



Canadian International
Development Agency

Agence canadienne de
développement international

MALI

COUNTRY STRATEGY

(Effective as of 2009)

CIDA reviews all country strategies periodically and may revise them to reflect changing priorities or circumstances in countries.

Canadian International Development Agency
200 Promenade du Portage
Gatineau, Quebec
K1A 0G4

Tel: (819) 997-5006

Toll free: 1-800-230-6349

Fax: (819) 953-6088

(For the hearing and speech impaired only (TDD/TTY): (819) 953-5023

Toll free for the hearing and speech impaired only: 1-800-331-5018)

E-mail: info@acdi-cida.gc.ca

Canada 

1. Mali Development context

- Mali is one of the poorest and least developed countries in the world (168th out of 177, UNDP HDI 2008). Total population is 12.3 million; 51 per cent of Malians live on less than \$1.25 a day; women are most affected by poverty (ISD/GDI of 146 among 177 countries). 68 per cent of the population is under 25 years old. Total official development assistance to Mali in 2006 was 15 per cent of gross national income.
- In 2007, the value of Malian goods imported to Canada was only \$0.46 million, while the value of Canadian exports to Mali was \$7.8 million (machinery and equipment). Canadian gold mining company assets in Mali currently total \$293 million.
- Mali elected its first democratic government in 1991. A stable country, Mali is considered a model of democracy in the region. However, in northern Mali, where 1 per cent of the population lives, insecurity created by the Tuareg rebellion and *Al-Qaeda in Islamic Maghreb* activities are a destabilizing, although limited factor. Human rights are generally well respected in Mali.
- Several social and public sector reforms have been implemented since the mid-nineties and have resulted in improvements in public financial management, in external controls, in decentralisation, and in the administration of justice.
- Transparency International's Corruption Perception Index ranked Mali 96th out of 180 countries in 2008. Over the last few years, the Government of Mali (GoM) has taken positive steps to address corruption by launching a series of forums and consultations that are expected to result in an action plan to address specific corruption issues and land ownership. The GoM also held a national forum on education and a major constitutional reform is in progress. The local elections that took place in April 2009 were deemed fair.
- The GoM has made efforts to keep prices for food and energy at appropriate levels for the population. GoM quickly put in place measures to boost the agricultural production to avoid social unrest in urban centers (e.g. the "Rice Initiative").
- Financial and economic crisis: In the short term, Mali will experience minor financial and economic shocks mainly because its financial system is only slightly integrated with the world system and its main export commodity, gold, maintains export revenues. Annual economic growth averaged 5.1 per cent between 2002 and 2008. The IMF's forecast for 2009 is 4.5 per cent growth. A decrease in remittances would likely have the largest impact. The GoM has put in place an economic crisis committee and a financial monitoring unit.
- Mali has untapped economic potential in agriculture, which employs 70 per cent of the labour force; as such, irrigated agriculture initiatives could have a meaningful impact on poverty reduction. Mali also has some potential in gold mining and, in the much longer term, in oil extraction.
- MDGs: If efforts are maintained or increased, Mali is on track to ensure food security (one of the targets under MDG 1), to achieve universal primary education (MDG 2), and to provide safe drinking water (one of the 4 targets under MDG 7). However, the 3 per cent annual population growth is threatening progress in terms of poverty reduction.
- Aid effectiveness context: In 2008, donors demonstrated their willingness to work together and harmonize development efforts via the Joint Assistance Strategy (JAS), which aims to improve the effectiveness of support to the PRSP by 2011, through an adequate division of labour. Therefore, sectors where Canada is absent are covered by other donors, for instance: Infrastructure (USAID, WB, AfDB, EC), Environment (Germany, USAID, UNDP), Private Sector other than Agriculture (France, WB, AfDB, EC), Water and Sanitation (Germany, Danish, WB), HIV/AIDS (UNAIDS, USAID, Germany), Tourism and Culture (France, Switzerland, USAID), Vocational Training and Employment (France, USAID, WB, UNIDO).

