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Staff Country Reports

Djibouti: Poverty Reduction Strategy Paper

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REPUBLIC OF DJIBOUTI

Unity—Equality—Peace



National Initiative for Social Development (INDS)

(Strategic Framework)

**REPORT ON IMPLEMENTATION
OF THE PRSP, 2004–06**

COMPONENTS OF THE OUTLOOK FOR 2008–11

APRIL 2008

NOTICE

This is a preliminary draft assessment of the implementation of Djibouti's first Poverty Reduction Strategy Paper (PRSP), adopted in 2004 and relating, as regards its medium-term action plan, to the period 2004–06.

The first of its type in Djibouti, this exercise proved particularly difficult to carry out as best and as quickly as possible. Indeed, the novelty of the exercise and the still-inadequate capacities of the Djibouti Administration, in particular with respect to monitoring and assessment, led to the drafting of a paper with missing information, especially on the overview of achievements and on the indicators (Chapter 1). The situation was further complicated by the absence of recent and reliable data, for instance on population and poverty.

By contrast, the part on the outlook components (Chapter 2) has much more substance, as it drew strongly on the policies adopted and the arrangements made in the context of the National Initiative for Social Development (INDS), which is now the reference framework for economic and social development in Djibouti.

“The INDS is neither a one-time project nor a program designed solely for the current economic circumstances. It is an ongoing setting of tasks, constantly open to review and possible reformulation.”

**His Excellency Mr. ISMAÏL OMAR GUELLEH,
President of the Republic of Djibouti,
January 9, 2007**

LIST OF ACRONYMS AND ABBREVIATIONS

ADB	African Development Bank
ACBF	African Capacity Building Foundation
ADDS	Djibouti Social Development Agency
ADETIP	Djibouti Public Service Project Implementation Agency
AFESD	Arab Fund for Economic and Social Development
ANEFIP	National Employment, Training, and Job Placement Agency
BCD	Central Bank of Djibouti
CDC	Community Development Center
CEDAW	Convention on the Elimination of All Forms of Discrimination Against Women
CERD	Djibouti Studies and Research Center
CFPA	Adult Vocational Training Center
CFPEN	National Education Personnel Training Center
CNJD	Djibouti National Youth Council
CNR	National Retirement Fund
CNSS	National Social Security Fund
COMESA	Common Market for Eastern and Southern Africa
CRIPEN	National Education, Research, Information, and Production Center
DEFIP	Department of Employment, Training, and Job Placement
DF	Djibouti franc
DISED	Department of Statistics and Demographic Studies
DOTS	Directly Observed, Treatment, Short-course
DPI	Dubai Ports International
DPW	Dubai Ports World
DSN	Department of National Solidarity
EDAM-IS2	Djibouti Household Survey—Social Indicators II
EDD	Djibouti Electricity Corporation
EDF	European Development Fund
EDIM	Djibouti Multiple-Indicator Survey
EPI	Expanded Program on Immunization
EU	European Union
FDED	Djibouti Economic Development Fund
FDI	Foreign direct investment
FGM	Female genital mutilation
FSD	Social Development Fund
FTI	Fast Track Initiative
GDP	Gross domestic product
GER	Gross enrollment ratio
ICT	Information and communication technology
IDB	Islamic Development Bank
IFAD	International Fund for Agricultural Development
IJMR	Infant-juvenile mortality rate
IMCI	Integrated Management of Childhood Illnesses
IMF	International Monetary Fund
IMR	Infant mortality rate
INAP	National Institute of Public Administration
INDS	National Initiative for Social Development
MAEM-RH	Ministry of Agriculture, Livestock Production, and Marine Affairs-Water Resources
MCI	Ministry of Commerce and Industry
MCCPT	Ministry of Communication, Culture, Post and Telecommunications
MDGs	Millennium development goals

MEFPP	Ministry of Economy, Finance, and Planning, Responsible for Privatization
MENESUP	Ministry of National Education and Higher Learning
MERN	Ministry of Energy and Natural Resources
MESN	Ministry of Employment and National Solidarity
MET	Ministry of Community Facilities and Transport
MFI	Microfinance institution
MHUEAT	Ministry of Housing, Urban Development, Environment, and Land Development
MID	Ministry of the Interior and Decentralization
MJDH	Ministry of Justice and Human Rights
MJSLT	Ministry of Youth, Sport, Leisure, and Tourism
MMR	Maternal mortality rate
MPF	Ministry for the Promotion of Women
MSP	Ministry of Public Health
MTBF	Medium-term budgetary framework
MTEF	Medium-term expenditure framework
NGO	Nongovernmental organization
ODA	Official development assistance
ONEAD	Djibouti National Water and Sanitation Office
OPS	Social Welfare Agency
PIP	Public Investment Program
PRSP	Poverty Reduction Strategy Paper (PRSP)
RGPH	General Population and Housing Survey
SID	Djibouti Building Society
SMEs	Small and medium-sized enterprises
SMIs	Small and medium-sized industries
SMUR	Medical Emergency Unit
SNA	Modified National Service
SNDS	National Statistics Development Strategy
SNIFD	National Strategy for Women's Integration into Development
SSN	National Statistics System
STIs	Sexually transmissible infections
TOFE	Government fiscal reporting table
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
WB	World Bank
WHO	World Health Organization

Summary

1. The first Poverty Reduction Strategy Paper (PRSP) of the Republic of Djibouti, adopted in May 2004, had responded to a particularly alarming poverty situation, as regards both monetary poverty and poverty of living conditions.
2. For example, the incidence of extreme monetary poverty has risen from 34.5 percent in 1996 to 42.2 percent in 2002 and relative poverty increased from 64.9 percent to 74.4 percent¹ during the same period. In addition, the situation of the country's social indicators was improving (in 2002) but was also still a source of some considerable concern:
 - The gross enrollment ratio (GER) at the primary level was only 42.7 percent;
 - The literacy rate for persons aged 15 or older was 18.3 percent;
 - The infant mortality rate (IMR), infant-juvenile mortality rate (IJMR) and maternal mortality rate (MMR) were respectively 94.6 per thousand, 106.2 per thousand and 690.2 per 100,000 live births.

The situation was also characterized by glaring geographical disparities between the urban and rural areas, on the one hand, and between Djibouti City and the other inland cities, on the other.

Djibouti's first PRSP

3. Following a participatory process involving all development players, the PRSP set goals for poverty reduction and improvement of the inhabitants' living conditions that would place Djibouti on the path to achieving the Millennium Development Goals (MDGs). The main goals were:
 - To increase average GDP growth over the period 2004–06 to 4.6 percent;
 - To reduce the incidence of extreme poverty to 36.1 percent;
 - To increase the GER to 73 percent;
 - To reduce the IMR to 90 per thousand and the IJMR to 110 per thousand.
4. To achieve these goals, the government, working with its national and international partners, identified priority measures and actions reflecting four complementary strategic pillars: (i) resumption of economic growth and strengthening of competitiveness; (ii) human resources development; (iii) promotion of integrated local development; and (iv) improvement of governance and capacity-building.

Results of the first PRSP

5. Analysis of the results of the first three years of implementation of the PRSP reveals a number of significant achievements but also shows that chronic weaknesses are still undermining the country's development efforts.
6. As regards the progress achieved, reference may be made, inter alia, to:
 - Improved access to primary education (66.2 percent in 2006), and one excellent achievement in that gender disparities have been virtually eliminated (gender parity index of 0.98);
 - Improved literacy rate among women between 15 and 24 years of age (47.5 percent);
 - Significant IMR decrease, to 67 per thousand;
 - Rebound in economic growth, which averaged 3.7 percent over the period 2004–06; this is below the PRSP goal (4.6 percent) but is promising, particularly as regards the 2006 level (4.8 percent).

¹ The extreme poverty line was set at just under US\$1.8 per person per day and the relative poverty line was set at just under US\$3 per person per day. The exchange rate of US\$1 = DF 177.72 has been fixed since 1977.

7. These results were achieved through implementation – admittedly partial, as will be shown below – of priority measures in the social sectors (particularly health, education, advancement of women) and in the areas of growth support and preservation of macroeconomic stability. The latter measures, in particular, made it possible to attract foreign direct investment (FDI), which should reach record levels in the next few years.
8. The shortcomings relate, firstly, to the fact that most social indicators are still weak. Admittedly this was to be expected because of the base situation (very worrying, as indicated above) and the relatively short PRSP implementation period (three years). The level of these indicators leads to the conclusion that sizeable fringes of the population are still living in precarious conditions that are barely decent and are incompatible with human dignity.
9. Even more worrying, however, are the major shortcomings noted in the implementation of the priority actions included in the first PRSP. The implementation rate is only just over 43 percent. In addition, the percentage of actions fully completed is less than 17 percent and that of actions more than half completed is barely 30 percent. Over one third of the actions planned have not been started. Lastly, there are important disparities between the strategic pillars, with a surprisingly low level (about 46 percent) for pillar 2, which concerns human resources development, although this had been announced as one of the top priorities of the poverty reduction strategy. One must therefore conclude that the sectoral departments responsible for implementation of the first PRSP did not really assume ownership of it.
10. Moreover, Djibouti faces a number of challenges to create the conditions of sustainable development that will fully benefit all its nationals. These challenges concern: (i) strengthening of the rule of law; (ii) preparation of the inhabitants and businesses of Djibouti so that they can benefit fully from, for example, FDI and the opportunities offered by transit-related services; (iii) development of competitive and high-quality human resources; and (iv) basic water and energy issues.

The INDS: a second-generation PRSP

11. In view of these findings, the President of the Republic launched the National Initiative for Social Development (INDS) in January 2007. The INDS is a true society project, requiring the adoption of integrated policies, as part of a global and coherent project in which all aspects are related and complementary. It also sets major priorities: (i) promotion of access to basic social services; (ii) restructuring of the national productive base; and (iii) assistance to highly vulnerable people. Lastly, it must be based on the principles of good political, social, economic, and financial governance.
12. This focus means that the INDS is the new central framework for the country's economic and social development policy. It broadly reflects the principles of second-generation PRSPs, adopted by poor countries to improve their performance as regards development and poverty reduction.

Looking to the future

13. In the light of these findings, an in-depth review is needed of the goals of the country's economic and social development policy. However, this review cannot be envisaged without reliable and recent data on population, monetary policy, and living conditions in general. The INDS approach will therefore be a gradual one. This document will first describe the main thrust of the INDS for the 2008–11 medium term, and thus constitute a provisional version of the main document of this Initiative. Lastly, the complete INDS document will be finalized when the results of the General Population and Housing Census (RGPH-2) and the Djibouti Household Survey (EDAM-3) are available (late 2008).
14. At this stage already, the government is reaffirming its determination to lead the country towards achievement of the MDGs in 2015. Government policies will henceforth reflect this determination. For the medium term (by 2011), the main goals are: (i) reduction of the incidence of extreme poverty

and of relative poverty; (ii) increase in average annual economic growth to over 7 percent; (iii) increase in the GER to 83 percent in primary schools and to 61 percent in secondary schools, with a reduction in gender and geographical disparities; and (iv) reduction in the IMR to 60 per thousand, in the IJMR to 80 per thousand, and in the MMR to 400 per 100,000 live births.

15. To achieve these goals, four strategic approaches will be adopted: (i) acceleration of growth and preservation of the main macroeconomic balances; (ii) development of human resources and achievement of universal access to basic services; (iii) promotion of harmonious and balanced local development and preservation of the environment; and (iv) consolidation of good governance principles and capacity-building. These strategic approaches will be pursued through a priority action plan (see **Annex 6**) and will be subject to strict monitoring and periodic evaluation.

Financing of the INDS, 2007–11

16. Ways of financing implementation of the programs and projects planned for achieving the ambitious INDS goals are currently under study. No definite conclusions can be reached until work has concluded on the medium-term budgetary framework and the sectoral medium-term expenditure frameworks. At present, the funding needed for the 2007–11 Public Investment Program amounts to over DF 112 billion, of which over 88 percent has already been secured (see Annex 8).

Partnership for the INDS

17. The success of the INDS will depend on the full involvement of all development players (Administration, elected officials, civil society, private sector, public, donors) and the effective mobilization of their energies, in the context of a new partnership that will stimulate the country's economic and social development efforts. In particular, a considerable increase in official development assistance (ODA) from donors will be needed. This ODA will consist of both financial aid and technical assistance.

This document

18. This document, which is the first stage of the INDS, briefly describes the implementation of the PRSP over the period 2004–06 and the main lessons learned. It then describes the medium-term INDS goals (by 2011), the strategic approaches and the priority actions for achieving them. Lastly, a number of Annexes give a more detailed presentation of the issues discussed in the text.

Introduction

19. The Republic of Djibouti adopted its first PRSP in May 2004, in a context marked by a worrying surge in the phenomenon of poverty, with an incidence of extreme monetary poverty rising from 34.5 percent in 1996 to 42.2 percent in 2002 and an incidence of relative poverty rising from 64.9 percent to 74.4 percent over the same period. In addition, the situation of the country's social indicators was improving but also remained a source of concern: in 2002, the GER for primary schools was only 42.7 percent, the literacy rate for persons aged 15 or older was 18.3 percent and the IMR and IJMR were 94.6 and 106.2 per thousand respectively. This situation was aggravated by glaring disparities, in which the rural areas were lagging far behind.
20. To deal with this alarming situation, Djibouti's PRSP had set long-term goals similar to those established by the international community at the Millennium Summit. It had also set medium-term goals (by 2006), including: (i) increasing average GDP growth over the period 2004–06 to 4.6 percent; (ii) reducing the incidence of extreme poverty to 36.1 per cent; (iii) increasing the GER to 73 percent; and (iv) reducing the IMR to 90 per thousand and the IJMR to 110 per thousand.
21. These goals were to be attained through four complementary strategic approaches: (i) resumption of economic growth and enhancement of competitiveness; (ii) development of human resources; (iii) promotion of integrated local development; and (iv) strengthening of governance.
22. After three years of PRSP implementation, significant progress has admittedly been made (see Box 1), but major obstacles still lie in the way of the country's advance towards sustainable economic and social development.
23. For example, economic growth averaged 3.7 percent over the period 2004–06, which is below the PRSP goal (average of 4.6 percent), but is at least higher than demographic growth (about 3 percent). In addition, provisional data from the Djibouti Multiple-Indicator Survey (EDIM) conducted in 2006 show, among other things, that: (i) net school enrollment in the primary cycle is 66.2 percent, with a gender parity index of 0.98; (ii) the literacy rate among women between 15 and 24 years of age is 47.5 percent; and (iii) the IMR is 67 per thousand and the IJMR is 94 per thousand.
24. However, these encouraging advances cannot mask the persistent reality of poverty and inequality. Even in the absence of recent data on poverty and particularly on monetary poverty, observation of living conditions in the poor districts of Djibouti City and in rural areas reveals that large fringes of the population continue to live in difficult conditions of poverty and marginalization. There is every indication that the considerable increase in the inflow of FDI and the current strengthening of Djibouti's position as a transit hub have been of little benefit to these people.
25. Indeed, the National Initiative for Social Development (INDS), launched by the President of the Republic in January 2007, is based on these findings. It reaffirms the authorities' obligation to adopt sustained and integrated measures not only to accelerate economic growth but also, and above all, to create the conditions for true sustainable development from which the poor can benefit fully and thus aspire to decent living conditions. Such development will help to introduce greater social justice and to strengthen national unity.
26. This **Report on implementation of the PRSP in 2004–06** represents the first stage of the INDS process. Its goals are: (i) to summarize the results of PRSP implementation over the period in question; (ii) to describe the main lessons learned; (iii) to identify the long-term and medium-term goals for the INDS, incorporating the MDGs; (iv) to outline the development and poverty reduction strategy for reaching these goals; and (v) to give a general outline of a medium-term priority action plan for the INDS, including costs and financing and technical assistance requirements.

Box 1: Poverty in Djibouti, a new assessment.

“Sizeable fringes of the population of Djibouti live in difficult conditions of poverty and marginalization that are incompatible with conditions for a dignified and decent life.”

The lack of recent data on **monetary poverty** makes it difficult to assess the exact impact of the PRSP on household income and expenditure. However, assuming that the relationship between economic growth, inequality and the incidence of extreme poverty identified as a result of EDAM-IS2 (conducted in 2002) remains relevant, it seems that extreme monetary poverty may have decreased slightly, since per capita GDP grew by an annual average of 1.6 percent over the period 2004–06. This increase corresponds to the average annual per capita GDP growth considered necessary for the attainment of the PRSP goal (36.1 percent).

