with 49 per cent and 35 per cent living respectively on less than \$1.25 per day. This is an indication that although the poverty figure has gone down from 58 per cent in 2003 to 48.4 per cent in 2010, poverty is still prevalent in the country

59. The 2010 IHS also shows that the proportion of the population employed in the agriculture sector is 44 per cent with 60 per cent being females and males accounting for the remaining 40 per cent. This shows a lower figure compared to what was reported over the past years, that the agricultural sector employs 70 or more per cent of the population. This drop could be attributed to many factors, including the rural- urban migration resulting to a change in economic activity.

60. Regarding the earning of the employed population per annum, most of the population earn less than GMD10, 000 per annum (42%) and females have the highest proportion, 53 per cent compared to 47 per cent for their male counterparts. The data shows that only 3 per cent of the working populations earn GMD200, 000 and above per annum. Within that income bracket, males have the highest proportion compared to females (61% and 39% respectively).

61. In terms of the annual earnings of the working population, males earn more than females. This could be attributed to the fact that males are engaged in more stable and rewarding jobs. Just about a quarter of the work force earns more than GMD40, 000 per annum.

62. It is also observed that most of the employed population is working in the informal sector (96%) and the remaining 4 per cent work in the formal sector. The formal sector is regarded as those entitled for pensions after retirement.

63. Although the focus of PAGE is on the creation of employment for poverty reduction, there exists scanty employment data in the country. There is a need for an in - depth study of the state of employment in the country at regular intervals to aid the monitoring of PAGE within the PAGE implementation period. In addition, the revitalization of the Employment and Earnings Unit at the Gambia Bureau of Statistics can help to address the data gaps on employment. Also there is a need for the planning units in the MDAs and the Personnel Management Office to work closely with the Gambia Bureau of Statistics to regularly update their human resources database.

## **Chapter 3: DEVELOPMENT STRENGTHS, CHALLENGES AND CONSTRAINTS**

64. Whether considered as a process or an outcome, development goes beyond economic growth alone. Assessing development therefore means focusing on dimensions other than traditional indicators of economic progress. The most comprehensive report on development is the Human Development Report, an annual publication of the United Nations Development Programme. Although The Gambia's ranking in the Human Development Index continues to fluctuate, it compares favourably with the average for sub-Saharan Africa over the past decade. In 2000, The Gambia's ranking stood at 0.343, slightly above the sub-Saharan average of 0.315. It continued to hover around the average for sub-Saharan Africa between 2005 and 2009.

65. In 2011, The Gambia's Human Development Index ranking stood at 0.42, higher than its 2000 value of 0.343. The average annual growth rate for the country's ranking between 2000 and 2010 is 1.29, against sub-Saharan Africa's rate of 2.10. Average life expectancy has increased during the censal period from 59.3 years in 1993 to 63.4 years in 2003.

### **3.1. Growth Diagnostics and Sources**

66. Growth is a necessary but not a sufficient condition for development. The Gambia's growth outstripped average growth in sub-Saharan Africa from 1960 to 2002, with The Gambia experiencing an average growth rate of 5.1 per cent compared with the regional average of 3.3 per cent over the same period. The main components of The Gambia's growth during this period were physical capital accumulation (2.3 per cent of growth in real GDP), labour productivity (1.9 per cent of growth) and total factor productivity (0.7 per cent of growth). These components contributed more to growth in The Gambia than they did to growth in sub-Saharan Africa as a whole, and the country is one of the five countries in sub-Saharan Africa that experienced an average total factor productivity of more than 1 per cent over the period. Labour's contribution to real GDP could be enhanced by policies aimed at developing human capital.

67. Real GDP growth averaged 6 per cent per year during the period 2007–2009. In 2010 GDP grew by 6.1 per cent... Sectors' contributions to growth fluctuated over the period. The agriculture and natural resources sector, which comprises the subsectors of crops, livestock, forestry and fisheries, contributed on average about 24.8 per cent of GDP from 2004 to 2009. The sector's contribution contracted between 2005 and 2007 before picking up in 2008. It rose from 28 per cent in 2009 to 30 per cent in 2010.

68. Although the agriculture sector production did not experience a significant change in structure during the period 2004 - 2009, differences in subsectors' contributions to

agricultural growth emerged. The crops subsector contributed the largest share of growth, averaging about 13.7 per cent over the same period. The contributions of livestock, forestry and fishing averaged 8.7 per cent, 0.6 per cent and 1.9 per cent, respectively. While the crop subsector's contribution fluctuated between 2005 and 2010, the contributions of the livestock, forestry, and fishing subsectors remained relatively stable. This could be explained by the crop subsector's dependence on seasonal rainfall.

69. The industrial sector's contribution to GDP (including of mining and quarrying, manufacturing, electricity, gas and water supply, and construction) averaged about 14 per cent between 2005 and 2010. The sector's contribution increased marginally in 2006 before declining slightly in 2008 and 2009. The manufacturing subsector contributed a greater proportion to GDP. The industrial sector made the smallest contribution to GDP.

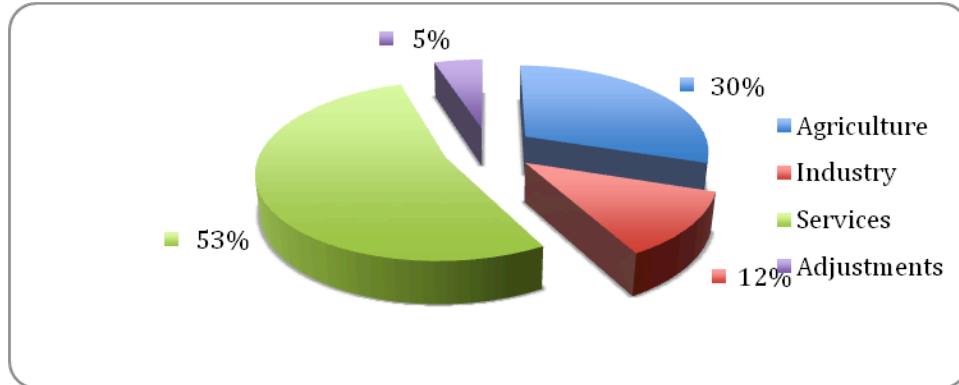
70. The contribution of the services sector to GDP is becoming increasingly dominant, with the sector consistently contributing more than 50 per cent of GDP between 2005 and 2010. This strong contribution was driven by the wholesale and retail subsectors, with the transportation, storage and communications subsector ranking next in importance. The contribution of the transportation, storage and communications subsector is driven by communications, which accounts for more than half of the subsector's contributions. The financial intermediation subsector ranks third in terms of the service sector's contributions to GDP, and has exhibited a strong trend since 2008. This may be explained by the increasing number of financial institutions in The Gambia, especially commercial banks, and the corresponding increase in the competitiveness of the financial system.

71. Tourism's contribution to GDP has not been well documented. Published data vary from the World Tourism Organization's 2004 estimate of 13 per cent to the 16 per cent calculated by the World Bank in 2005.<sup>2</sup> Tourism's contribution to GDP in 2009 stood at 14.7 per cent. The sector's contribution is projected to be 14.8 per cent, 15.7 per cent and 17.0 per cent in 2011, 2012 and 2013, respectively.<sup>3</sup> This indicates the need for regular surveys to assess the tourism's contribution to GDP.

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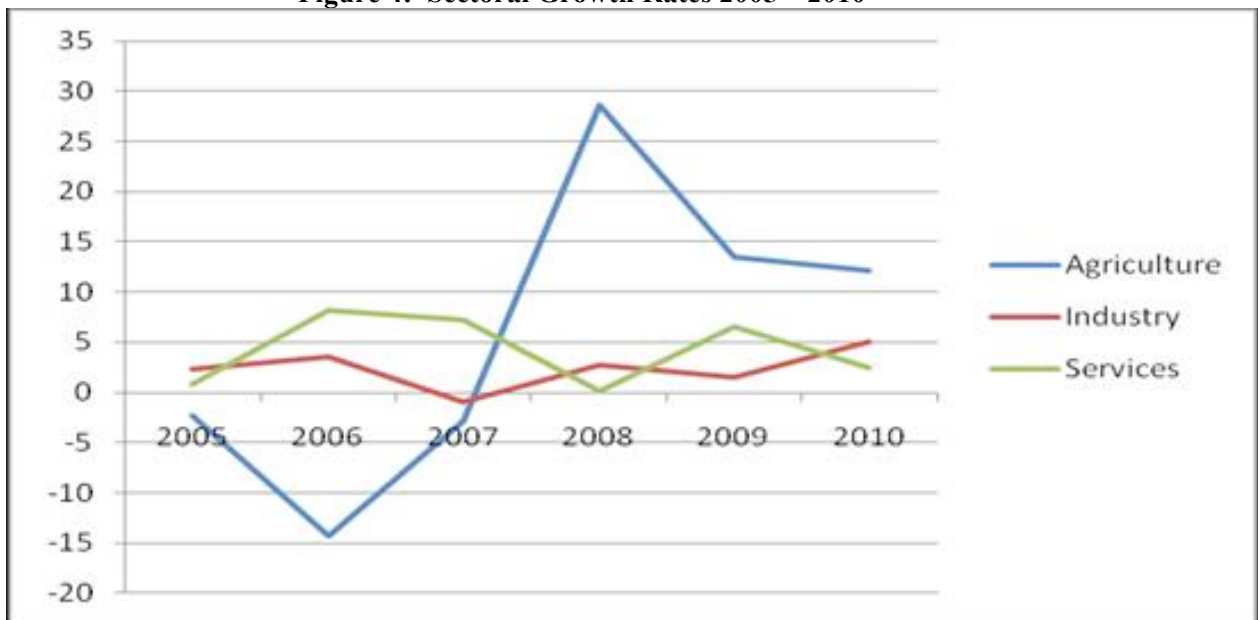
<sup>2</sup> A Business Plan for the Development of Tourism 2010

<sup>3</sup> Since the sector is highly dependent on beach tourism, its future contribution to GDP may be reduced by increased erosion of the beaches due to climate change induced sea level rise.

**Figure 3: Sector's Contribution to Overall GDP in 2010**

**Source:** Gambia Bureau of Statistics

72. To summarize sector performance over the period (Figure 3), the services sector dominated, contributing about 53 per cent of total GDP. However, the sector's contribution weakened with agriculture's share of GDP increasing slightly from 2009 to 2010. The share of industry has remained stable.

**Figure 4: Sectoral Growth Rates 2005 – 2010**

**Source:** Gambia Bureau of Statistics

73. In terms of growth in GDP, agriculture has experienced serious fluctuations and contracted from 2005 to 2007. Notwithstanding, the sector's double digit growth drove overall growth in GDP from 2008 to 2010. The fluctuations in growth rates in the agricultural sector can be explained by swings in the contribution of the crops subsector. On the overall, growth in jobs and gainful employment opportunities were slow due to labour market limitations, structure of the economy, and the nature of economic growth and investment.

### **3.2. Development strengths**

74. Over the years, The Gambia's development focus has adopted a quasi market approach that mixes Government investments in strategic areas with private sector market-driven actions, especially in the productive sectors. To consolidate the country's development gains, the Government has continued to build an enabling environment through policy, regulatory, and institutional frameworks, including the promotion of intelligent public-private partnerships. Other pro-development reforms include deregulating bureaucratic "red tape," improving the delivery of social services, and seeking to increase the resource envelope to include donor grants and concessional loans. Other sources of funding include savings from lower interest on domestic debt, more access to external financing as a result of better debt management and PFM reforms, and private sector participation in the viable sectors.

75. The private sector will continue to serve as an engine for growth and development. To assist this process, the Government will continue to encourage investments by offering fiscal incentives to investors in the priority sectors of agriculture, tourism, telecommunications, infrastructure and manufacturing, via The Gambia Investment and Export Promotion Agency (GIEPA). Foreign investors will continue to enjoy almost no restrictions to market entry and the repatriation of profits.

76. As demonstrated in a number of countries, telecommunications is one of the sectors where private sector participation has the most strengthened infrastructure. The rapid expansion of mobile telephone companies in The Gambia is a prime example. The Africa Coast to Europe project has started with private sector participation. This project is expected to increase the broadband width available to the country. The Government will continue to explore other avenues for private participation in infrastructure development and will take steps to strengthen institutional frameworks and conduct sector strategy studies.

77. On the financial front, the outlook for banking is positive. The minimum capital requirement for commercial banks has been raised from GMD 90 million (USD \$3.2 million) to GMD 150 million and will be increased to GMD 200 million in 2012. Only 1 of 14 banks did not meet the minimum capital requirement of the CBG.

78. The Government's increasing role in development—for example, its revival of planning—continues to stimulate the country's development process. Improving the quality of national statistics is a key component of the country's overall planning and economic development programme. To that effect, line ministries will contribute to the development of sectoral statistics, and their planning and research units will cooperate closely with and submit all data to The Gambia Bureau of Statistics in a timely manner. GBoS will set a schedule for publishing socioeconomic statistics and will aim to deliver timely information on economic performance to policy-makers and the public.

### 3.3. Development Opportunities

#### Productivity in agriculture and natural resources

79. According to the World Bank's 2008 Poverty Assessment, poverty in The Gambia is still pervasive, especially within the 70 per cent of the population whose economic activities revolve around agriculture. The country's development efforts would therefore concentrate on mainly rural farmers, who constitute the majority of the poor.

80. The Government has identified other policies that might improve the productivity of the agriculture and natural resources sector and maximise farmers' dividends: increase the share of farms using irrigation from the current 14 per cent level, restructure the land tenure and inheritance system to correct gender bias, improve the supply of fertilizers<sup>4</sup> and promote pest and disease control programmes, exploit the opportunity from the fisheries, forestry and underground water resources, and enhance climate risk management. Conservation agriculture is most effective in increasing agricultural productivity and at the same time contributing to the sectors adaptation to climate change and promoting environmental sustainability.

#### Harnessing the potential of the River Gambia

81. Allied to the agriculture and natural resources sector is the River Gambia, which has tremendous potentials to contribute water for agricultural use and facilitate local transport. As a means of transport, the River Gambia is an alternative and a cheaper route that can improve trading with great multiplier effects. Irrigation, meanwhile, is necessary for modernizing agriculture, especially for reducing farmers' vulnerability to variability in rainfall.<sup>5</sup> The flora and fauna along the River Gambia have great potential to diversify

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<sup>4</sup> Organic, as far as possible, instead of artificial nitrogen fertilizers which have long-term negative effects on the soils, climate and environmental sustainability

<sup>5</sup> Irrigation using groundwater would be most ideal instead of water withdrawal from the River Gambia. Withdrawal from the second deeper aquifer would be safer and most ideal than using the first/shallower aquifer

the tourism product base to include river sports, bird watching, and attractions. River transport will facilitate trade and improve the rural economy, especially in villages along the river bank.

### **Population and youth**

82. Systematically developing youth and mobilizing young people for sustainable national development deserves focus. The Gambia has one of the highest population growth rates (2.7), with over 50 per cent of the population under the age of 20. The youth population suffers from high poverty and unemployment rates. The main policy-related issues are an uncoordinated policy and institutional framework for youth development; inadequate vocational and skills training facilities; the persistent growth in unemployment among high school leavers, drop-outs, and those who never attended school; increasing numbers of street children and growing crime; the under-mobilization and under-utilization of the youth's talents; the continuing growth of youth unemployment; and youth energies that are being channelled into anti-social activities.

83. Managed well, The Gambia's young population has the potential to provide labour to all sectors and could ultimately lead to equitable growth. Managing youth would involve training them in knowledge and skills relevant to the job market and making them competitive in an increasingly global world. Other policy objectives include mainstreaming youth development into the national development policy framework, implementing the recently formulated youth policy, equipping youth with employable skills, and introducing new initiatives for youth development. Rapid growth in population has not been matched with growth in gainful employment and therefore the greatest challenge in implementing PAGE is how to transform the current youth boom into youth resource. Migration better managed and mainstreamed in national development policies and plans will help enhance the attainment of PAGE objectives.

### **Tourism**

84. Tourism is a key driver of the economy and the country's most significant earner of foreign currency. Tourism contributed 14.7 per cent to GDP in 2009. In its drive to increase employment, the country plans to exploit the potential inherent in linking tourism to the agriculture and natural resources sector, to industry, and to the arts. Exploiting the potentials of eco and rural tourism will contribute to the creation of employment and improve livelihoods.

### **Public works and infrastructure**

85. If properly reviewed and organized, the public works or infrastructure subsector could offer much gainful employment to Gambian youth.



### 3.4. Challenges to The Gambia's Development

#### **Constraint 1: Inadequate macroeconomic management**

86. Although PRSP II growth targets were met, they were not adequate to significantly impact on poverty. To reduce poverty through substantial Government interventions, the Government needs more fiscal space to support existing and proposed pro-poor policies and programmes. However, its vulnerability to external and domestic debt remains a major challenge. For one thing, the external debt-to-exports ratio is above the recommended thresholds<sup>6</sup>. For another, the current debt-to-GDP ratio continues to decline but the stock of domestic debt is increasing steadily, raising the cost of debt and reducing the fiscal space for social and investment programmes.

87. The link between budgets and sectoral policies and objectives is weak. The incremental approach of the line item budgeting process now in use produces poor results. Proposed budgeting reforms involve the MTEF and program-based budgeting.

#### **Constraint 2: Inadequate financing and financial services**

88. The Government expected that substantial Heavily Indebted Poor Countries Initiative resources would fund PRSP programmes and activities. In fact, actual inflows from HIPC resources fell short of the anticipated amount in 2008.

89. The allocation of more resources to discretionary programmes remains a major challenge in the drive to reduce poverty. Discretionary allocations received more resources for many years, at the expense of poverty programmes. It is necessary to reverse this trend and prioritize more resources towards the reduction of poverty.

90. The allocation of domestically generated resources to the priority sectors of agriculture, education, health and nutrition has fallen short of the PRSP target of 25 per cent for a number of years. Performance against this benchmark remains erratic and will continue unless the required resources are provided and sustained.

91. Despite the proliferation of commercial banks in The Gambia, which should have translated into lower interest rates and more lending, the loan profile as of September 2010 showed skewed lending, with the distributive trade sector taking the largest share (28 per cent), with the next-largest shares going to property (11 per cent), transportation (8 per cent), tourism (6 per cent), agriculture (6 per cent), and manufacturing (5 per cent). This bias has disadvantaged the productive sectors.

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<sup>6</sup> Joint IMF/IDA Debt Sustainability Analysis, 2010

**Constraint 3: A constricted business environment**

92. The business sector faces a number of constraints that challenge its expansion and sustainability. The most critical are as follows:

- Electricity is unreliable, very expensive and limited in supply
- Financing is expensive and difficult to access
- Land is difficult to access (proper and secure registration is costly and time-consuming)
- A high tax burden
- Macroeconomic challenges (e.g., high domestic interest rates and the high rate of domestic borrowing)
- Limited availability of skilled workers in certain areas
- Seasonality of agricultural production and tourism
- Low productivity and competitiveness
- Inadequate promotional and support services
- Lack of a strong enterprise culture
- Inadequate infrastructure
- High bank liquidity resulting from banks' reluctance to take on long-term risks

93. The Gambia Chamber of Commerce and Industry (GCCCI) also needs to be strengthened. This entity plays an important role in economic development but is constrained by limited staff and resources that cannot meet the needs of the private sector. GCCCI's capacity should be reinforced so that the institution can more effectively respond to members' demands and act as a resource centre for businesses in the dissemination of information about export markets, joint ventures and investment opportunities. GCCCI should also strengthen its collaboration with GIEPA to promote private sector development.

94. The private sector should increase its involvement in labour-intensive sectors such as tourism, manufacturing, and fisheries, to accelerate their growth. The distributive trade (wholesale, retail, and supermarket businesses) and small information technology establishments in which few Gambians' are involved should be analysed and measures adopted to increase local participation. The rationale for the expatriate quota needs to be clarified. Enforcing it properly is imperative for increasing the employment of Gambian youth.

**Constraint 4: Inadequate transport, energy, and ICT infrastructure**

95. Despite recent improvements in the road network, the network of feeder roads linking farms to markets still needs work. Continued improvements to transport infrastructure will go a long way towards improving peoples' lives, especially the lives of

the poor. It will make direct improvements by enabling people to meet their basic needs by accessing schools, health centres, hospitals, and entertainment centres, and will make indirect improvements by accelerating economic growth by enhancing the free movement of people, goods and services to and from the urban and rural communities and to local and regional markets. It will also create jobs, especially for the youth and for women. Other challenges facing the transport sector include the low level of private sector participation and high construction and maintenance costs. Transport costs continue to be a significant barrier to trade and to raise the cost of doing business. The high cost of doing business in The Gambia undermines the country's economic competitiveness.

96. The communication infrastructure has registered significant gains in recent years, especially as a result of the liberalization of the sector, which has witnessed increased private sector activity. The Gambia proudly joined the ranks of countries operating third generation mobile telephones. Major constraints in the ICT sector in the country are the lack of specialized human resources and low ICT penetration in the rural areas. At the Governmental level, 60 per cent of all departments lack permanent ICT personnel, while at the regional level the use of ICT is very low, with only 3 out of 18 of the offices surveyed (17 per cent) employing ICT staff. The lack of capacity and reliable bandwidth slows internet access. The Africa Coast to Europe project funded by the World Bank will widen the country's internet bandwidth. The ageing national telecommunications backbone infrastructure and the need for country-wide Global System for Mobile Communications (GSM) coverage must also be addressed. The print and electronic media are faced with limited human and material resources.

97. The energy sector's main challenge is the limited electricity supply, the unreliable and high electricity tariff. The operational efficiency of electricity services must be improved and the country must explore the potential of renewable energy. Vision 2020 targets the generation of 150 megawatts of electricity. In 2010, installed capacity stood at 75 megawatts. The over-reliance on fossil fuels to generate electricity has exerted pressure on electricity costs. The low electrification rate and high electricity losses through inefficient transmission and distributive grids remain serious challenges. These challenges are being addressed by scaling up the rural electrification programme and by investing in the transmission and distribution network. Increases in the availability of energy and reductions in its cost will boost production and productivity and increase foreign direct investment.

#### **Constraint 5: Weak public sector management and economic competitiveness**

98. Instituting wide-ranging public sector reforms has been the Government's intelligent reaction to the myriad of challenges it faces in the area of public sector

management and economic competitiveness. The Gambia's public sector has been characterised by weak policy, legal and regulatory frameworks, weak institutions and systems, inadequate or unavailable data, and limited social protection and support systems. This has translated into inappropriate organizational structures, limited strategic oversight, overstaffing, the overlapping and duplication of functions, and the poor delivery of some public services. The delivery of public services suffers from a shortage of skilled personnel, limited institutional capacity at various levels of Government, and high attrition rates and the frequent turnover of senior Government officials in various line departments, leading to some unfilled positions and a loss of institutional memory. These problems are being addressed comprehensively with the ongoing civil service and judicial reforms.

99. Many of these problems are also experienced by most of The Gambia's civil society organizations, whose serious governance issues make it difficult for them to address citizens' concerns with Government. The subsector is also beset with a focus on donor-driven activities that relegates local priorities into oblivion.

100. The Ministry of Local Government and Lands continues to face key challenges, such as Government development budget allocations that are inadequate to facilitate the good governance and proper administration of land essential to establishing businesses, agriculture, transportation, and the equitable use and promotion of participatory community planning and development interventions. Another challenge is the weak capacity of local decentralized structures to plan and implement their own local development initiatives.

101. Land tenure systems and gender discrimination in land administration continue to hamper sound land use planning and investments. Land is traditionally owned communally, making it difficult for individual farmers to reap the returns of their investments. This undercuts effective land resource use and productivity and has knock-on effects throughout the economy.

102. Attrition within the civil service is very high. This interrupts continuity for programmes and provokes a loss of institutional memory.

103. The Gambia has for a long period lacked a comprehensive regulation and standardization system for domestically produced goods and services. This seriously undercuts the country's competitiveness. This, however, is being addressed through the creation of The Gambia Standards Bureau.

104. The fight against corruption continues to be driven from the highest political level, but corruption continues to occasionally rear its head in the procurement of goods and services, the administration of public expenditure, and the management of revenue. The creation of institutions such as the Office of the Ombudsman, the Gambia Public Procurement Authority, the Public Utility Regulation Authority, the Gambia

Competition Commission and the Public Accounts or Public Enterprises Committee of the National Assembly is just one approach in the country's anti-corruption crusade.

#### **Constraint 6: Negative attitudes, cultural practices and perceptions**

105. Certain negative cultural practices and attitudes hamper the country's development process. In some cases, The Gambia's religious and cultural norms have constrained women's and young people's voices in socioeconomic issues. In concert with male-biased inheritance and land tenure systems, this discrimination has undermined economic growth and the development of the female and youth. Other socio cultural factors constraining development include: kinship obligations which creates dependency by poorer relatives, factionalism where mutual suspicions and non cooperation among communities is rife and development interventions are opposed simply because it puts particular groups at a disadvantage, and fatalism which is the belief that all events are naturally or supernaturally predetermined and so places a psychological barrier to innovation, self-motivation, and personal advancement.

106. The "maslaha"<sup>7</sup> syndrome is also an obstacle to development and is characterized by the backward bending tendency to compromise, not "rock the boat" and leads to condoning wrongdoing even in official and business transactions. The culture of silence also inhibits the participation and maximization of talents in public affairs.

#### **Constraint 7: Inadequate critical production inputs**

107. The agricultural sector's ability to address the food needs of the Gambian populace has been affected by inadequate or missing production resources such as good and improved quality seeds, fertilizers, water, and pest and disease control inputs. As a net importer of food prior to the global food crisis, The Gambia is especially vulnerable to food shortages. The country's consumption requirement of rice (the staple food) is 160,000 metric tonnes per year, of which only about 7,400 metric tonnes of clean rice is produced locally. This means that the country only produces 4.6 per cent of its annual requirements. Evidence exists that over 70 per cent of the imported food stuff in the country can be produced locally with better planning and support services.

#### **Constraint 8: Inadequate social services and safety nets**

108. Health, particularly infant, child and maternal mortality need continued attention. The expanding population poses the challenge of widening access to health services. Despite the gains registered in the fight against malaria and tuberculosis, The Gambia must strengthen its interventions in these areas.

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<sup>7</sup> Maslaha is a local dialect term meaning the tendency to compromise rules and regulations to maintain relationship thereby affecting the quality of service provision.

109. The healthcare delivery system continues to be hampered by inadequate specialized care. Another challenge for the health sector is that demands for healthcare are increasing. Growing constraints regarding resources—human resources, funds, inadequate referral system, equipment, transport, and supplies—must be addressed to succeed in reducing morbidity and mortality.

110. Although national budget allocations for social protection have increased annually since 2000, they are not enough to pay for the country's programmes. More emphasis on social protection for the most vulnerable groups—children, the disabled, PLWHA and the elderly—is necessary.

111. Access to water supply is better in the urban than in rural areas, but some parts of the urban water supply systems have outlived their design period and suffer from low output and production levels, high leakages, and low investments and implementation capacity. In positioning drinking water supply sources along the coastal zone and the estuary of the River Gambia the potential of salinization under a changing climate would be considered and the sources appropriately sited. The proportion of the population using safe drinking water was 85.8 per cent in 2010 and the proportion of households with improved sanitation facilities was 76.3 per cent in 2010. Despite this progress, a lack of comprehensive regulatory arrangements and management, the high cost of raw construction materials, and slow implementation have impeded progress.

#### **Constraint 9: Natural and man-made disasters**

112. Environmental concerns revolve around deforestation, desertification, water pollution, and climate hazards. Deforestation is the most serious problem, with recurrent bushfires the principal cause. Although sanitation has improved, contaminated water supplies remain responsible for many life-threatening diseases that contribute to high infant and child mortality rates in The Gambia.

113. Furthermore, the manipulation of fragile ecosystems for human habitation and other uses has increased the incidence of floods in both the rural and urban areas. Poor urban planning and management is identified as a critical factor. The absence of insurance coverage for commercial operators in many sectors has increased the impact of natural and man-made disasters.