2. Mali priority needs and Canada's value added

- **The main objectives of Mali's second PRSP:** (2007-2011) are to ensure sustainable economic growth and to significantly reduce poverty (from 68.3 per cent in 2001 to 51.2 per cent in 2011). The strategy, developed in a participatory manner with Malian civil society, has been translated into national plans for health, education, public sector reform, justice reform, public sector management and financial management reform.
- **Governance:** With Canada's support, major reforms in the areas of justice, public sector management and financial management are being implemented and are enhancing the effectiveness and transparency of government institutions, while also strengthening their accountability. For example, Canada is strengthening national capacities for the collection of tax revenues, the reinforcement of external control institutions and

Mali Country Strategy 2009

the modernization of the justice system. With the help of Canadian experts, Canada's model of the Office of the Auditor General is being replicated in Mali. Through such interventions, Canada is strengthening the government's systems, thereby ensuring that demonstrable and sustainable results can be achieved in sectors such as education, health and agriculture.

- **Human Development:** Mali has higher rates of infant and maternal mortality, disease and malnutrition than most countries in sub-Saharan Africa. Canadian support, which provides a specific expertise and is built on an in-depth knowledge of the Malian context, will be essential, particularly to address girls' education, training for teachers and front-line health workers under the Africa Health System Initiative (GoC G8 commitment), and services provided by the education and health systems. Canada's trademark investments in the supply of textbooks as well as in the improved training for teachers and health workers have clearly contributed to the improvement of human development indicators.
- **Economic Growth and Sustainability:** Due to its limited exposure to the world trade system, Mali has only been marginally affected by the economic crisis to date. However, the country faces persistent structural problems that could be exacerbated by the economic crisis. Mali needs to modernize and intensify its agricultural practices, including looking at irrigation possibilities provided by the country's large rivers. Canada's expertise in the commercialization of food products and microcredit is having a positive impact on Mali's economy.
- **Stability and Security:** Mali's northern regions, which are the poorest and which have the worst social indicators, need to be closely monitored. The GoM has taken steps to address national inequalities by implementing targeted initiatives in health and education, some of which receive Canada's support. However, the northern regions remain unstable due to the Tuareg rebellion and *Al-Qaeda in Islamic Maghreb* activities.
- **Whole-of-government plan:** In addition to CIDA, Canadian presence in Mali includes DFAIT, which has several peace and security initiatives (such as the Peacekeeping school, supported by DFAIT's Global Peace and Security Fund) and National Defense, which is implementing the Military Training Assistance Program. Canadian private sector investments in Mali are concentrated in the mining sector (gold).

3. Strategic Direction

- The programming strategy for **2008/09** focused on: (1) Development of social services – support to health systems (increasing access to maternal and child care, and vaccination), quality basic education (providing textbooks and teacher training with a view to increasing gross enrollment rate at primary school and providing quality education); (2) Economic growth – scale up of agriculture, including water management (irrigation) and microfinance to increase food production and commercialization; and (3) Governance – support of accountable public institutions, political freedom and democracy, resulting in more efficient, transparent and representative public services, mainly in the health, education and agriculture sectors.
- The programming strategy for 2009/10 focuses on the following two priority themes: children and youth (education and health), and food security (agriculture). The crosscutting themes are gender and environment. An increased investment in the food security area (agriculture) is planned (from 8 per cent of the Mali program's total budget in 2008/09 to 24 per cent in 2009/10). Such investment is strongly encouraged by the GoM in response to the food and economic crises. It will build on the economic potential of agricultural irrigation initiatives as a way of fighting rural poverty and reducing food insecurity. New initiatives in the coming year will represent the following proportion of the Mali program's budget: 51.5 per cent children and youth, 43.5 per cent food security, and 8 per cent other (governance). Concentrating on these priority areas will allow Canada to be a responsible and front-line responder to the problems currently facing Mali.
- This programming strategy is closely aligned with Mali's PRSP (strengthened social sector, food security/agriculture, structural reforms), and aims to respect the division of labour established in the Joint Assistance Strategy. The choice of sub-sectors is informed by the recommendations of the 2007 Program Evaluation, Mali's needs, shared Canadian and Malian priorities, and Canada's value-added. This strategy is the result of continued consultations with the GoM, donors, as well as Malian and Canadian civil society organizations, particularly through the harmonization mechanisms
- **Children and Youth:** CIDA is involved in the health and education sub-sectors mainly because a large percentage of the population still does not have access to these basic services. CIDA's interventions in education particularly benefit children through quality basic education (Education for All). Children and women benefit through better access to health services, as 80 per cent of the health services in Mali are

Mali Country Strategy 2009

directed to them. CIDA's investments in the education sector will increase the number of teachers trained, improve the quality of primary education, and increase the gross enrolment rate at the primary school level from 80 per cent (2008) to 100 per cent by 2015, including the northern regions of Mali. Through its health programming focused on improving maternal and childcare, CIDA will help Mali to decrease the mortality rate for children under the age of 5 years. Under the Africa Health Systems Initiative, CIDA will continue to strengthen Mali's health systems in order to achieve concrete progress toward the MDGs.