As regards **poverty of living conditions**, the preliminary findings of **EDIM-2006** show a distinct improvement in certain social indicators, even if the overall situation remains far below what is acceptable.

In the area of **education**, net school enrollment has increased to 66.2 percent. This is an improvement over the 2001–02 GER (42.7 percent), but is below the PRSP goal (73 percent). The good news is the virtual parity between boys and girls, as the gender parity index is 0.98. In addition, the literacy rate among women between 15 and 24 years of age is 47.5 percent. However, there are marked geographical disparities, particularly between urban and rural areas.

There are also positive developments as regards **health**. The IMR and IJMR are respectively 67 per thousand and 94 per thousand. As regards the IMR, the PRSP goal has already been exceeded (75 per thousand), but for the IJMR this goal has not been achieved (85 per thousand). The vaccination rate for children under 12 months of age varies from 46.2 percent (Polio 3) to 87.5 percent (BCG), depending on the disease concerned. As regards children’s nutritional status, 30 percent are stunted or short for their age and 20 percent are wasting away or underweight. In addition, as far as reproductive health is concerned, 92.3 percent of women who gave birth in the two years preceding the survey received prenatal care from qualified personnel and 87.4 percent of these women gave birth at a health center. Lastly, women are quite ignorant about ways of preventing HIV/AIDS, since only 40.8 percent say that they know of at least two methods of prevention. The percentage is higher in urban areas (41.2 percent) than in rural areas (28.1 percent).

The data on access to **safe drinking water** show that 93.5 percent of Djiboutians obtain water from upgraded sources. These data do not seem to reflect accurately the situation of the residents either of Djibouti City (where the rate is 95.5 percent) or of the other districts (83 percent). In rural areas, the rate seems to adequately reflect the situation (52.5 percent).

With regard to **sanitation**, 67 percent of the population use upgraded latrines, with some very marked disparities between the capital (68.8 percent) and the rest of the districts (57.5 percent) and between urban areas (69.1 percent) and rural areas (17.3 percent). This rate also seems to correlate with the educational level of the head of household.

Lastly, khat consumption remains a source of concern. The overall percentage of users is 25.3, with much heavier use among men (43.5 percent) and few disparities between urban and rural areas.

1. Evaluation of PRSP implementation over the last three years

“The short-term measures taken to resolve this situation have failed, and the unequal distribution of economic growth has benefitted one category of the population while leaving another in a situation of social destitution”

28. To tackle an alarming upsurge in poverty, Djibouti’s first PRSP had set realistic long-term goals, seeking to the extent possible to achieve the targets adopted by the international community at the Millennium Summit in the context of the MDGs, including: decreasing by half the incidence of extreme poverty by 2015, achieving universal school enrollment and reducing the IMR to 50 per thousand and the IJMR to 70 per thousand.
29. In the medium term (by 2006), the main goals were as follows:
- To increase GDP average growth to 4.6 percent over the period 2004–06;
 - To reduce the incidence of extreme poverty to 36.1 percent;
 - To increase the GER to 73 percent;
 - To reduce the IMR to 90 per thousand and the IJMR to 110 per thousand.
30. To achieve these goals, four complementary strategic pillars had been used:
- The first pillar was stimulation of economic growth and strengthening of Djibouti’s competitiveness, through a series of structural measures and reforms in the macroeconomic area, in the legal environment for business, in the area of public enterprises and in the transport sector.
 - The second pillar was promotion of gradual development of human resources, by pursuing coherent strategies in the education and health sectors and promoting the role of women, employment and income-generating activities in the immediate environment of the poor and protecting the vulnerable segments of society.
 - The third pillar was encouragement of sustainable local development, and improvement of access to safe drinking water and universal basic services.
 - The fourth pillar was promotion of good governance through the strengthening of democracy, decentralization, transparent management of government resources and enhancement of their efficiency.
31. Analysis of PRSP implementation over the period 2004–06 shows that noteworthy progress has been made, particularly as regards governance, economic growth, and certain social indicators. As regards governance, mention should be made of the presidential elections (April 2005), the legislative elections (January 2003) and the regional/communal elections (March 2006), which were characterized by transparency and political pluralism. As regards economic growth, the sizeable FDI flows and the increasingly effective affirmation of Djibouti’s place as a transit hub made it possible to achieve growth of 4.5 percent in 2006 and to envisage higher rates that are more compatible with the poverty reduction goals. Lastly, with regard to social indicators, the preliminary findings of EDIM-2006 show significant improvements as regards the enrollment rate, the IMR and female literacy (see Box 1).
32. Despite this encouraging progress, it must be said that the priority actions included in the PRSP have not been satisfactorily implemented. The percentage of actions actually completed² is less than 17 percent and the percentage of actions more than half completed is barely 30 percent. In addition, more than one third of the planned actions have not been started. Moreover, there are large disparities

² Data on the implementation status of PRSP priority actions are not yet fully available.

between the strategic pillars, with a surprisingly low level (about 46 percent) for pillar 2, concerning human resource development, although it had been announced as a priority.

33. The aim of this chapter is: (i) to describe the results obtained and the implementation status of the actions planned for each PRSP pillar; (ii) to identify the main obstacles still complicating development efforts; and (iii) to draw the main lessons so as to lay the foundations for a more efficient medium-term strategy and action plan for the future.

1.1. Economic growth and competitiveness

34. The PRSP was based on the premise that, since Djibouti does not have easily exploitable natural resources or a large rural sector, the prospects for economic growth would have to be found mainly in exploitation of the country's geographical location and particularly through the use of its port as a transit hub (mainly towards Ethiopia) and the development of services, particularly transport. The challenge for Djibouti is therefore to attract large foreign direct investment so that it can bring its economy up to a level of competitiveness that establishes it as a real commercial, economic and financial market of note in the region.
35. Growth would also have to come from expansion of the rate of government investment in key sectors such as fisheries, agriculture, livestock breeding, tourism and mining.
36. However, the first prerequisite for a competitive economy and accelerating growth remains stability of the macroeconomic framework, with a view to (i) controlling the fiscal deficit created by rising government spending in the key sectors for potential poverty reduction; (ii) controlling the foreign deficit; and (iii) strengthening the financial sector.

1.1.1. Macroeconomic framework

37. Economic growth was 3 percent in 2004, 3.2 percent in 2005 and 4.8 percent in 2006, giving an annual average of 3.7 percent. Even if this performance is below the PRSP goal (4.6 percent), the end-period results indicate that, with a new approach, the growth levels necessary for a substantial reduction of poverty can be achieved. This growth is mainly fuelled by the large-scale inflow of foreign direct investment in port activities and construction.
38. Inflation was under control and averaged 3.3 percent over the period 2004–06, despite a context of price increases for food, housing and energy due mainly to rising oil prices. Here too, performance was below that expected in the PRSP (2 percent).
39. On the other hand, the goal of controlling the current account deficit was exceeded, since the deficit averaged 3 percent of GDP, despite the increase in imports connected with new investments. The PRSP had counted on an average deficit of 16.4 percent.
40. Concerning government finance, the excellent performance in the area of budgetary discipline should be emphasized: the average fiscal deficit was only 1.3 percent of GDP, compared with a PRSP goal of 4.8 percent. In 2005, there was even a surplus equal to 0.2 percent of GDP and an appreciable reduction in domestic arrears.
41. The financial sector, revitalized and diversified by the arrival of new players, was remarkable for the expansion of domestic liquidity, considerably improving banking services. After several lean years, domestic credit showed a significant expansion of 8 percent in 2006 compared with 2005, in a context of declining interest rates.

1.1.2. Private investment

42. The strategy adopted to attract private investment was based on three pillars: (i) creation of a legal framework conducive to private investment; (ii) pursuit of reforms designed to reduce production factor costs and to improve the management of public enterprises; and (iii) improvement of the labor environment.
43. The implementation of these strategic approaches during the period 2004–06 was signaled by the adoption in December 2005 of a new Labor Code making recruitment requirements much more flexible and favoring investment.
44. The promotion efforts have started to bear fruit: as the main engine of economic growth in recent years, private investment has grown considerably. For example, the share of private investment in GDP, under the influence of FDI, reached 22 percent in 2006, compared with 9.7 percent of GDP in 2005. In addition to the port sector, where most of these investments are concentrated, the banking and hotel sectors received sizeable funding during the period 2004–06.
45. Port investments financed: (i) the terminal, in the amount of US\$100 million; (ii) construction of the oil terminal pier, in the amount of US\$33 million; and (iii) the container terminal which will have cost US\$ 370 million when it is completed in 2009.
46. FDI in the amount of US\$6.8 million resulted in the appearance of new banks on the Djibouti market, two of which commenced operations in 2006. In the hotel and tourism sector, investments amounted to US\$294 million. In particular, construction of the Kempinski hotel cost US\$75 million and the facilities on the Moucha and Maskali Islands will require an investment of US\$100 million by 2008.
47. Despite the efforts made and the results achieved, efforts to promote private investment in Djibouti are still facing obstacles. In general, the legal and institutional resources available to businesses are inadequate and sometimes inconsistent. In addition, the delays in the adoption of a Commercial Code and in the creation of the International Arbitration Center within the Chamber of Commerce and Industry will limit prospects for FDI expansion.

1.1.3. Positioning of Djibouti as a regional market of note

48. Efforts to promote Djibouti as a commercial, financial and economic market of note in the region should include, in addition to the efforts to attract private investment described above, efforts to promote development, improve quality, and reduce costs: (i) of transport; (ii) of information and communication technologies (ICTs); and (iii) of energy.
49. In the area of *transport*, construction of the new Doraleh port facilities will consolidate Djibouti's position as a key corridor for Ethiopian transit and as a transshipment port. In this connection: (i) the oil terminal (phase I) has been completed; and (ii) construction of the container terminal should be completed in 2009.
50. In addition, the road network has been almost completely upgraded on the segments linking Djibouti to Ethiopia and Eritrea (South Corridor and RN 14 between Tadjourah and Obock, almost 80 percent) and the urban and suburban bypasses.
51. With regard to air transport, Djibouti has had an open skies policy since 2000 and Dubai Ports World (DPW) has been responsible for managing the International Airport since June 2002. This has resulted in ongoing development of air transport both of passengers (increase of over 10 percent between 2004 and 2006) and of goods (increase of over 12 percent during the same period).

52. Despite these impressive achievements, the positioning of Djibouti as a regional market of note depends largely on the costs of production factors (lack of skilled labor, cost of energy, etc.), which are high. In addition, the effects on the living conditions of the people and on Djibouti businesses are still limited.

1.1.4. New sources of growth

53. The diversification of sources of growth is not only a guarantee that the heavy dependence on the services sector will decrease but also an opportunity for Djiboutians to benefit from activities within their reach and for them thus to become players themselves in economic growth. The areas identified in this regard include tourism, fisheries, agriculture³, livestock breeding and mining.

54. With regard to *tourism*, five strategic pillars had been identified: (i) promotion of Djibouti as a destination; (ii) access to tourist sites and provision of adequate infrastructures; (iii) training, particularly for women; (iv) financing of tourism projects by the Djibouti Economic Development Fund (FDED); and (v) promotion of local initiatives.

55. Of these five strategic pillars, only the first has been more or less successful. The goal of promoting Djibouti as a destination has been partially achieved, since the country is now on the program of about a dozen tour operators specializing in theme travel. However, there has been no improvement in access to the main tourist sites, with the exception of the repaving of some trails used by motor vehicles. As regards training, the closing of the Arta hotel school, which was an essential element providing skilled personnel for the sector, resulted in higher training costs, which create a problem of competitiveness for persons hoping for employment in the sector. In addition, the financing of tourism projects by the FDED and the promotion of local initiatives failed to materialize. The contribution of the sector to job creation is far from satisfactory, with about 1,500 persons employed.

56. In the area of *fisheries*, efforts were to rest on four pillars: (i) sustainable management of marine resources; (ii) improvement of fishing income and job creation; (iii) development of exports; and (iv) improvement of food security.

57. Fisheries production is currently about 1,000 metric tons a year, compared with a potential of 48,000 metric tons, or an exploitation rate of less than 3 percent. The distribution network is not operational, because it has no refrigerated transport equipment. In addition, fish consumption occupies a very small place in the culinary habits of the population. Lastly, the sector employs only about a thousand people.

58. As regards *livestock breeding*, four goals had been identified: (i) upgrading of infrastructure for receiving livestock from neighboring countries to be re-exported; (ii) creation of an appropriately sized structure for production of food supplements and provision of fodder during the pre-embarkation period; (iii) promotion of livestock assembly centers in rural areas for national cattle destined for the domestic market or for export; and (iv) provision of water points along cattle driving routes).

59. In the area of *mining*, the government priorities were: (i) to exploit the potential of salt and maximize its impact on employment and regional development; (ii) to promote the integrated economic pole project designed to develop salt exports from Lake Assal and to maximize the tourist potential of the region; (iii) to map mineral-bearing sectors and conduct the necessary geological surveys to promote the mining sector with private international operators; and (iv) to conduct surveys on the use of geothermal resources and promote their exploitation, in partnership with the foreign private sector.

³ The agriculture sector, although listed among the key sectors with growth potential, has not been dealt with in this part of the PRSP.

60. In connection with the first priority, it should be noted that current salt production consists of raw non-iodized salt, with little added value, destined for industrial use and exported to Ethiopia. Production increased between 1998 and 2001 and then tended to decline. In 2005, salt-producing activities picked up because of the resumption of exports to Spain and Ethiopia. Local salt consumption is only 5,000 metric tons a year. Ethiopia remains the main destination for Djibouti's salt exports (128,494 metric tons in 2003).
61. In the case of the second priority, a program for the integrated development of the Lake Assal region was recently formulated and should create an economic pole capable of developing salt production and tapping the local tourism potential.

1.2. Human resources

62. Human resources development was one of the major pillars of Djibouti's first PRSP, because of the crucial importance of these resources in the country's sustainable development, since people are at the same time the beneficiaries of such development and the leading players. In this context, the main goal was to ensure that the inhabitants, and particularly the poor, have access to high-quality education and basic services and to reduce inequalities.
63. The implementation rate for the priority actions planned in this regard is barely 46 percent, with marked disparities between the various sectors. For example, education will have received the greatest relative attention, with an implementation rate of over 63 percent, followed by health (almost 47 percent) and actions for the advancement of women (almost 45 percent).

1.2.1. Education

64. Education efforts were to be concentrated on improving education access, equity and quality at all levels: (i) basic; (ii) technical and vocational; (iii) secondary; (iv) higher; and (v) adult, particularly female literacy. In addition, institutional capacity-building for reform implementation and development of genuine partnerships between the various players were also the focus of government concern.
65. With regard to *basic education*, the GER continues to increase, but at a slower rate for the school year 2006–07. In 2005–06, primary school admissions increased from 54.9 percent to 63.5 percent. In 2006–07, gross admissions reached 63.7 percent, with some slippage for girls. With regard to dropouts, the data show considerable educational wastage at the end of the first and second years (4.1 percent and 4.6 percent respectively). The percentage of students repeating a year remains high: 5.5 percent between the first and fifth years, 26 percent in the fifth year, and 6.3 percent in the seventh year. Because of the considerable differences between schools and regions, the factors determining the quality of education, retention, dropping out and repeating require more detailed study.
66. In addition, even if the goal of increasing the enrollment rate to 73 percent in 2006 does not seem to have been met⁴, noteworthy progress has been made on all fronts. For example, gender disparities have been virtually eliminated, with a gender parity index of 0.98, which is a sign that the social mobilization in favor of girls' education is beginning to bear fruit. In addition, the construction of new schools and classrooms and the "school cafeteria" and "school supplies" programs make it easier to send children to school, particularly for poor rural families, and to keep them in school.
67. To provide high-quality education, new curricula are being developed for the basic cycle at the National Education, Research, Information, and Production Center (CRIPEN), using a new "competence-based" approach. In addition, school textbooks and teaching guides are designed locally and distributed without charge to students and teachers. In addition, procedures for final examinations

⁴ The EDIM-2006 figures should be compared with those of the Ministry of Education.

have been overhauled with a new policy of ongoing evaluation designed to reduce educational wastage.