#### **Constraint 10: Underdeveloped human resources**

114. Although the country continues to make progress in education, issues such as resources, management, access, and quality continue to hamper the sector. The primary school completion rate stands at 75 per cent and access to education at all levels, including education in science and technology, needs to be made more equitable. Other challenges include improving the quality of education and aligning the curricula with

labour market requirements. Gambia College, the main teacher training centre, continues to be afflicted by inadequate learning and teaching materials, together with an ill-equipped library and shortage of staff that make it ill-equipped to deal with the knowledge gap. The inadequate supervision of trainee teachers and overcrowded classrooms also require attention.

115. Other issues such as poor remuneration packages, high teacher attrition, and the short supply of training resources and capacity-building opportunities have made it difficult for the education ministry to recruit and retain qualified academic staff. The lack of functional laboratories, particularly in the sciences, has hindered effective teaching in these subjects.

116. Insofar as technical and vocational training is concerned, the challenge is to create effective linkages between the knowledge and skills that are taught and the requirements of the job market (e.g agriculture technology training centre)

## PART II: THE STRATEGY

*This section of the report presents the five pillars of PAGE 2012-2015. Each pillar has elaborated priority actions to execute the Government's strategy during the period. With PAGE, the Government would enhance employment. However, while employment is not a pillar per se of PAGE, it is an issue that results from any policy that the Government wants to implement. The five pillars are the following:*

- (i) Accelerating and sustaining economic growth*
- (ii) Improving and modernising infrastructure*
- (iii) Strengthening human capital stock to enhance employment opportunities*
- (iv) Improving governance and fighting corruption*
- (v) Reinforcing social cohesion and cross cutting interventions*



117. PAGE operationalizes Vision 2020 for the 2012-2015 period. The main goal of Vision 2020 is “to transform The Gambia into a financial centre, a tourism paradise, a trading, export-oriented agriculture and manufacturing nation, thriving on free market policies and vibrant private sector, sustained by well-educated, trained, skilled, healthy, self-reliant and enterprising population and guaranteeing a well-balanced ecosystem and a decent standard of living for one and all, under a system of Government based on the consent of the citizenry.”

118. In addition, The Gambia shares the vision and strategic goals of the African Union, the New Partnership for Africa’s Development, the Economic Community of West African States, and the Millennium Declaration. It also subscribes to the principles of good governance.

119. Against this background, the main goal of PAGE 2012-2015 is to significantly increase, by 2015, the welfare of the country’s population through accelerated and sustained economic growth and employment. The average economic growth rate is expected to reach 11.5 per cent. The incidence of poverty would decrease by 9 percentage points. The country will achieve the MDGs by the end of the plan period.

120. The five pillars of PAGE are similar to the pillars of previous strategies, but they have been reinforced to take the new economic context into account. They also reflect lessons learnt from the prior strategy, the PRSP II. These strategies are based on the high case scenario of growth as outlined below.

121. The first pillar—accelerating and sustaining economic growth—will be achieved by:

- consolidating the macroeconomic framework,
- strengthening the main sources of economic growth, and
- improving competitiveness.

122. The second pillar—improving and modernizing infrastructure—will be achieved by heavy public and private sector investments in three sectors:

- **Transport.** Effective, efficient, and affordable transportation infrastructure benefits people both directly and indirectly.
- **Energy.** An adequate, affordable, and reliable supply of energy is crucial for socioeconomic development.
- **Information and communication technology.** The links between information and communication applications and meaningful development are strong because information and communication enhance development. The Government of The Gambia considers information and

communication infrastructure a pivot for economic growth and employment.

123. Pillar 3—improving human capital stock to enhance employment opportunities—will be implemented through strategies to improve access, equity, quality, and equality, and by financing education, health, and water and sanitation.

124. Pillar 4—To improve governance and fighting corruption, the Government will focus on five areas between 2012 and 2015:

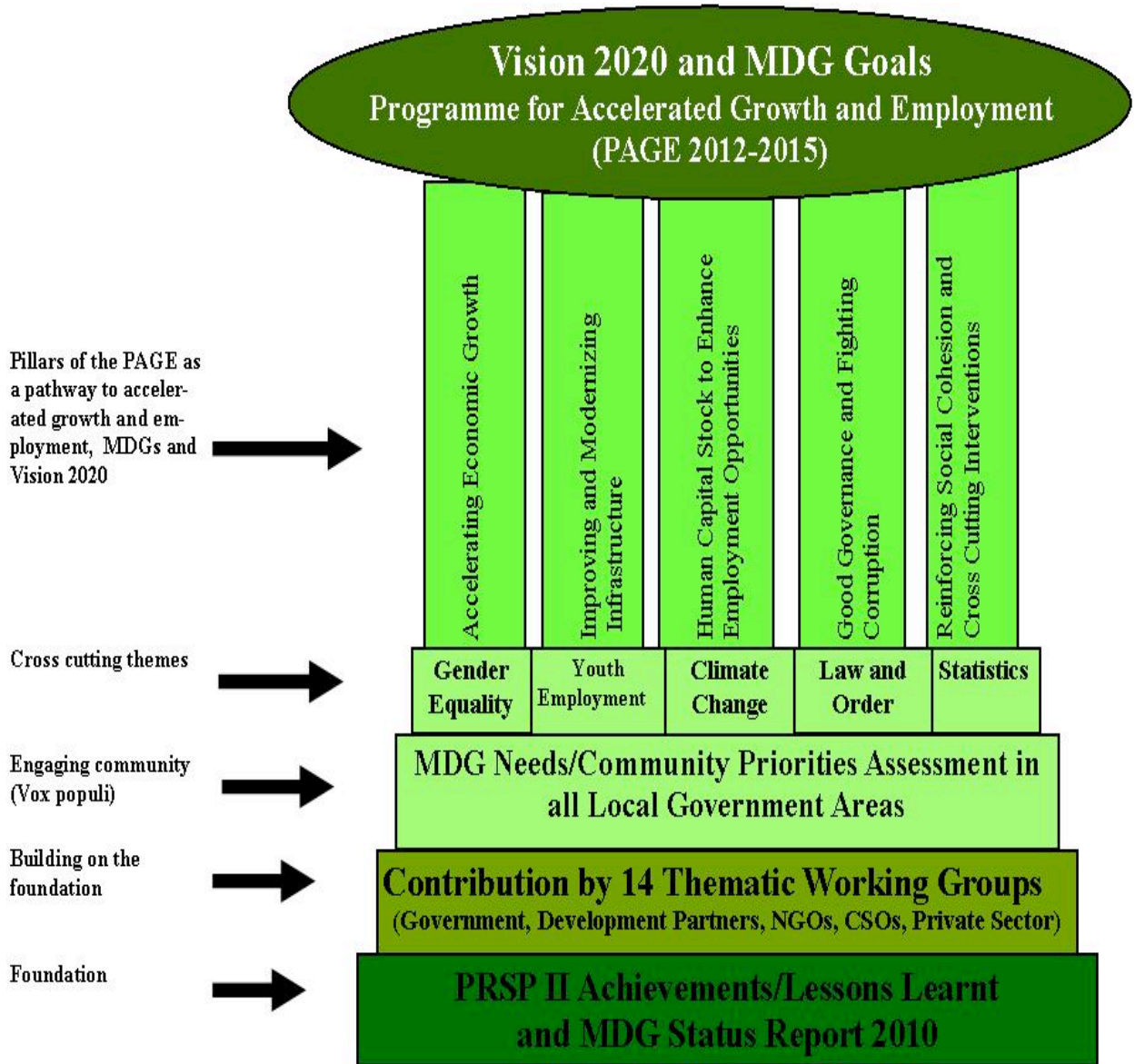
- Public service
- Local governance and decentralisation
- Land use planning
- Public financial management
- Strengthening Government institutions and fighting corruption

125. Finally, as regards Pillar 5—reinforcing social cohesion and cross-cutting interventions, the Government will work in eight areas:

- Social protection, child protection and disability
- Food security
- Gender equality and women empowerment
- Environment, disaster risk reduction, and climate change
- Nutrition
- Sound population management
- HIV and AIDS
- Building a national volunteering infrastructure

126. Figure 5 presents briefly the background of the PAGE design and the achievements expected over the plan period.

Figure 5 : Conceptual Framework of the PAGE 2012 - 2015



# Pillar I

## Accelerating Economic Growth



**Chapter 4. ACCELERATING AND SUSTAINING ECONOMIC GROWTH**

127. To further promote an enabling environment for rapid and sustainable economic growth, the Government of The Gambia will create a strong macroeconomic foundation to build confidence in the economy. It will do this by:

- consolidating the macroeconomic framework
- strengthening the main sources of economic growth
- improving competitiveness

**4.1 Consolidating the macroeconomic framework**

128. Macroeconomic stability is necessary for sustained economic development. It is also a prerequisite for local and foreign investments as well as economic growth. For The Gambia to continue enjoying an economic growth rate that exceeds six per cent, the Government will continue to strengthen macroeconomic stability. More specifically, it will continue to implement structural reforms to improve the fiscal balance, pursue sound monetary and exchange rate policies to keep inflation below 5 per cent, and build up the financial system.

129. **Improvement of the fiscal balance.** The Government remains fully committed to implementing structural reforms to improve its fiscal balance. Indeed, the Government has endeavoured to improve the fiscal balance under the Extended Credit Facility Agreement with the International Monetary Fund. This has led to improvements in the fiscal balance although there is a need to focus on improving the cumulative fiscal balance and boosting international reserves.<sup>8</sup>

130. The country has already implemented several structural reforms, such as prioritizing expenditures, and curbing domestic borrowing. The Government will pursue these measures to improve the fiscal balance.

131. Insofar as spending is concerned, the Government intends to enhance expenditure management and make all spending highly effective. In addition, it will curb non-priority expenditure while upholding pro-poor spending to at least 35 per cent of the Government's own revenue to priority sectors. In the light of the foregoing, the Government will increase investments in agriculture from 6 to 10 per cent of Government revenues and will ensure that spending on education meets the conditions for obtaining grants under the Education for All—Fast Track Initiative.

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<sup>8</sup> For the 7<sup>th</sup> review of the ECF (November 2010), the Government missed two targets: the cumulative fiscal balance and net international reserves. The cumulative fiscal balance target was missed mainly because of spending overruns, a sharp decrease of revenue (due to adverse impact in world fuel prices on receipts from fuel taxes), and a huge debt burden (interest on debt absorbed about 20 per cent of Government revenue in 2010).

132. Finally, it will strengthen its management of public expenditure by implementing its IFMIS, Public Expenditure Reviews, SWApS and its MTEF.

133. For domestic revenue to increase in line with the nominal gross domestic product (GDP), the Government will implement important tax reforms. The main reforms are as follows:

- Implementation of the new fuel price formula
- Collection of all excise taxes on goods produced domestically
- Introduction of a VAT
- Simplification of record-keeping obligations for small- and medium-sized taxpayers and limitation of the informal sector tax to very small businesses
- GAMTAXNET is built specifically for Domestic Taxes Department business process. Its implementation will ease payment of taxes by taxpayers.
- ASYCUDA ++ is an upgraded version of ASYCUDA 2.7. Its successful implementation will ensure a full automation of a simplified Customs procedure with interdepartmental networks interconnection involving GAMTAXNET, IFMIS and other stakeholders
- A study on the harmonization and rationalization of taxes

134. In addition, the Government will undertake a comprehensive assessment on the efficiency of taxes that generate small revenue streams. Furthermore, Government will develop innovative ways of mobilizing non-tax revenues to finance PAGE priority programmes.

135. To curb public debt, the Government will limit net domestic borrowing to a maximum of 0.4 per cent of GDP. It will also improve its domestic debt management system to further reduce and stabilize domestic debt, stem the increase in interest payments, and cause real interest rates to decline. The Government will continue to seek grants and concessional loans to finance infrastructure, and will explore the possibilities for public-private partnerships (PPP). Future contracting of loans will be guided by the ability of the proposed investment to generate additional income to enhance the country's ability to repay these loans.

136. **Sound monetary and exchange rate policies to keep inflation below 5 per cent.** The Government will continue to implement a tight monetary policy with a view to containing inflation below 5 per cent. Hence, the CBG will continue to strengthen national liquidity management and monetary policy. The CBG will rely on open market operations, cash reserve requirements, interest rate policy, and a rediscount facility. It will also introduce three-year Government bonds.

137. Besides inflation, official reserves and the exchange rate also came under pressure in 2010. In order to avoid this in future, the CBG will maintain a floating exchange rate and will engage in the foreign exchange market only to maintain orderly market conditions. Indeed pursuing prudent foreign exchange operations will be key for the CBG to making a predictable forecast by businesses and investors, especially in a small open economy. To meet its target for international reserves of 5 months of import cover, the CBG will buy foreign exchange.

138. **Strengthening the financial system.** Most indicators show that The Gambia's banking system is sound. Nonetheless, non-performing loans have remained high, reaching about 16.2 per cent of all loans in 2010.

139. In 2009, losses eroded some banks' capital and this led to a tightening the banks' asset classification rules. Hence, the CBG will implement several reforms to ensure an even more robust banking system, including a gradual increase of the statutory capital requirement. The CBG will also improve its banking supervision abilities by addressing its own financial and human resource capacity constraints. The CBG will:

- introduce an information technology (IT) platform that automates the processing of regulatory returns and off-site supervisory analyses (i.e. financial ratios and peer group analyses)
- enhance its capacity for macro prudential analysis, with the assistance of the International Monetary Fund
- establish a more efficient payment system infrastructure, including the real time gross settlement (RTGS) system
- migrate from a hybrid supervisory framework that considers both compliance and risk to a fully risk-based framework
- facilitate PPP to enhance the availability of long-term financing

**Box 4: Main Findings of The Gambia 2009 CFAA Report**

The Country Financial Accountability Assessment (CFAA) is a diagnostic tool used to describe a country's public financial management (PFM) and accountability arrangements. The main objectives of a CFAA are to identify systemic weaknesses in the use of public funds and suggest ways of mitigating risks to the achievement of the country's development objectives.

This 2009 CFAA for The Gambia updates the 2003 one and is intended to inform the proposed jointly funded Development Policy Operation (DPO) of critical fiduciary risks that need to be addressed under the operation. Key areas that were examined from the individual PFM sections of the CFAA analysis are: 1) Government financial planning and budgeting 2) Accounting, financial reporting, and internal control 3) Local Government 4) State-owned enterprises 5) External Audit 6) Legislative scrutiny, public access to information, and ethical oversight 7) Proposed reform action plan.

The authorities have implemented a number of the recommendations made in the 2003 CFAA, and subsequent supporting studies. Though much remains to be done, elements of the PFM framework have been significantly improved and the fiduciary risk lessened in important respects. In particular, the legal and regulatory framework has been strengthened by the enactment of the Government Budget Management and Accountability (GBMA) Act and issuance of revised Financial Instructions in 2004. Timeliness of reporting and accounting has also been substantially improved. The introduction of an integrated financial management information system (IFMIS) has helped achieve more timely and comprehensive within-year reports and facilitated the preparation of the annual financial statements.

Together, these changes have given more scope for an orderly, policy-oriented central Government budget process and help set a solid basis for further improvement. There are, however, many remaining weaknesses and progress in many important areas of PFM has been less rapid than advocated in the CFAA. The internal control system remains inadequate, lacking capacity and systems to follow-up on known weaknesses in reconciliation and clearing of suspense balances and other internal control failures identified by audit. The internal audit function remains relatively unsupported and ineffective. While efforts have been made to clear the backlog of audit reports to be considered by the Public Accounts Committee (PAC) of National Assembly (accounts covering the period 1992-1999 have now been reviewed by the PAC), remedial action on these reports is neither timely nor effective; executive response to these issues has been largely absent.

In order to realize the benefits of the positive changes that have occurred and to reduce overall fiduciary risk, the Gambian authorities, together with development partners, will need to intensify and sustain efforts in strategic areas of PFM reform. Current gains must be consolidated and the remaining serious gaps in PFM accountability must be addressed. Overall systemic fiduciary risks will remain high unless these issues are tackled in a sustained way.



## 4.2 The growth scenarios

140. Three scenarios have been run with the model: baseline scenario, priority actions scenario, and optimistic scenario. For each of these scenarios, Government revenues and expenditure have been estimated. The assumptions underneath these scenarios are also discussed.

**Table 12 Baseline Scenario – Key Macroeconomic Indicators, 2012 - 2015**

	2012	2013	2014	2015
Real GDP growth	5.5	5.5	5.5	5.5
Inflation (period average %)	5.0	5.0	5.0	5.0
Broad Money growth (annual %)	13.2	13.2	13.3	13.4
Overall fiscal balance, including grants (% GDP)	-3.0	-2.4	-2.0	-1.4
Basic fiscal balance (% GDP)	-0.4	-0.3	0.2	0.6
Current acc. bal. (including budget support - \$US)	-160.1	-156.3	-164.4	-167.8
Current acc. bal. (excluding budget support - \$US)	-160.1	-161.8	-170.2	-174.0
Gross official reserves (months import c.i.f)	5.0	5.0	5.0	5.0
External public debt (% GDP)	39.5	38.5	37.8	36.9
Domestic public debt (% GDP)	28.0	26.4	24.3	22.0

**Source: MoFEA**

141. **Alternative Scenario - 1.** The first scenario will allow the Government to implement its strategy between 2012 and 2015. It is the intermediate scenario. The main assumptions of this scenario are presented in table 13

**Table 13 Sectoral Growth Rates for Alternative scenario – 1 (7% - 8%)**

	2012	2013	2014	2015
<b>Agriculture</b>	<b>9.0%</b>	<b>9.0%</b>	<b>9.0%</b>	<b>9.0%</b>
Crops	10.0%	10.0%	10.0%	10.0%
Livestock	8.0%	8.0%	8.0%	8.0%
Forestry	3.0%	3.0%	3.0%	3.0%
Fishing	5.0%	5.0%	5.0%	5.0%
<b>Industry</b>	<b>8.3%</b>	<b>8.5%</b>	<b>8.6%</b>	<b>8.8%</b>
MINQ	15.0%	15.0%	15.0%	15.0%
MANF	5.0%	5.0%	5.0%	5.0%
Utility	9.0%	9.0%	9.0%	9.0%
Construction	7.5%	7.5%	7.5%	7.5%
<b>Services</b>	<b>6.8%</b>	<b>6.9%</b>	<b>7.1%</b>	<b>7.3%</b>
Trade	2.0%	2.0%	2.0%	2.0%
Hotels	1.5%	1.5%	1.5%	1.5%
Trans	10.0%	10.0%	10.0%	10.0%
Financial	12.0%	12.0%	12.0%	12.0%
Real est	4.0%	4.0%	4.0%	4.0%
Pubadm	10.0%	10.0%	10.0%	10.0%
Education	12.0%	12.0%	12.0%	12.0%
Health	13.0%	13.0%	13.0%	13.0%
Community	5.0%	5.0%	5.0%	5.0%

Source: MOFEA

142. Table 14 (the intermediate scenario) presents the key macroeconomic indicators based on the alternative scenario - 1. Real GDP growth rate will be sustained from 7.5 per cent in 2012 to 7.9 per cent in 2015. Inflation will remain at 5.5 per cent during the period and domestic public debt will be reduced from 30.6 per cent of the GDP in 2012 to 19.7 per cent in 2015.

**Table 14 Intermediate Scenario - Key Macroeconomic Indicators, 2012 - 2015**

	2012	2013	2014	2015
Real GDP growth	7.5	7.6	7.7	7.9
-- Agriculture	9.0	7.0	7.0	7.0
-- Industry	8.3	8.5	8.6	8.8
-- Services	6.8	6.9	7.1	7.3
Inflation (period average %)	5.5	5.5	5.5	5.5
Broad Money growth (annual %)	24.3	24.6	25.0	25.3
Overall fiscal balance, including grants (% GDP)	-4.0	-3.4	-3.4	-3.5
Basic fiscal balance (% GDP)	0.9	1.7	2.6	3.4
Current acc. bal. (% GDP, excl. official transfers)	-7.7	-7.2	-7.5	-7.9
Current acc. bal. (% GDP, incl. official transfers)	-4.9	-5.0	-5.6	-6.2
Gross official reserves (months import c.i.f)	2.2	2.3	2.4	2.3
External public debt (% GDP)	35.0	28.8	26.6	24.5
Domestic public debt (% GDP)	30.6	24.6	22.0	19.7

Source: MoFEA

143. **Optimistic scenario.** To achieve the main MDGs target, stronger real GDP growth will be required. The optimistic scenario is the one that will allow the country to achieve the MDGs targets. Table 15 presents the main assumptions of the optimistic scenario. In this scenario, a real GDP growth rate of at least 10 per cent is required to have a significant impact on poverty incidence.

**Table 15 Sectoral Growth Rates for Alternative Scenario -2 (10%)**

		2012	2013	2014	2015
<b>Agriculture</b>		<b>13.5%</b>	<b>13.5%</b>	<b>13.5%</b>	<b>13.6%</b>
	Crops	15.0%	15.0%	15.0%	15.0%
	Livestock	12.0%	12.0%	12.0%	12.0%
	Forestry	5.0%	5.0%	5.0%	5.0%
	Fishing	8.0%	8.0%	8.0%	8.0%
<b>Industry</b>		<b>11.0%</b>	<b>11.2%</b>	<b>11.3%</b>	<b>11.5%</b>
	MINQ	18.0%	18.0%	18.0%	18.0%
	MANF	8.0%	8.0%	8.0%	8.0%
	Utility	13.0%	13.0%	13.0%	13.0%
	Construction	9.0%	9.0%	9.0%	9.0%
<b>Services</b>		<b>9.8%</b>	<b>10.0%</b>	<b>10.3%</b>	<b>10.5%</b>
	Trade	5.0%	5.0%	5.0%	5.0%
	Hotels	2.5%	2.5%	2.5%	2.5%
	Trans	13.0%	13.0%	13.0%	13.0%
	Financial	15.0%	15.0%	15.0%	15.0%
	Real est	6.5%	6.5%	6.5%	6.5%
	Pubadm	15.0%	15.0%	15.0%	15.0%
	Education	15.0%	15.0%	15.0%	15.0%
	Health	18.0%	18.0%	18.0%	18.0%
	Community	7.0%	7.0%	7.0%	7.0%

Source: MOFEA

144. Table 16 presents the key macroeconomic indicators based on the optimistic scenario. Real GDP growth rate is strong at 11.1 per cent in 2012 to reach 11.5 per cent in 2015. Inflation will remain on average at about 6 per cent during the period and domestic public debt will be reduced from 25.4 per cent of the GDP in 2012 to 16.7 per cent in 2015.

**Table 16: Optimistic Scenario - Key Macroeconomic Indicators, 2012 - 2015**

	2012	2013	2014	2015
Real GDP growth	11.1	11.2	11.4	11.5
-- Agriculture	13.5	13.5	13.6	13.6
-- Industry	11.0	11.2	11.3	11.5
-- Services	9.8	10.0	10.3	10.5
Inflation (period average %)	5.7	5.8	5.9	6.0
Broad Money growth (annual %)	31.5	31.9	32.3	32.7
Overall fiscal balance, including grants (% GDP)	-3.5	-3.4	-3.4	-3.6
Basic fiscal balance (% GDP)	1.2	2.3	3.4	4.6
Current acc. bal. (% GDP, excl. official transfers)	-7.0	-7.4	-7.9	-8.4
Current acc. bal. (% GDP, incl. official transfers)	-4.6	-5.4	-6.2	-6.9
Gross official reserves (months import c.i.f)	2.0	2.0	1.9	1.8
External public debt (% GDP)	29.1	26.1	23.4	20.8
Domestic public debt (% GDP)	25.4	22.3	19.3	16.7

**Source: MoFEA**

145. Realizing that the current economic growth rate of 5 to 6 per cent is not sufficient to reduce poverty and generate employment significantly, PAGE targets are based on the optimistic scenario. The nature of growth will be constantly monitored to ensure that growth is generated by the masses, particularly the poor, thereby increasing employment and income for all.

### 4.3. Strengthening the main sources of economic growth

146. To accelerate growth and reduce poverty, the Government of The Gambia plans to strengthen sources of economic growth, especially growth that will benefit the poor. The Government will promote inclusive growth to create economic opportunities along with ensuring equal access to them. In addition, inclusive growth will address the issue of inequality, and also make the poverty reduction efforts more effective by explicitly creating productive economic opportunities for the poor and vulnerable sections of society. The economy has grown on average by 5.6 per cent per annum for the last 4 years, mainly as a result of increased agriculture, tourism, trade and investment. To enhance this achievement, the Government will strengthen these sectors during the period 2012-2015.

147. **Increasing production and productivity in the ANR sector.** Crops, livestock, forestry, and fisheries are the four subsectors of The Gambia's agriculture and natural resources sector. In terms of employment, agriculture is the most pro-poor sector in the country's economy, accounting for 44 per cent of the population (IHS, 2010). The agriculture and natural resources sector is responsible for generating farmers' incomes, improving food security, increasing foreign exchange earnings, and boosting tax revenue. It is the Gambians' main source of income and plays an important role in reducing poverty.

148. In general, the performance of the sector has fluctuated and is thus yet to reach its full potential, due primarily to following factors: erratic and reduced rainfall that lasts for three to four months a year; low quality and insufficient supply of inputs (seeds, livestock breeds, inorganic fertilizer, etc.) and mechanical implements, inadequate linkages within the agriculture and natural resource sector as well as between sectors such as tourism, manufacturing and services, a restrictive land market low levels of investment, marketing of products and value addition, and low quality of soils

149. The Government's vision for the agriculture sector is to transform The Gambia into a major supplier of agricultural products to local and international markets between 2012 and 2015. To achieve this vision, the Government intends to pursue four courses of action:

- Increase food and nutrition security and boost the income-generating capacity and the nutritional status of farmers, especially women and the youth
- Transform the agricultural sector from a traditional subsistence economy to a modern market-oriented commercial sector

- Realising that the long-term objective of agriculture is to commercialize the sector, however, the medium-term focus will be on food security and income generation for small-scale farmers and creating an enabling environment for commercialization. Increase and sustain agricultural production and productivity through all year round irrigation and use of high crop yielding varieties as well as improved genetic livestock breeds. Enhance beneficiaries' productive capacity through supervision, coordination, regulation and advice. The focus of productive capacity building will centre more on local producers, processors, marketing activities

150. In 2010, the Government approved The Gambia National Agricultural Investment Programme (GNAIP) in line with the Comprehensive Africa Agricultural Development Programme (CAADP), which it will continue to implement during the PAGE period. In line with its GNAIP, the Government intends to gradually increase investments in the sector from 3 per cent of Government revenue in 2009 and 6 per cent in 2011 to at least 10 per cent during the PAGE period, in line with the 2003 Maputo Declaration on Agriculture and Food Security<sup>9</sup>. The focus of the increased expenditure will be on irrigation, quality inputs, extension services, post harvest management and marketing. To sustain agricultural production throughout the year, the Government will improve and expand irrigation systems and will develop rainwater harvesting infrastructure, two measures that have been identified as climate change adaptation measures to reduce future water shortages and stress and also enhance agricultural productivity under a changing climate. The increase in public spending will be matched with an expected increase in the sector's annual growth rate from 4.3 per cent to 8.5 per cent.

151. Implementing GNAIP will also allow the Government to give farmers financial opportunities to access long-term loans to develop modern farms and acquire seeds, fertilizer, pesticides, and other inputs. In this way, the Government intends to boost investments in agriculture, including mechanisation, agro-processing, fish processing, services, and marketing. It also intends to promote private sector participation. In order to improve linkages between sectors and subsectors, it will introduce a multi-functional platform to enhance agro-processing, improve the incomes of rural farmers and women living in the rural areas, and promote job creation. This will be done within the context of the diversification of the agricultural sector. Finally, the Government will undertake land reforms to expand the amount of land available for agriculture and livestock farming and to make it more accessible to the population in a sustainable manner.

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<sup>9</sup> 2003 Maputo Declaration on Agriculture and Food Security (<http://www.nepad.org/nepad/knowledge/doc/1787/maputo-declaration>)

152. The total forest cover of The Gambia is 300,000 ha (2010). Almost 80 per cent of Gambians living in the rural and urban areas use firewood for cooking in their households. On average, each Gambian uses 1kg of firewood daily. As a result, the sale of firewood or charcoal has become a lucrative business in the country.

