

## NIGER

UNITARY COUNTRY

## BASIC SOCIO-ECONOMIC INDICATORS

INCOME GROUP: LOW INCOME

LOCAL CURRENCY: WEST AFRICAN CFA FRANC (XOF)

## POPULATION AND GEOGRAPHY

**Area:** 1 267 000 km<sup>2</sup>**Population:** 21.477 million inhabitants, an increase of 3.8% per year (2010-2015)**Density:** 17 inhabitants / km<sup>2</sup> (2017)**Urban population:** 16.3% of national population**Urban population growth:** 5.3% (2017 vs 2016)**Capital city:** Niamey (5.6% of national population)

## ECONOMIC DATA

**GDP:** 21.8 billion (current PPP international dollars), i.e. 1 017 dollars per inhabitant (2017)**Real GDP growth:** 4.9% (2017 vs 2016)**Unemployment rate:** 0.4% (2017)**Foreign direct investment, net inflows (FDI):** 334 (BoP, current USD millions, 2017)**Gross Fixed Capital Formation (GFCF):** 33.7 % of GDP (2017)**HDI:** 0.354 (low), rank 187 (2017)**Poverty rate:** 44.5 (2014)

## MAIN FEATURES OF THE MULTI-LEVEL GOVERNANCE FRAMEWORK

Niger is a unitary country that has a multi-party political system characterized by a semi-presidential regime. The President of the Republic is elected by universal suffrage in two ballots. He appoints the Prime Minister who, in turn, forms the Government. The National Assembly (Parliament) consists of 171 members elected by universal suffrage in a single round of voting.

With the establishment of the Fifth Republic in 1999, Niger adopted a complete municipalization of the national territory based on the territorial spaces of the customary entities. Niger has two levels of decentralized local authorities, communes and regions, whose free administration is recognized by Art. 164 of the Constitution. The first local elections were held in 2004 and then in 2011, coupled with regional elections. Local elections scheduled to take place in 2016 have been postponed several times until 2019.

Within the framework of the National Policy for the Modernisation of the State adopted in July 2013 and implemented from 2015, it is planned that an institutional mechanism for the technical and financial support and accompaniment of Territorial Authorities be set up with provisions concerning resident technical advisors, the monitoring of instructions concerning the transfer of competences and the reorganisation of the system of expenditure and collection of resources at local level. To date, only the operationalization of the National Agency for the Financing of Local Authorities (ANFICT) has been initiated.

The most recent official document relevant to decentralization is the General Policy Statement presented on 14 June 2016 (following the March presidential elections). It makes little mention of decentralization.

## TERRITORIAL ORGANISATION

2016	MUNICIPAL LEVEL	INTERMEDIATE LEVEL	REGIONAL OR STATE LEVEL	TOTAL NUMBER OF SNGS
	255 municipalities ( <i>communes</i> ) 214 rural municipalities 37 urban municipalities 4 cities		7 regions	
	Average municipal size: 84 224 inhabitants			
	255		7	262

**OVERALL DESCRIPTION.** Niger has 255 municipalities and 7 regions.

**MUNICIPALITIES.** The municipality is the basic territorial authority. Of the 255 municipalities, 214 are considered as rural municipalities, 37 as urban municipalities, and 4 as municipalities with a special status, or "Cities", namely Niamey, Maradi, Tahaoua and Zinder. The latter are organized into municipal districts. For the exercise of its missions and competences, each municipality has its own budget, staff and assets.

**REGIONS.** There are 7 regions - territorial authorities which also constitute administrative divisions of the State. For the exercise of its missions and competences, each region - territorial authority has its own budget, staff and assets. The regions - administrative divisions of the state are administered by a governor appointed by presidential decree. In addition, the administrative map of Niger also includes 63 departments as an intermediate sub-regional level of deconcentrated authority.

## SUBNATIONAL GOVERNMENT RESPONSIBILITIES

The responsibilities of local authorities are based on Ordinance No. 201-54 of 17 September 2010 on the General Code of Local Authorities. The region is a local authority with an essentially economic, social and cultural vocation. It is responsible for the specific tasks and powers conferred on it by law and

which do not, by their nature and importance, fall within the competence of the State or the municipality. The municipality is the basic territorial authority. It is responsible for communal interests and provides local public services that meet the needs of the population and which, by their nature and importance, do not fall within the competence of the State or the region.

The main texts transferring powers and resources from the State to local authorities are Directive No. 104/2014/CAB/PM of 11 August 2014, on the transfer of powers and resources from the State to local authorities and two Decrees of 26 January 2016 transferring powers and resources from the State in the fields of education, health, water and the environment to municipalities and regional authorities respectively.