68. In the area of **technical and vocational education**, the priority measures have consisted mainly of construction of several post-primary vocational training centers.
69. As regards **secondary education**, net school enrollment increased from 15.1 percent (**year**) to 36.7 percent, with 39.5 percent for boys and 33.8 percent for girls and a marked difference between urban areas (37.4 percent) and rural areas (17.0 percent).
70. **Higher education** has shown a remarkable improvement, since education statistics show that at the University Center (*Pôle Universitaire*) the number of students increased from 461 in 2000 to 1,928 (including 771 women) in 2006, which is an annual average increase of about 25 percent. The *Pôle Universitaire* is now the University of Djibouti.
71. For **adult education**, female literacy efforts are beginning to bear fruit: for example, according to EDIM-2006 figures, the literacy rate for women between 15 and 24 years of age increased to 47.4 percent. A national strategy for literacy and non-formal education has been adopted.
72. **Institutional capacity-building** in the sector has taken various forms, including: (i) training of teachers and professors at the National Education Personnel Training Center (CFPEN); (ii) closer educational supervision of teachers and heads of schools; and (iii) upgrading of inspections.
73. With regard to **partnership development**, a system of partnership and co-management of school life has been introduced in schools, colleges and lycées and regional education committees have been set up in the districts. This arrangement allows parents and teaching staff to discuss openly the various problems that arise in the school environment and to find agreed solutions. In addition, the involvement of development partners has expanded in response to the clear determination of the authorities to develop the country's human resources on a sustainable basis.
74. As to financing, the education sector has received substantially larger budget allocations: over the five-year period 1999-2004, these increased from 16 percent to 24.8 percent of the State budget. The priority measures adopted for the period 2004-06 cost US\$93 million. Financing under projects and programs amounts to US\$57 million. In 2006, the sector also received a grant of US\$3 million from the World Bank to support primary education, in the context of a Poverty Eradication Action Plan-Fast Track Initiative (FTI).
75. However, despite the commendable efforts made, the education system is still facing challenges of several kinds, primarily the fact that education has little relevance and little suitability to the country's development needs.
76. As regards access, pre-schools remain optional and more accessible for the well-to-do segments of the population in the private schools of Djibouti City. A large proportion of children⁵ do not attend primary school. The main reasons are the shortage and/or unsuitability of facilities and the high opportunity costs.
77. As far as equity is concerned, marked disparities still exist, depending on the standard of living or place of residence. The number of students from poor classes in general and the number of girls in particular diminishes as one moves higher in the education cycles and hierarchy.
78. Quality is poor, because of the crowded classes (on average, over 40 students per class), the shortage of qualified teachers and the inadequacy of supervision and ongoing training of teachers.

⁵ 45 percent according to the Ministry of Education or almost 34 percent according to EDIM-2006.

79. The main literacy difficulties are connected with: (i) school drop-outs; (ii) lack of a policy and action framework promoting curriculum synergy; and (iii) insufficient coordination, follow-up and evaluation of results, in an area involving a large number of people. However, the national conference on literacy and non-formal education held in September 2006 proposed new strategic approaches, which will have to be put into practice.
80. As for financing, although the share of education in the national budget has increased considerably, it remains insufficient to meet the challenges of expansion and quality. Lastly, the sector's capacity to absorb funding, even if it has improved considerably over the last three years, could prove to be limited for the timely implementation of the new activities receiving additional financing.

1.2.2. Health

81. Health had been identified as one of the top PRSP development priorities. The main goal in this connection was to increase access to health significantly, particularly for the poor, and to improve the quality of health care and make the system more equitable. The strategy was based on four pillars: (i) reform of the institutional framework; (ii) improvement of global health coverage and access by the poor to health; (iii) creation of a viable mechanism for financing health; and (iv) decentralization and greater community participation in management of the system.
82. After three years of implementation of the PRSP in the health sector, the results achieved are encouraging (see Box 1), with in particular: (i) a considerable improvement in the IMR, down to 67 per thousand, which was better than expected; (ii) the percentage of children who had received all vaccinations (BCG, DCT3, Polio3, measles) increased from 32.9 percent to 38.6 percent in 2006; and (iii) the proportion of pregnant women who had received pre-natal care from skilled staff increased to 92.3 percent in 2006.
83. The *reform of the institutional framework* took the form of the adoption of official texts ordering the restructuring of the health system.
84. The efforts to *improve global health coverage* and access by the poor to health care focused on: (i) introduction of the reproductive health program designed to improve obstetrical care, pre-natal and post-natal examinations, equipment of maternity clinics, improvement of family planning and prevention of female genital mutilation (FGM); (ii) intensification of vaccination efforts under the Expanded Program on Immunization (EPI); (iii) implementation of the plan to eliminate measles and the plan to eradicate polio, as well as launching of the national strategy for the comprehensive treatment of childhood diseases; (iv) implementation of the protocol for the treatment of malnutrition at the level of the community health centers; and (v) treatment of pathologies such as diarrhoea and pneumonia.
85. Other important achievements include: (i) creation of a central office for the purchase of essential equipment and medicines; (ii) creation of community pharmacies providing generic medicines at affordable prices; (iii) creation of mobile medical teams in inaccessible areas; (iv) creation of the program "Essential development needs" in disadvantaged communities; (v) greater efforts to combat malaria (treated mosquito nets, etc.); (vi) adoption of a national anti-tuberculosis plan for 2006-10; and (vii) continuation of the 2003-07 framework plan to combat (Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Syndrome (AIDS).
86. Lastly, the level of budget allocations for health has increased considerably, from 7.1 percent in 2004 to about 10 percent in 2006.
87. Despite all these achievements, the health situation is still very alarming. Although some of the indicators are improving, they have not yet reached acceptable levels and raise serious questions about

the country's ability to achieve the MDGs in this sector by 2015. A genuine national mobilization for health is needed.

88. For this mobilization to be effective, it will clearly be necessary to step up efforts relating to infrastructure, qualified human resources, medicines (high-quality and affordable), decentralization and public involvement in the management of health structures. In addition, capacity for data collection and analysis, follow-up and evaluation mechanisms and the system of oversight must be strengthened. Lastly, the sector is affected by inefficient budgeting and the failure to prepare a consistent budget with specific and measurable targets.

1.2.3. Integration of women in development

89. The advancement of women has always been a central concern of the government of Djibouti. The PRSP confirmed the progress made in this regard, set as a major goal tackling in the medium term the causes of the slow advancement of the female population and described the broad outlines of the government's strategy in this area in three priority issues: (i) decision making; (ii) health; (iii) education; and (iv) economics.
90. As regards *decision making*, there has been progress in the representation of women in Parliament (7 out of 65 members, or almost 11 percent) and in various high-level posts such as Ministers, members of Regional Councils or assistant district heads, which were previously reserved for men.
91. In the area of *health*, efforts to eliminate harmful traditional practices have been bolstered, in particular, by the ratification of the Maputo Protocol and the organization of numerous information and awareness campaigns throughout the country, with the participation of civil society organizations.
92. As far as *education* is concerned, several literacy campaigns have been conducted jointly by the Ministry for the Advancement of Women and the Ministry of Education, in partnership with nongovernmental organizations (NGOs) and local associations including the National Union of Djiboutian Women (UNFD), and the EDIM findings show that 47.5 percent of women between 15 and 24 years of age became literate in 2006, but only 14.2 percent in rural areas and 48.4 percent in urban areas.
93. With regard to *economics*, a public microfinance body, the Social Fund for Development (FSD), was also created to improve women's social and economic life by granting microcredit for income generating facilities. However, according to data from EDAM-IS 2002, unemployment affects women (68.8 percent) more than men (54.6 percent). Nevertheless, in the informal sector women play an active and leading role.
94. It is estimated that the National Strategy for Women's Integration into Development (SNIFD) will require financing of US\$15,551 million but only 33 percent of the investments needed at the mid-point of the strategy have been mobilized. The remaining 67 percent must therefore be found to cover the activities scheduled for the period 2007–12.
95. Despite the progress made as regards the advancement of women, major obstacles remain, in particular regarding: (i) representation of women in the decision-making process and in senior posts; (ii) education, in particular enrollment of girls and female literacy; (iii) health, where the results achieved still fall short of the MDGs; (iv) employment; and (v) access to capital, since the experiments involving microcredit for women are recent and their impact has not yet been felt.
96. However, the biggest challenges are still prejudice, socio-cultural constraints, tradition and misinterpretation of religion – a series of factors still obstructing women's full participation in development

97. Lastly, the lack of performance indicators and quantified targets for measuring the progress made and the distance still to be covered to reach the goals are undermining the SNIFD follow-up and evaluation system.

1.2.4. Access to water

98. Djibouti has always had a water problem and no viable solutions have yet been found. The main difficulty is that the only available water sources are groundwater and wadi runoff, which are adversely affected by the arid climate and the saltwater wedge flowing in from the sea (salinity is much higher than the limits set by the World Health Organization). The alternative solution of seawater desalination is complicated because of the initial investment required, the considerable energy that is needed but is not yet available, and the possibility of a high cost per cubic meter produced.

99. An evaluation of water projects⁶ for the period 2004–06 reveals commendable efforts, which have undoubtedly improved the situation but which remain limited. Serious obstacles remain, particularly as regards: (i) production, which meets only 75 percent of needs, estimated at almost 20 million m³ a year; (ii) high cost of production (DF 136); (iii) disparities in delivery costs, which range from DF 62/m³ for pipes connected to the network of the Djibouti National Water and Sanitation Office (ONEAD) to DF 500/m³ for water trucks; and (iv) the technical, financial, and organizational capacity of ONEAD.

1.2.5. Employment and income-generating activities

100. Reduction of unemployment was the top priority of the PRSP. In this connection, the strategy adopted consisted of a series of programs to deal with the various manifestations of the phenomenon of unemployment. The programs concerned: (i) labor-intensive infrastructure; (ii) vocational training; (iii) development of small and medium-sized enterprises (SMEs); and (iv) development of microfinance.

101. As regards the *labor-intensive program*, the Djibouti Public Service Project Implementation Agency (ADETIP) was instructed to implement job-creating social projects. The boom in the country's construction and public works sector and the numerous construction sites that have sprung up over the last five years have enabled the Agency to create a large number of temporary jobs. The average number of temporary jobs thus created annually was almost 30,155 man/days for the period 2004–06, or an increase of almost 21 percent compared with 2003.

102. Concerning the *vocational training program*, the employment promotion strategy based on job-oriented training has still not been launched⁷. Nor has the system of employment statistics. Indeed, only two of the seven priority actions envisaged in this area have been initiated: capacity-building for the Adult Vocational Training Center (CFPA) and expansion of the range and types of training provided.

103. Assistance to job seekers is provided both by the Department of Employment, Training, and Job Placement (DEFIP) of the Ministry of Employment and National Solidarity (MESN) and by some private agencies. These agencies have been active since the liberalization of the job market, but no information is currently available on the scope of their operations. DEFIP activities are small-scale and have limited impact. In 2006, there were 3,120 job seekers, of whom 874 were women. The number of placements was 906. The DEFIP should consider discontinuing the current programs and instead concentrating on the creation of a job market monitoring center. In coordination with the

⁶ To follow the lay-out of the first PRSP, a separate evaluation is provided for urban water supply and rural water supply, in pillar 3 concerning local development. However, the main obstacles are mentioned here, because the issue is one of access to basic services.

⁷ In August 2006, the DEFIP produced a note entitled: "Development of insertion possibilities for young people".

Department of Statistics and Demographic Studies (DISED), this new center would also be responsible for conducting analyses for decision-makers.

104. In addition, there is a new initiative to facilitate the insertion of young people (15-24 years old) and unmarried adults without diplomas. This Modified National Service (SNA) consists of three stages: (i) three-month military training; (ii) nine-month vocational training; and (iii) practical knowledge application in the Army or in civilian life. Initially, the SNA should cost DF 225 million in 2004 and will then expand in subsequent years (for example, DF 449 million in 2005). However, there are a number of questions about the cost-effectiveness of this program.
105. The **microfinance program** is a relatively new initiative in Djibouti. The Department of National Solidarity (DSN) is the body responsible for formulating national strategy in the area of microfinance, as well as for follow-up and evaluation activities. The Central Bank of Djibouti (BCD) is the supervisory body. The FSD currently administers a credit line of DF 156 million for microfinance operations. It works with 13 NGOs acting as microfinance institutions (MFIs), specializing by region and providing loans and savings products. These NGOs target low-income women. The FSD is also trying to diversify its clientele by providing credit services to small enterprises which have no access to the financial system. Through the Ministry of Agriculture, Djibouti is also launching an initiative financed by the International Fund for Agricultural Development (IFAD) with a credit of 3.59 million euros, for the development of microfinance programs and support to small enterprises. The project will target 30,000 families (or about 200,000 persons, representing 33 percent of the population).
106. However, although these achievements represent an important step towards reducing unemployment, they will not suffice to end this phenomenon, which conflicts with the principle of equitable access to the country's resources. A number of obstacles will have to be overcome in this connection. They include: (i) inadequacy of employment statistics; (ii) persistent irrelevance of vocational training to the needs of the market, which also raises the problem of inadequate vision and foresight; (iii) lack of an operational framework for cooperation between the government and private sector operators; (iv) inadequacy of the labor-intensive programs; (v) absence of a group of efficient SMEs; and (vi) weaknesses connected with the coverage and viability of the microfinance system.

1.2.6. Promotion of youth

107. The promotion of youth as such was conspicuously absent from the first PRSP, except that the vocational training development program targeted young people without schooling. However, the government has made a real effort to help young people in several ways, particularly: (i) insertion (see above, for example, regarding the SNA); (ii) increasing their involvement in the decision-making process; and (iii) promotion of participation in sports.
108. With regard to the involvement of young people in the decision-making process, a national youth consultation was held in January 2007 and a Djibouti National Youth Council (CNJD) was created in March 2007. In addition, the creation of Community Development Centers (CDCs) resulted in a bigger neighborhood role for young people and the transfer of responsibility for certain activities to civil society. Six centers were refurbished and new centers were built in district 6, in Arhiba, and in PK 12 district.
109. Activities to promote participation in sports throughout the territory included, in particular, rehabilitation of the former Djibouti municipal stadium (Project Goal of the International Federation of Association Football), which led to the idea of creating a Technical Training Center there. In addition, a program to rehabilitate sports facilities in the districts has been gradually introduced and vacant lots have been equipped in poor districts. In addition, sports professionals and socio-cultural community leaders have been trained.

110. However, these efforts have no strategic focus, reference framework or coordination and cannot suffice to meet the legitimate expectations of young people and to solve the problems facing them. These problems include: (i) access to an education that responds to the needs of the market; (ii) unemployment – over 90 percent of young people between 15 and 24 years of age have no activity; and (iii) confidence in the future of the country – more than half of the young people are thinking of emigrating. Consequently, the formulation and concerted implementation of a national youth promotion strategy is now one of the top INDS priorities.

1.2.7. Social welfare

111. The social welfare system is taking shape in Djibouti. Although the existing institutional arrangements are limited in scope and responsibilities and functions are still not clearly defined, various initiatives are under way. For example, in addition to the above-mentioned programs geared to the labor market (vocational training, assistance to job seekers), social welfare programs are being started (pensions and medical insurance, provision of microcredit for income-generating activities, distribution of school supplies, food, medicines, etc.). It should be noted, however, that there is still no unemployment insurance.

112. Total spending on social welfare programs accounts for 10 percent of GDP, with 5.1 percent devoted to pensions and medical insurance (one of the highest percentages in the developing world), 4.3 percent to subsidies (private schools, public media, fellowships for study abroad, housing subsidies for civil servants) and only 0.5 percent to programs targeting the poor and vulnerable.

1.2.8. Protection of vulnerable segments

113. This is one key aspect of the PRSP that has been virtually ignored (implementation rate: about 25 percent), despite its importance in the quest for equity and social justice for people living in extreme conditions because of their specific characteristics: street children, nomads and displaced persons.

114. Little is known still about the true scope of the phenomenon of *street children*. There is no protection strategy. Only a few welfare associations help some of the children.

115. *Nomads* have benefitted from some rural development programs, particularly pasture hydraulics and animal health programs to improve their livestock and the creation of forage perimeters. However, because of the persistence of drought, which has become cyclical, nomads live in a state of chronic food insecurity. Nevertheless, they have been able to benefit from a food aid program and have access to basic infrastructure (education, health and safe drinking water).

116. *Displaced persons* have also received food aid in rural areas and urban centers, with access to medical care and safe drinking water.

1.3. Local development

117. Because of the importance of the living environment in development of human resources and improvement of income, Djibouti's first PRSP made the promotion of integrated local development a priority strategic pillar, with the principal aim of remedying the socio-economic infrastructure deficit while ensuring harmonious land use planning.