153. In order to ensure sustainable agriculture, rural livelihood and meet the need for domestic energy, the Government will enforce sustainable forest management. Other different forest management systems applied in The Gambia must be enforced. These management systems are the community forestry programme for the natural forests, agro forestry and parkland systems practices, woodlot and orchard development and eco-tourism. All these management options help to prevent biodiversity and soil fertility loss, prevent land tenure conflicts, and conserve ecosystems against the adverse effect of climate change risks and disasters.

154. **Supporting the fisheries sector in contributing to food and income security.** There is growing concern over the observed declining state of fish resources and catches. This is ascribed, among other things, to increases in fishing capacity in the industrial and artisanal (intensity) and irresponsible fishing practices by fishing trawlers and foreign artisanal fishermen. There are over 500 marine fish species in the Gambia's fisheries waters which are usually classed as demersals and pelagics. The demersal fish are apparently being over-exploited and require more rigorous management to limit the fishing capacity (levels extracted) in the industrial sub-sector and allow the artisanal fisheries sub-sector to sustain and increase its contribution to the economy.

155. The commercial opportunities lie in the domestic and export markets, both of which have room to absorb additional quantities/volumes. Per capita fish consumption can increase with increased access to fish by people everywhere in the country guaranteed by the appropriate facilities and services, such as aquaculture production system and improvement of the distribution system and cold storage facilities to preserve fish and reduce spoilage. .

156. The fisheries sector will reconsider its approach and strategy in order to increase its contribution to national wealth and reduce the poverty of its beneficiaries, strengthen and support information services to facilitate distribution and movement of fish products to and from the community. The sub-sector's contribution to the ANR sector growth rate will increase from 1.5 per cent to 8 per cent through efficient and effective management of the sector. Non-fisheries related income-generating activities should be included in integrated fisheries projects/programmes to offer alternative income possibilities in situations where fish resources seem to diminish.

157. Government priority actions during the PAGE period will focus particular attention on an effective and efficient monitoring, control, and surveillance system to safeguard the fisheries and marine resources as well as training of Gambian fishermen to



enable them to adopt responsible fishing practices. In addition, the Government will put in place and implement appropriate measures to adapt to the negative impacts of climate change on the fisheries sector as already identified in the Gambia's First and Second National Communications and the National Adaptation Programme of Actions.

158. **Helping tourism contribute more to employment and economic growth.** The tourism sector contributed about 12 per cent of The Gambia's real GDP in 2010<sup>10</sup>. After agriculture, tourism is one of the country's main sources of employment, providing more than 16 000 formal and informal jobs. However, the sector continues to trail behind other West African countries although it has a significant diverse potential. Some of the constraints it faces are its seasonal nature, the inadequate public infrastructure, the poor quality of services, limited forward and backward linkages, the limited investment incentives, beach erosion, and social problems such as 'bumsterism'<sup>11</sup>.

159. Solving each of these challenges will contribute significantly to job creation and economic growth. For instance, the development of backward and forward firms in the tourism sector will allow local populations to provide restaurants and hotels with produce and other agricultural products. Small businesses can also provide cleaning services, food suppliers, security and guiding tours. The sector's contribution to GDP will increase from 12 per cent in 2010 to 18 per cent during the period.

160. The Government's vision in this regard is to make The Gambia a world-class tourist destination and business centre. It will continue to promote tourism by:

- diversifying and improving the quality of its tourism products
- developing new niche markets, especially ecotourism, cultural tourism, sport tourism and conference tourism
- segmenting markets, establishing priorities and developing a plan for each segment
- encouraging major investments in superior hotels with incentive packages, and fostering public-private partnerships for the development of the sector
- strengthening backward and forward linkages with the rest of the economy, eg. with agriculture and fisheries
- building the capacity of small and large professional associations to provide better services
- classifying tourism establishments to promote high standards

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<sup>10</sup> Budget Speech 2011

<sup>11</sup> "Bumsters" is a local expression that refers to unemployed youth who hassle or befriend tourists for cash or presents.

- encouraging responsible tourism through an awareness-building and education program designed to eliminate the problem of “bumsterism” and build awareness among the population.

#### 4.4. Improving competitiveness

161. **Dynamism of the business sector and improving competitiveness.** A competitive economy is essential to realizing the Government’s recently articulated goal of boosting exports and increasing The Gambia’s market share in a globalising world. The Government is aware that to reach the level of competitiveness achieved by other emerging countries, it needs to improve its business sector environment, as indicated in the World Bank’s *Doing Business* Report (2011), DTIS report and GCP reports. Drawing on the recommendations of this report, the Government has designed a strategy to improve the country’s private sector environment. The strategy’s main goal is to adopt measures that sustain macroeconomic stability, make the business environment more competitive, and strengthen the relationship between the Government and the private sector to enhance trade and investment.

162. The Government has therefore formulated various policies and has enacted several laws to improve the business environment for the private sector, support trade and investment institutions and make the country more competitive:

- The National Trade Policy framework and the Gambia Investment Policy
- The Micro, Small and Medium-sized Enterprise Policy and Strategy
- The Income and Sales Tax Act 2004
- The Gambia Competition Act 2007
- The Customs and Excise Act 2010
- The Gambia Standards Bureau Act 2010
- The Gambia Investment and Export Promotion Act 2010
- The Gambia Food Safety and Quality Act 2011
- The Gambia Tourism Board Act 2011

163. The Government has established the Gambia Competition Commission and the Gambia Investment and Export Promotion Agency. In addition, in 2010 The Gambia Revenue Authority further simplified its customs procedures, cutting administrative costs, and enhancing efficiency by upgrading its system to ASYCUDA++. The country

has also finished rehabilitating the trans-Gambia routes and is advancing the rehabilitation of the south bank transit corridor to position The Gambia as a transit hub.

164. In collaboration with its development partners, the Government launched the West African Quality Programme, the Enhanced Integrated Framework (2010), and The Gambia Growth and Competitiveness Project (2011). The objectives of these programmes and projects are to help sustain the growth of the Gambian economy and reduce poverty by making the economy more competitive.

165. To reinforce its actions to improve the business sector climate, the Government has committed itself to acting in three areas between 2012 and 2015 namely: trade facilitation, the improvement of the investment climate, and quality control systems.

166. **Trade facilitation.** To position The Gambia as a transit hub, the Government will improve the road network and increase the capacity of the Port of Banjul and Banjul International Airport. It will also simplify customs procedures. Insofar as the road network is concerned, it will reinforce its actions to develop an efficient road network with a view to supporting production and positioning The Gambia as a regional transit hub.

167. The Government will strengthen the position of the Port of Banjul as a gateway to the region by improving the port-handling services and expanding the port's infrastructure. This will help to improve trade. The port's expansion project includes acquiring modern, state-of-the-art equipment to make the facility more productive. The Government will also pursue its effort to develop river transportation to enable goods to be moved at cost effective rates as possible to the country's interior and to other countries as part of the strategy to make the port more competitive. In this respect, Government would refocus on re-building river transport infrastructure and promote private sector participation in river transportation.

168. The Government over the years has substantially invested to expand Banjul International Airport (BIA) which has improved the shape of the airport. However, there is limited groundling and cargo handling capacities at BIA. The Government will therefore encourage private sector participation in its effort to modernize the ground handling and cargo handling capacities to attract more airlines and accommodate highly perishable products. Furthermore, improved security will be ushered through installation of modern scanning equipment and measures will be pursued to increase the competitiveness of the airport. The Government, through GIEPA, will also intensify efforts to better market the Free zones area at the airport to promote the development of enterprises engaged in value addition

169. Regarding the clearance of goods, the Government will continue to simplify customs procedures to cut administrative costs and enhance efficiency by upgrading its system to ASYCUDA++. In addition, it will simplify procedural requirements, enhance

transparency, adopt measures to clear goods more efficiently, and expand the coverage of ASYCUDA++ to all major customs posts.

170. These investments on the trade facilitation infrastructures will be complemented with measures to facilitate the movement of goods. Currently, the inadequate implementation of the ECOWAS Interstate Road Transit (ISRT) contributes to the high cost of transporting goods due to delays and unofficial charges. Since the launch of the ISRT by the Government in 2008, the operators are yet to utilize the scheme resulting to delays and overloading of trucks carrying transit goods. The Government will therefore encourage the private sector to invest to acquire the required vehicles and will enforce the implementation of the scheme

171. The Government will also pursue an export-driven growth strategy in its strive to achieve the PAGE goals. In this regard, a National Export Strategy is being developed targeting the productive sectors (agriculture, fisheries, and manufacturing) through value addition for export and supported by the services sector led by Tourism and ICT. The export-led strategy will predicate upon competitiveness, an enabling environment for investment and doing business, domestic production for export from a diversified production base and market access.

172. **A better investment climate.** Several constraints continue to challenge the development of the business sector. These are:

- Expensive factors of production particularly electricity and telecommunications
- Inadequate skilled workforce
- Insufficient access to financing
- Difficult access to land
- Multiple taxes and higher tax rates<sup>12</sup>
- Relatively long business registration process
- Weak institutions and systems

173. **Electricity.** The Government will produce more electricity to make energy more affordable to small businesses. The cost of electricity in the country is among the highest in sub-Saharan Africa, and supply is insufficient. Current generation capacity cannot meet increasing demand, and the transmission and distribution network needs to be

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<sup>12</sup> Doing Business Report 2011; Paying Taxes 2011, The Global Picture (World Bank)

improved and expanded. The limited supply of electricity and electricity's high cost undermine the competitiveness of Gambian businesses.

174. **Telecommunications.** In the telecom sector, the cost of telephones, both fixed and mobile lines, and the cost of an internet connection are higher than in neighbouring countries. Internet connectivity is also slow. These problems stem from high sales taxes on information and communication technology as well as from limited investments in broadband internet services on the part of The Gambia Telecommunications Company Ltd. (Gamtel). To create new opportunities for businesses and to help them become more efficient, the Government will continue to support the development of information and communication technology and seek to reduce communication costs. The Government's investment in the Africa Coast to Europe (ACE) submarine cable project will greatly ease some of these constraints.

175. **Skilled labour.** The Gambia lacks skilled labour that can produce quality goods with the efficiency necessary for the country to compete. To compete and maintain the country's presence in global markets, the Government will boost the human capital endowments of its labour force, whose members need both access to new knowledge and continual training in new processes and the operation of the latest technologies. The Gambia has expanded basic and secondary education and the National Training Authority is introducing new vocational training programmes to develop skills. The Government will continue to invest in higher education with a view to creating sound infrastructure for tertiary and university education and developing the science and technology competencies needed to stimulate growth and development.

176. **Access to finance.** Despite a vibrant banking sector, Gambian businesses still have trouble accessing finance. The financial system fails to provide significant long-term credit to the private sector, despite an increase in the number of commercial banks. Interest rates range from 18 to 27 per cent and the spread between deposit and loan rates is high. High interest rates have impeded the development and expansion of productive sectors such as agriculture, fishing, manufacturing, and tourism. These sectors offer the country a competitive advantage and have significant potential for creating employment and adding the value needed for the domestic economy to grow. For these reasons, the Government will assess the feasibility of creating a development finance institution/facility. This institution would cover micro, small and medium enterprises.

177. **Access to land.** Another problematic area consists of the considerable delays associated with leasing private land. Leasing a property averages about one year, principally because approval takes a long time. The length of The Gambia's approval process for leasing or transferring land for commercial purposes is one of the main impediments to the investment in, and the commercial use of land. The Government

therefore intends to simplify the process of leasing land for production and investment purposes.

178. **Legal reforms.** The legal system conforms to international good practices but the judiciary's limited capacity means that the administration of justice is subject to delay. Commercial and industrial productivity is closely linked to firms' ability to resolve legal disputes within courts that operate transparently and reasonably quickly and whose decisions are broadly consistent with the law. The Government will therefore continue to strengthen capacity to make the judicial system more effective, and will pay more attention to developing the courts' capacity, particularly the capacity of commercial courts. It will also popularise the laws pertaining to investment, business and companies to make them more accessible to investors.

179. **Taxes.** The Government will broaden the tax base with a view to reducing the tax burden and expanding Government revenue. Currently, the proliferation of taxes at the central, the local and the sector levels produce an overall tax rate that businesses find high and that discourages the growth of small, formal-sector enterprise. The unpredictability and the lack of clarity of tax policies also constrain the business environment. The Government will lower and harmonize the country's multiple taxes to expand investment and growth.

180. **Quality control systems.** In both the public and the private sectors, the country's capacity to manage quality and standards is weak. Compliance with standards can be costly, involving up-front investments in new infrastructure, equipment, management systems, and human capital. This situation takes added significance in the fisheries and agriculture sectors where the laboratories are ill equipped and where there is inadequate human resource capacity for accreditation.

181. The Government has established the Gambia Standards Bureau and an agency for the safety and quality of food. It recognizes the need to make stakeholders more aware that national competitiveness depends, in large part, on the consistently high quality of agricultural products that are safe and meet international standards.

182. **Marketing The Gambia as an investment destination.** The Government will continue to strengthen the institutions and the legal and policy frameworks to enhance the country's position as a destination for foreign direct investment. The Government will develop an effective communication strategy to showcase the investment opportunities that exist in The Gambia.

# Pillar II

## Improving and Modernizing Infrastructure



## Chapter 5: IMPROVING AND MODERNIZING INFRASTRUCTURE

183. Accelerating growth requires economic infrastructure at levels that meet international standards. The infrastructure plays a key cross-sector role in the development of the whole economy. It also allows for the movement of goods and resources to markets and provides for the mobility of people into and around the country. It will provide energy for households, businesses, and production. Availability of good infrastructure enhances the adaptive capacity of the country under climate change. It makes available connections for communities, information and media distribution, and educational tools.

184. In light of the above, the Government of The Gambia recognizes the essential and integral link between infrastructure and the economy. It realizes that modern and well-maintained infrastructure is critical to economic growth and is a strong basis for employment. The Government offers a comprehensive vision that encompasses its state-of-the-art infrastructure providing the basis of the country's economic, social well-being and educational attainment. In this vision it sees a very developed country providing:

- An effective and sustainable transportation system, which includes roads and bridges, trains and aircraft, and an efficient water based transport system.
- A diversified energy system that is reliable, efficient, affordable, and environmentally friendly.
- An advanced technological platform that provides connectivity, the exchange of data, information and knowledge contributing to enriching people's lifestyle while enhancing the services of the Government, education, and business.
- A well defined social infrastructure programme that is environmentally friendly and adaptable to climate change.

185. Following this vision, the Government, in collaboration with development partners, invested in the development of infrastructure during the last five years. The Government is also aware that despite significant improvements to its infrastructure base, there is still much to be done. This is why, for the period 2012-15, the Government, while encouraging the participation of the private sector, has decided to heavily invest in the following sectors:

*Transport.* Effective, efficient, and affordable mass transport infrastructure and technology which impacts directly and indirectly on the lives of people and promotes sustainable socioeconomic development.

*Energy.* Adequate, affordable, reliable and environmentally friendly and sustainable energy supply is crucial to support socioeconomic development.



*ICT.* There is a strong linkage between ICT applications and meaningful development because it serves as a catalyst due to its cross-cutting nature. The Government places a lot of importance on infrastructure as a pivot for economic growth and employment.

*Social infrastructure.* An improved and modernized social infrastructure programme such as health, education and social facilities like market outlets to assist in the attainment of MDGs 2 and 5.

### **5.1 Reforming and strengthening the transport sector**

186. Accessible and affordable transport infrastructure facilitates and supports economic and social interactions and sustained economic growth. An effective and efficient transport system will boost private sector production by reducing production costs and increasing productivity, and also increase employment opportunities. It also impacts on the lives of people both, directly and indirectly. Directly, by enabling them to attain their basic needs, like access to school, health centres, hospitals, food and energy supplies, and indirectly, through economic growth by enhancing the free movement of people, goods and services, to and from the urban and rural communities, and to the local and regional markets. Employment in the transport sector is created in both construction and operational phases of the transport system. Therefore, improving and modernizing the transport infrastructure will contribute immensely to economic growth and employment generation in the country.

187. The transport sector has the potential to support the productive capacity and long term expansion of the economy. It the Government's objective to improve the transport sector's adaptation to climate change and mitigation of greenhouse gas emissions through the improvement to public transport, a better road maintenance regime, better maintained vehicles and through the use of more water-based transport. The Government has taken significant steps towards the attainment of this goal through investment and projects to improve:

- road transport,
- maritime transport,
- river transport, and
- air transport

188. **Road transport.** The Gambia has a total road network of about 4 000 kilometres of which about 1 800 kilometres are categorized as ‘primary’ roads with about 50 per cent of these being paved. The road network has improved recently with the maintenance and construction of new roads. Moreover, in order to promote efficiency in road construction and maintenance, the Government established the National Roads Authority (NRA) and the Road Fund by an Act of National Assembly (GRTSA ACT, 2003). The mandate of the NRA is to construct, maintain and manage the road network of the country to the standard that facilitates the socioeconomic welfare of the country within the framework of vision 2020.

189. However, the road sector in The Gambia still has its constraints and challenges including:

- Insufficient budgets for road construction and maintenance works. The NRA struggles to keep up with maintenance needs and new constructions, much less deal with the concerns of traffic congestion and pollution.
- Inadequate public transport has led to an increase in privately own vehicles, many of which are in very poor condition.
- There is a less than adequate National Transportation Policy with ineffective laws and regulations to allow proper management and controls.
- Antiquated registrations systems provide unreliable data and thus there is a poor information base from which to regulate and police the transportation network. This results in poorly maintained vehicles, and overloaded commercial vehicles creating much pollution particularly through greenhouse gas emissions and consistent road bed damage.

190. The Government intends to improve and maintain the road network between 2012 and 2015 in order to support economic development and employment. Hence, the Government will: carry out a holistic study of the GBA drainage system, construct, renew and maintain the road system, improve the public transportation system update its National Transportation policy, and improve the road data system

191. **Study to address the GBA drainage system.** The Government has in recent times been challenged with the poor drainage system in the country. This has caused much flooding during the rains, and to some extent affected some of the road network and displaced many settlements. The Government’s strategy will therefore be to quickly address the situation. The Government as a matter of priority, intends to engage in a holistic review of the entire drainage system of the country. This will be followed by the institution of projects and programmes to implement the works.

192. **Construction, renewal and maintenance of the road system.** The Government will embark on a road construction, renewal, and maintenance programme with a specific focus on the feeder roads which provide access to the rural and remote areas. The Government's strategy will be to prioritize and invest more on maintenance and rehabilitation of existing roads. New roads will also be built in areas with poor access to the trunk road network. The GBA is the most densely populated area of the country and Government intends to expand the existing road network during the plan period to enhance accessibility. The Government will also put in place sustainable funding sources and operationalize the road fund in order to effectively carry out the required road construction works and other activities on the roads in promoting, its economic growth, efficiency, and accessibility objectives.

193. The Government will also seek private sector participation (PSP) and Public Private Partnerships (PPP) wherever possible in the maintenance construction and financing of its transport networks and facilities. The Government will promote the concept of labour intensive technologies in the construction and maintenance works to enhance the participation of local contractors including youth and women.

194. **Improve the public transportation system.** The Government's strategy with regard to the public transport system is to attract the private sector investment and local government authorities' participation in the provision of public transport services. This strategy should include the establishment of a sustainable mass transport system based on a Dedicated Bus System (DBS) to serve the whole country, but particularly settlements served by the country's first class trunk road network. The DBS operationalization and management system will move from many small independent van and *gelegele*<sup>13</sup> enterprises to a consolidated structure with a centralized coordinated fleet control system. The Government also intends to establish transport planning units in all the local government authorities and to build the capacities of municipal staff in transport planning and management, including financial management.

195. Regarding Motor Vehicle Traffic, the Government intends to strengthen Transport Demand Management (TDM) measures; traffic management and regulations on stationary vehicles and to develop a longer-term plan to accommodate the continued future plans. In addition, the Government will seek to enhance Private Sector Participation in the provision of on-street and off-street parking facilities. Finally, regarding the damage caused by axle load and suspensions of heavy vehicles, the Government plans to introduce axle load control through a Heavy Vehicle Management

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<sup>13</sup> Local term for a small bus

Programme and to train the Ministry of Works, Construction and Infrastructure staff and the Police in HVM regulations and procedures.

196. To control air quality, threatened by vehicle emissions of trace gases, the Government intends to conduct a study to define traffic management measures in the urban areas, including measures to address the issue of congestion on the primary roads, and also to encourage the use of roadworthy vehicles and trace gas emission control. In addition, the Government will strengthen greenhouse gas mitigation efforts in the road sector by ensuring that adequate funds are available for construction and periodic and timely maintenance of roads and other relevant facilities. For reactive adaptation to the impacts of climate change, the Government will put in place appropriate policies and regulations related to the design and construction of road infrastructure so as to minimize damage related to climate change disasters.

197. **Updating the National Transportation policy.** The Government intends to update the National Transportation Policy, review its legislative framework, and modernize its registration system to ensure that transport policy is a more effective enabler for socioeconomic development. The review of the policy will take into consideration the sector's contributions to current and future national emissions and future mitigation efforts of greenhouse gases.

198. **Improvement of the road data system.** The Government intends to improve the road data system, review current transport data (record) collection procedures and responsibilities. It will also identify specific improvement measures required and prepare programme of regular surveys, improved procedures for reporting, collation and analysis, and identify responsibilities and accountabilities.

199. **Marine transport.** Maritime transport contributes significantly to the country's import and export trade but it too has its deficiencies. Over the years, the port of Banjul has experienced significant improvements. The Government has taken significant steps in improving and expanding the port and its related infrastructure, facilities, and equipment to cater for the increasing volumes of goods. However, the port is still in need of some upgrading and rehabilitation in order to enhance the Government's objective of making it a hub in the sub-region.

200. **River transport potentials underexploited.** A revival of river transport will relieve the two major trunk roads up-country of the large number of the heaviest lorries, leading to significant savings in the maintenance cost of roads and reduction in the amount of greenhouse gases emitted from the Transport sector. River transport is also friendlier to the environment than road transport. The main challenges of river transport are: the long travel time for the passengers and freight due to the aging and small number

of ferry fleet at crossing points, the lack of private sector involvement, and the issue of safety of life and property during transport.

201. The Government is committed to strengthening the position of the port as the gateway to The Gambia and the West Africa region. In addition, it wants to use river transport as a support for economic activities in the country. River transport could open up a whole new vista of commercial opportunities through the flow of commodities and produce to markets and as a major enhancement for tourism. River transport is thus a good agent of decentralization and equitable distribution of markets and amenities, as exemplified during the colonial period. Therefore, the Government will:

- increase the use of maritime transport through the rehabilitation and expansion of the Port of Banjul
- procure new generation ferries that can segregate freight and passengers
- encourage and facilitate private sector participation in the revival of river transport
- improve safety measures within its maritime sector

202. **Air transport.** The Government's aim is to make Banjul International Airport a hub in the sub region, and also to comply with the International Civil Aviation Organization (ICAO) standard regulations and requirements. Banjul International Airport is the only airport in the country, with airline services operating to international destinations. The airport has undergone physical transformation over the past few years. The Government constructed a D 100 million airport terminal and continues to upgrade it, through the Banjul Airport Improvement Project. This project brought about the provision of Nav aids, Instrument Landing Systems, access roads, and fencing of the internal perimeter. These facilities are necessary in fulfilling the country's ambition of making the airport a hub in the sub-region.

203. It is the Government's objective to strengthen intercontinental traffic landing and to promote regional trade at the airport. This will increase the competitiveness of the airport and significantly contributes to economic growth through increased traffic and trade facilitation.

204. However, despite numerous developments registered by the Government in improving the airport, there is still a need for improvement of some of the airport facilities in order to make it more competitive. Therefore, the strategy for the Government will be to:

- acquire ground handling equipments at the Banjul International Airport (BIA)

- provide additional taxiway and expand the parking apron
- upgrade firefighting facilities to meet international standards
- construct a multipurpose cargo complex
- establish a national home based carrier
- encourage private sector participation and public private partnership in the operation of the airport

205. **Railways.** Much of the pollution and traffic congestion could be alleviated with a railway system that is efficient and environmentally friendly and can serve as an alternative to road transport. An efficient railway transportation system has the potential for promoting economic growth and employment generation, in addition to its environmentally friendly nature. However, as the railway development is a huge and expensive investment, it requires a very careful approach to its development. The Government intends to develop a railway system in the country. Its strategy is to develop an appropriate rail transport policy to guide the process followed by a feasibility study.

## 5.2 Increasing access to energy

206. The energy sector is a crucial support to economic development. Energy is an important input in all sectors of the economy; it fuels industrial processes, commerce, agriculture, and supports social services such as education, health, and water supply. Access to energy can improve the socioeconomic capital of the population and the attainment of all the MDGs. In addition, access to adequate, affordable, and reliable energy supply is crucial to support the socioeconomic development of any country. This is why the Government places much importance on the energy sector for development. Thus, it will focus its support in this sector through improving: electricity supply use of renewable energy, use of petroleum and existing regulatory framework.

207. **Electricity.** The provision of electricity for both the urban and rural populations is a priority. The electricity supply has realized significant improvements since 2006. The Independent Power Producer (GEG), in 2006 inaugurated a 26 MW generator plant in Brikama, West Coast Region. The first phase of the Rural Electrification Project in 2006 also commissioned six isolated stand-alone generators in six communities with a total installed capacity of 4 MW.

208. While the electricity sub-sector is fundamental to the socioeconomic wellbeing of the country and shows much potential, it faces several challenges including:

- Low electrification rate (only 35 per cent of the population has access to electricity)

- High electricity tariff, due to heavy dependency on fossil fuel for electricity generation and low operational efficiency of utility companies
- High electricity losses, mainly due to ageing generators, transmission and distribution infrastructure

209. During the PAGE implementation period, the Government intends to improve the wellbeing of the population by improving access to electricity. This will be done through:

- increasing the electrification rate by increasing electricity generation, more efficient use of electricity and attracting, through appropriate and reasonable incentive and facilitation processes, the private sector investment in the sector.
- promoting the use of renewable energy resources such as wind and solar for electricity generation, particularly in the rural areas. This will promote fuel switching from fossil to renewable energy and thus reduce emissions of greenhouse gases from the activity.
- increasing operational efficiency of the electricity utility companies through the use of more efficient technologies for electricity generation and ensure close monitoring and implementation of regulations governing electricity production and distribution.
- upgrading and replacing the ageing transmission and distribution infrastructure to reduce the electricity losses.

210. **Renewable energy.** The Government attaches much importance to renewable energy and has established the Gambia Renewable Energy Centre (GREC) to promote the use of renewable energy, carryout adaptive research and advise the Government. It has also initiated a number of programmes to promote clean energy services based on energy efficient technologies and renewable energy sources for electricity generation, cooking, domestic and industrial heating. The Gambia is a member of a sub regional programme OMVG, that coordinates the development of the Gambia River to ensure rational exploitation of its natural resources with the triple objective of developing energy production, irrigation and navigation. OMVG comprises four countries, The Gambia, Senegal Guinea and Guinea Bissau. The OMVG energy project intends to develop and generate electricity from two dams (Sambagalou and Kaleta). The Gambia is expected to get 40MW from this project.

211. These programmes however, face major challenges, including inadequate funding as well as a weak institutional framework for implementation and management. The

penetration and usage of renewable energy technologies is very low due to limited awareness, high initial cost, substandard renewable energy products and inadequate skilled workers trained in renewable energy systems.

212. To overcome the challenges in the renewable energy subsector, the Government intends to:

- ensure that consumers have real value for their money, and attract more investment by creating a level playing field through regulatory interventions. The Government intends to put in place a Renewable Energy and Energy Efficiency Act
- enhance research and efficient service delivery in the renewable energy subsector and to strengthen and develop the human resource base.
- increase the use of renewable energy technologies, Government wishes to raise awareness about renewable energy technologies and its potential. The Government will also be providing more incentives to attract more private sector investment such as tax holidays.
- increase awareness and penetration of the use of solar generators for water supply, the Government will adopt and popularize the management of the Solar Water Pumping Systems under the rural water supply sub-sector.