### MAIN RESPONSIBILITY SECTORS AND SUB-SECTORS

	REGIONS	MUNICIPAL LEVEL
<b>1. General public services</b>		
<b>2. Public order and safety</b>		
<b>3. Economic affairs/transport</b>		
<b>4. Environmental protection</b>	Fisheries management and fish stocking of ponds and reservoirs; Development of forest, wildlife, fisheries and beekeeping production; Development and management plans for restored sites; Creation of regional and departmental protected areas	Sustainable management of resources in the peripheral areas of parks and reserves; Management of village hunting areas; Creation of communal protected areas; Land restoration operations; Securing the perimeters of restored land and reforestation
<b>5. Housing and community amenities</b>		Urban safety; Municipal solid waste management; Wastewater management
<b>6. Health</b>	Construction, maintenance and management of regional hospitals, mother and child centres and other specialized regional centres; Management of the personnel provided	Construction, maintenance and management of health facilities Integrated health centres and district hospitals
<b>7. Recreation, culture &amp; religion</b>		Management of urban and suburban landscaping and green spaces
<b>8. Education</b>	Elaboration and implementation of the regional school map; Construction and maintenance of school infrastructure; Management of auxiliary and contract staff	Construction and maintenance of kindergartens, primary schools, literacy and non-formal education centres; Equipment for school infrastructures, literacy centres, non-formal education centres; Acquisition and management of school supplies, equipment and edutainment; Elaboration of the school map; Recruitment and management of contract teachers
<b>9. Social protection</b>		

## SUBNATIONAL GOVERNMENT FINANCE

Scope of fiscal data: detailed data are not available.

SNA 2008

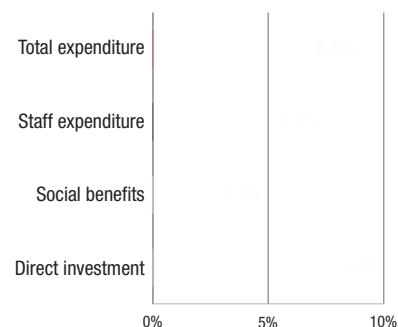
Availability of fiscal data:  
**Low**

Quality/reliability of fiscal data :  
**Low**

**GENERAL INTRODUCTION.** Local and regional authorities have their own budgets, but they have limited capacity to mobilize internal resources to carry out their responsibilities and provide services. The law requires municipalities to spend at least 45% of their ordinary income from their operating budget on investment expenditure. A National Agency for the Financing of Local Authorities (ANFICT) was created in 2007 but did not really start its activities until 2014 with the first allocations from the State. Its role remains very limited.

### SUBNATIONAL GOVERNMENT EXPENDITURE BY ECONOMIC CLASSIFICATION

	DOLLARS PPP / INH.	% GDP	% SNG EXPENDITURE	% GENERAL GOVERNMENT EXPENDITURE (SAME EXPENDITURE CATEGORY)
<b>Total expenditure</b>				
<b>Incl. current expenditure</b>				
Staff expenditure				
Intermediate consumption				
Social expenditure				
Subsidies and current transfers				
Financial charges				
Others				
<b>Incl. capital expenditure</b>				
Capital transfers				
Direct investment (or GFCF)				



**EXPENDITURE.** In 2015, local government expenditure was estimated at around 2 to 3% of national public expenditure.

**DIRECT INVESTMENT.** No data available.

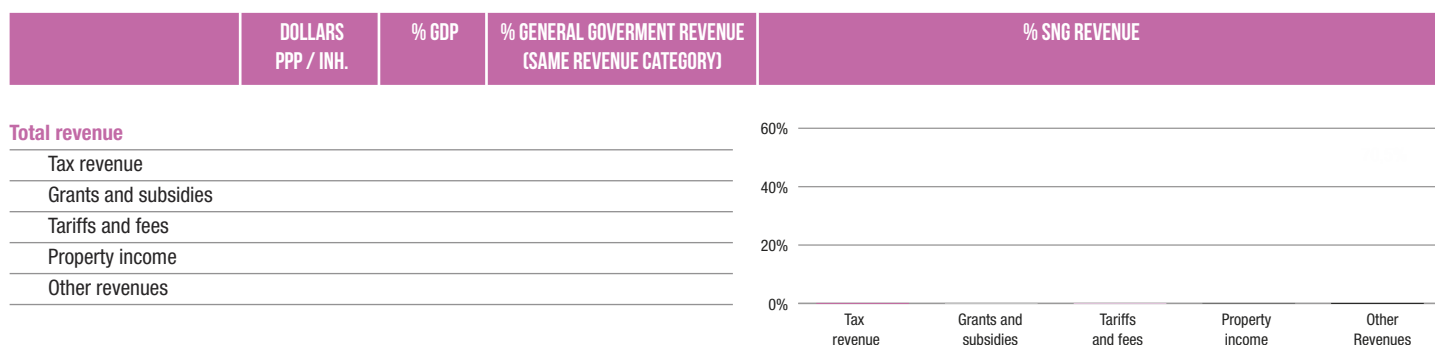
## NIGER

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## SUBNATIONAL GOVERNMENT EXPENDITURE BY FUNCTIONAL CLASSIFICATION – COFOG