118. Actions to achieve this goal were to consist of five essential components: (i) land use planning; (ii) urban development; (iii) rural development and environment; (iv) universal access to basic services; and (v) disaster prevention and management.

1.3.1. Land use planning and local development

119. The government strategy in this area consisted of: (i) creation of an institutional framework for coordination of the sectoral actions of the State and of the local communities; and (ii) design of planning tools at the regional level, such as regional land use and development guidelines.

1.3.2. Urban development

120. The priorities in this context were: (i) urban development and housing; (ii) improvement of the urban environment, particularly sanitation and management of urban waste; (iii) access to safe drinking water; (iv) development of urban and inter-urban transport; and (v) involvement of local communities and strengthening of community participation.

121. The efforts to be made in the area of *urban development and housing* were to include strengthening of the institutional framework, development of socio-economic infrastructure for the integration of poor neighborhoods and production of serviced plots and housing on suitable terms.

122. The relevant actions on which a start has been made include:

123. drafting of a town planning, land management and construction code,

124. formulation of urban land use guidelines to control urban expansion in the capital,

125. upgrading and improved access to basic urban services in certain poor neighborhoods,

126. community mobilization for the better acquisition and maintenance of the amenities but also for a better understanding of the needs of the population and ability to meet them,

127. scheduling of the production of serviced plots and housing on suitable terms through production of affordable housing for medium-income households (operation of 5,000 plots in Balbala) and for low-income households (assisted individual construction, expansion of the Barwaqo I-type operation),

128. development of rehabilitated plots in a sufficient number and at affordable costs, particularly provision of services to between 300 and 500 plots for each of the inland districts,

129. Improvement of the urban environment by means of a study of the former center of the city of Djibouti, covering rehabilitation of the building heritage but also improvement of the public areas that make up the urban landscape.

130. However, it should be pointed out that many of the priority actions described above have not progressed beyond the phase of validation of reconnaissance reports. It is regrettable that the definition of a housing promotion strategy should not have moved beyond the stage of defining terms of reference. What is needed now is advocacy to mobilize funding for its implementation.

131. As regards housing, a Housing Fund was created in 2002 to rationalize the recovery of investments and promote the financing of housing. The Fund, which originally managed the Barwaqo low-cost housing pilot project, must repeat its successful experiment in other locations, with phase II of the project including the provision of services and construction of low-cost housing (currently under study).

132. The Djibouti Building Society (SID) is being given a new role. The areas of competence of the Housing Fund and SID are divided according to the level of services provided and the type of clientele served. For example, SID was selected to manage the project for 2,000 low-cost housing units in

Balbala, for which the first 842 units had been completed in 2004. This housing for sale or rental will increase housing supply while facilitating access to property by all segments of society.

133. In addition, the rehousing of the victims of the Ambouli wadi flooding in April 2004 required the government to continue its activities in PK 12 with the creation of 400 new housing units. The construction of low-cost housing in Obock has also reached an advanced stage. The allocation of 382 emergency plots to Farah Had, the provision of services to several housing developments including 5,000 plots in Balbala and 1,320 in the inland districts, signal a revival of the housing sector.
134. Despite the efforts made, the housing situation is still precarious. Only about 50 percent of households own their homes. Rent represents 40 percent of household expenditure. Annual requirements are estimated at 2,500 housing units for the whole country, including 2,000 for the capital. It is currently thought that one third of the needs are being met by existing housing stock. In addition, construction costs are high: six times average annual household income for permanent housing and 2.5 times that average for housing made of lightweight materials, because most of the materials are imported and manpower is expensive.
135. Continual urban population growth (3 percent a year) and the shortage of serviced land with basic infrastructure and facilities result in extensive squatting and temporary housing. Lastly, there are still major shortcomings in the monitoring systems for urban centers, which would facilitate an understanding of the main trends (use of land space, urban dynamics, incidence of temporary housing, extent of urban poverty).
136. As regards the *urban environment*, sanitation has improved: the findings of EDIM-2006 show that 67.8 percent of households live in homes equipped with improved sanitary facilities, i.e. facilities for the disposal of human waste. In 2002, 20 percent of households were connected to the public sanitation system in certain neighborhoods of Djibouti City and 80 percent used individual sanitation such as dry-pit latrines, dry wells and septic tanks causing intermittent pollution of the soil and the groundwater aquifer.
137. Sanitation efforts concentrated on rehabilitation of the old neighborhoods as regards primary drainage of rainwater in the capital and the secondary cities with off-site drainage of districts 1 to 6 of the capital. Steps were also taken to improve sewage collection, treatment and disposal, to ban discharge into the sea and to improve environmental health in disadvantaged neighborhoods of the capital. The project to improve sanitation in the districts of Arhiba and Einguela and to ban all discharge into the sea of sewage from the Wadajir and Makka Moukarama housing projects and from Peltier Hospital will considerably improve the urban and marine environment. Services, including drainage, are being provided to the Gabode 4 and 5 housing projects, while a Water and Sanitation Strategic Plan for the city of Djibouti is being finalized.
138. Despite the efforts made, the improvement of waste disposal (liquid and solid) is still encountering serious obstacles, mainly due to the weakness of the institutional framework required for infrastructure creation and to the absence or unsuitability of the cost recovery system, which is essential for the operation and maintenance of facilities. In addition, 62 percent of the 240 solid wastes produced daily in 2002 is discharged directly without any prior sorting or treatment. Stagnant rainwater and sewage is another persistent serious problem, because of the town's special topography, which is a factor aggravating the sanitation problems.
139. As far as access to *clean drinking water* is concerned, the urban situation seems satisfactory, at least as regards access to an improved source, which has increased from 92.6 percent in 2002 to 97.4 percent in 2006. However, in the absence of additional information – on the cost and volumes available and actually used by households—it is impossible to have an overall picture of the situation.

140. Projects in this area have focused on increasing production. Thus various studies have been commissioned, to identify the appropriate sources and technology for optimal water supply. Two options were selected: seawater desalination and pumping of groundwater from the aquifer, which is the only water table supplying Djibouti City. It should be noted that methods of obtaining clean drinking water vary by zone and connection to the water main is the most common method of supply in the capital. In the other urban centers, public standpipes are the norm. The State continues to be exclusively responsible for the management of hydraulic works.

1.3.3. Rural development and the environment

141. Because of the high incidence of poverty (96.5 percent in 2002), the shortage of income-generating activities and the precarious living conditions in rural areas, the government has made rural poverty reduction a national priority, adopting an integrated approach allowing it to deal with all manifestations of the phenomenon while preserving the environment.

142. In this connection, eight components had been identified: (i) rural water supply; (ii) development of the productive sectors of agriculture, livestock breeding and fisheries; (iii) food security; (iv) diversification of rural activities; (v) development of rural infrastructure; (vi) community capacity-building; (vii) management of natural resources; and (viii) institutional capacity-building.

143. With regard to *rural water supply*, the situation is not as good as in urban areas, since the percentage of the population living in rural areas with access to an improved source of clean drinking water increased from 50.9 percent in 2002 to 52.5 percent in 2006. These rural inhabitants mostly obtain water from dilapidated traditional wells in unhygienic conditions. However, these results must be viewed with caution, because the data do not show either the distance covered/time taken to obtain water or the density of rural wells (number of wells per 100 inhabitants).

144. The priority actions relating to rural water supply focused on inventory and reconnaissance of water points, rehabilitation or renovation of sub-standard installations and promotion of suitable pumping. Throughout the country, damaged drilled wells were repaired and new wells were drilled. Wells were mainly drilled in the rural areas at considerable risk of desertification and shortages harmful to agricultural production. Retaining reservoirs were also built and tanks were buried underground in several regions. The adoption of a participatory approach before, during and after the construction phase empowered users and made it possible to transfer responsibility for the monitoring and basic maintenance of installations to local water point management committees.

1.3.4. Access to universal basic services⁸

145. The PRSP had noted the need to improve and expand access to energy, as a prerequisite for any sustainable economic and social development. The concept of universal access to basic services is, of course, much broader and indeed represents a long-term goal of the PRSP. It is, however, intimately linked with access to sustainable and high-quality energy, suited to needs and delivered in safe conditions and at affordable prices.

146. In this connection, the goals and actions concerned: (i) construction of electric power grids in peripheral areas (needs assessment); (ii) reduction of the cost of electricity (assessment of Djibouti's energy needs and of alternative sources of energy, updating of the study on connection to the Ethiopian grid and study of pricing); (iii) improvement of electricity supply (installation of 18 MW at existing power stations and purchase of new power generating sets); (iv) promotion of alternative energy sources (surveys to identify suitable sites for wind generators and identification of pilot projects and incentives for private investment, geothermal survey to verify the availability and potential of the geothermal energy source at Assal); and (v) improvement of sustainable energy supply in rural areas (study of energy needs in rural areas and of alternative energy sources).

⁸ This part of the first PRSP deals only with energy.

1.3.5. Disaster prevention and management

147. Here priority was given to the formulation of a national disaster prevention and management strategy designed to develop skills and carefully planned investments in the area of prevention, mitigation and preparation.

1.4. Governance

148. Djibouti's PRSP had identified modernization of the State and promotion of good governance as two major prerequisites for the success of the development and poverty reduction strategy and the long-term maintenance of the country's democratic, economic and social achievements.

149. The main pillars of government strategy in this area were: (i) consolidation of democratic achievements; (ii) promotion of good local governance; (iii) reform of justice; (iv) continuation of administrative reform; and (v) promotion of good economic and financial governance.

1.4.1. Consolidation of democratic achievements

150. In this area, priority actions were: (i) continuation of the democratic process; and (ii) promotion and protection of human rights and women's rights.

151. As regards the *democratic process*, free, transparent and pluralist presidential and regional elections were held in April 2005 and March 2006 respectively. A coalition of (number) parties governs the country and Parliament includes opposition deputies. An independent electoral commission has been established.

152. Institutional consolidation has affected the *human rights* situation with: (i) creation of a ministerial department responsible for the promotion and protection of human rights; (ii) addition to the Constitution of a chapter devoted exclusively to human rights; and (iii) ratification of a number of international conventions.

153. With regard more specifically to *women's rights*, implementation of SNIFID resulted in some progress with regard to the main types of discrimination against women. For example, the representation of women in politics improved considerably, even if it is still insufficient, with the introduction of a quota of at least 10 percent, which enabled seven women to enter Parliament following the most recent legislative elections. In addition, women are beginning to occupy top posts in the public sector (two Ministers, President of the Supreme Court) and in the private sector.

154. However, despite the promulgation and enforcement of the Family Code, women are still suffering from spousal violence and harmful traditional practices, such as FGM.

1.4.2. Local governance and participatory development

155. The promotion and strengthening of decentralization and of the participation of civil society and the public were both a priority and a prerequisite for the success of the poverty reduction strategy.

156. The strategy of the government as regards *decentralization* was: (i) to ensure the gradual transfer of powers, depending on the means available and the actual capacities of the new local communities; (ii) to create a capacity-building program using training and logistic support for the new regional councils; and (iii) to promote partnership and twinning agreements in the context of decentralized international cooperation.

157. In this context and in pursuance of the Decentralization Law (promulgated in 2002) making the region into a commune, the territorial community now has a Regional Council and Djibouti City has a

special status (three communes, the Djibouti Council and an elected mayor). A gradual transfer of powers should take place as soon as possible.

158. With regard to *civil society*, the priority actions were: (i) adoption of a legal and statutory framework governing associations and NGOs following the analysis already made; (ii) adoption of arrangements for coordination of NGO actions and development of a State-Regions-NGO tripartite partnership; and (iii) formulation and implementation of a capacity-building program for development associations, by means of training, support and guidance of NGOs.

1.4.3. Reform of justice

159. The program of justice reforms was to include: (i) transformation of the Supreme Court into a court of cassation; (ii) gradual elimination of dual jurisdictions (integration of Sharia courts and abolition of indigenous courts); (iii) reform of the Appeals Court; and (iv) decentralization of justice.

160. Since his accession to power, the President of the Republic, being aware of the problems in the justice sector, included it among his government's national priorities. This political will was rapidly reflected in the holding of the high-level discussion forum (*Etats Généraux*) on justice (2000), with the participation of all members of the judiciary and of civil society representatives. At the end of this meeting, the participants made recommendations in the form of a *road map for judicial policy*.

161. The action plan drawn up in this context has already resulted in the adoption of several measures involving:

- Reorganization and relocation of the Ministry of Justice;
- Promulgation of the statute of the judiciary and reform of the High Council of the Judiciary;
- Creation of the Court of Audit and Budgetary Discipline;
- Revision of the remuneration of the judiciary;
- The promulgation of the Family Code and the creation of the personal status tribunals and of the "Maadoun al charia" significantly improved family law, submitting family disputes to full members of the judiciary specializing in personal status issues;
- Rehabilitation of the Palais de Justice and of the prison system.

162. Despite these considerable efforts, there are still many dysfunctions and shortcomings that may jeopardize attainment of the goals set and therefore affect the smooth running of this public service. The main problem areas are:

- Outdated legal texts, which need to be completely overhauled and adapted to current needs;
- Limited incorporation of the provisions of international conventions into domestic law;
- Inadequate training of judicial staff;
- Problems of management and access of individuals to justice;
- Inadequate compilation and dissemination of judicial statistics;
- Lack of evaluation of judicial staff;
- Irregular or inadequate reporting to permit an accurate assessment of the quality and efficiency of justice.

1.4.4. Administrative reform

163. The priority actions in this area were to focus on: (i) introduction of a reliable system for management of civil servants, with the creation of a single computerized register of civil servants, accessible to all user services; (ii) enhancement of transparency in recruitment, with systematic use of competitive examinations; and (iii) upgrading of the National Institute of Public Administration (INAP) to make it an efficient instrument for training and retraining officials of the State and the local communities and a structure supporting reform.

1.4.5. Economic and financial governance

164. The government's goals in this area were: (i) to improve transparency in the management of government finance, and tighten controls and accountability for the use of public funds; and (ii) to optimize the use of government finance and improve the effectiveness of public spending.

1.5. Mobilization of financing for the first PRSP

165. The Public Investment Program (PIP) that accompanied the first PRSP required total financing of DF 44,349 million (almost US\$250 million) for the three years from 2004 to 2006. DF 20,729 million (almost US\$117 million) was secured, or about 46.7 percent of the total needed. Thus, more than half (53.3 percent) of the resources needed to implement the PRSP priority actions had to be obtained from outside partners.

1.6. Principal lessons learned

166. Results were mixed for PRSP implementation for the period 2004–06. Undoubted progress was made, but shortcomings remained, which will have to be resolved if the country is to effectively meet the many challenges facing it.

167. The *progress made* concerned key aspects of the lives of Djiboutians, such as: (i) governance, with consolidation of democratic achievements and launching of ambitious reforms, particularly in the area of justice and management of public goods; (ii) economic growth, with a spectacular increase in FDI; (iii) education, where access improved and gender disparities were reduced; and (iv) health, with declining juvenile mortality and a large proportion of pregnant women receiving pre-natal care from qualified staff.

168. The *shortcomings*, in addition to those mentioned above in the description of results by pillar and by sector, also concerned the following main cross-cutting issues:

- The PRSP never became the sole frame of reference of the country's economic and social development policy. In particular, ownership of it by the sectoral ministries responsible for its implementation was weak.
- The culture of planning, follow-up, evaluation, participation and communication is not well established among the authorities.
- There is no very long-term forward-looking vision (Djibouti 2030, for example), which would enable the country to hold its course and ensure that its commendable efforts can continue.

169. Lastly, the *main challenges* faced by Djibouti concern the following issues:

- Strengthening of the rule of law and consolidation of democratic achievements;
- Creation of conditions enabling the people and enterprises of Djibouti to benefit fully from: (i) the huge influx of foreign investments; and (ii) the opportunities created by the promising consolidation of Djibouti's situation as an essential transit and transshipment hub to countries in the region;
- Development of competitive and efficient human resources, able to lead the country out of poverty and into sustainable development;
- Solution of the fundamental questions of access to water and access to energy;
- Harmonious and balanced land use.

170. To consolidate achievements, overcome shortcomings and face challenges, the new initiative (INDS) is now the frame of reference for the country's economic and social development strategy (see Box 2).

Box 2: INDS, a second-generation PRSP.

Djibouti's economic and social development process has just reached a major milestone with the recent initiative of the President of the Republic, which is the cornerstone of the project for a democratic and modern society. This National Initiative for Social Development (INDS) is now the frame of reference for the country's development.