- **Food Security:** To support the GoM's initiative to use the agricultural sector as an engine for food security and economic growth, CIDA is planning a significant increase in funding to the area of irrigation and to agricultural development initiatives (use of new methods and techniques). In the short term, a portion of CIDA's programming will allow subsistence farmers to increase their production, both for their own consumption and for commercialization in the local market (e.g. the Rice Initiative). This boost in agricultural production will help to ensure food security and price stability in urban centers. In the medium term, CIDA's complementary initiatives to increase access to credit and to improve agricultural techniques will allow Mali to increase its exports in the sub-region, thus responding to the growing demand and improving regional food security and economic growth in Mali. CIDA's investments target the most vulnerable populations in order to ensure their participation in their country's economic growth and development.
- **Other:** Public sector accountability is a fundamental governance requirement for achieving the expected results of CIDA's priority themes. It is essential to provide citizens and businesses with fair and effective access to judicial services in order to hold public officials to account (anti-corruption), to obtain redress for mismanagement, and to enforce contracts. Only with a fully functional justice system can CIDA-supported public sector reforms be successful. The Malian economy will also directly benefit from reduced corruption, an improved climate for investments, and increased economic opportunities for the poor. By supporting an initiative that will promote the rule of law, CIDA is responding to the GoM's expectation of ongoing CIDA support to the justice sector, in which CIDA is the only donor involved. In addition, strengthening the capacities of civil society organizations will enable them to play a critical role in a wider culture of accountability in the two priority themes of focus for CIDA's support. Civil society can raise awareness and play a vital due diligence role by monitoring reforms, including public financial reform and the development of national policies, and by making sure that these policies and reforms reflect pro-poor interests and focus on poverty reduction.
- **Crosscutting themes:** *Gender equality:* The recently developed GoM Strategic Framework for the integration of women and men will guide all interventions in this area. *Environment:* The Mali program will continue to improve the implementation of the national policy and regulatory environment framework, and will make sure that projects comply with the Strategic Environment Act.
- **Programming coherence:** CIDA's investments will continue to be mutually reinforcing and aligned with CIDA's priority themes. It will contribute to the efficiency of the public institutions, reducing fiduciary risks and increasing the effectiveness and sustainability of our interventions and our capacity to demonstrate results achieved through our initiatives. Increased accountability and reduced corruption, as well as strengthened public finance management will contribute to improving the delivery of social services, particularly those aimed at improving the health and education of children and youth. Increased food production will improve the nutrition and health status of children and women, therefore contributing to greater school attendance, while higher completion rates at the primary school level will contribute to improved health practices and family planning. In each sector, special efforts will also be made to bridge socio-economic gender gaps, to ensure better environmental integration, and to strengthen decentralized structures, especially in northern Mali.

4. CIDA's Programming Plan

- **Policy dialogue:** As the incoming chair of the donor group (in 2010), Canada will shape high-level policy dialogue with the GoM. Canada is currently the chair of the justice and gender groups, the microfinance sub-group, and actively participates in other donor coordination groups such as those on public finance management, agriculture, education, civil society and health. Under Canada's leadership, policy dialogue with the GoM has reflected donors' key messages in the governance area (public finance, justice, decentralization and public sector reform, and gender) and the same approach is being used for other sectors. This type of influence at this level is key to CIDA's ability to contribute to effective development and sustainable results in Mali.
- **Multilateral and Global Programs Branch:** In 2007/08, CIDA contributed approximately \$6.2 million to Mali through core funding to multilateral institutions. In addition, CIDA's multilateral and global programming

Mali Country Strategy 2009

directly targets Mali, among other countries: since 2007, UNICEF received \$8.9 million for the catalytic initiative "Save a Million Lives", and WFP received \$8.68 million to support school canteens. Both UNICEF and the WFP complement CIDA's bilateral program by increasing access to basic health services or improving the quality of basic education. The World Bank and CIDA work closely together in sectors such as public financial management, education and agriculture. UNDP is involved in the areas of justice and equality between women and men, both issues of importance for CIDA.