213. **Petroleum.** Petroleum is one key issue that permeates throughout the economy. It has a great impact on economic growth and poverty reduction since fuel costs impact on all goods and services. The Government has put in place the relevant legislative laws and institutional framework for the petroleum sector. This includes the 2004 Petroleum Act, the Model Petroleum Exploration, Development and Production Act, and the Model Production Sharing Agreement, whereas the institutional frameworks include the establishment of the Petroleum Commission, the Ministry of Petroleum and the Gambia National Petroleum Company (GNPC). Meanwhile, the Government is engaged in building up and strengthening its human resource base in all areas of petroleum resource management by training the concerned institutions and its key main stakeholders in drilling techniques, petroleum law and economics, petroleum geology, seismic data processing and interpretation, petroleum data management, reservoir engineering, petro physics etc.

214. Currently the petroleum sector entails two areas. The upstream deals with exploration, development and production, while the Downstream deals with refining, storing, marketing, and transportation of petroleum products. In the upstream more than



5,000 km of 2D seismic data and 3 000 sq km 3D data have been obtained. The results of these seismic surveys show potential prospects of petroleum resources.

215. The petroleum sub-sector has its challenges. These mainly relate to the downstream sub-sector. The Government, cognizant of this fact, is working on the finalization of the downstream legislation, the petroleum Products Bill and its relevant regulations. The Government has reviewed the national petroleum products specifications and came up with revised specifications to ensure that quality petroleum products are being imported into the country. Efforts are underway to have a national laboratory to be testing petroleum products in the country.

### 5.3 Information and communications technology (ICT)

216. ICT has been one of the fastest growing sectors of the Gambian economy, as it relates to its contribution to GDP and poverty reduction. This experience would attest to the strong correlation between ICT applications and meaningful socioeconomic development. This suggests that the country must be “e-ready” in terms of infrastructure. Accessibility of ICT to the population at large and effective ICT usage is imperative to advance current progress. The Government intends to take advantage of the ICT to boost economic development by focusing on the three sectors:

- telecommunications
- information technology
- media

217. **Telecommunications.** It has been the goal of the Government in its Vision 2020 to transform The Gambia into a technologically advanced and information rich society. The sector has one fixed line operator and four GSM service providers. In addition, the number of registered Internet Service Providers is six. There is competition in the mobile, fixed wireless broadband, and data services. In the telecommunications subsector, the telephone penetration level (tele-density) has shown steady growth in the last three years.

218. Despite the progress made, further developments are facing the following challenges:

- Expensive and inadequate submarine cable connectivity via Senegal
- Difficulty in extending communication and internet services to other regions of the country due to obsolete national telecommunications backbone infrastructure and lack of fibre optic cable in the north bank of The Gambia.

219. In addressing these challenges in the telecommunications sector and also to expedite efforts to join the global information society, the Government during the PAGE period will:

- provide high-capacity and reliable bandwidth through the construction of a Submarine cable landing station.
- modernize and expand the national telecommunication backbone infrastructure
- strengthen legal and regulatory framework for the ICT sector (PURA Act 2001, IC Act 2009)

220. **Information technology (IT).** The National Information and Communication Infrastructure Policy, the ICT4D Action Plan outlining guidelines for its implementation, the e-government Strategy and the recent enactment of the Information and Communications Act provides a strong foundation conducive to an ICT-led environment beneficial to the socioeconomic well-being of the country and its people.

221. Despite the progress, this sector has its challenges, as the provision of relevant online information and services are impeded due to the low adoption and implementation of the e-Government programme. The Government intends to address these challenges over the PAGE period. It will ensure that the country has access to high-capacity and reliable bandwidth and an expanded and modernized telecommunications system.

222. **Media.** The media subsector has registered significant progress both in terms of number and coverage. The national TV station, Gambia Radio and Television Services (GRTS) went on satellite in 2009. The number of FM commercial and community radio stations as at June 2011 was 19 and 9 respectively. The progress made in this subsector so far will further enhance the dissemination of information in agriculture, health, education, and other sectors that improve the lives of the people. Notwithstanding, the sector is faced with some challenges namely:

- Providing nationwide TV and radio coverage
- Strengthening local and regional radio and television broadcasting
- By 2015 analogue broadcasting would be phased out and replaced by digital broadcasting. Any analogue broadcasting that is not switched off by 2015 would not be protected and thus would be susceptible to interference
- The disposal of electronic waste (e-waste) through burning emits harmful trace gases to the atmosphere

223. With regard to the global ICT carbon footprint, ICTs contribute about 2 per cent of the global carbon emission. Personal computers (PCs) and monitors, data centres, and fixed and mobile communications are the main contributors to carbon emission in the ICT industry. The disposal method of ICT hardware, obsolete TV and computers and cables gives rise to emission of harmful gases, thus adversely affecting the atmosphere leading to global warming and climate change.

224. In order to address the above-mentioned challenges, the Government during the PAGE period will:

- Install a network of five TV and radio transmitters and provide two outside broadcast (OB) vans.
- Build and equip regional radio and TV studios
- Ensure migration from analogue to digital broadcasting
- Procure printing equipment to boost The Gambia Info publication
- Sensitize on e-waste management
- Regulate the type, category, and age of electronic equipment being imported in to the country
- Strengthen the capacity of the media and enhance their participation in national development

# Pillar III

Strengthening Human Capital Stock to Enhance Employment Opportunities



## **Chapter 6: STRENGTHENING HUMAN CAPITAL STOCK TO ENHANCE EMPLOYMENT OPPORTUNITIES**

225. Development of human capital stock is a priority in the development agenda of the national Governments, civil society, donor community, and academia. Human capital development reflects a country's investment in its population as a well-trained and skilled population guarantees employment and economic development. The investment may include schools, hospitals, textbooks, teachers' and physicians' services, medical equipment and supplies, and other physical capital with recurrent expenditures associated with human capital investments. It includes the development of high-quality accessible technical, social and economic information to allow effective decision making. Increasing human capital levels correlate with higher wages, better health status of the population, and many other benefits for people and states. In addition, human capital has been estimated to be over 50 per cent of a country's total capital stock and 80 per cent in the most developed countries<sup>14</sup>. For this reason, human capital is considered as a major asset of a country; therefore, it needs to be treated by the relevant stakeholders accordingly.

226. It is well known that there is a close correlation between human capital development and poverty level. Increasing human capital stock could be a way to boost economic growth and enhance social development. The Gambia is proactively engaged in building its human capital base by ensuring the development of an effective workforce for other segments of the economy, while directly or indirectly contributing to gainful employment through the utilization of education and health opportunities.

227. Over the past years, various policies, strategies and programmes, such as Vision 2020, PRSP II, MDGs, agriculture and natural resources policy, health and education sector policies and strategies were developed, adopted, and implemented. Those policy documents clearly articulated the importance of good health and sound education to reduce poverty and improve the quality of life of the Gambian population.

228. Within the context of economic growth and employment, the Government of The Gambia seeks to strengthen the human capital stock as a way of delivering PAGE strategic programmes. It will do so by linking capacity building initiatives to job-market requirements; ensuring increased access to quality basic education, relevant tertiary and higher education; reducing morbidity and mortality; and increasing access to safe drinking water and sanitation services across the country.

229. Adequate financing of social services (health, education, water and sanitation) is of utmost importance to the country as this is the only means to generate and sustain appropriate levels of quality human resources. Financing influences both current and future human capital stocks. Current human capital stock is reflected through literacy rates, educational attainment levels, life expectancy, or access to safe drinking water.

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<sup>14</sup> Becker, 1988 and 1995

Future human capital stock is represented by current enrolment rates, vaccination rates, and prenatal care. The percentage of the Government budget allocated to human capital investments provides a sense of the Government's investment priorities.

230. During the PAGE period, the Government will stay committed to improving human capital stock as the country's most important natural resource. The main constraints are mainly related to access, equity, and equality, and financing social services. For each of these constraints, the Government will design specific interventions for education, health services, and water and sanitation services.

### 6.1. Improving access to education

231. While the legal basis for education service delivery responds to upholding the right of everybody to quality basic education, as contained in the 1997 Constitution of The Gambia, there is empirical evidence to suggest that the provision of such education to any population lays a strong foundation for the sustainable development of any country. It is for this reason that the Ministry of Basic and Secondary Education (MoBSE) continues to be preoccupied with the execution of its mandate to deliver quality education in the areas of early childhood development (ECD), basic education, adult and non-formal education and secondary education. Building upon these foundations, higher and tertiary education is a key factor in human capital formation with the mandate of producing an informed, skilful, and disciplined workforce.

232. The inextricable linkage between education and accelerated growth and employment can be further traced to the significant net impact of education on human development behaviours in terms of fertility, maternal and child health, HIV/AIDS knowledge, poverty and so on. As cited from the CSR, 2011, the individual behaviour towards the human development variables is more positive for more educated people than those with less education, regardless of income, area of living, health facility etc. Analysis of the share of the different levels of education shows that basic education accounts for 63 per cent (38 per cent for lower basic and 25 per cent for upper basic) of the total impact on human development (The Gambia CSR, 2011). Hence, the provision of basic and secondary as well as higher and tertiary education of good quality is extremely fundamental in facilitating accelerated growth and employment.

233. The Gambia has witnessed an increase in enrolment at all education levels since 2005. At the ECD level there was an average annual growth rate of 9 per cent between 2006 and 2009. Enrolment at the lower basic level registered an average annual growth rate of only 2 per cent between 2000/2001 and 2009/2010 while the upper basic level increased by 3 per cent over the same period. Enrolment at the senior secondary level more than doubled from 15,554 to 36,141 with an average annual growth rate of 3 per cent between 2000/01 and 2009/10 due mainly to the expansion of *madrassas* which

showed an encouraging average annual growth rate of 13 per cent between 2005/06 and 2009/10<sup>15</sup>.

234. The gross enrolment ratio (GER) increased considerably at the ECD level from 26 per cent in 2006 to 36 per cent in 2009, due mainly to the policy of attaching ECD centres to existing lower basic schools in deprived communities. At lower and upper basic levels as well as senior secondary, GER remained stagnant between 2004 and 2009 as enrolment increased at the same pace as the school-age population. Nevertheless, the Gambia remains among the most advanced Sub-Saharan Africa countries in terms of enrolment and completion indicators at all levels, with a primary completion rate of 75 per cent.

235. However, there still remain many out-of-school children that are “hard to reach”, usually from the most disadvantaged groups and areas. Only 6 per cent of students are in incomplete schools; therefore the main issue regarding drop-outs is demand-side. Religious factors and cost of schooling appear to be the main reasons that children are out of school.

236. One of the most discriminating factors in students’ enrolment can be traced to the wealth of households. According to the CSR findings, an enormous gap exists between the most and least advantaged groups in terms of their chances of access to different education levels. Only 56.6 per cent of children from the poorest quintile attended the first level of basic education (Grade 1) compared to 93.3 per cent of the richest quintile. 16.3 per cent of the poorest quintile has access to Grade 7 (UBS1) as compared to 69.6 per cent of students from the richest quintile. For the senior secondary education level, 48.1 per cent of the richest quintile have access compared to only 5.1 per cent of the poorest quintile.

237. From amongst the poorest quintile, 22.8 per cent managed to complete lower basic level (Grade 6) as opposed to the 77.1 per cent of the richest quintile. At the completion of UBS (Grade 9), 62.2 per cent of the richest quintile managed to complete compared to only 11.4 per cent of the poorest quintile. Only 3.0 per cent of students from the poorest quintile managed to complete senior secondary school compared to 37.7 per cent from the richest quintile.

238. The differences, according to families’ wealth quintiles, are indeed generated from the very access to school, but deepen considerably afterwards. Both intra-level retention and transition between levels participate in accentuating the inequalities. However, lower basic retention and upper basic to senior secondary transition have the greatest weighting in generating inequalities.

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<sup>15</sup> Figures from the Ministry of Basic and Secondary Education

239. For overall social disparities, just as much as those related to gender as to geographical location and income levels, it is noticed that the differences in the Gambian education system are generated more in the course of a level (therefore probably pointing to the operation of educational institutions) than between levels (which would point more to catchment area issues).

240. The gap between the two groups in terms of schooling access becomes quite apparent. Girls living in the poorest rural households are virtually excluded from education, as of the end of the lower basic level. The inequality between the two groups, present from the very access to lower basic, is aggravated by very high drop-outs within the poor rural girls' group.

241. Beyond the differentiations due to social characteristics related to individuals and their families (gender, area of residence, and level of wealth), the region where households are established can also create differences in their children's chances of access to education.

242. Overall, regional disparities are fairly accentuated in enrolment in The Gambia. From the very access to primary, the differences are important, with an access probability estimated at 92 per cent in Region 1 against 51 per cent in Region 6. As for the other segmentation variables, the disparities among regions deepen with progress through the stages of the education system until the end of upper basic schooling, before receding slightly at the senior secondary level.

243. In the area of access to higher education, the University of The Gambia had a student enrolment of 3550 in 2010/11 academic year, of which only 29 per cent are female. Science and technology constitute 37 per cent of the overall student population. Of the overall female population, only 35 per cent are in the sciences compared to 37 per cent of the male population.

244. In the same year, Gambia College had an enrolment of 4098 students, of which 28 per cent are female. Of the male population, 9 per cent are in science and technology compared to 14 per cent of the females. Generally, the science and technology population constituted only 10 per cent.

245. Overall enrolment at GTTI stands at 2687 students, of which the females constitute 22 per cent. 34 per cent of this figure are in the science and technology, which is 7 per cent of the total enrolment for the year 2010/2011. At the MDI the overall enrolment is 1464 students, of which 52 per cent are male. In 2010/2011 alone, 21 and 15 per cents of the respective male and female populations were admitted into ICT (science and technology).

246. The Gambia College is the main teacher training institution. UTG trains teachers at degree level, as well as school managers. GTTI trains technical teachers for the



country. At the Gambia College, an annual teacher trainee enrolment of 3670 (90 per cent of overall student population) was registered in the 2010/11 academic year, of which the primary teacher's certificate constitutes the bulk (63 per cent). Higher teacher's certificate constitutes 36 per cent and certificate in early childhood development only 1 per cent of the overall population. At UTG, enrolment in the education programmes stands at 216 which forms 6 per cent of the overall student enrolment for the academic year 2010/11. Of this enrolment figure, 13 per cent are female.

247. The National Training Authority (NTA) regulates, monitors and supervises all technical and vocational education and training institutions (TVET) in the country. Under the registration and accreditation exercise, the authority has registered and accredited 65 training providers, 461 trainers, and 40 assessors. Under the internship programme, a total of 411 trainees have been placed on internship at various institutions.

248. While expansion of the upper segment of the basic and secondary levels will be pursued, the challenges associated with low intake rates will be addressed. This is intended to specifically prioritize lower basic education. This notwithstanding, increasing equitable access and outcomes, in respect of gender, at both the basic and senior secondary levels, will be paid due attention. The pursuit of establishing and maintaining gender equity at all levels of the school system will result in appropriately targeted strategies. The official<sup>16</sup> *madrassa* institutions will complement the conventional schools on equal terms. The access and equity issues will therefore be prioritized.

249. Following evidence that the religious factor and the huge education expenditure being picked up by households appear to keep school-age children away from school, the MoBSE has already embarked on the elimination of all unauthorized levies in schools and a package of school grants has now been introduced in all public lower basic schools with a view to subsidizing schools for the implementation of low-cost items in their school development plans as prescribed in the minimum standards manual.

250. Responding to the issue of out-of-school children due mainly to the religious factor, education provision will be diversified to cater for the category of children who can neither be attracted by the conventional schooling model nor the modernized *madrassas* system since they reside within the custody of the marabouts whose primary responsibility is to teach them the Holy Quran. Consequently, a Conditional Cash Transfer (CCT) initiative is being piloted in five communities where the presence of this category of children is impressive and therefore requires the payment of subsidies to the marabouts at a unit cost of one hundred Dalasi (D100) per child per month in lieu of the release of the children to be taught numeracy and literacy skills by trained facilitators. The programme is expected to be scaled up once lessons from the pilot suggest so.

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<sup>16</sup> These are *madrassas* that use the synchronized syllabus and are recognized by MOBSE.

251. Given the unprecedented rate of growth registered in the enrolment of students in the ECD centres which is due principally to the policy of attaching such centres to existing lower basic schools located in deprived communities, efforts will be intensified to ensure the annual average growth rate of 9 per cent registered between 2006 and 2009 is jealously maintained. Parallel to this will be adult and non-formal education programmes that particularly target under-served regions, girls, out-of-school youth, unlettered adults and other disadvantaged groups of the population. Key among these disadvantaged groups will be persons with disabilities. Therefore, the development of training programmes and instructional materials for special needs education (SNE) teachers and extending specially-designed facilities for SNE into the rural areas will be maintained during the PAGE period. This will be contained in the construction and rehabilitation programme of classrooms and facilities. Linked to this, genuine strategies will be implemented to scale up the mainstreaming of pupils with disabilities.

252. Addressing the issue of distance with the three-kilometre radius found to be posing a significant challenge, particularly to early graders, new schools will be established closer to existing schools in communities where the school-age population is impressive while the school donkey carts will be introduced to ferry children to and from the nearest lower basic school, in communities where the school-aged population is less impressive.

253. The need to increase the access rate at the senior secondary education level to cope with the growing demand from the basic level is quite urgent; hence new schools will be established, particularly in the deprived regions so that the gross enrolment rate will be greatly improved from its current 35 per cent. Sponsorship packages for both boys and girls at the basic and secondary levels will continue to be provided in order to significantly improve the completion rates from 75 per cent, 59 per cent and 28 per cent for lower, upper basic and senior secondary to 93 per cent, 69 per cent and 34 per cent respectively over the PAGE period.

254. In terms of consolidating the gains registered in the *madrassa* at the levels of lower, upper basic, and senior secondary levels with annual average growth rates of 14 per cent, 16 per cent and 13 per cent respectively, the support being provided to the *madrassas* will be intensified to include classroom construction, teacher training and monitoring teaching and learning.

255. Another issue of significant importance to both access and equity is the equitable distribution of qualified teachers across schools in the urban, peri-urban and rural areas alike, particularly in deprived and hard to reach communities. To this end, the Ministry will continue to provide hardship allowances to teachers willing to serve in designated hardship areas which attract 30 per cent of their basic salaries for Regions 3 and 4 while Regions 5 and 6 receive 35 per cent and 40 per cent respectively.

256. In view of the need to maximally utilize the existing physical facilities and teachers within the framework of double-shifting and multi-grading, the current policy of intensifying the double-shifting of classrooms, the gradual phase-out of double-shifting of teachers and the employment of multi-grade teaching strategy for a combined class size not exceeding 40 will be vigorously pursued during the PAGE period. In order to efficiently and effectively execute the second and third strategies, teachers will continue to receive training with a view to improving their pedagogical skills sufficient to cope with the demands of such strategies.

257. Access and equity of relevant post-secondary education and training, especially in the science and technology disciplines, are challenged by the income levels of poor Gambian households. It is noteworthy that post-secondary education is cheap in The Gambia. English, mathematics, and science subjects at secondary education level continue to suffer low achievements. This has created a limited pool for science and technology enrolment prospects in higher education; Government will continue to award scholarships and initiate loan schemes in these areas. The development of science, technology and innovation policy, the establishment of science and technology council, Kanilai Institute of Science and Technology, and a Science, Technology and Innovation Park will be part of the campaign strategy to promote science and technology in The Gambia. Access and bridging programmes at the UTG will target disadvantaged students (especially girls) to increase science and technology enrolments.

258. In addressing the labour market driven education policy the Government is in the process of developing a higher education policy, and will establish a higher education observatory. A state-of-the-art skill centre is being constructed. GTTI will be refurbished and the two will offer high level skills training to graduates from the various skills centres across the country. In this regard, two major skills centres will be refurbished in Regions six and four. To ensure relevance, a labour market study will be conducted to facilitate to the establishment of a central labour market information system (LMIS).

259. **Quality Education:** By all measures, quality education remains a challenge, with low levels of learning achievements at all levels. According to the CSR, 29 per cent of grade 5 students reach minimum level in English and 22 per cent in Math at the National Assessment Test. This low level of learning achievement is also manifested in upper basic and senior secondary education through the GABECE and the WASSCE results in which only 13 per cent had a pass in English and 3 per cent in maths for the former and 7 per cent for math and 13 per cent for English in the case of the latter.

260. It should however be noted that the figures quoted above are the values for 2009 which represent an appreciable level of improvement when compared to 2008. In the case of the early grade reading abilities, the percentage of students who could not read a single word in 2007 in Grades 1, 2 and 3 decreased from 80 per cent, 66 per cent and 47 per cent to 70 per cent, 54 per cent and 27 per cent respectively in 2009. Of special mention

is the appreciable increase in the percentage of Grade 2 students who could read up to five words in 2007 from 6.8 per cent to 23.7 per cent in 2009. This level of improvement in the literacy skills is due mainly to the implementation of interventions aimed at improving the quality of teaching and learning in schools the examples of which are as follows:

- Training of teachers in early grade literacy skills
- Intensification of monitoring and supervision of teaching and learning in schools
- Support to teaching practice observation, mentoring and face-to-face sessions as part of the continuum of the teacher training programme
- Provision of sufficient teaching and learning materials

261. More teachers will be trained at degree level to close the teacher gap in secondary schools. The Government will continue to pursue the training of headteachers at non-degree level to address the management gaps in schools. Technical and vocational teachers will be trained at GTTI to address the TVET teacher gap. At the same time primary teacher education (PTC regular) will now become in-service and spanned over three years, while higher teachers education (HTC primary and secondary) will continue to be pre-service and spanned over three years. This is designed to ensure quality and relevance, as well as close the EFA (Education For All) teacher gap by 2015. In-service training will be reinforced by open distance learning (ODL) currently underway.

262. The provision of quality education is essentially the main thrust of the mandate of MoBSE. Therefore, in acknowledging the findings of the CSR on the low learning outcomes of students and the urgency of bettering their performance, the improvement of learning outcomes will continue to be prioritized through a combination of strategies that include:

- stepping up the supply of qualified teachers
- training of teachers in pedagogy, especially early grade literacy skills
- training of teachers in content knowledge
- conditional cash transfer for increased access to out-of-school children
- curriculum review and reform
- introduction of a national language programme
- provision of relevant instructional materials
- better-suited assessment and examination procedures
- an integrated approach to ECD
- computer literacy and ICT education
- use of open and distance learning (ODL) strategies
- educational broadcasting

263. Furthermore, tagged to the curriculum, will be the intensification of life skills education, which embodies HIV/AIDS prevention, gender-related violence, peace building, tolerance, patriotism, environmental issues, etc. ICT education and other related areas will be grounded in a broader science and technology programme aimed at

responding to national as well as learner needs. In terms of ICT, the education sector will approach the interventions from two fronts, namely: ICT in education and education in ICT. While the former will be required to use ICT in order to improve teaching and learning across all levels of education, the latter will be used to advance the cause of ICT through education, particularly at the level of secondary education with a focus on employability among the graduates at this level or beyond.

264. Capacity building, instituting a performance management system, and establishing an effective monitoring and evaluation strategy will characterize strategies geared towards strengthening sector management and the governance of education.

265. In addressing the need for enhanced research and development in The Gambia, the Government will develop a national research policy, and establish a national research council and initiate a research fund to promote academic and policy oriented research. Advanced training will be conducted in all disciplines with special emphasis on science and technology and TVET. There are plans to establish a digital campus and online library facilities at UTG, and procurement of laboratory equipment for effective teaching and learning of science and technology-related disciplines

266. The Government will adopt the civil service capacity building scheme. Along this line the institutional capacities of the main public tertiary and higher education and training institutions (UTG, G/College, MDI and GTTI) will be strengthened

267. The Government will embark on research and provision of higher education on climate change-related disciplines, such as adapted land use, and integrate climate change into the primary, secondary, tertiary and higher education curricula as the education sectors contribution to the proposed national climate change strategy of The Gambia.

268. The Government continues to increase the budget commitment to both recurrent and development expenditures in education. The total Government spending on education increased from 148.2 million Dalasi in 2001 to 549.0 in 2009. Notwithstanding the rising trend, the recurrent expenditures on education represented only 17.8 per cent of the Government recurrent expenditures excluding debt service in 2009; which still falls short of both the FTI benchmark and the ECOWAS average of 20 per cent and 24 per cent respectively.

269. Government spending is strongly complemented by donors and household financing. Donors financing considerably increased from 35 per cent of the total education budget (Government + donors) in 2001 to 43 per cent in 2008 before declining to 37 per cent in 2009. It represented 1.2 per cent of GDP in 2009, which is slightly below the least developed country average of 1.5 per cent. The Gambia education development budget relies heavily on donor financing, between 2001 and 2009, on average, 86 per cent of the capital investments in education were financed by donors.

270. Household annual spending on education is estimated at 729 million Dalasi in 2009 which represent 2.8 per cent of GDP; higher than the average of 2.1 per cent of GDP for 18 African countries with available data. In spite of the free tuition policy for lower basic public schools, this level is still funded at 46 per cent by household resources. On average, Gambian households spend a lower share on textbooks and other teaching materials (11 per cent versus 31 per cent for the comparator countries), due to the provision of textbooks by the Government. On the contrast, other expenses including costs on uniforms and school transport share are higher in the country, 36 per cent compared to the 20 per cent African average.

271. Lower basic enjoys 53 per cent of the education sector's recurrent expenditures, upper basic 22 per cent and senior secondary 10 per cent. In 2009, the lower basic recurrent unit cost was 1,492 Dalasi and represented 9 per cent of GDP per capita while the upper basic unit cost stood at 1,791 Dalasi which represented 1.2 times the lower basic cost and 11 per cent of GDP. The senior secondary recurrent unit cost was 3,163 Dalasi; (19 per cent of GDP per capita, and 2.1 times the lower basic unit cost). At lower basic level, teachers are paid on average 3,400 Dalasi per month, which represents annually 2.5 units of GDP per capita compared to the FTI benchmark of 3.5 units of GDP per capita. At this level, about 30 per cent of the budget is expended on expenditures other than teacher's salaries, (FTI benchmark 33per cent). At the upper basic and senior secondary, teachers are paid on average 3,900 and 4,100 Dalasi per month respectively.

272. The implementation of all of these requires the review of resourcing procedures and processes within the context of the Paris Declaration on Aid Effectiveness and Donor Coordination as well as the MTEF of the sector. Given that access to quality education is a right and that the provision of education should centre around the learner, strategies and programmes will be designed to reflect such rights.

## **6.2. Improving access and quality of health services**

273. Promoting and protecting health is vital for human welfare and sustained socioeconomic development of a country. Health, along with education and nutrition, is considered as one of the key elements of human capital stock. To do well in school, one needs to be able to attend school and maintain concentration, i.e. to be healthy and well fed. While education is a primary component of human capital stock, good health is also a necessary condition to be educated and to implement the benefits of being educated.

274. The public healthcare system comprises three levels – primary, secondary and tertiary. At present, health services are provided by 546 health posts at the primary level, 38 health facilities at the secondary level, and 6 public referral hospitals. The public health system is complemented by private and Non-Governmental Organization clinics.

275. The services at primary healthcare level include treatment of minor illnesses, environmental health and sanitation, antenatal care, delivery and postpartum care, home visits, community health initiatives, and basic outpatient services. At the secondary level, basic healthcare is delivered through minor and major health centres. The major health centres serve as the referral points for the minor health centres. At the tertiary level, the general hospitals provide specialized services beyond the level of the major health centres.