The INDS guidelines already raise the issue of poverty reduction and exclusion, list a number of findings and set the directions to be followed in the efforts to be made for rapid implementation of the Initiative:

- Sizeable fringes of the Djibouti population live in difficult conditions of poverty and marginalization that are incompatible with the conditions of a dignified and decent life;
- The short-term measures adopted to resolve this situation have failed and the unequal distribution of economic growth has benefitted one category of the population and left another in a situation of social destitution;
- The Initiative must find a solution to the social problems by means of integrated government policies that will be part of a comprehensive and coherent project in which the political, social, economic, educational, cultural and environmental dimensions are complementary;
- This Initiative has three pillars: (i) promotion of access to basic social services; (ii) restructuring of the national productive base to create necessary jobs that will be sufficient to eradicate poverty and reduce unemployment; and (iii) assistance to persons in a situation of great vulnerability or with specific needs;
- The government will have to adopt an action plan based on the principles of good governance: accountability, transparency, rules of professionalism, broad participation of all players (political parties, trade unions, local communities, civil society, private sector, public), integration and rationalization of public institutions and agencies, as well as follow-up and ongoing evaluation of achievements;
- The Initiative should be financed by a specific mechanism, with no increase in taxes or tax burdens, to ensure the viability of resources, with flexible implementation procedures;
- INDS is not a one-time project or an ad hoc program. It is an ongoing project for a term of office.

Thus the President of the Republic has essentially based INDS on the same principles as those governing the Poverty Reduction Strategy Paper process adopted by a very large number of poor countries since 2000 and by Djibouti since 2004. In fact, it follows the main outline of the second-generation PRSPs.

Preparation of the complete INDS document must necessarily be a gradual process, in view of the capacities of the main players (Administration, civil society, private sector) and also, above all, the lack of reliable and current statistical data on population, poverty and living conditions in general. The finalization of this important document could therefore be envisaged after the General Population and Housing Census (RGPH-2) and the Djibouti Household Survey (EDAM-3) scheduled for 2008. Meanwhile, this report describes the main directions of INDS for the medium term.

2. COMPONENTS OF THE OUTLOOK FOR 2008–11, 2015

“The INDS envisages solutions to social problems through integrated public policies that fall within the framework of an overall, coherent project, in which political, social, economic, educational, cultural, and ecological dimensions are combined and complement each other.”

172. The January 2007 launch of the process to prepare the National Initiative for Social Development (see Box 2), in the economic context marked by a promise of substantial increases in foreign direct investment and the lessons learned from three years of PRSP implementation, make it necessary to review the country’s economic and social development objectives and the strategic pillars that will facilitate their achievement, as well as to formulate a new plan of priority actions for the medium term (horizon 2011).
173. However, the lack of recent reliable and comprehensive population and poverty data⁹—both monetary and related to living conditions—makes it difficult to envisage the rapid achievement of this exercise, albeit crucial for the success of the INDS endeavor. It is therefore proposed to carry out the process of drafting the comprehensive INDS document in three phases, described below.
174. The first phase is devoted to drafting *this Report on implementation of the PRSP over the period 2004–06*, which also covers the thrust of the priority actions planned for 2008–11 in the INDS context.
175. Then, once the results of the upcoming Census and of the next phase of the EDAM (planned for 2008) become available, steps can be taken to draft the *Comprehensive Paper on the INDS*, which will provide an opportunity to update the objectives and strategic policies and to consolidate the priority actions for the period 2009–11. The production of the latter paper can be envisaged for end-2008.
176. This chapter is based on the findings described above and proposes: (i) an update of the objectives and a reformulation of the strategic pillars in accordance with INDS policies, (ii) the main components of the plan of priority actions for 2008–11, (iii) financing requirements for the plan of priority actions, (vi) the needs for external assistance, and (v) a discussion on the risks related to implementation of the INDS.

2.1. Objectives and strategic policies for 2008–11

177. The government of Djibouti reaffirms its commitment to achieving the Millennium Development Goals to which the entire international community subscribed in September 2000. The sustained economic and social development and environmental protection efforts that the government plans to make with the help of its development partners will be centered on making this major commitment a reality. The principal objectives are presented in Annex 4.
178. For the medium term (horizon 2011), the government has adopted the following objectives: (i) to reduce poverty, (ii) to accelerate growth while safeguarding macroeconomic stability, (iii) to achieve a marked improvement in access to, and the quality of, the basic services, while ensuring that disparities are reduced, (iv) to foster harmonious and balanced land development, and (v) to consolidate the rule of law while anchoring the principles of good governance in the management of public affairs.
179. In this context, the main quantified objectives (see Annex 5) are:

⁹ The most recent data available on monetary poverty are from the EDAM-2, conducted in 2002.

- To reduce the incidence of extreme poverty and that of relative poverty;
- To increase the annual average rate of economic growth to 7 percent;
- To increase the GER to 83 percent at the primary level and 61 percent at the secondary level, while continuing to reduce the gender and spatial disparities;
- To increase the literacy rate among 15-24 year-olds to 65 percent;
- To reduce the IMR to 60‰, the IJMR to 80‰, and the MMR to 400 per 100,000 live births; and
- To increase the rate of health coverage in a range of 5 km to 90 percent;

180. To achieve these objectives, the guidelines given by the President of the Republic within the framework of the INDS require extensive mobilization of all the players—public and private, national and foreign. A new partnership should emerge. Already, a decree issued by the President of the Republic has established the framework of this partnership and is helping to determine the distribution of roles.¹⁰

181. For the objectives to be achieved, there must also be a recomposition of the strategic pillars, to take full account of INDS policies and the main lessons drawn from implementation of the first PRSP. The INDS will be established in accordance with four additional, closely correlated strategic pillars:

- The first pillar is aimed at accelerating growth and preserving the major macroeconomic balances;
- The second pillar brings together all the efforts being made to develop human resources and to make the basic services universally accessible;
- The third pillar is the promotion of harmonious, balanced local development and environmental preservation; and
- The fourth pillar is confirmation of the dual need to anchor the principles of good governance and to build the capacities of public and private players to ensure the success of the new initiative.

2.2. Main components of the 2008–11 plan of priority actions

182. As discussed above, because of the relatively low rate of implementation of the action plan in the first PRSP and as it is currently impossible to conduct an in-depth review, given the lack of recent data, the priority measures for the medium term are defined as follows:

- The actions not achieved or partly achieved and remaining pertinent are retained once again and presented in terms of the new strategic pillars; and
- The actions identified in the recent sectoral studies and officially adopted are taken into consideration.

183. The principal priority measures thus defined are summarized below, by strategic pillar (see Annex 6 for details).

2.2.1. Pillar 1: Accelerate growth and preserve the major macroeconomic balances

184. The acceleration of growth and preservation of the major macroeconomic balances will continue to occupy a place of choice in Djibouti's economic and social development policy. In this context, the government is adopting objectives that are more far-reaching than in the past, encouraged in this by

¹⁰ Decree 2007–0106/PR of February 6, 2007, spelling out the institutional arrangements for formulating, implementing, monitoring, and assessing the INDS.

the growing flow of: (i) foreign direct investment, which is expected to double between 2006 and 2011 and reach unprecedented levels (40 percent on average); and (ii) goods transiting through Djibouti to and from the Common Market for Eastern and Southern Africa (COMESA) countries.

185. The strategy pursued will continue to focus on: (i) macroeconomic framework stability, (ii) the promotion of private investment; (iii) the strengthening of Djibouti's position as a commercial, financial, and economic market of note in the region; and (iv) diversification of the sources of growth.
186. As regards the *macroeconomic framework*, emphasis will be placed on pursuing:
- Policies for the acceleration of growth;
 - Budgetary and tax policies that are prudent but at the same time leave room for massive financing of public investment in the social and growth-supporting sectors; and
 - Policies to control the external deficit and strengthen the financial sector.
187. The optimistic growth scenario assumes that wide-ranging structural reforms will be undertaken, with a view to attracting private investment and to confirming the Djibouti market as a premier hub in the region. In this scenario, the average annual growth rate is expected to exceed 7 percent for the period 2009–11. Meanwhile, it is anticipated that public investment will represent about 6 percent of GDP, and that the fiscal position will show an overall balance surplus equal to 0.9 percent of GDP in 2011. The inflation rate is expected to remain below 3 percent. The current account deficit will worsen, as a result of the marked increase in development imports related to the ongoing major projects (Doraleh Port, etc.), from 9 percent of GDP in 2006 to 14.2 percent of GDP in 2011, with a ceiling of 18 percent in 2009. Also, debt is expected to climb from 58 percent of GDP in 2006 to 71 percent of GDP in 2011. Lastly, the domestic credit growth rate, at 8.3 percent above the 2005 rate, is expected to continue its upward trend, increasing by 15 percent a year between 2009 and 2011.
188. With respect to *the promotion of private investment*, the performances of which have been encouraging, activities will be geared toward deepening the efforts already undertaken, to:
- Improve the legal and regulatory framework for business,
 - Reduce the costs of the factors of production, and
 - Improve the work environment.
189. If the legal and regulatory framework for business is to improve, action must be taken, in particular, to: (i) adopt a new Commercial Code, (ii) create the International Arbitration Center within the Chamber of Commerce and Industry, and (iii) simplify enterprise creation procedures.
190. The persistently high costs of the principal factors of production (energy, telecommunications, etc.) continue to hamper private sector development and the attraction of more FDI. Overcoming these obstacles requires steps to: (i) clean up the financial position of the public enterprises with sectoral oversight; (ii) promote privatization of the national electricity corporation (EDD), based on specifications that guarantee development of the sector; (iii) encourage the use of alternatives to thermal energy through studies of the comparative advantages of linkage to the Ethiopian power grid and of geothermal development; (iv) reduce in phases the rates applicable to international telecommunications; and (v) redress the shortcomings noted in Djibouti-Télécom performances.
191. Meanwhile, efforts to develop the national private sector will also be pursued, especially through: (i) creation of the conditions for improving the match between training and market requirements; (ii) support for the upgrading of enterprises in Djibouti; (iii) tax incentives for hiring; and

- (iv) continued involvement of the private sector in the management and financing of the production-supporting sectors such as energy and telecommunications.
192. Concern with strengthening *Djibouti's position* as a premier commercial, financial, and economic hub in the region will remain central to the government. Indeed, despite undeniable assets such as being a gateway to vast areas of the African hinterland, having a stable convertible currency, being a member of several regional groupings, and being located on major sea routes, the country is not yet attractive enough to become a regional market that cannot be overlooked.
193. In the circumstances, the ongoing efforts to develop transportation (port, sea, road, rail, and air) links, information and communications technologies (ICTs), and energy should be pursued and intensified.
194. As regards port and sea transport, the government's strategic partnership with Dubai Ports International (DPI) has led to a remarkable improvement in the profitability and outlook for development of the Port of Djibouti. The private operator's management has heightened the quality of the services provided, because of increased yields and an enormous easing of administrative red tape. The upgrading of the road and rail segments linking the country to Ethiopia and the construction of Doraleh Port will strengthen the position of the Port of Djibouti as a regional transshipment platform. Completion of the Doraleh project will further increase the appeal of the port, as it will then include: (i) a container wharf meeting current international standards, (ii) an oil tanker port, and (iii) a commercial free trade zone likely to triple container traffic and facilitate specialization in bulk processing.
195. The impact of the road transport activities on employment and poverty reduction remains limited. A huge financial handicap limits the potential of this subsector, which is characterized by deficient road maintenance and the long distances poor people have to travel to reach business places. The policies being adopted in this regard are expected to facilitate: (i) organization of the development of the international corridor by providing it with private management; (ii) opening up of poverty areas to release their energy and support for their development, through the mobilization of appropriate financing; and (iii) support for national operators to acquire heavy equipment, through access to low-interest loans and training in the transport trades.
196. The railway represents a strategic link between Djibouti and Ethiopia. However, in light of the serious financial and technical problems it faces, it cannot fully perform its role. A reformulation of its current binational status to permit its privatization and the renewal of its equipment should make it competitive for container transport and enable it to capture the market for movements of merchandise and passengers.
197. Traditionally playing a small role in the network, air transport is becoming more significant, as a result of the open sky policy adopted and the emergence of tourism. Its management has been entrusted to DPI, and this should lead to the airport obtaining modern infrastructures (new control tower, expansion of the aircraft hangar, establishment of a cargo village, etc.) to become a transit corridor for the landlocked Great Lakes African countries through the development of sea-air transshipment. In addition, the construction of a new international airport with foreign partners is under study.
198. As regards the ICTs, the future of Djibouti's competitiveness as a service economy depends largely on the role of telecommunications. Despite the strategic location of the country and its state-of-the-art amenities, the sector has not performed satisfactorily, as the dissuasive rates applied limit their dissemination. The initiatives taken by the government to infuse momentum into the sector have not

sufficed, and the current operator is experiencing management and development policy problems. The government is aware of the central role of the sector and has therefore formulated a series of measures aimed primarily at providing universal access to ICTs and improving their quality, through a substantial and continuous reduction of rates and an increase in the autonomy and human and operational capacities of the operator, Djibouti-Télécom.

199. Energy, a defining factor in the quest for economic development and competitiveness, is characterized in Djibouti by its scarcity and high costs. It is accessible to only 50 percent of the population, almost exclusively in urban areas. This configuration of the sector considerably hampers the country's development and forces the authorities to seek alternatives. Their strategy consists of first using the geothermal and wind energy available in the country and complementing production with imports from Ethiopia. The electricity network will be integrated at the national level around the energy production plants at Ali Sabieh (wind) and the Goubet sector (geothermal). The principal electricity distribution route will be the segment between Ali Sabieh and Djibouti, which will serve as the backbone around which the other connections will be installed, including the link with the Ethiopian power grid.
200. ***Diversification of the sources of growth*** was already identified as a key factor in the first PRSP. Future actions in this regard will concern especially the sectors of tourism, mining resources, agriculture, livestock production, and fishing.
201. As regards tourism, efforts to promote Djibouti as a destination will be doubled within the framework of a partnership between the Administration and private operators. In addition, the priority actions planned previously but not implemented will be reactivated. These are: (i) the opening up of tourism sites and the installation of adequate infrastructures; (ii) training, especially for women; (iii) the financing of tourism projects by the FDED, itself under restructuring; and (v) [*sic*] the promotion of local initiatives and a welcoming environment of openness conducive to development of the sector.
202. As regards the use of mining resources, the government's strategy is aimed at promoting and developing the nation's mining wealth, in particular salt, gypsum, and perlite. Prospection projects are also under way to determine the existence of gold reserves. In this context, the government is giving preference to joint ventures with foreign investors.
203. Concerning the agriculture, livestock production, and fishing sectors, interventions will fall within the framework of the land development and environmental preservation policy (see pillar 3 below).

2.2.2. Pillar 2: Develop human resources and ensure universal access to basic services

204. The development of human resources and the provision of universal access to basic services represent both a governance requirement and a prerequisite to any lasting economic and social development. The principal objective in this area is to ensure equitable access to: (i) quality education, in conformity with the requirements of the market; (ii) employment, especially for young people; and (iii) essential services (health, water resources, energy, ICTs, etc.), bringing together quality, availability, and affordability. This objective cannot be achieved without the active promotion of women as central players in development and an effective taking into account of the legitimate aspirations of young people.
205. As regards ***education***, the public authorities have adopted far-reaching objectives, namely: (i) to improve access and quality, (ii) to reduce disparities, (iii) to reduce repeats and dropouts, (iv) to improve management of the sector, and (v) to strengthen partnership. These objectives relate to all

levels of education: pre-school, basic (primary and midlevel), secondary, higher education and research, and informal education and literacy.