- **Partnership with Canadians Branch (CPB):** Mali is the country in Africa that receives the most support from Partnership Branch and is the 3rd largest overall. CPB disbursements will continue to be around \$8 million annually and are increasingly aligned with bilateral areas of focus.
- **Coherence among programming channels:** The Mali program has recruited a program advisor who monitors Malian and Canadian civil society organisations' activities. Depending on their area of expertise, other local advisors also monitor the regional and multilateral initiatives, creating linkages and synergies with the bilateral program. Communications between these programs have improved, contributing to greater synergies and better coordination.
- **Aid effectiveness gains:** CIDA's support is now focused on fewer sectors (children and youth, food security). Following the decision to untie aid, WFP is now purchasing food on the local market with Canadian funds. In the context of decentralization, efforts to strengthen field presence will increase CBS in Mali to six by the summer of 2009.
- **Modalities:** The Mali bilateral program provides approximately 40 per cent of its assistance through general and sectoral budget support mechanisms, and 60 per cent through directive and reactive projects. To quickly respond to the food crisis and at the request of the Government of Mali, CIDA will be represented by Germany through a delegated agreement for an initiative in agriculture.
- **Financial forecast:**
 - **08/09:** \$90.4 M (actual)
 - **09/10:** \$85 M
 - **10/11:** \$95 M
 - **11/12:** \$95 M

5. Key expected Results and Risk Identification

Results:

Children and Youth: Health Systems, Maternal-Child Health; Teacher Training and School Supplies

EXPECTED Intermediate Outcomes:

- Improved access to basic services, and reduced regional disparities, which largely touch children and women.

EXPECTED Immediate Outcomes and Outputs:

- An efficient training institute for health workers in Bamako;
- Community Health workers trained, using new curricula based on a skills-based approach;
- Population living within a 5km radius of a health centre increases from 58 per cent in 2007 to 64 per cent in 2011, and the rate of assisted childbirth cases increases from 58 per cent to 65 per cent;
- The mortality rate for children under the age of 5 years old decreases from 191 per thousand in 2006 to 150 per thousand in 2011;
- In the northern Mali regions, the quality and access to basic health services (vaccination, nutrition, ...) improve for the benefit of women and children.
- Number of textbooks per student in the second cycle of primary school increases from 2.9 (2008) to 4 in 2011;
- 14,000 community school teachers are trained by 2015.
- The gross enrolment rate at the primary school level increases from 80 per cent (2008) to 100 per cent by 2015. Girls: 75 per cent (2008);
- More effective education systems and school management committees in schools in the northern regions;
- Strengthened service delivery and accountability in health and education.

Food security: Agriculture and Productivity

EXPECTED Intermediate Outcomes:

- Increased production and productivity

EXPECTED Immediate Outcomes and Outputs:

- Over 4,000 more hectares of irrigated, developed land are available and cultivated by small-scale rice farmers;
- The amount of rice produced increases (20,000 tonnes in 2011);
- 300 small scale organizations are trained and share new techniques with rural families
- The trade of shea butter increases by 20 per cent and the trade of onions, by 30 per cent, by 2013;
- Close to 100,000 families benefit from Canadian support to rural areas by 2013;
- Strengthened service delivery and accountability in agriculture and micro-finance.

Governance

EXPECTED Intermediate Outcomes:

- Reduced corruption and enhanced access to justice

EXPECTED Immediate Outcomes and Outputs:

- The number of cases processed by public oversight entities, such as the Office of the Auditor General, increases;
- The improved application of the rule of law reduces corruption, provides a level playing field for entrepreneurs, and increases economic growth;
- Several civil society organisations closely monitor national policies and development programmes, and contribute to transparency and accountability in the management of public funds in health, education and agriculture areas.

Risks

- **Socio-political, economic, conflict and governance matters (DEV2):** CIDA monitors the evolution of the economic crisis and expects to increase or maintain its financial support to the PRSP (GBS, SBS, Rice Initiative, etc). In collaboration with other Canadian ministries and agencies, CIDA closely follows the political and security situation in northern Mali, which has recently deteriorated. CIDA expects to continue its support to the northern regions, with a view to alleviating regional disparities.
- **Weak institutional capacity may hinder results (DEV3):** CIDA provides targeted technical assistance that addresses organizational weaknesses and protects its investments by working at multiple levels of government.
- **Choice of programming modality (DEV4):** Pressure to deliver aid quickly may result in some missed opportunities to increase alignment, harmonization and local ownership. CIDA's programming in Mali is balanced, however the number of projects needs to be reduced and monitoring and evaluation activities need to be better aligned with other donors.