276. The maternal mortality ratio in (2001) is 730/100 000 live births<sup>17</sup> and it is unlikely to attain the target of 263/100 000 live births within the next five-year period if the historical trends continue. Estimates from the 2008 report on ‘Count Down to 2015 on Taking Stock of Maternal, Newborn and Child Survival’ shows the maternal mortality ratio for The Gambia to be 690 per 100, 000 live births and the UNICEF at glance indicators show maternal mortality for The Gambia to be 400 (adjusted) per 100,000 live births in 2008. These trends are encouraging. However, these are all estimates and thus necessitate the conduct of a comprehensive maternal mortality survey or its inclusion in the proposed Demographic and Health (DHS) with disaggregated data at the regional level. The target for child mortality might not also be attained – using 2010 estimates from the Multiple Indicator Cluster – the under-five mortality rate has dropped from 131 per 1000 live births in 2005 to 109 per 1000 live births while under five mortality has dropped from 93 per 1000 live births to 81 per 1000 live births. Malnutrition, which is used as a proxy indicator for measuring hunger, is also prevalent in The Gambia; the proportion of underweight children has dropped from 20.3 per cent in 2005 to 17.4 per cent in 2010 while stunting prevalence increased slightly from 22.4 per cent in 2005 to 23.4 per cent in 2010. The proportion of children who are wasted also increased from 6.4 per cent in 2005 to 9.5 per cent in 2010. This calls for concerted efforts to halve between 1990 and 2015 the proportion of people who suffer from hunger.

277. The country made some progress with regard to measles immunization coverage as the MICS 2010 indicates that the proportion of children immunized against measles is 87.6 per cent. The National Sentinel surveillance study conducted among pregnant women aged 15-49 years shows that the increasing trend of HIV-1 was reversed in 2007 after peaking in 2006. The National Malaria Sentinel surveillance study (2008/09) suggests that malaria has started to decline too. The 2010 Malaria Indicator Survey has shown that the malaria prevalence rate is 4 per cent.

278. Despite these progresses, the country is not on track to achieve MDGs 4 and 5 by 2015. The health sector has been experiencing increasing pressure due to a number of problems such as high population growth rate, high morbidity and mortality rates (maternal, infant and child mortality, morbidity and mortality associated with communicable and non-communicable diseases), shortage of qualified health personnel

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<sup>17</sup> MDGs Progress Report, The Gambia, 2010

and its high attrition rates, inadequate financial and logistics support, ageing health infrastructure and limited medical equipment and supplies, lack of efficient referral system and health-related statistics.

279. Regarding the financing of the sector, the Government budget allocations for health services and health sector are sub-optimal as costs of providing healthcare continues to rise due to increasing demand, changes in the diagnostic and therapeutic technologies, inflation, and currency fluctuations. In 2009, most of the budget allocation was used to cover salaries (41 per cent), goods and services (39.5 per cent) and current transfers (17 per cent). Fixed assets (construction of schools and facilities; major construction and rehabilitation works, office equipment and furniture, and vehicles) consumed only 2.5 per cent<sup>18</sup>.

280. To overcome these health sector issues, the Government will focus its efforts within the PAGE period to ensure accessibility and affordability of quality services at the point of demand, particularly for women and children. Basic and minimum healthcare packages for each level of care delivery are important to enhance standards and serve as an efficient and effective mechanism for diseases control and prevention. Therefore, basic health care packages and relevant programmes for each level of healthcare system will be established and promoted.

281. The strategic interventions for the period from 2012 to 2015 include improvement of antenatal and perinatal care as well as emergency obstetric care services; the provision of adequate and safe blood transfusion services; sustained and increased immunization rates; promotion of insecticide treated bed nets (ITNs) utilization; prevention and control of HIV, tuberculosis, and other communicable and non-communicable diseases; prevention and control of malnutrition, preparation of adequately trained health personnel and their retention; improvement of health-related data collection, analysis, planning, monitoring and evaluation; and modernization of health infrastructure.

282. In addition, the Government plans to increase advocacy and mobilization of financial resources for the health and education sectors. Other strategies include strengthening the management of available financial resources in the health sector, and to explore other financing mechanisms, for example, the possibility of introducing a national health insurance scheme. Ultimately, donor funding will be streamlined through a coordinated system using a SWAp.

### **6.3. Water and sanitation**

283. Increasing the population's access to safe drinking water and basic sanitation dramatically reduce their susceptibility to water-borne diseases and increase their

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<sup>18</sup> Poverty Reducing Expenditure Report, January to December 2009. The Ministry of Economic Planning and Industrial Development. The Gambia, December 2010



likelihood (especially for women and children) from incurring additional expenses related to treatment.

284. In The Gambia, the efforts to ensure access to safe drinking water have been effective over the past years. The proportion of the population with access to safe drinking water increased to 85.8 per cent in 2010 from 69 per cent in 1990, exceeding the MDG target of 84.5 per cent by 2015. Looking at the sub-national level, in general, the water supply situation improved in all the six regions. However, water supply depends on available electricity; therefore, this issue continues to be a major problem in rural health and education facilities as well as at households' level. Sanitation can only progress with adequate quality water and reliable electricity supply.

285. The Gambia is endowed with groundwater resources. However, the water reserves would be assessed across the country to rationalize its usage within the forthcoming years. In addition, climate change poses a threat to national development, and its effect is felt primarily in water and sanitation environment.

286. The steps that the Government will undertake in the area of water and sanitation include provision of safe drinking water supply to all education and health facilities across the country as well as to the entire population of the country. The Government also plans to improve the operation and maintenance arrangements for water and sanitation facilities and to mobilize stakeholders in the water and sanitation sector so as to improve governance of water resources and address climate change issues. Capacity building activities in this area will be carried out to produce more engineers and managers to ensure the realization of the Government's plans. Special attention will be dedicated to increase equitable access of the entire population in the country and, particularly, in the rural areas, to safe drinking water and sanitation services.

#### **6.4. Better employment opportunities**

287. Unemployment and underemployment pose significant challenges to The Gambia. Each year, the labour market demonstrates a weak absorption capacity as growing numbers of Gambians demand jobs that do not exist. The Government is convinced that decent, durable jobs are the key to eradicate poverty. For this reason, the Government aims to improve job opportunities in the country.

288. In pursuit of this goal, the Government has formulated a National Employment Policy and Strategies 2010-2014, whose main goal is "the promotion of more rapid growth of the productive employment sectors." The Government expects to achieve more employment-intensive, inclusive and equitable economic growth in four ways:

- By formulating an appropriate macroeconomic policy environment

- By encouraging more labour-intensive economic activities, particularly in agriculture, natural resources, fisheries and construction, by means of more support and incentives for the private sector
- By adopting the green economy and green investment initiatives for the creation of green jobs and for the stimulation of green growth of the national economy
- By promoting access to credit for productive investments

289. These measures will enable the economically active population to attain and secure sustainable livelihoods through full productivity and freely chosen employment. Under the National Employment Policy, the Government has already implemented several projects:

- The Government created The Gambia Priority Employment Programme (GAMJOBS) in 2007 in response to increasing unemployment and poverty, particularly among women and the youth. GAMJOBS attempts to facilitate access to credit for productive investments and advocates financial, budgetary and investment policies that are expected to make the economic environment more conducive to job creation. GAMJOBS mainly supports skills training to compensate for the lack of qualified skilled labour force and consequently address the gap in labour supply and labour demand. For example, training programmes have been conducted in the area of ICT and mobile phone repairs. Additionally, GAMJOBS supports the promotion of labour intensive technologies in public works and in this area unemployed youth have been trained in the proper collection and disposal of domestic waste and in the production and laying of concrete pavement blocks. By adopting the utilization of climate friendly and environmentally-sound technologies and equipment in the repair and maintenance of basic services and in the management of our solid waste and waste water, GAMJOBS will be effectively translated into green jobs.
- The Gambia established The Gambia Enterprise and Skills Development and Training Fund (GET FUND) to promote entrepreneurship in the formal and informal economy, to develop skills, to encourage training, and to improve access to financial services. GET FUND's goal is to stimulate the creation of micro, small and medium enterprises as a means of creating wealth and jobs. With the help of GET FUND, five training institutions have trained over 1488 women and youth in new skills and have provided over 488 women and youth with business start-up capital.

290. Notwithstanding these efforts, the Government must still reduce the high unemployment rate of the growing population. Challenges in this area include the following:

- Inefficient national coordinating and monitoring mechanisms
- Insufficient funding for job creation
- Preference for white colour jobs to blue collar jobs
- Insufficient information and advocacy for jobseekers
- Inadequate mainstreaming of employment issues into macroeconomic and sector policies

291. To address these challenges between 2012 and 2015, the Government will pursue six courses of action:

- Strengthen institutional frameworks and mechanisms
- Promote labour-intensive technologies in public works programmes at the national and regional levels
- Further promote self-employment and encourage micro and small enterprises
- Create labour market intermediation centres to match the demand for labour with the supply
- Advocate for more employment-intensive macroeconomic and sector policies
- Improve the coordination, monitoring and evaluation of employment generation strategies and programmes
- Promote decent work<sup>19</sup>

292. The Government realizes that more poor people live in the rural areas than in the cities, developing rural areas will help Gambians eradicate poverty. At the same time, the agriculture sector suffers from inadequate investment. For this reason, the Government will increase investments in agriculture to 10 per cent of Government's own revenue by 2015. This will boost the creation of agricultural and non-agricultural enterprises and will create jobs and generate income for the rural population.

## **6.5 The gap between education and the job market**

293. It has become increasingly evident that economic growth does not necessarily alleviate or eliminate unemployment or distribute income more equitably. Although

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<sup>19</sup> Involves opportunities for work that is productive and delivers a fair income, security in the work place and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men. (ILO)

economic growth is clearly related to employment, many countries' experiences indicate that growth can lead to employment disparities. This is mostly the case when jobseekers' skills do not match the skills needed by the labour market. In its drive to accelerate the growth of the productive sector, the Government will therefore work to close the gap between education and the labour market. Doing this will require it to adapt the curricula of the education system to meet the demand for skills and pursue more appropriate employment promotion strategies for the youth.

294. In the last decade, the Government developed vocational and skills training programmes as integral parts of broader strategies to develop the economy and promote employment. It created the National Training Authority in 2003 for this purpose. As a result, vocational training and skills development have expanded in the last five years. Apart from regulating, organizing and supervising the subsector, the National Training Authority developed The Gambia Skills Qualification Framework and established a labour market information unit.

295. The Gambia still faces several challenges when it comes to linking skills training to the job market. The National Training Authority and the development of technical and vocational skills suffer from four shortcomings:

- Weak links with the job market, shortages of qualified staff, and ill-adapted programmes
- Insufficient capacity to expand technical and vocational training to the regional levels
- Insufficient capacity to maintain and sustain reforms, expand The Gambia Skills Qualification Framework to include other areas of the economy, and carry out assessments, certification and quality assurance processes
- Inadequacies in changing the attitudes of young job-seekers from white collar jobs to self-employment and out-of-office technical jobs

296. To address these shortcomings, between 2012 and 2015 the Government will:

- design training programmes and activities consistent with the demands of the job market,
- create accessible credit schemes for women and the youth,
- build the capacities of the National Training Authority and key vocational and technical training institutions
- establish a reliable and efficient labour market information system.

# Pillar IV

Improving Governance and Fighting Corruption



## **Chapter 7: IMPROVING GOVERNANCE AND FIGHTING CORRUPTION**

297. Good governance at all levels of a country's operations is instrumental to economic growth, commercial development, and employment. The Government has made good governance a pillar of its activities during the PAGE period. Its strategy to strengthen governance between 2012 and 2015 focuses on five areas:

Public service

Local governance and decentralisation

Land use planning and management

Public financial management

Strengthening Government institutions and fighting corruption

### **7.1 Strengthening governance in the public service**

298. Strengthening the governance of the public service is a centrepiece of the Government's strategy to boost economic growth, improve the business sector environment, increase employment, eradicate poverty, and reduce corruption. Effective public institutions and efficient service delivery are vital for the achievement of these goals. The Government has implemented several reforms to improve public services recently, and will address the remaining main issues during the PAGE period.

299. The first issue is the limited analytical capacity of many Government institutions, especially in the areas of policy analysis, policy-making, and planning. This limitation has been aggravated by the departure of high-level staff at the technical and policy levels. Service delivery has suffered as a result. The second issue is the poor management of human resources, which has manifested as low remuneration, few incentives, high attrition rate, and low retention of competent staff. The third and fourth issues are the measurement of the quality of the delivery of civil services and the efficiency of the delivery of the services.

300. The Government's comprehensive Civil Service Reform Strategy 2012-15 seeks to make public institutions more effective. More specifically, to address the constraints identified above, one of the Government's priorities during the PAGE period will be to implement the following reforms: capacity-building within ministries, human resource reforms, result-based management; and service delivery.

301. The Government will build ministries' and departments' capacity to deliver quality services. Technical assistance will be provided to assist ministries and departments to update their strategic policies, plans and programmes and it is recommended at this stage of revision of these development frameworks to consider

issues related to environmental sustainability and climate change, two issues that are priority areas and determinants of economic growth. The support to public sector institutions will also facilitate the refinement of their organizational structures that have been developed as part of the current reforms.

302. The Government will review and improve human resource management practices, including the remuneration packages of civil servants. The Government will reform its pay strategy and conduct a new grading and job evaluation exercise. As part of this programme, an actuarial study will be carried out to evaluate the advisability of transferring the Government pension scheme to the Social Security and Housing Finance Corporation. After aligning institutional mandates with institutional structures, the Government will develop an optimal staffing template for the civil service. It will also write job descriptions and job specifications for civil servants.

303. The Government will implement a programme to nurture a results-based management culture in the civil service. The Government will design tools to measure the performance of civil servants and progression will be based on merit. To underpin a new performance management system, it may use the balanced scorecard model, as suggested by a Government study. If so, the results-based management programme will adapt its performance management policy accordingly.

304. The Government will supply the systems, tools and processes necessary to improve service delivery. The Government aims to lower the cost of service delivery in the public sector by installing basic e-Government structures that will improve services, cut delivery costs, and hold civil servants accountable for their performance. Among other techniques, for example, the Government proposes to use the feedback from citizen scorecards to develop service improvement plans. This will be done within the context of continuous capacity building, development, and implementation of a retention strategy.

## **7.2 Local governance and decentralization**

305. Local Governments play a critical role in overall governance in The Gambia and are key players in economic development, growth and employment. By interacting with local Government authorities, the Government of The Gambia is able to provide valuable insights for policy development. Since the early 1980s, the Government of The Gambia has been rethinking development approaches with a view to ensuring greater citizen participation in national socioeconomic development activities.

306. For these reasons, the Government's overarching objective is to accelerate decentralisation and increase the autonomy of local Governments, help them provide more effective and efficient social services and make a greater contribution to economic growth and employment in local communities. To achieve this objective, the Government will pursue four actions:

Assist local Government authorities, technical line departments, and community institutions to coordinate, inspect, implement, manage, monitor and evaluate decentralized development programmes in a democratic and transparent manner

Ensure that land is used rationally and equitably for different purposes that promote socioeconomic development

Promote civil society (NGOs & CBOs) and people's participation in determining the country's destiny through a participatory development process

Administer land judiciously and make access more equitable through comprehensive surveying and mapping

307. In line with this strategy, the Government has approved several Acts and regulations for decentralization since 1997, when it adopted the official policy on the decentralization of local Government systems. It further solidified decentralization and the provision of more local Government autonomy by passing the Local Government Act in 2002, which provides a legal framework and regulations for the implementation of the new system. The Finance and Audit Act 2004 and the inauguration of the Local Government Service Commission shifted the paradigm further.

308. The implementation of these reforms was supervised by a National Steering Committee charged with overseeing decentralization and awarding more autonomy to local Governments. Despite Government actions to deepen decentralization, certain difficulties are challenging the results. The main ones are as follows:

- Government budget allocations that are inadequate for the facilitation of decentralized governance, proper land administration, equitable land use, participatory community planning, and development interventions
- Local decentralized structures' weak capacity to plan and implement their own development initiatives

309. Between 2012 and 2015, the Government intends to counter these challenges by improving local governance, promoting community participation in development, and enhancing the use and management of land for poverty reduction. It is committed to remedying the financial constraints of local Governments by:

- strengthening local Government autonomy
- accelerating decentralisation
- increasing the resource base available to local Government authorities



- finding ways to make local Governments more financially able to act with more autonomy and better respond to communities' needs.

310. The Government will address the weak capacity of decentralized structures in four ways:

- By reviewing and strengthening the role of the National Steering Committee
- By reviewing and updating legislative frameworks for the local Governments
- By assessing the human and institutional capacity shortfalls of local Governments and implementing programmes to build the necessary capacity with a view to improving the local delivery of social services and increasing accountability and transparency at all levels
- By assessing the status of the institutional facilities of municipal and area councils

### **7.2.1. Land use planning**

311. The Government recognizes that economic growth and employment will be largely influenced by proper land use planning and a regulatory regime that affords its management. This is why it puts such importance on the creation of a National Spatial Plan to ensure optimum utilization of the land and its resources. This will allow a management regime that ensures the greater portion of benefits of the country's land flow to its people and that environmentally it will be protected for future generations.

312. Since the policy of decentralization of local Governments was adopted by the Government of The Gambia in 1997, it has seen the establishment of regional planning offices throughout the country.

313. These offices have been less than effective and efficient for a number of reasons, not the least being a need for capacity development at all levels and better awareness among the local citizens. The non-functioning of the National Planning Board has stymied the development of adequate governance and control mechanisms that would simplify the work of the regional planning authorities. This has held back better control and management of land resources. This has also led to inadequate and less-than-useful land use databanks, which are important for proper administration and control.

314. To address these issues the Government intends, during the PAGE period, to strengthen the basis of land use planning to add to the necessary foundations of a functional and operational National Spatial Development Plan. This plan will guide and optimize land use in the country and ensure rational distribution of our meagre land resources to competing uses (commercial, residential, agricultural, institutional etc.).

315. This will be accomplished by reforming land policies and regulations, updating standards guidelines and revitalizing and strengthening planning at all levels. It intends to update the outdated Physical Development Plan and identify new growth centres, for which physical development plans would be drawn. It will also intensify capacity building efforts for the staff and broaden its efforts in increasing awareness throughout the country on the necessity of effective land use planning.

### **7.3 Reinforcing the quality of public financial management**

316. Over the past five years, The Government, with support from development partners, has undertaken various reforms to improve transparency, accountability and good governance in PFM. The Government is committed to have a transparent, accountable, and reliable PFM so as to ensure a more effective and efficient public service delivery system. In this framework, the Government in conjunction with the IMF and the World Bank assessed the PFM systems of The Gambia in 2007 and 2009.<sup>20</sup> These reports, especially the CFAA, assessed the PFM of the country on the basis of its criteria, covering various dimensions in PFM (refer to Box 4). Performance indicators for all PFM issues diagnosed were developed to ease monitoring and evaluation of the reforms embarked on by the Government. This exercise allows the Government and the development partners to have baseline data to better assess future progress in the area of PFM

317. Based on the findings of these reports, the Government has developed a PFM Reforms Strategy with an action plan to improve PFM systems between 2010 and 2014. The main goal of the Government for the PFM is to strengthen public service delivery, promote macroeconomic stability, improve integrity of the budget, and enhance good governance through a more transparent and accountable public finance system. The achievement of these goals will be done through:

- enforcement of fiscal discipline by promoting resource allocation driven by budget realities
- allocation of resources to ministries, departments, and agencies in a strategic manner that encourages the more efficient use of resources
- promotion of the link between planning, policy-making, and budgeting in a context of resource constraints expected to span several years
- strengthening of internal and external audit functions within Government institutions

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<sup>20</sup> IMF Tax Review Report of July 2009, the 2005 Country Procurement Issues Paper and CFAA Report released by the World Bank in March 2009

- strengthening the capacity of National Assembly Members (FPAC) to further scrutinize annual budgets and Government financial statements.
- increasing capacity in public procurement

318. The PFM reforms implemented to date have resulted in significant progress in a number of areas:

- **Budget preparation:** Line ministries are in the process of building capacity in budgeting and planning in order to generate more realistic budgets that would be in line with Government priorities/policies. In this endeavour, the Ministry of Basic and Secondary Education has recorded the most significant improvements; it is now working closely with other ministries to attain similar standards. An internal MTEF was also completed in 2011.
- **Budget monitoring and execution:** The computerization of Government accounts is now done through the Integrated Financial Management Information Systems (IFMIS), which has helped achieve more timely and comprehensive in-year fiscal reports and facilitates improved fiscal and financial recording, tracking and reporting, including a timely preparation of annual financial statements. The coverage of the IFMIS - a critical tool for monitoring budget execution and aligning expenditures with available resources - was expanded to all 28 Ministries, Departments and Agencies (MDAs). Due to this initiative, Monitoring of budget execution and reporting has improved, permitting the tracking of priority spending.
- **Expenditure prioritization:** The authorities have used a three-tier expenditure prioritization to help minimize the risk of spending overruns that have weakened fiscal performance in recent years. PRSP spending maintains the highest level of priority.
- **Internal audit:** The Internal Audit Unit at the Ministry of Finance and Economic Affairs has been operationalized since 2009 and a new Internal Audit Strategy has been developed; with plans to roll out internal audit functions to all MDAs.
- **Legal framework:** The legal and regulatory framework has been strengthened by the enactment of the Government Budget Management and Accountability Act 2004 along with the revision and issuance of the Financial Instructions, the enactment of The Gambia Public Procurement Act (GPPA) 2001, The Gambia Bureau of Statistics (GBOS) Act 2004 and The Gambia Revenue Authority (GRA) Act 2004;

- **Capacity building:** Modest capacity enhancements within the Government accounting and auditing cadre have also been registered. However there remain critical gaps that need to be addressed in the context of PFM.

319. Although significant progress has been made on PFM reforms, among the top priorities of the PFM Reform strategy is the introduction of an MTEF and a PBB system, to replace the existing incremental budget process which essentially focuses on line items.<sup>21</sup> In addition, six priority issues have been identified by the Government including: the need to improve budget coverage and documentation, consolidate aid coordination and address Government's debt position, need for the timely submission of Government financial statements for auditing, need for timely submission of audited accounts, audit reports and recommendations to Parliament (FPAC), need to increase capacity of Finance and Public Accounts Committee of National Assembly members in scrutinizing the budget and Government financial statements, low capacity in public procurement, and need to roll out internal audit functions to all MDAs.

320. The Government has embarked on an ambitious reform agenda to address these main weaknesses in PFM between 2012 and 2015. In doing so, the Government intends to implement at least the following seven reforms: introduction of an MTEF and PBB, improve budget coverage and documentation; (iii) improve procurement standards, increase capacity of FPAC in scrutinizing the budget and Government financial statements, roll out internal audit, strengthen internal and external audit functions to deliver timely and comprehensive audit reports, and implement debt management strategy.

321. Introducing an MTEF to replace line item budgeting will produce a budget framework that incentivises policy-makers and budget planners to formulate medium-term plans within a constrained resource envelope and helps them prioritise expenditures so as to meet national or sector policy objectives. This framework will contrast sharply with the existing system, where the absence of links between annual budgets and policy decisions has impeded the production of credible and reliable budgets.

322. Government also intends to introduce PBB, which refers to the systematic use of performance information to inform decisions about budgetary priorities between competing programmes and sectors based on the program classification of expenditure. This will require full integration of recurrent and development expenditures underpinned by a reliable macroeconomic framework and a medium-term framework for expenditure planning focusing on specifying and achieving objectives for a given sector. Key

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<sup>21</sup> There are several factors influencing the need to move away from incremental Line Item budgeting to a more pragmatic MTEF and PBB. Some of the key challenges with incremental line item budgeting have included: Budget and fiscal reports still incomprehensive; not all aspects of financial statements are included e.g. transactions of self accounting projects. While efforts have been made to prioritize spending towards poverty reduction, the Government recognizes that the annual focus and incremental nature of the budget preparation do not readily support policy driven budgetary allocation.

decisions about funding levels including appropriation are made primarily in terms of the programme objectives, rather than in terms of input categories (thus replacing line-item budgeting).

323. To implement the MTEF and PBB, the Government intends to sequence its reforms and address the capacity-related challenges faced by various ministries, departments and agencies. It therefore proposes to support changes to PFM systems and processes by continuing to pursue reforms to organizational structures, staffing, and organizational culture.

324. In order to implement MTEF and PBB, the Government intends to sequence its reform goals and address some of the challenges faced by the various MDAs (capacity). The strategy therefore proposes that PFM systems and process change should be supported by continued organizational reform, including structural, staffing, and organization culture related changes.

325. **Budget coverage:** To enhance transparency and accountability, the Government will extend the fiscal reporting framework to cover all general Government operations, including all assets and liabilities (contingent or otherwise) assumed by the Government, as well as grants and transfers to local Government and public enterprises that are currently not clearly identified in the budget. Also, the Government will review the legal framework governing the operations and oversight of public enterprises, semi-autonomous Government agencies, and extra-budgetary funds.

326. **Aid coordination and budgeting:** The Government will merge in a single unit the Aid Coordination Unit and the aid database. In addition, the Government will rationalize fragmented arrangements for contracting, coordinating, and monitoring aid flows.

327. **Budget documentation:** The Government will make clearer and more user-friendly the budget documentation, which would enhance oversight, accountability, and strategic decision making. To this end, in the short term, the Government will develop a budget policy paper that would guide the preparation of the budget. In the medium term, line ministries will prepare sector policy statements, which would facilitate informed budget debate by the National Assembly.

328. **Audited Government accounts:** Submission of audited accounts to the National Assembly is key to improving transparency and accountability. The backlog of audited Government accounts up to 2007 has been cleared. Furthermore, the Government has submitted its accounts for 2008 and 2009 to the National Audit Office for auditing.

329. **Procurement reforms:** the new procurement code saw the establishment of the GPPA, which seeks to improve public procurement. Public procurement is now decentralized to the level of the spending MDAs. Meanwhile, a procurement cadre in the

civil service is in the process of being introduced. In the medium term, the Government intends to build capacity in procurement, roll it out to all MDAs and separate GPPA's functions of carrying out initial and final reviews of procurement.

330. **External audit:** Consistent training and other capacity building interventions have led to a tremendous improvement in audit reporting. . The Government however envisages continuous professional development for the National Audit Office. It also intends to introduce performance and value for money auditing. A new audit law that emphasizes more independence of the NAO has also been drafted.

331. **Internal audit:** A fully staffed and operational internal audit unit was established at MOFEA in 2009. A new internal audit strategy has also been developed. The development of an internal audit manual and the eventual roll-out of internal audit functions to all MDAs are amongst Government's priorities in order to strengthen transparency and accountability.

#### 7.4 Strengthening Government institution and fighting corruption

332. The Government of The Gambia recognizes the need to strengthen institutional capacity with regard to policy-making, policy design, and the implementation of national development objectives. In collaboration with its development partners, the Government has taken initiatives to improve the governance and management of Government institutions so as to promote transparency, accountability, and ethical values and standards in order to create a merit-based system within public institutions.

333. The Government has understood that to meet the challenges of economic development and social transformation as per Vision 2020 and the MDGs, it must adopt a comprehensive approach that addresses capacity and pursues reforms in all sectors of society. In other words, it recognizes the need to strengthen ongoing reforms and institutional development across the board. The main areas to be reinforced are the following:

- Judicial services
- The Gambia Bureau of Statistics
- The National Assembly
- The Civil Service
- The Independent Electoral Commission
- The Office of the Ombudsman
- The Gambia Revenue Authority

- The Gambia Public Utilities Regulatory Authority Gambia Public Procurement Authority
- National Council for Civic Education

334. The Government is fully committed to strengthening its public institutions to better implement PAGE and reach the MDGs. Previous reforms and measures under the Economic Management Capacity Building Programme and the Capacity Building Economic Management Programme have registered some success in public financial management, Government institutions and resource mobilisation, but these efforts must be sustained. Insofar as strengthening institutions is concerned, the Government is implementing various interventions currently.

**Box 5: National Strategy for the Development of Statistics (NSDS).**

The National Strategy for the Development of Statistics for The Gambia initially covers the period 2007 – 2011. The strategy was costed and is to be revised covering the period 2012 – 2016.

The NSDS of The Gambia has identified its vision, mission, core values and a number of strategic pillars in order to focus and guide the system over a period of five years and answer the data requirements for Vision 2020. Its objective is to provide stakeholders with timely and high quality statistics through the National Statistical System.