206. The planned priority actions, which fall within the dual perspective of consolidating past gains and intensifying ongoing efforts, are aimed at making appreciable improvements in the following areas:
- Access, with: (i) an increase in accommodation capacities, (ii) continuation of the double-shift system at the primary level, (iii) the initiation of innovative approaches in rural areas, and (iv) the strengthening of private education;
 - Equity, with: (i) the gradual elimination of the obstacles to the enrollment of girls, especially at levels other than the primary level; (ii) the involvement of civil society organizations in the efforts to raise awareness; and (iii) combating poverty among parents, to free up the energies of their children and devote them to their schooling;
 - Quality, effectiveness, and pertinence, with: (i) curriculum reforms, (ii) the provision of school textbooks, (iii) teacher training and motivation, (iv) the improvement of pedagogical guidance, and (v) evaluation reforms;
 - Institutional capacities, with: (i) the strengthening of the essential functions such as organization, school planning, and human resources management; and (ii) the deepening of decentralization and deconcentration; and
 - Partnership, with: (i) the strengthening of the frameworks for cooperation and partnership established by the policy law and instituted some years ago.
207. As regards **health**, the main objective is to expand physical and financial accessibility and to ensure quality services, so as to help improve the state of health of the people. In this context, the priority interventions will seek to:
- Accelerate the reform and establish a new, more suitable regulatory framework;
 - Introduce the cost recovery system;
 - Improve access to primary care in rural areas, after the conduct of prior studies;
 - Promote healthy lifestyles in urban areas, by: (i) combating the use of hard and current drugs; (ii) providing access to care, with the establishment of the health card for the provision of basic care; (iii) prevention; (iv) the assumption of liability for therapy; and (v) the establishment of itinerant teams in urban health sectors;
 - Establish mobile medical evacuation teams, with the creation of field medical emergency units (SMUR) in Djibouti City and the surrounding areas, and set up: (i) operating theater units, (ii) means of communication, and (iii) arrangements for medical evacuations to other countries;
 - Combat mental illnesses;
 - Expand the essential needs for development program; and
 - Promote education for health through the production of appropriate educational media, integrated, multisectoral, concerted social mobilization, and the training of health professionals and community leaders in communications.
208. In the area of **employment** promotion, a new thrust is required, given the observation of extremely low levels of implementation of the priority measures included in the first PRSP. However, it remains valid to pursue the four programs identified previously, as follows:
- The labor-intensive infrastructure program, which should be intensified in light of the prospects for massive investments planned in support of growth and expansion of the basic services;

- The training and job placement program, with: (i) the formulation and implementation of an employment promotion strategy based on matching training with employment opportunities; (ii) the development of self-employment, through financing to assist with start-ups; (iii) continuation of the SNA, (iv) building the capacities of the vocational training centers, in particular the CFPA (organization, adaptation of training programs, modernization of equipment, etc.); and (v) the development of partnerships with the private sector;
 - The small and medium-sized enterprise (SME) development program, with: (i) the establishment of a unit to assist and support private operators, (ii) the promotion of specific financing mechanisms (FDED, FSD), and (iii) tax incentives; and
 - The microfinance development program, with implementation of the microfinance promotion strategy adopted in 2006.
209. In addition, these actions will be enhanced through: (i) creation of the National Employment, Training, and Job Placement Agency (ANEFIP), a body with administrative and financial autonomy; (ii) the institution of an efficient system to provide information on employment; (iii) the use of job creation as an essential criterion for selecting PIPs; and (iv) the upgrading of placement services.
210. Finally, the prospect of organizing national consultations on employment will lead to a better definition of the objectives and priorities and more successful involvement of the various partners. The result could be a national Employment Pact, which would be the framework for partnership and action for the coming years.
211. ***The promotion of women*** will begin again, with account taken of the recommendations of the SNIFD assessment carried out in December 2006. These recommendations relate to the most important aspects of the life of Djibouti's women, as follows:
- Decision making: (i) ensure observance of the quota of at least 10 percent of women in the elective functions and in all sectors and ministerial departments, with the availability of reliable statistical data that take account of related gender-specific indicators; (ii) build the Ministry's capacity to advocate in favor of the gender concept; and (iii) train media personnel in the appropriate communications techniques suited to dissemination of the related legal documents (e.g., the Family Code);
 - Health: (i) increase the use and frequenting of health units by women and young girls; (ii) give national priority to preventing and combating the use of drugs and other harmful substances (khat, chicha, haschich, etc.); (iii) build communications capacity for encouraging pre-natal and post-natal consultations, as well as family planning, with a place of choice given to men in support of the strategy aimed at ceasing all forms of excision (FGM); and (iv) seek to bring water sources closer to homes, so as to ease the burdensome tasks performed by women and young girls;
 - Education: (i) continue and strengthen advocacy in favor of social mobilization through the education, training, and socio-economic integration of women in general; (ii) remove the factors preventing the schooling of young girls and, in particular, the costs for those belonging to the underprivileged classes; (iii) revive the vocational training sector; and (iv) establish literacy programs in French;
 - Economy: (i) pass the draft microfinance law, and (ii) accelerate the establishment of a system of savings and microcredit banks in urban and rural areas, in the context of the Microfinance and Microenterprise Development Project (PDMM).

212. With respect to ***the promotion of young people***, the recent consultations of January 2007 led to a number of sectoral recommendations, the implementation of which will facilitate responses to the aspirations of this important segment of the population, in the following areas:
- Education: (i) promote informal education and validate lessons learned on the job and acquired experience, (ii) set up programs to grant scholarships to young persons with physical handicaps, (iii) develop vocational training for unskilled young persons (the SNA, for example), and (iv) facilitate access to ICTs;
 - Health: (i) increase reproductive health programs for women, (ii) encourage the training of young persons regarding sexually transmissible infections (STIs)/AIDS, malaria, and tuberculosis, through peer training, (iii) grant food assistance to destitute young persons living with HIV/AIDS, (iv) expand the program to combat tobacco and drug use, and (v) improve the availability of condoms in the CDCs and youth centers;
 - Employment: (i) encourage the self-employment of young persons, (ii) develop vocational training arrangements for young school dropouts, (iii) establish mechanisms to provide financial support for the initiatives of young persons (e.g., the creation of a fund for the integration of young persons), (iv) develop programs to provide short skills courses for young dropouts and young persons with no schooling, (v) create an enterprise fair for young entrepreneurs, and (vi) create a prize for excellence among young entrepreneurs;
 - Decision making: (i) encourage the participation of young people (especially young women) in decision making, and (ii) include youth representatives in Parliament for the passing of legislation related to young people;
 - Environment: (i) foster the training and sensitization of young persons on the stakes with respect to the environment, at CDCs and associations of young persons; and (ii) encourage the CDCs to undertake neighborhood clean-up programs, in collaboration with the associations;
 - Culture and sport: (i) organize youth festivals across the country, (ii) make the practice of sport in schools mandatory, (iii) organize youth tournaments, and (iv) encourage exchanges among young people of the various countries in the region.
213. As regards ***social welfare***, efforts will be made especially to improve the institutional framework, with the merger of the National Retirement Fund (CNR) and the Social Welfare Agency (OPS), to form the National Social Security Fund (CNSS).
214. With respect to ***water resources***, priority actions will relate especially to: (i) the promotion of works to facilitate the harnessing of surface water; (ii) the construction of dams where the land topology allows for the constitution of large reserves of running water; (iii) the rehabilitation of drilled areas, wells, and existing sources, as well as the provision of new sources, and (iv) the conduct of studies on the potential of water resources in the country and the installation of a hydro-climatological network. The specific problem of supplying safe water to Djibouti City is currently being addressed with the help of Chinese technical assistance, whereby plans are afoot to establish, in three phases, a sea-water desalination plant with a maximum capacity of 100,000 cubic meters a day.
215. Finally, the promotion of universal access also includes essential services such as ***energy and ICTs***. The issue here is not one of production or of support for enterprise, discussed above (see pillar 1), but, rather, one of providing access for the people to these services, which are essential to quality of life and for the blossoming of individuals and the society. Regarding energy, priority will be given to: (i) setting up utility branches in underprivileged neighborhoods, (ii) providing access to alternative sources of energy suited to the local context, and (iii) promoting the use of clean gas for cooking. Concerning ICTs, the efforts undertaken should also help to improve quality and reduce costs. In

addition, steps will have to be taken to promote the emergence of small repair enterprises or units, so as to provide this important service and create jobs.

2.2.3. Pillar 3: Promote harmonious, balanced local development and preserve the environment

216. Poverty reduction and, more generally, economic and social development are time-consuming endeavors, requiring the definition of a very long-term prospective and territorial vision for the country. This is a goal that must be adopted by the various governments, and the movement toward its achievement must be guided gradually by multiyear strategic frameworks such as the PRSP over the period 2004–06 and the 2007–11 INDS.
217. The principal objective of formulating a prospective and territorial vision of the development of Djibouti is to set, for the very long term (horizon 2030, for example), the major policies that will guide public action related to the organization and structuring of national affairs in such a way as to create the conditions for lasting economic and social development. Naturally, this effort requires the full involvement and effective ownership of all the players (political, social, economic) and of the people themselves, who are the principal guarantors of the success of an enterprise as far-reaching and as defining for the country's future.
218. Indeed, the task is to join together to identify realistic approaches, to enable the country to leave the ranks of the poor countries once and for all, by taking up the numerous and diverse challenges (geographic, urban, rural, environmental, social, poverty-related, etc.) in a lasting way. Over time, this process will lead to: (i) the adoption of a national charter on the prospective and territorial vision of development; (ii) the drafting of a national land development plan, complemented by regional plans, veritable land planning and spatialized management tools; and (iii) the formulation of a comprehensive infrastructure program (covering roads, railways, ports, dams, energy, telecommunications, etc.), including major projects that will change the face of Djibouti.
219. Along with this exercise, poverty reduction and efforts to secure lasting development will continue, addressing a territorial situation marked by: (i) deep imbalances between urban centers and, within those very centers, between neighborhoods; (ii) far-flung rural areas, essentially inhabited by the poor; and (iii) excessive environmental deterioration. This situation is exacerbated by the fact that numerous poor and vulnerable Djibouti nationals have been unable to benefit from the impact of economic growth and the occasional programs that were supposed to target them.
220. These alarming observations accordingly indicate the need for more in-depth interventions aimed at urban development, rural development, and environmental preservation. They also require—and this is the main novelty of the INDS—the implementation of targeted poverty reduction programs to serve the poorest and most vulnerable segments of the population, in an integrated approach that takes account of all the manifestations of poverty.
221. The bulk of the actions to be taken by the public authorities concerning *urban development* will be hinged upon the following main objectives:
- To combat urban poverty, by implementing targeted programs that can address its various manifestations (income, employment, housing, etc.) and use innovative approaches tailored to each context (see pillar 3);
 - To restructure desperately poor neighborhoods, by implementing infrastructure programs to facilitate their integration with the urban base;

- To redress the imbalances in the country's urban setting, by gradually upgrading the secondary towns—district capitals first—to make them veritable centers of development, able to absorb a part of the migratory flow toward Djibouti City;
- To promote access to decent housing, by amplifying and accelerating the activities of the Housing Fund and the SID;
- To clean up urban living conditions and the environment, in particular by implementing programs for the evacuation of used and rain water and for the collection and treatment of solid waste; and
- To improve the regulatory and organizational framework, by specifically apportioning roles, increasing the involvement of communes and civil society organizations, and building urban planning capacities.

222. In the area of **rural development**, the tasks will be to:

- Reduce the grain shortfall in a lasting way, through the development of arable plots, the control of water, the improvement of yields, the development of special loan facilities, the enlargement of stocking capacity, and support for the marketing of production;
- Improve the productivity of livestock breeding, by increasing pastoral wells, vaccination centers, and abattoirs and slaughter areas, and by strengthening the control of hygiene and the surveillance of serious diseases;
- Increase the production of artisanal fishing, by supporting the modernization and maintenance of productive tools and the acquisition of freezing methods, and providing support for the marketing of products;
- Provide better access to basic services, especially through the promotion of innovative approaches that take account of the specific characteristics of the rural areas compared with the general measures falling within pillar 2 (see also pillar 3); and
- Protect the natural resources, within the framework of an overall vision of environmental preservation (see the paragraph below), especially by creating protected areas and rehabilitating ecosystems that have deteriorated.

223. **Environmental preservation** will be one of the major priorities of the INDS. The related objective is to establish an integrated approach that allows for account to be taken of all aspects of the issue (urban, rural, and marine environment, atmospheric pollution, etc.). In this context, the revision of the National Environmental Action Plan (PANE), adopted in 2001, should help in more effectively bringing together and coordinating the pertinent efforts.

224. Finally, with respect to **programs targeting poverty reduction**, in addition to the efforts planned within the framework of the other strategic pillars, it will be necessary to pay special attention to the implementation of targeted, specific, and integrated actions aimed at: (i) providing access for the poorest segments of the population to basic services, (ii) promoting income- and job-creation activities in their area, and (iii) setting up safety nets for the most underprivileged people.

225. Access by the poorest segments of the population to basic services will be encouraged, through a series of specific measures that will complement those discussed above (see pillar 2). The challenge will be to find innovative approaches that take account of the specific characteristics of the poorest areas in the country. These approaches could include: (i) the training of health workers from the areas in question, who could provide advice and basic care, monitor states of health, and sound the alarm when problems arise; (ii) the introduction of mobile dispensaries that would pass at regular intervals in these areas; (iii) adoption of the system of “multilevel” primary-education classes; (iv) the supply of

solar (or wind) energy especially for pumping out water, adult education, and schooling support on evenings in classrooms; and (v) the promotion of access to decent housing built with local materials and using solidarity among villagers for manpower.

226. Income- and job-creation activities are based on the observation that very poor people suffer, not because they lack their own potential, but, rather, because the environment that is accessible to them does not provide them with possibilities for fully expressing their potential. In response to this situation, the recommended approach is to provide varying treatments, depending on whether dealing with extreme poverty in rural areas or extreme poverty in urban areas.
227. In rural areas, income- and job-creation activities will be largely based on the opportunities provided by agriculture, livestock production, and artisanal fishing. In this context, interventions in the agriculture sector will include: (i) support for the emergence of cooperatives, especially of women; (ii) the development of arable plots; (iii) access to water and better seeds; (iv) advice on agricultural production; and (v) assistance in production marketing. As regards livestock production, steps will be taken to implement a pilot program for providing small ruminants to the poorest households to ensure they can raise livestock for their subsistence. In addition, vaccination centers and standpipes will be established. Efforts with respect to artisanal fishing will be aimed, in particular, at ensuring: (i) the acquisition or repair of pirogues, (ii) the supply of nets, and (iii) the conservation and marketing of production.
228. Interventions will also take account of the specific characteristics of urban areas and the opportunities they offer. They will include: (i) vocational training in weaving, embroidery, hairdressing, and other urban trades (masonry, cabinet making, plumbing, etc.); (ii) the granting of microcredits to purchase tools, for recipients of vocational training, and to finance promising projects; and (iii) support for the emergence of cooperatives, especially of women.
229. Safety nets will be provided for the poorest population groups, such as street children, displaced persons, and nomads, for whom specific actions were planned in the first PRSP but were not implemented satisfactorily.
230. The government's priority, for street children, is hinged on: (i) the legal protection of children; (ii) the establishment of a social welfare program, including accommodation, access to care and to education, and socio-psychological assistance for children in difficulty; and (iii) training and support for the placement of children old enough to work.
231. The strategy for assisting nomads includes: (i) pastoral water resources and animal health programs, aimed at ensuring livestock security and development; (ii) the creation of fodder areas; (iii) food assistance; (iii) access to basic infrastructures (education, health, safe water, etc.), within the framework of a policy of encouraging nomads to adopt a partly sedentary lifestyle.
232. For displaced persons, interventions will involve: (i) food assistance; (ii) access to basic social services (education, health, safe water, etc.); and (iii) the search for a definitive solution to this problem.
233. However, these policies can be validly implemented only if institutional arrangements are made to ensure serious assumptions of liability for them. This is a task to be done over time, requiring massive, well targeted interventions. In this regard, the creation of the Djibouti Social Development Agency (ADDS), through the merger of the ADETIP and the FSD, planned before the end of 2007, will be a first step in the right direction.

2.2.4. Pillar 4: Anchor the principles of good governance and build capacities

“The government will have to adopt an action plan based on the principles of good governance: accountability, transparency, the rules of professionalism, broad participation by all the players (political parties, unions, local governments, civil society, the private sector, citizens), the integration and streamlining of public institutions and bodies, and the monitoring and continuous assessment of performances.”