## SUBNATIONAL GOVERNMENT REVENUE BY CATEGORY



**OVERALL DESCRIPTION.** The tax resources of local authorities include direct taxes specific to local authorities, retroceded taxes, local indirect taxes and compensatory taxes. Local councils have the power to create these compensatory taxes for certain services provided by the region or municipality. Local councils can also add tax surcharges to central government taxes and surcharges.

Potential revenues from local taxes are generally low, as is the amount of tax revenue transferred to local authorities. In total, the latter amounted to 22 billion CFA francs in 2015 (about 100 million PPP dollars, or \$5/inhabitant), including 19 billion CFA francs (about 85 million PPP dollars), for the urban community of Niamey alone (or \$70/inhabitant of the capital).

In addition, the State grants and subsidies mobilized through ANFICT remain extremely limited. They amounted to 5.6 billion CFA francs in 2015, i.e. about 25 million PPP dollars, which represents 0.1% of GDP, or just over 1\$ per inhabitant.

**GRANTS AND SUBSIDIES.** Local authorities receive operating and investment grants:

- Any local authority whose resources do not allow it to cover its compulsory charges and which does not have an alternative resource is eligible for the balancing subsidy (SE). The deficit is calculated by considering on the one hand the level of resources potentially mobilizable by each local authority and on the other hand the level of mandatory charges.
- Sectoral operating allocation (DSF).
- The flat-rate operating allocation (DFF), which covers special operating expenses, in particular the maintenance of equipment not supported by the DSF essential non-staff personnel taken into account in the SE and special operations for the population (miscellaneous relief).
- Subsidies for local authorities' investments are mobilized, through ANFICT, through a Decentralization Support Fund (FAD) and an Equalization Fund (FP). In addition to being structurally very limited, ANFICT's allocations face other difficulties: very low disbursements (27% of the FAD and 25% of the FP were actually disbursed in 2015), a provisional and unclear calculation formula and a very uncertain predictability.

**OTHER REVENUES.**

**Mining royalties.** According to the law, the share of mining revenues consisting of surface royalties, fixed fees, proceeds from the artisanal exploitation tax and the proceeds from the sale of artisanal mining cards allocated by the State to local authorities is allocated to finance the following: 85% to the financing of investments by local authorities; 10% to operating costs; 5% for technical support.

**Oil royalty.** The distribution of the oil royalty is similar to that of mining royalties.

	DOLLARS PPP/INH.	% GDP	% GENERAL GOVERNMENT DEBT	% SNG DEBT
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**Total outstanding debt**

Financial debt\*

\* Currency and deposits, loans and bonds

**FISCAL RULES.** The budget of each local authority is prepared, adopted and managed in accordance with the budgetary principles and public accounting rules applicable to the State. The budget for the year shall be established and voted in real balance before 31 October of the preceding year in a single document setting out all resources and expenses. The budget also includes off-budget accounts and possibly additional budgets. It is subject to legality control by the regulatory authority (State representative). Local authorities send their financial and administrative accounts to the Court of Auditors for scrutiny at the end of each financial year. The Inspectorate General of Territorial Administration (IGAT) is responsible for carrying out inspection and control missions in the municipalities, at the end of which, in the event of irregularities, mayors may be dismissed from their functions.

**DEBT.** Local and regional authorities may contract loans under the conditions laid down by decree of the Council of Ministers, but they make very limited use of them, with few results. They do not have access to financial markets.



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[www.sng-wofi.org](http://www.sng-wofi.org)

**Socio-economic indicators:** World Bank // UNDP // UN Desa // ILO.

**Fiscal information:** IMF // Government of Niger Rapport d'exécution du Budget national 2017.

**Other sources of information:** Cities Alliance and UCLGA (2018) Assessing the institutional environment of local governments in Africa // RIAFCO, UNCDF, FMDV (2018) Studies on financial resource sustainability and diversification for Local Government Financing Institutions in Africa // UCLGA (2016) African Review of Local Finance.