The strategic pillars of the NSDS include development and management of human capacity in the NSS, improvement of statistics, especially in the area of economic statistics, development of quality statistics for monitoring of social services and for the overall monitoring and evaluation of national programmes such as the MDGS, PRSP/PAGE. The 2008 – 2011 strategic plan detailed out major statistical operations that were supposed to be carried out but due to limited resources some of these activities could not materialize. Currently, the GBoS in collaboration with stakeholders is developing a second and more comprehensive action programme for the period 2012 – 2016 which will highlight the need to address capacity building through training, coordination both in technical and legal terms as well as fostering stronger linkage between the statistics and the planning functions of Government.

335. Several challenges still exist and prevent Government institutions (see Box 5 and Box 6) from playing a transformational role in transparency, accountability and good governance. The main challenges are the following:

- The shortage of qualified judges in the Supreme Court
- The weak capacity of the unit in charge of planning, monitoring and evaluation at the judiciary
- The inadequate financial, human, and material capacity at GBoS

- The low level of awareness, decentralization and weak institutional and human capacity at the Ombudsman's office
- The inadequate institutional support for the Independent Electoral Commission
- the limited availability of up-to-date data

336. The Government is committed to strengthening its institutions in order to improve transparency and accountability at the public level. This will boost confidence in the country and will allow it to be more open. With this in mind, the Government intends to improve the capacity of its institutions. The limited availability of up-to-date data in this PAGE document is a major challenge for proper targeting of development programmes. Hence, the Government will continue to implement the NSDS (refer to Box 6)



### Box 6: Some Key Institutions in The Gambia

**The judiciary.** As of July 2009, 70 per cent of cases in the high courts and the magistrate courts were backlogged. The Government, with the support of the United Nations Development Programme, recently enhanced access to justice, corrected institutional weaknesses in terms of court rules and procedures, and improved magistrates' management skills. Its main achievements are the following: (i) the backlog of cases in the magistrate courts has been significantly reduced (1420 cases were addressed within six months); (ii) the judiciary now has a functional website with up-to-date information, including judgments; (iii) judiciary personnel's capacity has been built in the areas of management, leadership, and information and communication technology; (iv) rules of procedure for the Children's Court and the Industrial Tribunal have been introduced; and (v) rules of procedure for Cadi Courts have been developed.

**The Gambia Bureau of Statistics.** As stated in the Statistics Act 2005, The Gambia Bureau of Statistics is the supervisory authority for the national statistical system and is the only body in the country entrusted with providing official statistics.

**Office of the Ombudsman.** The functions of the Ombudsman include (i) investigating complaints of injustice, corruption, the abuse of power, maladministration and unfair treatment of any person by a public officer in the exercise of official duties; and (ii) investigating complaints concerning the functioning of the Public Service Commission, the administrative and security organs of the state, the police and prison services regarding a failure to achieve a balanced structuring of those services or equal access by all to the recruitment to those services or fairness in relation to those services. To better carry out its mandate, the Office of the Ombudsman has several units: the Human Rights Unit, the Anti-Corruption Unit, and the Information and Documentation Unit.

**Independent Electoral Commission.** The Independent Electoral Commission was established in 1997 under Section 42 of the Constitution of the Second Republic of The Gambia. The commission is mandated to conduct all elections and referenda in The Gambia.

**National Assembly.** The National Assembly plays a crucial role in creating an enabling policy environment, providing a framework for implementing pro-poor growth, and deepening democratic processes. With regard to the National Assembly, the following progress has been made: (i) the National Assembly library has been restructured with an e-library system, (ii) equipment has been procured and installed for the digitalized recording of National Assembly and committee meetings, (iii) the capacity of National Assembly members has been strengthened, (iv) a Strategic Plan of Action and a Resource Mobilization Strategy have been prepared, and (v) the National Assembly website has been updated and launched.

**The Gambia Revenue Authority (GRA).** The Gambia Revenue Authority (GRA) was created by an Act of the National Assembly called "The Gambia Revenue Authority Act" in August 2004, charged with the task to administer, assess, and collect revenue; to provide for the efficient administration of the revenue collecting system, and for matters connected therewith.

**Public Utilities Regulatory Authority (PURA),** The Gambia Public Utilities Regulatory Authority (PURA) is a multi-sector regulatory authority established in 2005 through the PURA Act of 2001, to regulate public utilities in the telecommunications, energy and water sectors. The major focus of the regulatory regime is to facilitate competition and attract investments into the sectors for the socioeconomic development of the country.

**Gambia Public Procurement Authority (GPPA).** The Gambia Public Procurement Authority is an autonomous Government agency established in 2003 through the Public Procurement Act to monitor and regulate public procurement in The Gambia.

**Alternative Dispute Resolution Secretariat (ADRS).** The ADR system, adopted in The Gambia in 2003 with the promulgation of an ADR Law, is an important mechanism for dealing with matters of dispute outside the usual conventional modern-type justice delivery and judicial system.

# Pillar V

## Reinforcing Social Cohesion and Cross Cutting Interventions



## **Chapter 8: REINFORCING SOCIAL COHESION AND CROSS CUTTING INTERVENTIONS**

337. The Government's vision to turn The Gambia into a middle income country calls for harmonised development and social cohesion. This means making the most of national resources and national potential, creating jobs, pursuing equity, reducing regional disparities, and paying attention to environmental sustainable climate change, and providing a conducive environment where civil society can actively operate.

338. The Government has already implemented several reforms designed to balance and sustain economic development, but it has yet to resolve the problems of an unevenly distributed population and high population growth rate, poverty, unequal access to infrastructure, and a local economy that lacks dynamism. For this reason, from 2012 to 2015, the Government intends to strengthen its efforts in these areas:

- Social protection, child protection and disability
- Food security
- Gender equality and women empowerment
- Environment, disaster risk reduction and climate change
- Nutrition
- Population and development
- HIV/AIDS
- Building a national volunteering infrastructure

### **8.1. Social protection, child protection, and disability**

339. Social protection consists of policies and programmes designed to reduce poverty and population vulnerability by promoting efficient labour markets, diminishing individuals' exposure to risk, and making people more able to protect themselves from hazards and from the interruption or loss of income. The Government is convinced that investing in social protection is a vital tool for poverty eradication that will trigger a virtuous cycle of improved productivity and employability. This will ensure the sustainability of statutory schemes and enable more people to move into contributory systems and better able to manage lifecycle risk.

340. Child protection refers to the response and prevention of violence, exploitation and abuse of children – including commercial sexual exploitation, trafficking, child labour, corporal punishment, harmful traditional practices (such as female genital mutilation/cutting and child marriage), child living without parental care, OVCs, children

in conflict or in contact with the law and in armed conflict, those not in school, those with disability and those whose births are not registered. The Gambia has signed and ratified the UN CRC, the two Optional Protocols to CRC, CEDAW, and the African Charter on the Rights and Welfare of the Child. It is therefore committed to promoting, fulfilling and protecting the rights of all children in The Gambia, including their right to protection from violence, abuse, and exploitation.

341. According to the 2003 population and housing census in the Gambia disability prevalence rate was 2.4 per cent, up from 1.6 per cent of the 1998 National disability Survey. The trend is for this figure to continue to rise with the on-going risks associated with malaria and other diseases, poor nutrition, inadequate healthcare services, and road traffic accidents. The WHO Disability Report (2011) estimated the prevalence of disability in developing countries at between 15-20 per cent, which demonstrates the importance of ensuring that all social protection programmes in the country have a disability lens.

342. The global financial and economic crisis has pushed social protection, child protection and disability to the top of the Government agenda. Nowadays, social protection systems are increasingly recognised as important economic stabilizers that accelerate growth and create employment.

343. Against this background, the Government has developed several sector policies to improve social protection for the population. Examples are: Social Welfare Policy, draft Disability Policy, National Employment Policy, National Population Policy, Health Policy, Gender and Women Empowerment Policy 2010-2020 and its Education Policy. Several pieces of legislation have already been approved, including the Children's Act 2005, the Women's Act 2010, the Trafficking in Persons Act 2008, and the Labour Act 2007.

344. Population growth amongst other things makes it difficult for the Government to provide social protection, social welfare, and child protection services to all. The other main challenges are:

- The weak financial, material and human capacity of institutions providing social protection and child protection services
- The inability to fully expand and strengthen social welfare and child protection services at the regional level
- A weak policy environment insofar as social protection, and child protection are concerned
- Weak child protection systems
- Weak coordination of social protection and child protection interventions

- The absence of a recognised central coordinating institution for social protection
  - Weak administrative and technical capacities to design and implement social protection and child protection programmes
  - Inadequate awareness of social protection and child protection issues on the part of the public
345. To address these challenges and increase social security, the Government plans to:
- strengthen and build the capacity of social welfare institutions,
  - decentralize social welfare and rehabilitation services,
  - conduct research on social protection, child protection and disability issues,
  - enhance the policy, coordination and institutional environment insofar as social protection, child protection and disability are concerned,
  - raise awareness about social protection, child protection, and disability issues,
  - build communities' capacity to prevent crime and provide rehabilitation and reintegration programmes for delinquent youth;
  - strengthen the national child protection system by developing and implementing a national child protection strategy, plan of action, and monitoring and evaluation framework
  - develop and implement social insurance and safety net programmes to cushion the risks associated with unemployment, ill health, disability, work-related injury and old age
  - develop and implement social assistance and welfare service programs for the most vulnerable groups with no other means of adequate support, including single mothers, the homeless, or physically or mentally challenged people
  - develop and implement micro and area-based schemes to address vulnerability at the community level, including micro-insurance, agricultural insurance, social funds and programmes to manage natural disasters
346. In addition, the Government will help the Social Security and Housing Finance Corporation become more innovative so that it can cover poor and vulnerable groups and establish an innovative medical insurance scheme for civil servants and their families.

**Box 7 : The Gambia's Main Social Protection Scheme**

**Social security.** The Government of The Gambia established the Social Security and Housing Finance Corporation in the 1980s to provide pensions, compensation for injuries, a housing scheme and a provident fund to private and public sector workers.

**Social protection for children and their families.** Different arms of the Government have created institutions, mechanisms, and programmes for the protection of children. The Department of Health and Social Welfare, for instance, runs a child drop-in centre for orphans and other vulnerable children and a shelter for children that serves as a safe haven and a temporary residential care facility for children at risk and children who are the victims of abuse and exploitation. The department also provides other protection and welfare services for children, such as counselling, educational sponsorship, child maintenance, adoption, foster care, institutional placement, and assistance with juvenile justice. Supported by development partners, the Government has designed and implemented several child protection projects. In addition there is a cash transfer for OVCs, scholarship schemes, mainly for girls. Tuition-free primary education for all. The school feeding programme for lower and basic cycle schools covering 95 per cent of the schools and subsidized health service for all those using public healthcare facilities.

**Social protection for persons with disabilities.** The National Rehabilitation Centre, now the Disability Unit of the Department of Social Welfare, provides rehabilitation and social inclusion services for persons with disabilities. It also provides technical and financial support to members of disabled people's organizations in support of the business ventures of disabled people. This support takes the form of grants and loans from Heavily Indebted Poor Country Initiative (HIPC) funds. . In addition, the Government will approve and implement the draft National Disability Policy which is an effort to harmonize and domesticate the UN convention on the rights of people with disabilities.

**Social protection for the elderly and the destitute.** The Government established a home for the elderly in 2003 to provide residential care services to elderly persons without families to care for them. It also provides monthly stipends and home-based care to some elderly people. The Government has allocated funds for relief assistance to poor families and refugees, and increased the amount of the cash transfer awarded to the caregivers of poor families from five hundred to two thousand Dalasi.

**Medical insurance.** The Gambia lacks national medical insurance for civil servants. However, a number of employers, especially in public corporations and the private sector, provide medical insurance for their staff.

#### 8.4. Food security

347. Domestic cereal production, particularly in the form of subsistence agriculture, accounts for only up to 60 per cent of the annual consumption requirements by the majority of the population. In addition, weak purchasing power and a heavy reliance on food imports make The Gambia's population highly vulnerable to external shocks (e.g. price fluctuations), primarily to the detriment of food security and poverty levels. According to the Comprehensive Food Security and Vulnerability Analysis, in The Gambia (WFP, 2011) approximately 11 per cent of the total population are considered food insecure or vulnerable to food insecurity during normal times.

348. The agriculture sector has the potential to become a pathway by which the country can reach its long-term development goals, especially as regards reducing poverty and achieving food security. In the last decade, the Government of The Gambia has embarked on a series of interventions to address food security issues. It has launched some of the projects in collaboration with its development partners.

349. The main objective of these projects is to make The Gambia self-sufficient in food production. To this end, the Government provides farmers with inputs (better seeds, fertilizers, pesticides, etc.) that will increase their yields. Moreover, recently, all of the country's regions have benefitted from the Government's provision of tractors and other farm implements. In the near future, this will increase farm yields and help Gambians move from subsistence farming to mechanized farming—the first step towards food security.

350. Although the Government has implemented several projects to ensure that the country achieves food security and becomes self-sufficient in terms of its food supply, many challenges lie ahead namely:

- inadequate access to short- and long-term financial capital for agricultural investments
- the high cost of farm inputs (implements, seeds, pesticides, fertilizers and agro-chemicals)
- under-trained human resources at the regional level
- poor storage facilities
- inefficient marketing systems
- declining soil fertility and soil erosion

- an inappropriate land tenure system
- limited agro-processing facilities and techniques
- high unemployment and low wages in urban areas resulting in food access constraints for poor households
- limited availability of affordable micro-credit institutions
- increasing and fluctuating food prices and global economic shocks
- erratic weather and climate patterns

351. To redress these challenges, the Government will put a contingency plan into place:

- To counter the untimely availability of donor funding
- To build farmers' capacity to adopt best agricultural practices especially conservative agriculture
- To build the capacities of agricultural personnel at the regional level, and to boost incentives
- To provide farmers with adequate storage facilities
- To better market agricultural products
- To better maintain soil fertility and to conserve the soil
- To reform the land tenure system so that women can have equal access to farmland
- To strengthen institutional and strategic planning capacity of Food Security Working Group to effectively coordinate food security agencies and better inform and oversee policy and programmes.
- To strengthen national food security and nutrition information systems to provide comprehensive, accurate and timely food security information used for decision making of policy, strategic and programmatic planning intervention.
- To reduce individual and household risk to food insecurity and malnutrition supported through improved livelihoods and targeting.
- To increase household resilience to disaster and shocks through institutional and operational support to disaster preparedness, response and mitigation



- To enhance the use of weather and climate products in farming decisions

352. The Government will also improve the organisation and management of agricultural extension programmes so as to provide a sustained flow of technological and technical information relevant to farmers' production problems and to integrate water resources management into farming practices so as to boost agricultural productivity. Finally, the Government will encourage and facilitate the participation of the private sector and small-scale farmers in all aspects of agriculture.

### **8.5. Gender equality and women empowerment**

353. Gender is a cross-cutting development concern and for that reason, it needs to be addressed using a cross-sector approach. Realising gender equality and basic human rights requires all sectors and actors in development to address this issue in their area of activity.

354. The Gambia is a patriarchal society characterized by male hegemony and other socio-cultural factors that interplay to influence the interactions between the genders and social groups. These inequalities have resulted, in some cases, in the exclusion of women and girls, from actively participating in the development process of the country. Overall, gender responsiveness in The Gambia is low. This is largely due to the inadequate capacity at both national and sector levels to mainstream gender and apply gender analysis skills to policy-making. It is also due to limited community awareness of gender issues; bureaucratic resistance to gender mainstreaming, and weak support, advocacy, awareness-raising, coordination and monitoring on the part of other stakeholders.

355. In recognition of gender equality and women's empowerment as key to the attainment of social and economic development, the Government has taken concrete actions to mainstream women into the development process in the past two decades.

- It established the Women's Bureau and National Women's Council in 1980.
- It ratified the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) in 1992.
- It established a Ministry of Women's Affairs in 1996.
- It established a National Policy for the Advancement of Gambian Women (NPAGW 1999-2009).
- It enacted the Trafficking in Children's and Persons Bill in 2005 (Amended in 2007) and the Women's Act in 2010.
- It enacted the National Gender and Women Empowerment Policy 2010-2020 in 2010.

- It enacted the Gender Mainstreaming and Women Empowerment Strategic Plan in 2010 (2010-2015)
- It implemented Gender empowerment plan, 2007-2011
- It created the Federation of Gambian Women in 2010.

356. Nevertheless, gender disparities in The Gambia are still significant, and the resulting constraints in education, health, income, voice and legal rights prevent women from participating effectively in national development. The main barriers that prevent gender mainstreaming and women's empowerment in The Gambia are as follows:

- Data is not adequately gender-disaggregated. This prevents development planners from addressing gender issues adequately in sector plans.
- Lack of formal professional education of the majority of women
- Women's access to land, capital and to market opportunities is limited.
- Women suffer from violence, particularly domestic violence and sexual abuse;
- Women with disability face multiple disadvantages.

357. To mainstream gender equality measures and empower women, the Government will create an enabling policy framework based on proper gender analysis and the provision of adequate gender statistics and budgets. Furthermore, the Government will improve women's and girls' employable skills and job opportunities by ensuring parity in primary, secondary and tertiary education, improving women's and girls' entrepreneurial skills and opportunities in all productive sectors, mobilizing resources for gender equality and women's empowerment interventions, and ensuring the proper coordination, monitoring and evaluation of women's and gender-related programmes. Finally, the Government will:

- build stakeholders' capacity to mainstream gender equality measures,
- create awareness about gender inequality and its impact on both men and women,
- advocate for the formulation and enactment of a bill to counter gender-based violence, and provide the budget and human capital necessary to implement it, and
- ensure that prominence to not-formal education to improve women's access to numeracy and literacy training programmes and so bridge the gap between women and men's literacy levels.

**Box 8: Women in The Gambia: Achievements and gaps**

**Gender and women empowerment.** Significant progress has been made in involving women in national decision-making processes with a view to eliminating various forms of inequality between women and men and creating an enabling environment for women to participate in all spheres of national development. The Women in Development Project had helped eliminate sociocultural and traditional barriers to women's and girls' advancement through information, education, and advocacy.

**Women and poverty.** Male-headed households are more likely to be poor than female-headed households using both thresholds (the less than \$1 and the less than \$1.25 per person per day), unlike the 2003 Integrated Household Survey where female-headed households have higher poverty rates (53.4%) compared to their male counterparts (34.8%).

**Women's participation and voice.** Gender participation and voice is a critical component of social justice. It is also good economics in terms of development effectiveness. Although women's opportunities to partake in political decision-making have improved in recent years, women continue to be under-represented at all political levels.

**Women's economic activities.** In The Gambia, 53 per cent of those employed are men. Females earnings are less than males as evident in the IHS 2010. Majority of the population (42%) earns less than D10,000 per annum and females accounted for 53 per cent and males accounted for 47 per cent. The data shows that only 3 per cent of the population earns more than D200,000 per annum, again males accounted for the highest proportion (61%) than females (39%).

**Women's education and training.** Over the years, the enrolment and retention of students and the quality of education has improved, but gaps between boys and girls remain. Gender parity targets in primary education have been met, but goals for the secondary and tertiary levels are yet to be achieved. Quality education for girls remains a problem because of heavy domestic workloads, early marriages in some communities, and other factors. Only 40.2 per cent of women are literate, compared with 64.7 per cent of men in The Gambia (2003 census).

**Women's participation in politics.** Even though women comprised 58 per cent of the voters during 2006 elections, 4 out of the 48 National Assembly members were women. 16 out of 119 Local Government Councillors were women (2008 local Government elections). However, the present figure in the cabinet is 40 per cent, which is above the 30 per cent recommended by international standards.

## 8.6. Environment, disaster risk reduction, and climate change

358. The adverse interface between chronic poverty, remote areas and unfavourable agricultural environment can be simply observed in the nature of poverty in The Gambia. The most drought prone ecosystem of Central River North has the highest incidence of poverty. Because of the time lag between causes and effects within global climate systems, the adverse impacts of environmental degradation are likely to persist for decades and generations, even after the global community succeeds in limiting greenhouse gas concentrations in the atmosphere. At the same time, conditions specific to The Gambia<sup>22</sup> make it particularly imperative that the Government mainstreams climate change into its development policies and programmes. Recognizing this, the Government developed and submitted to the UNFCCC Secretariat its First National Communications in 2003 and a National Adaptation Programme of Action on climate change in 2007 to stimulate a critical re-examination of the role of climate on societal and natural systems in the areas of agriculture, fisheries, wildlife, energy, water resources, and forests and woodlands.

### Box 9: Women's' role in climate change adaptation

Women are vulnerable to climate change not because they are naturally weaker than men but because vulnerability differs by gender. Women, like men, have particular socially constructed vulnerabilities and capacities that have been developed through socialization. As active agents with unique capacities, women can respond to the challenges posed by climate change and can play an especially important role in adaptation because of their indigenous knowledge about matters such as maintaining water supplies (Action Aid 2007)

Women have a clear sense of what is needed to adapt to the impacts of climate change. However, in general, women's access to assets, services, political decision-making, information and leadership is limited. In disaster response situations, women are active community mobilizers and demonstrate diverse adaptation coping strategies and mechanisms, for example by moving to safer places, saving their assets, changing their diets, using energy-saving techniques, adapting their agricultural practices to changing weather patterns, earning income or saving money from alternative sources, using alternative healthcare options, and engaging in organization and collective action.

359. Over the years, critical environmental thresholds have been exceeded or have come close to being over-stepped. This has reduced the effectiveness of previous and current strategies to keep natural systems viable. Even though The Gambia has conducted little or no research on how climate change impacts natural and societal systems, logic and anecdotal evidence suggest that the combined effects of global warming, increased

<sup>22</sup> These conditions consist of The Gambia's small size, the country's location relative to regional hydrological and bio-geographical systems, its economic structure and development status, and the key role weather and climate play in its physical, social, and economic vulnerability.

concentrations of carbon dioxide in the atmosphere, and the rise in sea levels—with or without more aridity—are likely to cause the number and vitality of species to decline. They are also likely to reduce the diversity of terrestrial, wetland, and aquatic ecosystems; impair ecosystem goods and services; and provoke the spread of invasive species and vector-borne diseases. Other detrimental impacts of climate change include threats to livelihoods, more respiratory diseases, inadequate water security, and less food security. The Government is fully aware of these dangers and will take actions to mitigate greenhouse gas emissions and adapt to the impacts of climate change during the PAGE 2012 - 2015 implementation period. The Government will specifically develop a National Climate Change Strategy that will facilitate the mainstreaming of climate change in national and sectoral policies, programmes, and plans as part of the national development agenda.

360. Conventional wisdom argues in favour of The Gambia making fuller use of proven coping strategies and developing new strategies that better exploit up-to-date knowledge and draw on resources earmarked for combating the effects of climate change. With this in mind, the Government intends to act in four areas: the National Adaptation Programme of Action portfolio, agriculture, energy, and water.

361. The Government's projects under the National Adaptation Programme of Action will address urgent and significant climate change-related threats through actions that deliver immediate adaptation benefits, help build local and national adaptive capacity, increase awareness, and build a foundation for maximising long-term adaptation benefits.

362. In the agriculture sector, the Government will adopt and implement the following strategies: optimization of the use of natural resources, the increase and stabilization of crop productivity, the stabilization of the rural population, and the management of rangeland and the preservation of eco-assets.

363. Insofar as integrated energy planning in the energy sector is concerned, the Government's strategic decisions will be: to reduce the pressure on natural forests, (to provide access to reliable technologies and better or cheaper fuels, to limit damages to infrastructure, to improve energy efficiency, disaster planning, and the management of water resources<sup>23</sup> to raise public awareness, to restore biodiversity and the health of ecosystems to develop a less polluting public transport system, to promote clean technology, and to minimise the impact of flooding and saline intrusion in lowlands.

364. In other key sectors, the Government will seek out sources of alternative and renewable energy (solar and liquefied petroleum gas) and technological innovation and diffusion. It will promote and strengthen integrated coastal zone management, e.g., by

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<sup>23</sup> with regard to water security and the preservation of aquatic ecosystems, while promoting the sustainable commercial and non-commercial use of forest resources

boosting the adaptive capacity of coastal communities and by encouraging the optimal use of marine resources.

365. Disaster management must not be seen as providing relief but rather should be seen as a continuum of development. Therefore, the emphasis has now shifted from managing crisis to managing risks and vulnerabilities through disaster risk reduction.

366. The critical issues in disaster risk reduction inter-alia include the following:

- Poor and inadequate settlement patterns
- Poor waste management systems
- Inadequate drainage systems
- Low awareness of the economic benefits of disaster risk reduction
- Inadequate capacity to address disaster issues at the local level
- Inadequate early warning on impending hazards

367. In light of the above, The Gambia, in collaboration with its partners, has developed a National Contingency Plan that focuses on effective preparedness and response to disaster through risk assessment, improves the urban planning and drainage management system, creates fire belts, resettlement programmes, waste management, and shelter kits etc designed to reduce the risk and vulnerabilities of the nation and communities.

368. However, critical gaps and constraints exist in terms of human capacity, low awareness of the economic benefits of disaster risk reduction, low resilience of infrastructure and facilities, inadequate slum upgrade, lack of appropriate building codes and land use planning and inadequate funding.

369. The ultimate goals are numerous and include:

- achieving disaster resilient nation and communities as a sine-qua-non in support of development, growth and poverty reduction.
- integrating and mainstreaming disaster risk reduction into Government development programmes especially as an initial step into education, health, agriculture (food security) and infrastructure
- addressing by the end of 2012 disaster risk reduction interventions at fourteen disaster hotspots in the country through infrastructure and drainage system, proper waste management and disposal and enhanced advocacy

- integrating disaster risk reduction with climate change adaptation
- strengthening disaster risk reduction institutions through institutional strengthening and capacity building
- strengthening disaster risk reduction at the local level
- integrating disaster risk reduction and climate change adaptation for development programming
- improving and reinforcing proper building codes and land use planning
- integrating disaster risk reduction into the formal and informal education system and health sector
- harmonizing and re-aligning partner interventions towards disaster risk reduction
- strengthening the climate change early warning systems
- empowering young people as advocates for disaster risk reduction

### **8.7. Nutrition**

370. Nutrition is a cross-cutting development concern that influences and it is being influenced by many factors. For that reason; it should be addressed using a multi-sectoral approach. Good nutrition is a basic building block of human capital and, as such, contributes to economic development. In turn, sustainable and equitable economic growth in developing countries will convert these countries into “developed” states. There exists ample evidence showing the two-way relationship between nutrition and economic development. Malnutrition undermines economic growth and consequently brings about poverty. It is obvious that the world’s poor progress towards attaining the MDGs, especially poverty reduction, is due to the failure to tackle malnutrition by the international community and most Governments in developing countries over the years. Persistent malnutrition has contributed immensely to the failure to meet the MDGs of eradicating extreme poverty and hunger, achieving universal primary education, promoting gender equity, reducing child mortality, improving maternal health, combating HIV/AIDS, malaria, and other diseases.

371. Investing in nutrition is judicious and beneficial in that it yields very high returns such as improved physical work capacity, cognitive development, school performance and health by reducing morbidity and mortality, which, in turn, leads to increased

productivity, economic development, and poverty reduction. It is now quite apparent that nutrition is a crucial component of any development plan and should be made central to development so that a wide range of economic and social improvements that depend on nutrition can be achieved.

372. As with many developing countries, The Gambia is experiencing the ‘double burden of malnutrition’ with the emergence of diet-related non-communicable diseases (NCDs) such as diabetes, hypertension, coronary heart diseases, obesity, and some forms of cancers. Under-nutrition, including micronutrient deficiencies, continues to be major public health problems exacerbated by poverty, food deficit, rural-urban migration, environmental degradation, poor dietary habits, low literacy level, poor sanitation, infections, and a high population growth rate. Factors such as change of diet and lifestyle, specifically among the affluent, have contributed to the increased prevalence of NCDs.