234. The policies espoused by the President of the Republic are very clear: the anchoring of the principles of good governance and the building of capacities will be the basic tenets of the INDS (see quotation). In this context, interventions will hinge upon: (i) consolidation of the democratic experience, (ii) pursuit of the justice reform, (iii) modernization of the public administration, (iv) effectiveness of the management of public assets, (v) the deepening of decentralization, (vi) the systematization of participation and communications; and (vii) the introduction of an efficient monitoring and assessment system.
235. A prerequisite to the efforts at consolidating the *democratic experience* is the strengthening of the accountability obligation at the political level. In this context, the electoral system for legislative elections will have to be revised to allow for a greater presence of Republican Opposition deputies within the National Assembly and thus create the conditions for the contradictory debates beneficial to institutional durability. It will also be necessary to strengthen the role and the human and material capacities of the latter institution for analyzing draft laws and controlling governmental action. In addition, the capacities of the Constitutional Council and the Mediator of the Republic, the institution responsible for ensuring dialogue between the Administration and those administered, will also be strengthened.
236. Lastly, the activities planned within this framework will also include advocacy and defense of human rights, in particular the rights of women and children through (i) campaigns to raise the awareness of parties involved in these issues (judges, administrations, the general public, etc.); (ii) ratification of international conventions that have not yet been ratified; and (iii) building the capacity of the ministerial department in charge of these affairs.
237. Regarding *the justice system*, the required reform of the legal and judicial frameworks must involve: (i) building the capacity of the Ministry of Justice and training of various judicial system staffers; (ii) harmonization and updating of different laws and regulations, to adapt them to the demands of a modern system; and (iii) enhanced judicial and legal security.
238. The modernization of *the public administration* is of primary importance, as it must handle the serious responsibilities of planning, implementation, monitoring and evaluation of public policy. Efforts on this front will seek to substantially improve the quality of the public service and will revolve around: (i) institutional reform, including the reorganization of administration and revision of laws and regulations, to adapt to the new demands of development, more clearly define portfolios, and avoid overlapping; and (ii) more effective human resource management, in particular by establishing a career path, an impartial rating system, productivity incentives, a single file for civil servants and government employees, and ongoing training.
239. With respect to the *management of public assets*, the goal is greater effectiveness and transparency in programming, implementation, and supervision.
240. First, the programming process will be strengthened by drafting a medium-term budgetary framework (MTBF) and medium-term expenditure frameworks (MTEFs) for the priority sectors

(education, health, water resources, energy, transport, etc.). These tools will provide a medium-term outlook (rolling horizon) for revenue and expenditure, and will also be very useful for development partners in programming their ODA to the country. They will serve as a basis for the various budget laws and will be annually updated.

241. The Public Procurement Code will then be revised to guarantee greater equity, capacity building for the National Procurement Commission, to ensure greater diligence in the issuance of government contracts and for compliance with the legislation in effect.

242. Lastly, the requirement to account for the use of public goods will be systematic, without exception, and the capacities of all the supervisory agencies will be strengthened (Government Inspectors General—*Inspection Générale d'Etat*, Chamber of Accounts and Fiscal Discipline—*Chambre des Comptes et de Discipline Budgétaire*, and Financial Supervision Office—*Inspection des Finances*).

243. On the subject of **decentralization**, the priority is to actually transfer more powers and human and financial resources to the local governments to make them real agents of local development, without which the success of the INDS would be difficult to achieve. To that end, planned priority actions include: (i) the establishment of a National Decentralization Commission; (ii) building the capacity of the local governments; (iii) introduction of staff rules for local government employees; and (iv) furthering the deconcentration of central government units and enhancing their quality.

244. Two demands are met by **establishing systematic participation and communication**: (i) the demand for governance, as this entails the established the right to participate and be informed of public affairs; and (ii) the demand for effectiveness, as this guarantees ownership of the programs and projects and therefore the expectation of a lasting impact on the population's living conditions.

245. The participatory approach will be adopted at all levels (elected officials, administration, civil society, private sector, development partners) and in the INDS process (formulation, implementation, monitoring, and evaluation). Moreover, citizen oversight of government action will be introduced. Communication efforts will be strengthened within the framework of an integrated communication strategy, which will be used in all the media (printed press, audiovisual, etc.) and will keep everyone informed of the INDS process as it unfolds. Development and poverty reduction are the concern of each and every one.

246. This approach will only be successful if the capacity of civil society organizations is built up, to enable them to fully engage in the dialogue on public policy and the implementation of development and poverty reduction programs and projects.

247. Implementation of a **high-performing system for INDS monitoring and evaluation** the INDS will be one of the priorities of the government's action. This system will include, inter alia: (i) monitoring poverty and living conditions; (ii) monitoring the physical and financial execution of priority actions, programs and projects for INDS implementation; and (iii) periodic evaluation of the impact of interventions.

248. To that end, the following steps will be taken:

- Define a system for monitoring and evaluation: institutional chart of responsibilities, monitoring and evaluation instruments, mechanisms for circulating information, etc.;
- Identify a set of pertinent indicators that can provide information on the implementation of an action plan and the impact of the policies and programs executed on meeting the objectives of the INDS and the MDGs, in particular;

- Implement a data collection program (surveys, administrative data, etc.) to provide the necessary information for monitoring and evaluating the INDS, with the required quality, relevance, and timeliness.

249. However, these activities cannot be successfully executed without updating and effectively implementing the National Statistics Development Strategy (SNDS), to actually meet the needs of the INDS for reliable and relevant data (see Box 3). The SNDS it intended in particular to: (i) reform the institutional and regulatory framework for government statistics; (ii) conduct statistical activities, such as the General Population and Housing Census (RGPH-2) and the Djibouti Household Survey (EDAM-3) (scheduled for 2008); (iii) disseminate data; and (iv) build capacity in this area (see Annex 8).

250. Lastly, building the capacity of the various stakeholders is clearly a prerequisite for the success of such an ambitious undertaking as the INDS. The Initiative is cross-cutting and responsibility for its execution was discussed at all levels of governance (see above).

2.3. Financing the Priority Action Plan

251. Priority actions have been evaluated to determine investment costs and to facilitate seeking the necessary financing for implementing the 2008–11 priority action plan (see summary table). Moreover, the work related to the MTBF and the sectoral MTEFs in the priority sectors of the INDS will make it possible, in the near future, to improve expenditure planning and investment monitoring.

252. The financing requirements of the 2008–11 PIP and the implementation of the INDS amount to more than DF 112 billion (see Annex 7), about 3.3 percent of GDP in 2008, 23 percent in 2009, 22 percent in 2010, and 10 percent in 2011. It is also worth noting that the vast majority of the funding already received is in the form of loans, which would pose an external debt sustainability problem in the long run. It is therefore necessary to focus efforts more on mobilizing resources through grants (see attached summary table below).

2.4. External assistance needs

253. The implementation, monitoring and evaluation of the INDS call for the marshalling of all forces and resources at the level of the administration, elected officials, civil society, the private sector, the population itself, and the development partners. Help from the latter will be essential both for financing priority actions (see above) and for technical assistance.

254. This assistance must cover in particular:

- the conduct of planned studies for Djibouti's 2030 vision;
- preparation of a strategy and national and regional plans for land development;
- RGPH-2 and EDAM-3;
- implementation of the SNDS;
- implementation of a monitoring and evaluation system;
- drafting of the MTBF and sectoral MTEFs for the priority sectors.

Summary Table of Investment Expenditure, by Financing Source (Obtained)*in millions of Djibouti francs*

Type of Financing	Planned Undertakings 2007	PIP Programming				
		2008	2009	2010	2011	2008/2011
External financing	20,075	18,540	20,707	15,314	4,974	59,535
Grants	9,818	8,726	7,263	3,110	1,374	20,473
Loans	10,257	9,814	13,444	12,204	3,600	39,062
Domestic financing	3,469	2,577	2,577	2,577	2,577	10,308
National counterpart funding	570	412	412	412	412	1,648
Non-project	2,899	2,165	2,165	2,165	2,165	8,660
TOTAL	23,544	21,117	23,284	17,891	7,551	69,843

Investment Expenditure, by Financing Source (Obtained)*in percent of GDP*

Type of Financing	Planned Undertakings 2007	PIP Programming				
		2008	2009	2010	2011	2008/2011
External financing	13.5	12.5	14.0	10.3	3.4	40.1
Grants	6.6	5.9	4.9	2.1	0.9	13.8
Loans	6.9	6.6	9.1	8.2	2.4	26.3
Domestic financing	2.3	1.7	1.7	1.7	1.7	6.9
National counterpart funding	0.4	0.3	0.3	0.3	0.3	1.1
Non-project	2.0	1.5	1.5	1.5	1.5	5.8
Nominal GDP	148,381	162,354	179,792	198,373	217,474	189,498

Investment Expenditure, by Type of Financing*in millions of Djibouti francs*

Type of Financing	PIP Programming				
	2008	2009	2010	2011	2008/2011
External financing obtained	18,540	20,707	15,314	4,974	59,535
<i>% of external borrowing/financing obtained</i>	53	65	80	72	67
External financing needed	5,394	40,142	42,021	25,205	112,762
<i>external financing needed in percent of GDP</i>	3.3	22.3	21.2	11.6	59.5

2.5. The risks

255. Implementation of the INDS – as is the case for any ambitious undertaking that targets economic and social development and poverty reduction – involves elements of risk regarding in particular: (i) the basic assumptions; (ii) the required structural reforms; and (iii) the capacity of national development stakeholders.
256. The basic assumptions depend on very large flows of FDI (US\$800 million between 2007 and 2011), which are unprecedented in the country's history. Any lowering of expectations with regard to foreign investment would result in a downward review of growth rate forecasts and, consequently, monetary poverty reduction objectives.
257. The implementation of structural reforms runs a double risk: (i) the red tape in public administration; and (ii) the resistance of pressure groups or individuals who feel that the planned reforms would hurt them.
258. The capacity of national stakeholders is also a major risk factor. The difficulty arises from the fact that the INDS must be implemented without delay if the targets set for poverty reduction and improvement in living conditions are to be attained. However, the INDS cannot be implemented if the capacity does not exist and this can only be built up over time.
259. Finally, other risks were also identified. They relate to:
- the viability of taxation and the sustainability of the external debt, in light of the expenditure needed to accelerate growth, poverty reduction, and improvement in the living conditions of the population;
 - the country's vulnerability to exogenous shocks related to import prices, changes in the weather, and natural disasters;
 - the difficulty in mobilizing education and health personnel to work in rural areas;
 - the serious instability of some countries in the region.

Box 3: National Statistical Development Strategy (SNDS)

The production of reliable, relevant and updated statistics is a prerequisite for the success of any economic and social development policy. Djibouti's National Statistics System (SSN) is unable to produce such statistics and the related analyses as it faces a number of problems: (i) institutional (anchoring, independence, coordination, etc.); (ii) human resources (low skill level, understaffing, lack of motivation, etc.); and (iii) material (inadequate funding, in terms of quantity and visibility, etc.).

The process of preparing the SNDS is based on these findings. It involves a comprehensive diagnosis of the SSN situation, sets medium-term objectives (2006–10), and defines priority strategies and actions that should help attain these objectives.

The SNDS proposes a general outline for the development of government statistics in response to the ever-increasing need for statistical information, particularly in connection with the country's development. To that end, it is based on the main international recommendations for developing statistics, in particular the United Nations Fundamental Principles of Official Statistics and the IMF General Data Dissemination System guidelines.

This vision becomes real by implementing a far-reaching program of action that incorporates the following four strategic objectives:

- establish a new framework that regulates statistical activities and organizes the coordination of the national statistical system;
- quantitatively and qualitatively develop the human resources assigned to the national statistical system;
- improve the overall quality and periodicity of the statistics produced;
- enhance data access and promote a statistical culture.

These four strategic foci will be attained by meeting 13 operational targets for the entire statistical system, and 13 sectoral targets in the areas of economic, social and population statistics. Fifty (50) results are defined for all the objectives, to be achieved through 106 groups of priority actions for statistical development, with cost estimates.

Based on assumptions, the total estimated cost of implementing the 2006–10 SNDS is about DF 3,275 million (US\$18.4 million). This amount breaks down, by order of magnitude, as follows: economic statistics (27.7 percent); demographic and social statistics (16.1 percent); institutional strengthening and revision of the legal and regulatory framework for the national statistical system (15.7 percent); general population and housing census (12.7 percent); monitoring the living conditions of households (9.7 percent); human resource development (7.4 percent); vital statistics (5.3 percent); and publication and dissemination (3.5 percent).

The government plans to organize a round table on financing for the strategy bringing together all SSN stakeholders (producers, analysts, other users) and key development partners.

Before this, however, the current version of the SNDS, available since December 2006, must be revised to align its implementation timeline with that of the INDS, namely 2007–11 for medium-term actions.

ANNEXES

Annex 1: Progress Against 2006 Objectives for the First PRSP

Priority Objective and Performance indicator	Baseline		Objectives for 2006		
	Date	Value	Target	Value	Gap (%)
Reduce extreme poverty and inequality					
Incidence of extreme poverty (%)	2002	42.2	36.1	ND	ND
Gini index (reduce by 2% per year)	2002	40.9	38.5	ND	ND
Revive economic growth and competitiveness while stabilizing the macroeconomic framework					
Average growth rate of real GDP (%)	2003	3.5	4.6	4.8	4.3%
Average growth rate of per capita real GDP (%)	2003	0.5	1.6	2.3	43.8%
Average growth rate of public investment per year ¹¹ (% of GDP)	2003	6.7		29.5	
Inflation rate (%)	2003	2	2	3.5	-75%
Overall annual budget balance (payment order basis, including grants, as % of GDP)	2003	-2.3	-4.8	-2.3	52.1%
Average annual external current account balance (official transfers included, % of GDP)	2003	-7.6	-16.4	-8.9	45.7%
Improve the accessibility and quality of education at all levels, and ensure equitable and unrestricted access to basic education					
Gross admission rate (%)	2002	43.6			
Gross enrollment rate in primary school (%)	2002	42.7	73		
Girls/boys parity index in primary school	2002	0.75	0.85	0.98	13.3%
Dropout rate in primary school (CM2, %)	2002	27.2	14.5		
Gross enrollment rate in intermediate school (%)	2002	23.9			
Graduation rate from primary to secondary school (%)	2002	48.6	60		
Literacy rate among persons aged 10 years and over (%)	2002	18.3	26.5	53.8	103%
Expand health-care access significantly, particularly for the poor, and improve care quality and system equity					
Under-five mortality rate (‰)	2002	106.2	85	94	-10.6%
Infant mortality rate (‰)	2002	94.6	75	67	10.7%
Maternal mortality rate (per 100,000 live births)	2002	690.2	570		
HIV seroprevalence rate (%)	2002	2.9	3		
Improve access to drinking water					
Urban population with access to piped drinking water (%)	2002	91.2	95	97.4	2.5%
Rural population with access to a water facility (%)	2002	50.9		52.5	
Improve access to the electricity system					
Rate of access to electricity (%)	2002	49.7			

¹¹ The average public investment rate for the period 2004–06 is calculated on the basis of projects for which financing is assured plus those for which financing is still to be arranged.