373. MICS (2010) showed 10.2 per cent of children of babies weighed at birth have low birth weights (less than 2.5 kg) compared to 19.9 per cent in 2005 and that 17.4, 9.5 and 23.4 per cent of children under five were underweight, stunted and wasted respectively. Exclusive breastfeeding for six months is practiced by 33.5 per cent of mothers and the weaning diet is nutritionally inadequate. Micronutrient malnutrition such as iron deficiency anaemia (IDA), vitamin A deficiency (VAD) and iodine deficiency disorders (IDD) are highly prevalent in the country with dire consequences for the population especially women and children. It also found that 34 per cent and 16 per cent of pregnant women and lactating mothers respectively are deficient in vitamin A. The same study showed 64 per cent of children under five of years are deficient in vitamin A and 76 per cent anaemic. Another study in 1999 showed that the Total Goitre Rate, a manifestation of IDD, was 16 per cent which is considered mild. A hospital/health facility-based study showed hypertension and diabetes prevalence rates of 24.2 per cent and 1.5 - 2 per cent respectively. The food vulnerability Study of 2008 found 25 per cent and 17 per cent of the women living in the urban areas of Banjul and Kanifing to be overweight and obese respectively.

374. In recognition of this fact, the National Nutrition Policy 2010-2020 which is a follow on to the 2000 – 2004 Policy, is a framework, demonstrating nutrition as a cross-cutting issue, involving all partners working in development. The policy is accompanied by a strategic plan (2010 -1015) and business plan that will form the basis for its implementation. Finally, the Government will implement nutrition programmes through:

- Supporting capacity building of stakeholders on the prevention, control and management of malnutrition
- Strengthening and expanding proven community based nutrition intervention programme.



- Supporting implementation of food-based interventions focusing on local production, processing, preservation, and utilization at community level.
- Coordinating the review, update, and /or formulation of legislation, guidelines, standards and codes of practices on food quality and safety
- Incorporating of nutrition-related disaster preparedness tools and early warning systems in to the National Disaster Management Plan.
- Supporting the capacity building of other planning units in nutrition planning and mainstreaming.

### **8.8. Sound population management**

375. Concerns about population issues in The Gambia are not limited only to the population growth rate and size. Of equal concern to planners and policy-makers are the age structure, high fertility and mortality rates, reproductive health and rights, gender inequality and women empowerment, ageing, disability, HIV and AIDS, food insecurity, poverty, land use, environmental degradation, migration, urbanisation, and spatial distribution of the population. These concerns make population management a cross cutting issue that could have adverse effects on sustainable economic growth and employment.

376. In order to attain a desirable population growth and size for The Gambia, the Government for the past three decades has implemented and put in place many programmes and structures such as:

- The establishment of a National Population' Commission to ensure coordination and political commitment to integrating population and development concerns into national development strategy
- The formulation and enactment of a National Population Policy to guide the implementation of the population programme
- Regularly conducted national population and housing censuses since the 1930s
- Established the Gambia Bureau of Statistics to gather data on population issues
- In partnership with our development partners the Government has implemented a series of five country programme since 1982 to address issues on reproductive health, population and development, and gender and women empowerment.

- POP/FLE institutionalized and strengthened in both formal and non-formal institutions

377. The major challenges impeding efforts to attaining sound population management in The Gambia despite the achievements registered are:

- Lack of updated reliable, timely and national representative data to track progress and to carry out planning, coordination, monitoring and evaluation of population programmes and projects
- The absence of clearly-defined laws on RH rights and gender based violence
- The persistent practice of cultural beliefs and practices that are inimical to the empowerment of women, children, and young people
- Inability to mobilize additional resources due to limited donor presence in the country and the late development of a Resource Mobilization Strategy and Plan
- The low acceptor rate of reproductive and family planning services among those within the reproductive age
- High unmet needs for Emergency Obstetrics Care (EmOC) Services
- Inadequate mechanism to address migration concerns

378. The revised population policy incorporated emerging issues such as ageing, Sexually Transmitted Infections (STIs) including HIV/AIDs, adolescent reproductive health, environment, the aged, disability, to name a few. Apart from these emerging issues, the national population policy identifies the following as priority intervention of Government:

- Diversifying the funding base for the National Population Programme
- Strengthening and building the capacities of individuals and institutions implementing the population policy and programmes
- Ensuring the implementation of the RH commodity security project
- Mobilizing the resources for the conduct of periodic data collection and analysis
- Ensuring gender issues are fully mainstreamed into sector programmes and women are protected from all forms of discrimination and violence
- Developing and implementing a National Migration Policy to guide the regulation of the movements of people within and in and outside the country

### 8.9 HIV and AIDS

379. The main thrust of response management is overall coordination of the National Strategic Framework (NSF) while ensuring that at least 80 per cent of the NSF results and set targets are achieved. Against a backdrop of capacity challenges, the response management will give attention to NAS institutional strengthening and capacity enhancement for strategic stakeholders, such as civil society organizations, the private and public sectors. Community systems strengthening will be an integral part of improving effective HIV responses at the sub-national levels. Greater attention will be given to increased community participation in the national response, strengthening strategic community structures and systems and enhancing HIV programming competencies of community based organizations (CBOs) and civil society organizations (CSOs).

380. The Government, through the gender and HIV programme, will implement three programme for HIV/AIDS:

- Gender competencies of multi-sectoral stakeholders
- Vulnerability of women and girls
- Men and boys vulnerability to and involvement in HIV programme

381. The programme continued to provide and monitor nutritional supplies distributed to ART centres. The nutritional supplies are in the form of rice, vegetable oil, sardines, beans, and sugar, which are supplied to PLHWA on treatment to supplement their nutritional needs and also as a means to encourage patients to come for regular treatment. However, inadequacies have been noted in the ART centres due to the increasing number of enrolments since the targeted number of people on ART has been surpassed.

### 8.10 Building a national volunteering infrastructure

382. Volunteering has a long history in Gambian society. Through informal volunteering structures communities mobilize themselves to render valuable services to their fellow members who are in need. Such services include construction of houses, schools, roads, and even confronting the threat of natural disasters. This informal volunteering structure strengthened community bonds.

383. Over the past 50 years The Gambia benefitted from the services of international volunteers through formal volunteering structures, which supported professional capacity building and skill-sharing among other activities. In the same vein a number of national

and community-based organisations are involved in volunteering services. Since 2001 the UN General Assembly recognised the important role volunteering contributes to human and economic development. The past couple of years have seen new interest in the development of a national volunteering infrastructure in The Gambia. The Government proposes to implement a new volunteer infrastructure. The proposed national volunteering infrastructure will be a Government agency that will mobilize the volunteer resource as another vehicle to support the implementation PAGE.

384. To do so, the Government will during the PAGE period:

- Enact the national volunteering legislation
- Establish the national volunteering Agency with its governance and administrative structures
- Develop the national volunteer programme with areas of intervention clearly defined
- Staff the national volunteering agency
- Developing the national volunteering management systems and procedures
- Recruit and place national volunteers in partner institutions/ministries
- Maximise the participation and support of the private sector, development partners and donors in the sustainability of the national volunteering infrastructure

## **PART III: IMPLEMENTATION AND MONITORING**

*The third section of this report discusses the implementation of PAGE 2012-2015. It comprises three chapters. Chapter 9 presents the macroeconomic framework and discusses the assumptions for macroeconomic projections for each scenario. Chapter 10 presents costing and financing arrangements, and Chapter 11 elaborates on monitoring and evaluation mechanisms.*

## Chapter 9: MACROECONOMIC FRAMEWORK

### 9.1. General assumptions

385. The Gambia emerged from a long period of poor economic growth, and since early 2000, economic growth has increased steadily with single digit inflation and a stable exchange rate. However, the level of growth thus far achieved has not been sufficient to have a real impact on the reduction of poverty. According to the PRSP II Action Plan, in order to achieve any meaningful reduction in poverty, the country needs to grow in excess of 10 per cent annually.

386. Considerable progress has been made in implementing the current PRSP II despite the limited resources and the vulnerability of the economy to external shocks (food, fuel, and financial crises). However, challenges still remain and it is against this background that the Government has embarked on the development of a new national blueprint, PAGE. This new development plan in addition to consolidating the gains so far achieved will further aim at among others, accelerating growth and reducing unemployment; which is at the forefront of the Government's development agenda and will focus on key strategic areas with a view to scaling up investment to ensure that its core objectives are realized.

387. One of the many hurdles the Government will be confronted with in implementing PAGE is the level of Government public debt; which has been a major hindrance to reducing poverty and enhancing growth for years now. A lasting solution to this predicament would have to be developed and institutionalized to free up resources for the attainment of PAGE.

388. The Government, in its strive to attain the PAGE objectives, will focus its attention on the following strategies during 2012 – 2015:

- Maintaining macroeconomic stability
- Containing the domestic debt by initially reducing the pace of its growth and then adopting a mechanism to redeem the debt over a period of time
- Accelerating growth by investing in growth enhancing sectors and activities
- Creating employment with the investment decisions made particularly in agriculture which accounts for 70% of the total labour force
- Reducing the lending rate of the financial sector to spur domestic private investments in the real sector of the economy

389. **Fiscal Framework** The Government in recent years has made significant improvements in its management of public finances. The introduction of the IFMIS, has been quite a revelation, to the extent that up-to-the-minute reports on expenditure can be generated now to aid in policy analysis and formulation. The IFMIS has now been fully rolled-out from six piloted sites to thirty-one MDAs.

390. Nonetheless, the Government is faced with the challenge of a declining trend in its revenue receipts in recent years coupled with high spending way beyond the normal limits thus making effective implementation of policies more tasking. In a bid to overcome this challenge the Government will aim at limiting the recourse to overdrafts to 10 per cent of the previous year's tax revenue. Estimates suggest that fiscal sustainability would require a positive primary fiscal balance in the region of 1.5 to 2.0 per cent of GDP range compared to projections for 2010 of 0.1 per cent of GDP.

391. Policies have been instituted to address some of the fiscal challenges; the proposal to replace the existing sales taxes with a VAT with effect from 1<sup>st</sup> January 2013. The introduction of the VAT forms part of Government's tax reforms aimed at improving domestic resources mobilization and increased competitiveness.

392. In addition to the VAT, the Government is also in the advanced stages of introducing an MTEF and a more comprehensive PBB system, to replace the existing incremental line item budgeting process. These fiscal reforms will further enhance the linkages between sector objectives and strategies with the national budget.

**Table 17: Medium-Term Resource Envelope: D Millions**

REVENUES	2012	2013	2014	2015
<b>Revenue and Grants</b>	<b>5,771.3</b>	<b>7,551.1</b>	<b>8,621.9</b>	<b>9,514.8</b>
Domestic Revenue	4,613.9	6,023.5	6,806.9	7,487.6
Tax	4,042.7	5,395.2	6,115.8	6,727.4
Non-tax	571.2	628.3	691.1	760.2
Grants	1,157.4	1,527.6	1,815.0	2,027.2
<b>EXPENDITURES</b>				
<b>Expenditure and Net Lending</b>	<b>6,722.6</b>	<b>7,122.3</b>	<b>7,844.5</b>	<b>8,530.0</b>
Current Expenditure	5,230.5	5,373.9	5,885.9	6,551.9
Interest	960.8	991.4	1,023.5	1,125.8
Other Expenditure	4,269.7	4,382.5	4,862.4	5,426.1
Capital Expenditure	1,522.1	1,666.5	1,868.7	2,038.1
Net Lending	-30.0	81.9	89.9	-60.0
<b>OVERALL BALANCE</b>	<b>-951.3</b>	<b>428.8</b>	<b>777.4</b>	<b>984.8</b>

Source: MoFEA

393. **Monetary Policy.** Monetary policy has been designed to keep inflation in the low single digits. Correspondingly, this leads to low interest rates, which is necessary to spur investment. The challenge for the CBG is to improve liquidity management against a backdrop of Government plans to reduce the stock of outstanding treasury bills. Thus the CBG will have to develop new policy instruments (in addition to the open-market-

operations (OMO), reserve requirement, and interest rate) to manage liquidity.

394. The CBG has implemented significant financial sector reforms since the mid-1980s geared towards financial liberalization, institutional development, and enhancing the capacity of the financial sector. However, despite these reforms, the financial sector, though sound and stable, remains small and underdeveloped.

395. Another challenge for the CBG is to promote the development of a financial sector that contributes significantly to the economic development of The Gambia. The Central Bank to focus its efforts on financial sector broadening and deepening, to ensure that existing supervisory powers are reviewed and strengthened and to improve enforcement of current supervisory powers. The CBG will further strengthen its capacity for a proactive supervisory regime that will result in prompt intervention in cases of weak and insolvent financial institutions and in imposing penalties for non-compliance with regulations.

396. The business sector relies on the Central Bank to provide the right liquidity and credit conditions for successful conduct of business. The Central Bank will double its efforts to ensure that businesses are able to operate in an environment of low inflation, exchange rate stability and with a financial system that meets their needs.

397. **Real sector.** The restructuring of the groundnut sub sector that saw the adoption of better marketing strategies by GGC and the formation of the Gambia Transport Association assisted in improving the export of groundnuts and cashew nuts as well as other commodities to the sub-region and beyond.

398. The Government has put in place structures and strategies to militate against the reoccurrence of some of the policy lapses that ensued a few years ago. Agriculture being the largest employer in the economy has received a new lease of life in terms of Government commitment in meeting the Maputo Declaration of 10 per cent of domestic resources. Agriculture allocation in the 2011 budget is about 6 per cent of domestic resources. It is envisaged that during the PAGE period, the stated 10 per cent will be surpassed.

399. **External sector.** Overall deficit in the balance of payments is expected to narrow premised on an improvement in the capital and financial account and a contraction in the rate of growth of the current account deficit. In particular, as global economic activity starts picking up momentum, private capital inflows are expected to rebound moderately. Both official and private unrequited transfers are projected to grow moderately. By the end of 2011, current account deficit, including official transfers would have narrowed from about 12 per cent of GDP to 10 per cent of GDP.

400. The service sector, whose sub-sectors include tourism, trade and communication,



is economically the most important sector as it contributes over half of GDP (60.7 per cent in 2010). The tourism sub-sector is of particular importance as it alone accounts for 16% of GDP. Despite the current declining performance, strategies have been formulated to increase revenues in highly competitive international markets.

401. The country has lost considerable grounds to its neighbour in the area of transit and re-export trade. The establishment of GIEPA replacing the erstwhile (GIPFZA) would give the agency the extra drive in attracting investors and promoting exports. Nevertheless, the Government will have to strengthen its current institutions for the country to regain its competitive advantage.

402. The Gambian economy has performed well in recent years in spite of some of the hurdles the global economy has been confronted with lately, owing this performance to strong growth in agriculture and macroeconomic fundamentals. However, macroeconomic stability is a necessary but not a sufficient condition for the country to reach higher heights. In addition to the creation of strong institutions, the country needs to graduate from traditional subsistence farming to highly mechanized commercial farming and also value addition to its produce.

403. **Debt.** The Gambia has made great progress towards long-term external debt sustainability following debt relief received from both the HIPC and MDRI initiatives. The freed resources have enabled the Government to step up the implementation of its programmes. However, the country continues to require considerable loans to finance its development agenda. Thus, the country needs borrowing frameworks that will help it raise the required resources at optimal cost and reasonable risk so as not to revert to external debt overhang.

404. The country's current debt portfolio operates within the agreed IMF PRGF parameters. These agreed borrowing parameters include: a ceiling on additional annual borrowings, concessionality limit on new loans (i.e. a grant element of at least 35 per cent), and programme type - social sector and poverty reduction programmes. On guarantees and on-lending - Government will continue to assist local councils and public corporations to access finance through guarantees and on-lending and public private partnership arrangements. Domestic borrowings continue to serve a dual purpose for budgetary financing and monetary policy operations. The domestic debt portfolio primarily consists of treasury bills with maturities of a year or less and poses a huge refinancing risk for the Government.

405. In recent years, there has been an upsurge in domestic debt borrowing due to the credit crunch and the shortfall in aid flows. The increase in domestic debt is exacerbated by the ballooning of realized contingency liabilities, a build-up of supplier arrears, etc. This is worrisome as domestic debt, if not sufficiently addressed, could threaten the

country's total debt sustainability.

406. The Government will work towards increasing the borrowing space on both external and domestic fronts (Table 18). Increased external borrowing can be achieved by strengthening the institutions of debt and macro-economic management, with a view to improving the country's CPIA rating with a corresponding shift of the external debt sustainability thresholds. In the meantime, while continuing to source for external financing in the form of grants and highly concessional loans, the Government should take steps to elongate the tenor of domestic securities by restructuring the domestic debt focusing on the development of the domestic market starting with the introduction of a 2-year bond and in due course following it up with longer tenors up to 5 (or more) years. Initially this will involve switching some domestic borrowings from treasury bills issuance to longer-term bonds, and later, depending on the absorptive capacity and robustness of the domestic capital market, substituting external borrowings with long-term domestic securities.

**Table 18: Primary Benchmarks for Domestic Debt Sustainability Ratios (%)**

Item	Threshold	2012	2013	2014	2015
1. Debt service to revenue ratio	28 - 63	23	20	18	16
2. Debt to GDP ratio	20 - 25	72	71	70	68
3. Debt to revenue ratio	92 - 167	302	270	240	212

Item	2012	2013	2014	2015
1. Public debt/GDP ratio	54	48	43	38
2. External debt/GDP ratio	28	26	23	21
3. Domestic debt/GDP ratio	25	22	19	17
4. Interest/Revenue ratio	15	11	9	7
5. Debt service/Revenue ratio	21	17	14	11
6. External debt service to export ratio	17	16	15	13

Source: MoFEA

## 9.2 The macro model

407. The MoFEA has developed, tested and calibrated an “Operational Consistent Macroeconomic Accounting Spreadsheet Model” for the Gambian economy. The analytical framework is consistent with the basic concepts and interrelations under the UN System of National Accounts (UN-SNA) and the IMF Government Finance Statistics (GFS), Balance of Payments (BOP) Statistics and the Monetary-Financial Statistics (MFS). Thus, the model consists of five inter-related accounts as indicated below:

- Real Sector (National Accounts)
- Government Sector (Fiscal Account)
- External Sector (Balance of Payments Account)
- Monetary Sector (Monetary and Financial Account)
- External Debt

408. The basic structures of these sub-models and their interrelations are depicted in the form of a flow diagram in Box 9. The model ensures the compatibility and consistency between macroeconomic forecasts and fiscal and other projections through the standard macroeconomic identities and balance equations.

409. In brief, sectoral components of GDP are projected on the basis of secular growth rates observed in the past. Then, GDP at current market prices is taken as the leading factor to project major macroeconomic variables in various sub-models, and we estimate the elasticity of a variable with respect to GDP by fitting log-linear functions  $\log(Y_t) = \alpha + \beta \log(\text{GDPMP}_t)$ . The projected GDP growth rate and the observed elasticities of a variable in different sub-models are used to project the variables for the medium term. Finally, the standard identities are used to ensure macroeconomic consistency and inter-relations among the variables.

410. The model provides the base line macroeconomic framework and fiscal envelope for the preparation of the budget call circular. MPAU makes the forecast of the current year’s fiscal outcome at the end of the fiscal year on the basis of fiscal realization until the latest month, for which detailed data of the MPAU fiscal tables are available, and the average monthly seasonality factors obtained from the monthly data on the actual realization of different items of revenues and expenditures during the last five years. The current year’s projected fiscal outcome is taken as the base to prepare the fiscal projections for the next four years.

411. **Summary of model projections.** Our forecasts of key macroeconomic variables for the years 2012 - 2015 take into account the global and domestic developments in the current year 2011. In addition, our projections are based on the following presumptions:

The Gambia Government will continue with the prudent macroeconomic management and introduce second-generation public financial reforms.

VAT will be introduced by 2013, and planned reductions in corporate tax rate will continue.

Government will introduce the Medium Term Expenditure Framework by 2013.

There will be no weather shocks; and no other internal and external shocks, except volatile oil prices.

Tourists' arrivals and travel incomes would return to normal levels;

Remittances would continue to be buoyant;

Donors' support would continue at normal levels;

There will be no change in the real exchange rate of the Dalasi during the projection period, implying that the rate of depreciation will be limited to the difference between domestic inflation and the average inflation of the major trading partners of The Gambia.

## Chapter 10.COSTING AND FINANCING ARRANGEMENTS

### 10.1 Financial arrangements

412. Realizing that the current economic growth rate of 5 to 6 per cent is not sufficient to reduce poverty and generate employment significantly, PAGE targets are based on the optimistic scenario. The nature of growth will be constantly monitored to ensure that growth is generated by the masses, particularly the poor, thereby increasing employment and income for all.

413. The implementation of PAGE will require an important level of financial resources from the Government and the private sector as well as from the country's development partners. To be able to attract the required resources, the Government intends to strengthen its resource mobilization unit under the aegis of MOFEA and develop a comprehensive RMF. With respect to external financing, the Government is committed to mobilizing resources, in line with the principles of the Paris Declaration (PD). The preferred instruments for the delivery of the external financing would be general budget support, sector budget support, sector basket funding, and project aid. In addition, in line with the Paris Declaration on aid effectiveness, the Government will strengthen aid alignment and harmonization through thematic groups between development partners and the Government. These thematic groups would be expected to focus on the priorities of PAGE.

414. The private sector will also be strongly encouraged to finance the implementation of PAGE. To this end, the Government will facilitate the development of PPP projects, FDI, and new financial instruments. In addition, the financial system will be strengthened to increase national savings, which in turn will be used for implementation of PAGE.

415. The mobilization of these resources will require rigorous accountability and transparency, which the Government is committed to ensuring. In this context, it will develop an RMF that will go beyond a standard M&E tool since it will also look at the operational and institutional efficiencies of the Government in implementing projects and programmes. A four-level RMF has already been designed by the Government and will be finalized, in collaboration with development partners, in the first year of PAGE to ensure a high rate of results achievement.

416. **Resource mobilization:** The Gambia's main official development assistance comes in the form of; free standing technical cooperation, programmes, projects, budget support, balance of payments support, investment related technical support, food aid, and emergency assistance. For PAGE period, MoFEA with the support of development partners, would work on formulating and implementing a national aid policy for The Gambia and establish an aid management database/platform as well as consolidate on the

gains registered with regard to the Paris Declaration principles of aid / development effectiveness and the Accra Agenda Action Plan. A resource mobilization strategy will be developed and implemented to mobilize resources required for the effective implementation of PAGE. This will include the strengthening of the interface between Government and development partners.

417. **Costing:** - The total cost of implementing PAGE is 19.02 billion Dalasi equivalent to US\$651.52 million over the period 2012 - 2015. The Gambia Government will commit 35 per cent of this amount and the rest will be financed through loans, grants and private sector participation.

## 10.2 The Priority action plan

418. **Methodology.** The implementation of PAGE will be driven by the PAP and monitored by the RMF. The PAP compiles all the projects and programmes that support the five pillars of PAGE. It is also the link between PAGE and the Government's annual Budget.

419. The costing of PAGE has been done through the elaboration of the PAP. The PAP presents the set of prioritized projects and programmes with their individual costs. As indicated earlier, the PAP is derived on the basis of the pillars of the PAGE and is designed on a pluri-annual perspective. The PAP also takes into account the complementarity between the sectors of interest. It is also perfectly aligned with the development expenditure programme of the Government, and will also be fully aligned with the MTEF.

420. The main objectives of the PAP are to: design a global framework to translate the strategy into results, improve the coherency among ministries' activities, serve as a basis for planning and resources allocation with the aim to improve expenditure efficacy, and be a global monitoring and evaluation tool for the implementation of the PAGE. In addition, the PAP will serve as the main interface for resource mobilization.

421. The PAP is a four-year rolling development plan that will be updated annually. The different projects and programmes in the PAP are conceived by the ministries and sectors. For a project/programme to be included in the PAP it had to meet the following criteria: alignment with the priorities of the strategy, pertinence and contribution to the PAGE objectives, and absorptive capacity of the ministries in the past years.

422. The elaboration of the PAP followed a broad participatory approach with the main stakeholders (ministries, civil society, NGOs, development partners). The elaboration of the PAP was done following four main steps, namely: the identification of measures and priority reforms, the assessment of the on-going or new sector projects and programmes,

the assessment of the cost of each project and programme, and the selection and prioritization of actions based on likelihood to achieve PAGE objectives and resource availability.

423. **Identification of measures and priority reforms.** From the PAGE pillars, priority measures and reforms were identified. These measures and reforms are the first steps to allow achievement of the PAGE results. The main factors used in selecting these measures and reforms are: improving the overall sector, reinforcing capacity of the sector, allowing an improvement in the short and medium term of production conditions and population access to basic services.

424. **Assessment of the ongoing or new sector projects and programmes.** The programmes and projects of the PAP are the priorities of each PAGE pillar. The responsibility to implement a specific strategy may rest upon one or several ministries. The projects and programmes were then aligned to the PAGE pillars. In addition, each ministry has defined its priority using a project/programme-based approach.

425. **Assessment of the cost of each projects and programme.** At this stage, a detailed assessment of the need of each ministry was done. For ministries with an elaborated cost estimating model for MDG achievements, the costing of the PAP is based on the analysis of the unit cost for each project. For the ministries without costing models, the projects' estimations were done on the basis of the past and ongoing projects and the experience of the experts.

426. **Final selection and finalization.** The proposals of all ministries were compiled and comprehensively analyzed. The overarching aim in undertaking this exercise was to ensure that the total cost of PAGE is sustainable and compatible with the macroeconomic framework. Based on the recommendations of the PAGE core team, the sectors thereafter revised their project submissions such that the total cost matched at least the optimistic scenario of the macroeconomic framework.

## Chapter 11. IMPLEMENTATION AND M & E PROCESS

### 11.1. Implementation and management arrangements

427. The Government realizes that the most critical element of any planning process is its implementation. Considerable time, energy, and resources have been spent on the information gathering process, its analysis, on the evaluation framework and in writing PAGE. There is a need now to transform this process from planning into development and action. This will be more complex as all the sectors will be required to collaborate and cooperate in order to fulfil the goals, objectives and strategies encompassed within the document

428. In developing PAGE, thought and effort have gone into the how and who will be involved in its implementation. It has been recognized, from experience, that a planning process without a methodology and concept for implementation will be unlikely to succeed.

429. There are several elements of a successful implementation process. These include:

- Strong leadership in coordination and planning
- A clearly defined responsibility and accountability framework for every stakeholder group in the public and private sectors
- An all-inclusive senior level committee to provide guidance and insight
- An effective “hands on” coordinating team
- A means to engage all sectors within Government
- An effective communications strategy and plan
- A comprehensive monitoring and evaluation framework

430. **Responsibility and accountability.** Such a planning process, as that encompassing PAGE, entails many components of responsibility and as many forms of accountability. There is the responsibility of the politicians in ensuring that PAGE is completed and implemented in a credible and timely manner. There is the same for the most senior levels of management, the Permanent Secretaries, in ensuring that the activities agreed are carried out and that their employees have the authorization and permission to fulfil the obligations of their sectors and the overall plan. Then, there is the responsibility of all Government employees to contribute in any way that they can. All in some way, are accountable for its success.

431. Only through such an inclusive sharing of both responsibility and accountability can the transformation envisioned in PAGE and Vision 2020 be realized. To activate this process and enable it will require that a structure, communications mechanism and proper authorizations are put in place.



432. **National Coordination Committee.** The Permanent Secretaries in each sector have the responsibility to oversee the actions required to complete the aspects of the agreed five pillars of actions in PAGE. They collectively have the overall responsibility to ensure that the objectives of PAGE are achieved. The private sector and the NGOs/CSOs have a crucial role in the effective implementation and attainment of the objectives of PAGE. Therefore an NCC chaired by the Secretary General and Head of the Civil Service and comprising of Permanent Secretaries, Statistician General of GBoS, TANGO with one member, and Gambia Chamber of Commerce with one member would be created. While the NCC is not expected to be engaged in a hands-on fashion with the implementation, it will ensure that the process of implementation is progressing and that any impediments are removed to ensure that it is functioning effectively. The NCC will meet on a quarterly basis and will report on a regular basis to HILEC of Cabinet that will meet at least bi-annually to discuss PAGE related issues.

433. **National Implementation Team.** The National Implementation Team will be established and will be comprise of senior staff members across all sectors (five to ten people maximum), with the knowledge and capabilities to ensure that the planning process is followed, yearly action plans are completed, and the overall process is evaluated on a continuous basis. They will identify critical areas for action, impediments to the smooth flow of implementation, and will manage the overall communications basis. They have ultimate responsibility for the overall hands-on activities outlined in PAGE and to ensure that a comprehensive monitoring and evaluation process is in place and carried out. They will ensure that the NCC is informed on a regular basis.

434. **Sector Teams.** There is a necessity that in each sector someone be responsible for the implementation, monitoring and evaluation of the progress of PAGE and to ensure that the sectors contributions are clearly defined and implemented. She/he will lead a small team of three staff members and will serve as the main liaison with the Implementation Coordinating Committee and within and throughout their sector. They will perform a facilitating and monitoring role ensuring the responsibilities of their sector is carried out in an orderly and timely fashion. They will facilitate the development of the sector's year-by-year action plan and guarantee that it is completed and that it fits with the overall PAGE year-by-year action plan.

435. **Ministry of Finance and Economic Affairs.** MoFEA has been charged with the responsibility of creating PAGE and it would continue carrying out the coordinating, monitoring and evaluating roles for PAGE. MoFEA, therefore will have the responsibility to identify key areas for action, the support necessary and available, and for the clarification of any policy issues that may require attention.

436. **All sectors.** Each sector with its development partners have roles to play in ensuring that the overall goals, objectives, and strategies of PAGE are realized and that implementation actions pertinent to their sector are completed in a timely fashion. They

also need to authorize the appointment of a sector team, as outlined above, with the authority to act on behalf of the sector and liaise regularly with the National Implementation Team. Ultimately the sectors will have responsibility to provide information, resources and to complete the programs and projects specified in PAGE.

437. **Community participation.** The Government recognizes that the PAGE requires not only resources and action by Government, but its scope necessitates the engagement and participation of the communities and people of The Gambia to be a success. The development of PAGE was an inclusive process and thus its implementation will be no less.

438. The Government will use the Technical Advisory Committees (TACs) and other existing structures as community implementation teams at the decentralized levels to monitor and supervise project closest to the community.

439. **Key reforms.** The Government is aware that any planning process requires many transitions as plans are developed and implemented. As transformations take place during plans implementation and innovations take root, many changes will be necessitated in policies, work practices and even some Government structures may require renewal and realignment. The Government will continue to strengthen and establish planning units in all ministries, agencies and LGAs. They will be responsible for evidence-based planning, monitoring, and implementation of development interventions at sectoral and regional levels.

440. **Capacity building.** There are a multitude of capacity building needs and requirements that have been identified during the PAGE preparation process. There is little doubt that capacity building is a critical and immediate necessity in most facets of Government administration, but priority will be given to the capacity requirements to implement PAGE. There are many who have a basis of knowledge in the process of information gathering and planning. There are many who understand the concept of implementation. Overall Government recognized by that there are weaknesses throughout the methodologies and processes required to move from planning to action and how to maintain the momentum for transitional change.

441. The Government's capacity building efforts will be in inculcating awareness and understanding of the necessity and practicalities of an overall strategic approach to development through systematic and evolving action. An overall capacity building program throughout the public service will be beneficial not only for the implementation of PAGE but for the future economic development of the country. It is also apparent that developing and delivering these capacities necessitates a comprehensive and cohesive education programme. Enhancing awareness and understanding and the creation of enabling environments are prerequisites for mainstreaming of cross-cutting issues such as

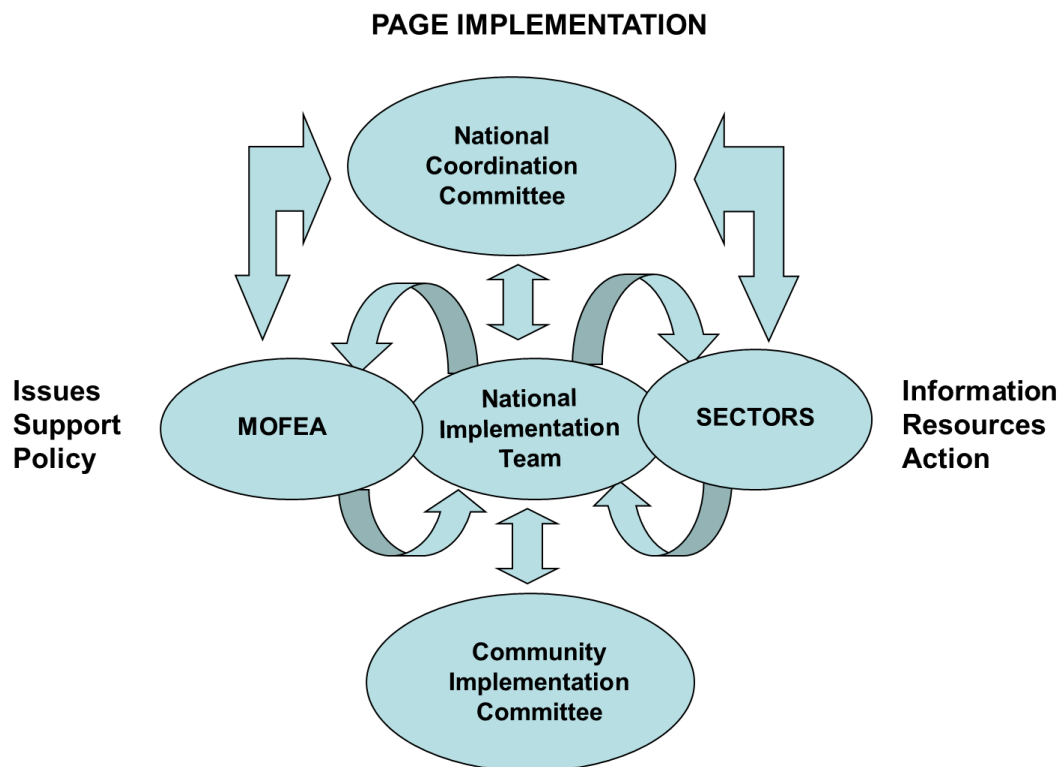
climate change, gender, and environment sustainability into the national development frameworks of the country.

442. **Communications.** It is evident to the Government that the implementation of any development plan requires effective communications and efficient mechanisms and processes. This is an imperative for the implementation of PAGE, because of its focus and the requirement of targeted interventions through shared responsibility for its completion. There is a necessity for all those directly and indirectly involved to be aware of the progress being made and the impediments and constraints that have to be addressed. This will require an effective means to allow the sharing of information, mobilizing everybody's energy, and curbing negative attitudes that will impact on PAGE results.

443. There are many tools that can facilitate this information flow. One being developed and tested by the PMO, which has a lot of promise, is the Balanced Scorecard (BSC). The BSC is a strategic planning and management system used to align institutional activities with the vision, mission, and strategy of the institution, improve internal and external communications, and monitor institutional performance against strategic goals.

444. This is only one tool among others. Tools are only valuable if they are understood by all who will use them. They are only effective if they are part of an agreed communications plan to which all are committed to use. The information within the tools needs to be current and utilized on a regular basis; otherwise real communications will not happen and stresses will appear as people feel out of touch.

445. The diagram below outlines the kind of linkages and communication flows that will be required in order for PAGE to be effective in carrying out the transformations required for economic growth and employment.



## 11.2. Monitoring and evaluation strategy

446. The Government in the process of developing its National Development Plan entitled the Programme for Accelerated Growth and Employment recognized the importance of integrating in it a rigorous M&E strategy. PAGE mainly outlines Government's priorities especially on aspects of economic growth and employment for the period January 2012 to December 2015 and therefore the need for continuous measurement of its performance in realizing the stated outcome targets.

447. This strategy will therefore emphasize results measurement, data analysis and reporting needs to facilitate monitoring and evaluation of PAGE. The strategy outlines indicators which will be used to measure performance outputs and results achievements against targets. It will be the basis for generating key benchmarks in assessment of immediate results and long term effects (impact evaluation) of the National Development Plan.

448. Monitoring and evaluation techniques are meant to measure whether PAGE is implemented as planned and how successfully it achieves its intended results. The M&E framework describes how inputs and activities will result in outputs and outcomes to be delivered by programmes as articulated in the National Development Strategy.

449. Monitoring is the continuous assessment of the implementation of an activity. It seeks to establish if inputs, processes (activities conducted and their quality), and outputs are being coordinated according to plans and schedules. Evaluation, on the other hand, is a process that attempts to determine as systematically and objectively as possible the relevance, effectiveness, efficiency, sustainability and impact of activities in light of specified objectives. It aims to answer specific management questions, to judge the overall value of an intervention and provide lessons learnt to improve future actions, planning, and decision making.

450. To be able to document if the PAGE interventions are having any positive influence on the lives and livelihoods of the citizenry, then it is extremely important that we measure development performance at the outcome and impact levels. Without good information on what has happened, a focus on tracking results would be impossible. For reliable information, it is important to recognize that one requires monitoring of progress in accordance with objectives and indicators, along with evaluation that can look at broader considerations.

451. Implementing an outcome focus represents a fundamental shift in the nature of thinking, acting, and managing within the public sector, away from a focus on process and on what one needs to do, to a focus on benefits. This, in turn, has implications for many other aspects of management for example, to existing accountability and reward mechanisms, as well as the manner in which the Government relates to its citizens.

452. The current M&E arrangements in the country are weak with very few sectors having M&E, Statistics or Planning Units. This obviously led to fragmentation; duplication and lack of clarity in the results chain and poor reporting of outcomes and results. Over the years, efforts have been made to develop M&E strategies in some sectors but are yet to be institutionalized to influence M&E issues within the public sector. The lack of such M&E systems has led to over reliance on GBoS for reliable data stretching them beyond their capacity.

453. In recognition of the relevance of M&E, the strategy will help in establishing an integrated results-based system that would facilitate the implementation of the National Development Plan as well as the evaluation of its impacts.

454. **Objectives of the M&E strategy.** The strategy will enhance the establishment of functional M&E system and procedures to guide the implementation of PAGE. It is meant to achieve the following objectives:

- Measurement of results on outputs, outcomes, and impact of PAGE
- Performance monitoring for adherence to implementation rules and procedures
- Sharing of information for informed policy decisions

- Establishment of appropriate infrastructure for an effective M&E System
- Institutionalization of participatory M&E practices
- Strengthening of transparency and accountability on public programmes
- Provide sustained technical support and training in M&E

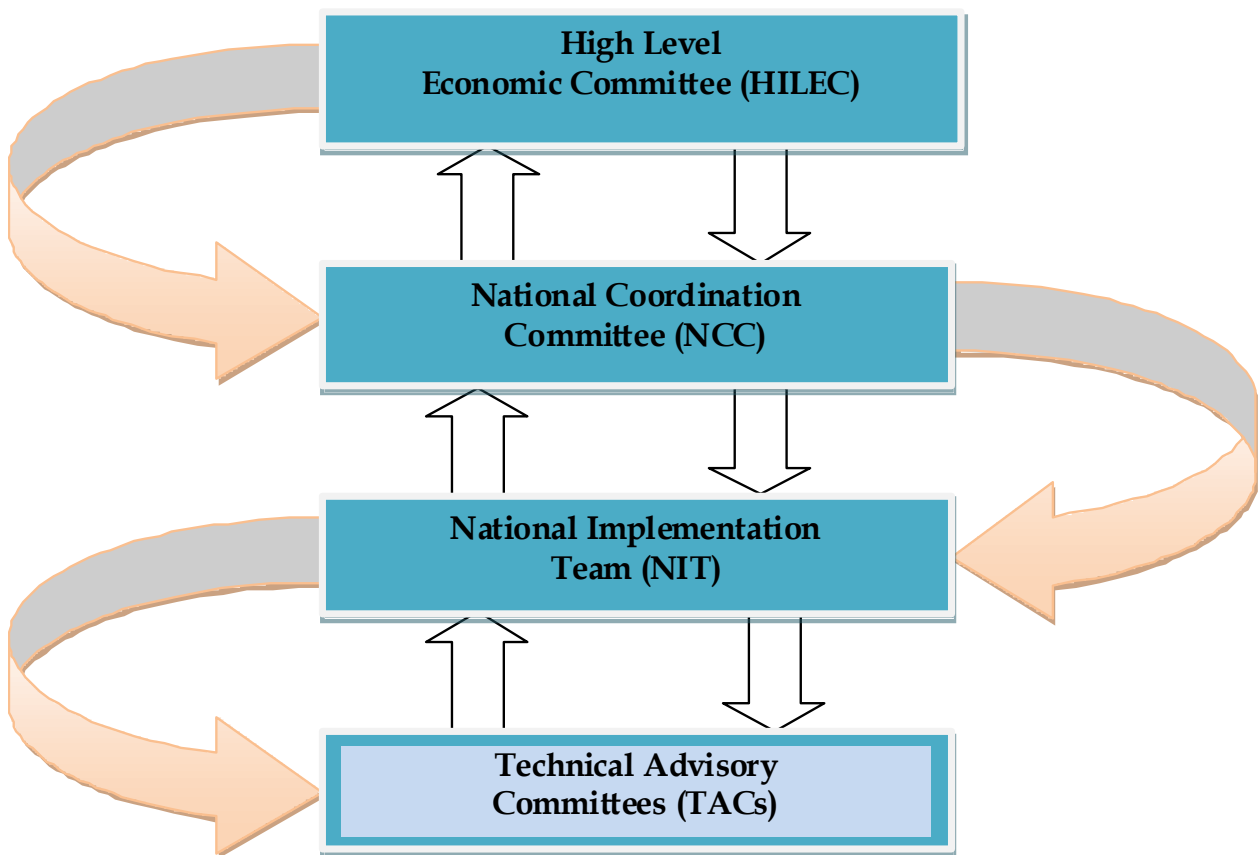
455. **Monitoring and evaluation strategies:** As part of the monitoring and evaluation strategies of PAGE, an RMF will be institutionalized. The monitoring strategy is designed for two main purposes. First, to monitor progress made in economic growth and employment in order to continually inform key agents involved in the process. In this way, the design and implementation strategies can be continually modified to build on what works, and to avoid repeating mistakes. Second, the strategy will help to build accountability where targets are set, the Government will be expected to account for its successes or failures in achieving them, though it should be understood that these successes and failures sometimes depend on factors outside Government's control.

456. Monitoring will be based on the various indicators set out under the PAGE Results Framework. PAGE activities will be monitored at all levels - national and regional. At the local and regional levels the context of decentralization, as elaborated in the Local Government Act, will be critical in ensuring that local communities and civil society organizations are able to monitor PAGE activities. In this respect, LGAs will create an enabling environment for local participation, where communities have access to information, a space for systematically engaging area councils, and can acquire the resources they need.

457. Preparation of annual work and activity plans by sectors is an integral part of this strategy. These are meant to carve out certain short-term strategies geared towards the realization of national development goals and objectives as entailed in PAGE and Vision 2020. In an effort to continuously assess PAGE progress, the Government will continue to organize annual progress reviews to determine implementation status. These reviews will be part of the various monitoring and evaluation mechanisms of the various sectors and the process will continue to include all relevant stakeholders and development partners.

458. Beside the proposed APRs, the Government would also consider conducting comprehensive independent mid-term and final external evaluations of the National Development Plan. Such evaluations will involve all the sectors, relevant stakeholders, and our development partners. It would be an opportunity to provide a clear picture of our progress in terms of realizing the targets we set ourselves and draw out major conclusions for future similar plans.

459. **Institutional arrangements** The M&E system will be facilitated within tripartite institutional arrangement as illustrated below:



460. Day-to-day coordination, monitoring and evaluation of the process will rest with MOFEA through the National Implementation Team. The overall management will be through the National Coordination Committee who will report to the High Level Economic Committee.

461. In view of the involvement of a multiplicity of stakeholders in implementation, there is a need to coordinate these activities to ensure complementarities and avoid duplication. Thus training of staff from Government units and civil society organizations in M & E, and participatory monitoring techniques and methodologies will be embarked upon. Training on participatory methods will include participatory budgeting, service delivery monitoring, and macro-level policy dialogue and will target both the staff of formal institutions and community members.

### 11.3. The Result Measurement Framework: Going beyond the standard M&E

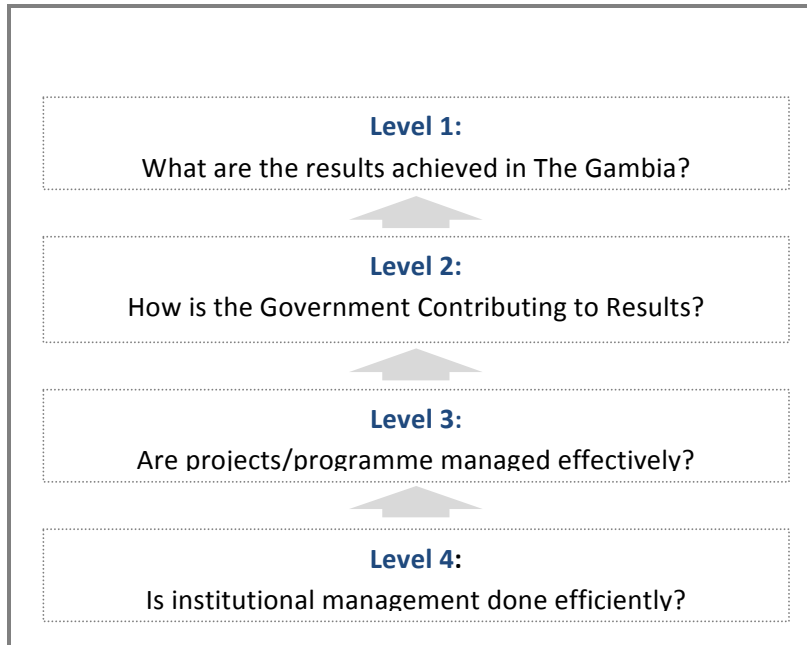
462. The Government is committed to strengthening the achievement of development results during the implementation of PAGE and to report more systematically on its contribution. To achieve this commitment, the Government designed an RMF for the implementation of PAGE. The RMF goes beyond the standard monitoring and evaluation process by identifying and monitoring the causes of success or failure of the implementation of PAGE. This will help to address the main issues of PAGE implementation and increase the chance of success.

463. The RMF, which will support the implementation of the Government poverty reduction programme, aims to ensure that The Gambia meets its goals during 2012 - 2015. The RMF is a powerful tool to measure the country's institutional performance and improve its accountability to its stakeholders. Hence, the RMF will help the Government implement its strategy, identify areas where challenges remain, and draw attention to areas where remedial action is needed. It assesses progress at four different levels (Fig. 6):

- Level 1: Development results in The Gambia
- Level 2: The Government's contributions to development results
- Level 3: The Gambia's operational effectiveness
- Level 4: The Gambia's institutional efficiency

464. The two first levels represent the standard M&E process, as described above. These levels are monitoring the output and outcome indicators of the programme. These levels allow to assess the achievement or not of PAGE. However, the assessment of the capacity of the Government to implement the PAGE is not monitored. Since the failure or success of PAGE depends mainly of the capacity of the implementing agency (Government), it is then crucial to monitor their quality. This is the main role of the two remaining levels of the RMF. These levels monitor the operational and institutional efficiency and efficacy of the Government to implement PAGE. The next sections describe in greater detail how progress is measured for each of these four levels.



**Figure 6: The Results Measurement Framework**

465. **Level 1: What are the results achieved in The Gambia?** Level 1 of the results measurement framework monitors country progress towards the poverty reduction and development goals that PAGE plans to achieve. This will be done by tracking a reduced number of indicators in four key strategic areas (Table 19):

- Economic growth and poverty reduction
- Private sector development and investment climate
- Infrastructure development
- Social protection and human development

**Table 19: Indicators for Development Results (Level 1)**

INDICATORS	BASELINE		TARGET	
	Year	Value	Year	Value
<b>Growth and Poverty Reduction</b>				
GDP per capita	(2000 constant USD)	2010		
Poverty incidence	(%)	2010		
Population living below \$1/day (PPP)	(%)	2010		
<b>Private Sector Development and Investment Climate</b>				
Cost required for business start-up	(% of GNI per capita)	2010		
Time required for business start-up	(days)	2010		
Global competitiveness index ranking	(1 to 7)	2010		
<b>Infrastructure Development</b>				
Access to improved water source	(% population)	2010		
Access to improved sanitation facilities <sup>†</sup>	(%population)	2010		
Access to all-season roads	(% of rural population)	2010		
Electricity consumption per capita	(Watts per capita)	2010		
Fixed lines & mobile phone subscribers	(per 1,000)	2010		
Internet users	(per 1,000)	2010		
<b>Social Protection &amp; Human Development</b>				
Under-five child mortality	(per 1,000 live births)	2010		
Ratio of girls to boys in primary and secondary school	(%)	2010		
Primary school completion rate	(%)	2010		
Employment to population gender indicator <sup>†</sup>	(Index)	2010		

Source:

466. **Level 2: How is the Government contributing to results?** The Government, with the support of its development partners, contributes to development results by implementing development projects and programmes that respond to the country's needs. It is first and foremost accountable for progress made in achieving development results. The contribution of the Government will be assessed through the outputs and outcomes of the projects and programmes (fully financed by the Government or with donor contribution).

467. In order to systematically track and report on the Government's contribution to development results, the measure of achievements in the main sectors will be tracked during the implementation of PAGE. Table 20 provides the structure of indicators that would be tracked during the implementation of PAGE. This table matches the standard M&E set of indicators to ensure the implementation of the programme.

**Table 20: Achievement of the Government (Level 2)**

<b>CORE SECTOR INDICATORS</b>	<b>Baseline 2010</b>	<b>Midterm 2013</b>	<b>Target 2015</b>
<b>PILLAR 1: ACCELERATING AND SUSTAINING ECONOMIC GROWTH</b>			
Main outcome statement:			
Outcome indicator 1			
Outcome indicator 2			
<b>1.1 Economic framework</b>			
Output indicator 1:			
Output indicator 2:			
<b>1.2 Source of Growth</b>			
Output indicator 1:			
Output indicator 2:			
<b>1.3. Improving competitiveness</b>			
Output indicator 1:			
Output indicator 2:			
<b>PILLAR 2: IMPROVING AND MODERNIZING INFRASTRUCTURE</b>			
Main outcome statement:			
Outcome indicator 1			
Outcome indicator 2			
<b>2.1 Transport sector</b>			
Output indicator 1:			
Output indicator 2:			
<b>2.2 Energy sector</b>			
Output indicator 1:			
Output indicator 2:			
<b>2.4. ICT</b>			
Output indicator 1:			
Output indicator 2:			
<b>PILLAR 3: HUMAN CAPITAL STOCK TO ENHANCE EMPLOYMENT OPPORTUNITIES</b>			
Main outcome statement:			
Outcome indicator 1			
Outcome indicator 2			
<b>3.1. Education sector</b>			
Output indicator 1:			
Output indicator 2:			
<b>3.2. Health sector</b>			
Output indicator 1:			
Output indicator 2:			
<b>3.3. Water and Sanitation</b>			
Output indicator 1:			
Output indicator 2:			
<b>3.4.. Better employment opportunities</b>			

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 Output indicator 1:
 

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 Output indicator 2:
 

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**3.5. Education and Job market**


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 Output indicator 1:
 

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 Output indicator 2:
 

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**PILLAR 4:IMPROVING GOVERNANCE AND FIGHTING CORRUPTION**


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 Main outcome statement:
 

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 Outcome indicator 1
 

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 Outcome indicator 2
 

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**4.1. Strengthening governance in the public service**


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 Output indicator 1:
 

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 Output indicator 2:
 

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**4.2. Local Government and decentralization**


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 Output indicator 1:
 

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 Output indicator 2:
 

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**4.3. Local Use Planning**


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 Output indicator 1:
 

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 Output indicator 2:
 

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**4.4. Public Financial management**


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 Output indicator 1:
 

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 Output indicator 2:
 

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**4.5. Government Institution and fighting corruption**


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 Output indicator 1:
 

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 Output indicator 2:
 

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**PILLAR 5: REINFORCING SOCIAL COHESION AND CROSS-CUTTING INTERVENTION**


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 Main outcome statement:
 

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 Outcome indicator 1
 

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 Outcome indicator 2
 

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**5.3. Social protection**


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 Output indicator 1:
 

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 Output indicator 2:
 

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**5.4. Food security**


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 Output indicator 1:
 

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 Output indicator 2:
 

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**5.5. Gender equality and women empowerment**


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 Output indicator 1:
 

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 Output indicator 2:
 

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**5.6. Environment, disaster risk reduction and climate change**


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 Output indicator 1:
 

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 Output indicator 2:
 

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**5.7. Nutrition**


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 Output indicator 1:
 

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 Output indicator 2:
 

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**5.8. Sound population management**


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 Output indicator 1:
 

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 Output indicator 2:
 

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468. **Level 3: Are projects / programmes managed effectively?** The quality and effectiveness of the Government's strategies and projects has a direct bearing on the success and impact of its development agenda and results achieved. In order to gauge the Government's operational effectiveness on its projects and programmes, Level 3 of the results measurement framework examines performance in five key areas (see Table 21 below).

**Table 21: Indicators for operational effectiveness (Level 3)**

INDICATORS	Baseline	Target	Baseline	Target
	2010	2015	2010	2015
<b>Ensuring Quality-At-Entry for projects and programmes</b>				
Sector strategies approved		(%)		
Projects with output and outcome indicators		(%)		
Projects approved with Logical framework		(%)		
Elapsed time from approval to 1 <sup>st</sup> disbursement		(months)		
<b>Portfolio Performance</b>				
Projects supervised twice a year		(%)		
Disbursement rate of ongoing portfolio		(%)		
<b>Paris Declaration Indicators of effective aid</b>				
Development resources recorded on budget <sup>†</sup>		(%)		
Predictable disbursements <sup>†</sup>		(%)		

Source:

469. **Level 4: Is institutional management done efficiently?** The Government's ability to support its projects and programmes through improved service delivery and best use of human resources underpins its institutional effectiveness (Level 4). Organizationally, there are two challenges: human resources and business processes and practices (Table 22).

**Table 22: Indicators for institutional effectiveness (Level 4)**

INDICATORS	BASELINE	TARGET
	2010	2015
<b>Human Resources</b>		
Staff premature attrition rate	(%)	
Share of women in professional staff	(%)	
Vacancy rate	(%)	
Operational professional staff	(%)	
<b>Business Processes and Practices</b>		
Lapse of time for bidding completion	(months)	
Administrative costs per D 1 million disbursed	(D thousands)	

Source:

470. **Finalization of the RMF.** The finalization of the RMF will be done by the first semester in 2012.

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## CONCLUSION

471. The broad participatory design of PAGE 2012-2015 has allowed the programme to act as a summary of The Gambia's sectoral policies. It is the only interface document for discussions between the Government of The Gambia and its development partners.

472. The success of PAGE's implementation will depend on the extent to which national stakeholders take ownership of the programme and the extent to which development partners support it. For that reason, the Government has taken actions to ensure that the public service, local Government, communities, the private sector, and civil society take ownership of the programme. The Government is committed to mobilizing resources in a timely manner and using them adequately. It is also committed to strengthening institutional and human capacity in central and local structures, to better monitor PAGE's implementation.

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## **Annexes**

Programme for Accelerated Growth and Employment (PAGE) 2012 – 2015 Priority Action Plan

Programme for Accelerated Growth and Employment (PAGE) 2012 – 2015 Monitoring and Evaluation Framework

Programme for Accelerated Growth and Employment (PAGE) 2012 – 2015 Capacity Building Plan

Special Investment Areas for the Programme for Accelerated Growth and Employment (PAGE) 2012 – 2015

### Special Investment Areas for the Programme for Accelerated Growth and Employment (PAGE) 2012 – 2015

STRATEGIC FOCUS	INVESTMENT AREA
<b>Agriculture</b>	Land preparation and irrigation systems Livestock and horticulture Cold storage plants and other storage facilities
<b>Fishing</b>	Aquaculture Fish processing plants
<b>Industry</b>	Agro- processing plants
<b>Utilities</b>	Generation, transmission and distribution of electricity
<b>Petroleum</b>	Exploration and drilling
<b>Services</b>	
Health	Specialist and tertiary healthcare facilities
Transport	River transport Coastal Shipping Strategic alliances with the Gambia Ports Authority

The above matrix is a summary of the special investments critical to the successful implementation of the PAGE 2012-2015. It is based on the strategies proposed by the respective sectors of the Gambian economy and highlights the activities for which public – private partnerships are being sought.