Annex 2: Implementation Status of Actions Planned Under the PRSP

Area	Objectives/Strategies	Priority Actions	Period	Progress
PILLAR 1: REVIVE ECONOMIC GROWTH AND BOOST COMPETITIVENESS				
Macroeconomic framework	Keep the fiscal deficit below 3.1% of GDP	Enhance current tax reforms to:		
		- boost collection of collecting agencies	2003–05	100%
		- expand the tax base	2003–05	100%
		- strengthen tax inspection and collection	2003–05	80%
		- implement the VAT on a phased basis	2003–05	0%
		- launch ASYCUDA	2003–05	0%
		Complete computerization of direct taxes	2004–05	60%
		Continue current-expenditure control policy:		
		- control the wage bill	2004–05	100%
		- stabilize operating expenditure	2004–05	100%
		Implement a unified civil service roster	2004	80%
		Computerize the expenditure tracking system	2004–05	50%
		Increase government budgetary allocations for education and health	2004–06	100%
		Continue the demobilization program	2004–06	100%
	Gradually pay off domestic arrears	2004–06	80%	
	Ensure continued strict implementation of and compliance with the cash budget	2004–06	100%	
	Increase the budgetary allocations for capital expenditure	2004–06	100%	
	Study the impact of foreign military bases on the economy	2004–06	100%	
Maintain the integrity of the currency board system	Implementation of reforms to strengthen banking supervision and control:			
	- Revise the BCD Charter	2004–06	100%	
	- Enact a new banking law	2004–06	100%	
Maintain the viability of the financial sector	Conduct annual audits of the BCD, commercial banks, and exchange bureaus	2004–06	70%	
Private sector	Promote an attractive legal framework for foreign investors	Draft and adopt a commercial code	2004	100%
		Adopt a new investment code and amend the laws governing free zones	2004	20%
		Set up a single window facility	2004	0%
		Reactivate the International Arbitration Center of the Djibouti Chamber of Commerce	2004	10%
	Improve the competitiveness of the export sectors and reduce the barriers to trade	Conduct a strategic study of pro-poor integrated trade	2003	50%
		Implement the integrated framework	2004	50%
	Promote the development of Djiboutian private initiative	Work out and implement a development strategy for SMEs/Small and medium-sized industries (SMIs)	2004	50%
		Set up a support center for SMEs and SMIs	2004	100%
	Improve the labor environment	Adopt a new labor code	2004	100%
		Establish a unit to monitor labor	2004	100%
Create the conditions necessary for the financial viability of pension funds:				

Area	Objectives/Strategies	Priority Actions	Period	Progress	
		- Establish the National Social Security Council (CNSS), which will be tasked with implementing the reform and managing pension funds	2003	5%	
		- Update and audit the databases of fund contributors and beneficiaries	2003	15%	
		- Adopt a regulatory framework for managing fund reserves	2003	0%	
		- Gradually merge the OPS and CNR	2005		
	Reduce the costs of the factors of production and create as conducive an environment as possible to attract private investors	Conduct financial audit of Djibouti Telecom, EDD and ONED	2003		
		Privatize Djibouti Telecom and EDD	2003	100%	
Trade Policy	Develop the country's comparative advantages in the regional framework	Strengthen the concession agreement for the <i>Port Autonome de Djibouti</i>	2004	100%	
		Gradually pay off the government's debts in line with the findings of the audit and debt settlement plan	2003	90%	
	Improve the competitiveness of the domestic economy within Djibouti and on the global market and develop Djibouti's export base	Diagnostic survey of the trade sector and competitiveness (with a view to promoting exports and regional integration)	2003	70%	
	Improve trade regulation	Develop a domestic commercial code	2004-06	0%	
SMEs	Establish an institutional mechanism to support SMEs that export	Promote a private-investment-friendly environment	Study the possibility of the Djibouti Chamber of Commerce reactivating the International Arbitration Center	2004-05	0%
		Carry out a feasibility study of the strategy and support mechanisms for SMEs that export	2004		
Free trade zone of Arab Countries	Promote domestic growth within the framework of the Arab region	Integrate domestic trade capacity building priorities into the regional USD 3.5m regional project initiated by the UNDP's Arab Bureau	2004-06	100%	
Port sector	Promote Djibouti as a first-tier port and international and interregional trade hub, notably by developing the new Doraleh Port Complex	Build an oil terminal – Phase I	2004-05	100%	
		Free Zone feasibility study	2004-05	25%	
		Build a container terminal and free zone	2004-06	65%	
		Upgrade the infrastructure of the Port of Djibouti by building a bulk terminal	2004-05		
Roads and highway sector	Restructure the institutional framework for managing roads and highways and overhaul the rules and procedures for financing investment in and maintenance of roads and highways	Encourage the private sector to get involved in the management of the roads and highways sector	2004-06		
		Promote the investment of domestic operators in international transport	2004-06		
		Continue to mobilize financing for primary and secondary roads servicing the suburban areas	2004-06		
		Put in place planning and management tools	2004-06		
		Provide professional development for staff	2004-06	100%	
	Secure the status of the two highways linking Djibouti to Addis Ababa via Galafi and via Guelilé as regional integration tools	Rehabilitate the Djibouti City bypass roads	2004-06	50%	
		Rehabilitate the regional road linking Djibouti to Ethiopia, South corridor (72 km)	2004-06	100%	
		Rehabilitate RN1 between the Ali Sabieh turn-off and Dikhil (35 km)	2005-06	100%	

Area	Objectives/Strategies	Priority Actions	Period	Progress	
	Likewise, secure the status of the highway between Djibouti and Somalia and Djibouti and Eritrea	Rehabilitate the RN 14 highway between Tadjourah and Obock (62 km)	2005–06		
	Improve domestic road links and open up access to isolated farmland and populated areas	Upgrade RN 18 (Djibouti – Holl-Holl –Dassbiyo – Ali Sabieh) (75km)	2006		
		Upgrade RN 6 (Dikhil – As Eyla – Lac Abbé)	2006	100%	
	Rehabilitate roads and highways in a state of disrepair, open up access to poor neighborhoods, and support economic activity	Implement a priority program of rehabilitation and linkage with Djibouti City (design, construction, and supervision)	2005–06	100%	
Air transport	Promote development of air travel and reduce transport costs	Implement the open skies policy	2004–06	100%	
		Remove all restrictions on frequency	2004–06	0%	
		Develop air-sea transshipment through the creation of an airport commercial free zone	2004–06	100%	
		Continue to invest in and modernize the airport as well as improve equipment maintenance	2004–06	50%	
Railway sector	Focus heavily on developing rail transport of passengers and freight between Djibouti and Addis Ababa	Rehabilitate rail infrastructure of the Ethio-Djibouti Railway and establish concession arrangements for its operation by a private concern	2004–06	0%	
Urban and interurban passenger transport	Put in place the equipment, superstructures, and institutional strengthening actions needed to develop urban and interurban passenger transport	Establish technical controls to ensure vehicle safety	2004–05	40%	
		Establish a route system	2004–05		
		Set up a supervisory agency	2004–05		
		Rehabilitate the superstructures of the urban roadways used for public transport	2004–05	100%	
Tele communications	Promote the development of the telecommunications sector	Review the regulatory framework	2002–03	100%	
		Define a development strategy for the sector	2002–03	100%	
		Adopt a regulatory law	2002–03	100%	
		Set up a regulatory authority	2002–03		
		Survey needs in low-income and rural neighborhoods	2002–03	100%	
		Draw up a list of specifications for the privatization of Djibouti Telecom	2002–03		
Information and communication technologies	Develop the general activities needed to drive the development of the ICT sector	Put in place the basic legal provisions and draft laws governing ICTs	2004–06	0%	
		Strengthen the Ministry of Communication and Culture with Responsible for Post and Telecommunication (MCCPT)	2004–06	100%	
		Establish the Djibouti Agency for ICT Regulation	2004–06	100%	
		Establish a media portal	2004–06	100%	
	Install means of access for everyone to the information society	Research ICT market in the Republic of Djibouti	2004–06	80%	
		Survey the distribution of ICTs in the Republic of Djibouti	2004–06	100%	
		Djib-Bone – the metropolitan network of Djibouti City	2004–06	15%	
		Identify technical solutions appropriate to Djibouti's special features	2004–06	100%	
		Link the chief towns in the districts with the main regional communes	2004–06	100%	
		Adopt a policy of universal access to ICTs	2004–06	100%	

Area	Objectives/Strategies	Priority Actions	Period	Progress	
		Develop and test models for community radio stations unique to Djibouti	2004–06	50%	
		Reduce the operating costs of dedicated lines	2004–06	10%	
		Broad-based acceptance of ICTs – media promotion campaign	2004–06	0%	
	Upgrade human resources and strengthen research and ICTs in the classrooms and universities		Establish a research, education, and health network	2004–06	100%
			Build ICT research capacity	2004–06	0%
			Increase the speed of the connection of the University Center (<i>Pôle Universitaire</i>) and install videoconferencing facilities there	2004–06	100%
			Upgrade the CISCO Academy and establish a regional entity	2004–06	30%
			Build ICT training capacity at the <i>Pôle Universitaire</i>	2004–06	30%
			SchoolNet Project	2004–06	40%
			National Education and ICT Project: capacity building for teachers and incorporation of ICTs	2004–06	90%
			Provide computer equipment for primary and secondary schools	2004–06	80%
			Computerize the Ministry of National Education and Higher Education	2004–06	70%
			Modernize government using digital technology	Modernize and computerize the government	2004–06
	Build institutional and legal capacities	Implement legal information systems	2005–06	0%	
	Build capacity for incorporating ICTs into the private sector and create a regional hub as well as an international financial services center		Computerize commercial liaison centers in rural areas	2004–06	40%
			Business incubators	2004–06	0%
			Create conducive conditions for developing the information economy	2004–06	100%
			Develop electronic commerce	2004–06	30%
	Develop digital content and Djibouti's visibility on the Web	Develop content in Somali, Arabic, and Afar	2005–06	20%	
	Use ICTs to manage information on the environment and disasters, famines and other threats		System for managing and sharing environmental information	2004–06	100%
Early warning system					
Energy	Increase energy supply to the entire population	Conduct a survey of the energy needed for poverty reduction in Djibouti (urban area, periphery, and rural areas) and alternative sources of energy that includes a gender perspective and implementation of far-reaching measures	2004–05	100%	
		Build the electric grid in the <i>faubourgs</i> (PK12 and Damerjog)	2004–05		
	Reduce electricity costs	Further update the design for connection to the Ethiopian power grid	2004–05	100%	
		Design an energy-conservation promotion program		100%	
	Promote alternative energy sources		Conduct surveys to identify areas conducive to production (wind energy)	2004–05	100%
			Identify pilot projects and incentives for private investment (wind energy)	2004–05	100%
			Geothermal study to ascertain the availability and potential of the Assal geothermal spring	2004–05	

Area	Objectives/Strategies	Priority Actions	Period	Progress
	Undertake institutional reforms and improve EDD outputs	Installation of 18 MW in existing plants	2004–05	0%
		Tariff study	2004–05	0%
		Design and implement an institutional framework for the EDD, including private sector participation	2004–05	
	Build capacity	Strengthen the institutional structure of the energy sector	2004–06	100%
		Strengthen training for management and technical staff	2004–06	
		Draft and monitor a national energy plan	2004–06	100%
Tourism	Promote tourism development and increase exposure of Djibouti as a tourist destination	Determine Djibouti's positioning in the international market	2004–06	50%
		Strengthen the national and international partnership to promote Djibouti as a tourist destination	2004–06	0%
		Support the development of regional tourist attractions (infrastructure and access roads)	2004–06	50%
	Improve the impact of tourism on job-creation and poverty reduction	Intensify training in tourism related trades especially for women	2004–06	0%
		Raise public awareness of tourism and its benefits	2004–06	100%
		Establish financing mechanisms for tourism projects (FND)	2004–06	100%
Mining resources	Improve awareness of mining resources	Draw up a map of mining sectors	2004–05	100%
		Conduct the geological studies necessary for promoting the sector (especially geothermal energy) among private international operators	2004–05	100%
	Promote development of salt exports and improve its impact on employment and regional development	Implement new concession rules and hygiene standards	2004–06	
		Promote the economic pole project around Lake Assal	2004–06	100%
PILLAR 2: UPGRADE HUMAN RESOURCES				
Education				
Preschool	Increase enrolment of children 4-5 years in preschool	Expand the private sector and community-based network of daycare and establish daycare centers in public schools in low-income areas of the inner city of Djibouti-City and major towns in the rest of the country.	2004–06	10%
Primary	Expand enrolment capacity	Build new schools, rehabilitate and expand existing schools, as well as equip new or rehabilitated classrooms	2004–06	70%
		Recruit more teachers	2004–06	80%
	Increase equity by reducing the girl/boy and regional disparities	Increase the number of primary school teachers	2004–06	75%
		Awareness raising campaign and allocation by the Regional Boards of resources to Regional Education Committees (CRE) for operation of the schools	2004–06	50%
		Increase access to basic education for girls and children from impoverished areas by paying their school fees (tuition and school supplies)	2004–06	80%
		Implement a program to raise awareness and mobilize people to give priority to enrolment of their daughters in school	2004–06	80%
		Prepare a school map	2004–06	80%
	Improve curriculum quality and relevance	Boost operations of school canteens in rural areas and low-income periurban areas, by providing sufficient food supplies and allocations for operation	2004–06	70%

Area	Objectives/Strategies	Priority Actions	Period	Progress
		Overhaul programs through widespread use of new curricula based on skills training	2004–06	100%
		Reform the administration of final examinations by implementing a continuous assessment policy likely to curb dropout rates.	2004–06	80%
		Improve the internal efficiency of primary schools	2004–06	60%
		Implement a school book policy to reduce the costs of textbooks and provide free textbooks for children from the more disadvantaged families	2003–05	100%
		Availability of pedagogical guides for teachers	2003–05	80%
		Further expand basic and ongoing training for school teachers and principals	2003–05	60%
		Improve pedagogical supervision of schools and increase the frequency	2003–05	50%
Middle school	Increase access to middle school education	Build more classrooms in the districts and build new middle schools in Djibouti City	2003–05	100%
	Reduce early drop-out rates at the end of primary school	Build 6 post-primary vocational training centers	2003–05	100%
	Reduce the gender disparities	Set up a scholarship program	2003–05	0%
		Establish a home for girls	2003–05	0%
	Improve curriculum quality and relevance	Recruit more teachers	2004–06	75%
		Reform the curricula and book supply	2004–06	100%
		Further expand basic and ongoing training for middle school teachers	2004–06	50%
Improve the physical and logistical conditions for middle and secondary school inspectors		2003–05	60%	
Secondary education	Expand enrolment capacity	Build and outfit 3 comprehensive high schools in the districts, two traditional high schools (in Djibouti City and Balbala) and expansion of the Djibouti Technical High School (LTC)	2003–06	75%
		Reform the orientation procedures by putting measures in place to increase the numbers of girls in the technical and science streams	2003–05	75%
	Improve quality	Recruit more teachers	2003–05	80%
		Further expand basic and ongoing training for secondary school teachers	2003–05	60%
Higher Education	Expand enrolment capacity	Define an orientation and development strategy for higher education	2003–04	50%
		Strengthen the capacity of the <i>Pôle Universitaire</i> for cooperation with foreign partner universities	2003–04	60%
		Build a national university	2003–04	50%
Literacy	Improve access to a and the relevance of the literacy programs	Implement a national literacy strategy involving the line ministries, associations, and communities	2004–05	100%
		Preparation and dissemination of a functional curriculum adaptable to the needs of the target populations	2004–05	50%
Institutional capacity building	Improve capacity to pilot and implement the reform, improve the system for measuring, evaluation, and monitoring	Train specialists in engineering, training, and evaluation	2004–06	20%
		Produce and disseminate management and monitoring manuals for the government so as to ensure smooth functioning during decentralization of the system	2004–06	20%
		Expansion of CRIPEN	2004–06	100%
		Build staff capacity for gathering and compiling statistics and enrolment indicators	2004–06	50%

Area	Objectives/Strategies	Priority Actions	Period	Progress
		Train managers of the educational statistics bureau	2004–06	50%
	Improve the system for circulating information within the Ministry of National Education and Higher Learning (MENESUP)	Optimize the computer network operation of the MENESUP: audit and assistance with the training of network administrators from the IT department	2004–06	75%
	Capacity building for maintenance of education infrastructure and facilities	Identify a relevant strategy for maintenance and deconcentration of maintenance services	2004–06	50%
	Encourage the opening of private schools offering basic education	Implement proactive measures to develop private education	2004–06	20%
Health				
Institutional reform and upgrading of management capacity	Redefine the legal and regulatory framework for the health sector and enhance the oversight and monitoring of the healthcare system	Adopt and implement the implementing decrees for the law to restructure the healthcare system	2003	100%
		Make the Inspectorate General of Health operational	2003	10%
		Build capacity at the Directorate for Research, Planning, and International Cooperation	2003	30%
		Enhance the outputs of the National Health Information System to help it meet the planning/management needs (data bases, statistical data, IT equipment, and training)	2003	30%
		Upgrade operations at the health laboratory		20%
		Set up a single national coordinating entity for prevention of infectious diseases	2003	10%
	Set up mechanisms for monitoring diseases and intervention	2003	10%	
	Restructure the health pyramid so as to establish integrated, coordinated, and complementary health services	Preparation of a health map reflecting the priorities of the strategy being implemented, with an emphasis on basic health care	2003–05	10%
Reproductive health care	Improve pregnancy care and deliveries	Strengthen ante- and post-natal care by assigning more qualified personnel (midwives, assistant midwives), especially in health centers and units	2004–06	50%
		Equip maternity facilities	2004–06	40%
		Set up an operational referral system, especially in districts in the interior	2004–06	30%
	Improve family planning	Strengthen family planning counseling in each health center	2004–06	50%
	Strengthen the campaign against genital mutilation	Implement the law, lobby decision makers, and raise awareness among the population of the risks involved	2004–06	20%
	Gain a better grasp of reproductive health issues in Djibouti	Conduct a population and reproductive health survey	2004–06	70%
Child health	Intensify immunization campaign	Further intensify the EPI by strengthening the advanced strategy	2004–06	75%
		Intensification of 6-month immunization campaigns	2004–06	75%
		Step up routine immunizations (equipment, vaccines, cold chain)	2004–06	70%
	Set up an Integrated Management of Childhood	Editing and implementation of protocols	2004–06	80%
		Training for staff	2004–06	20%

Area	Objectives/Strategies	Priority Actions	Period	Progress
	Illnesses (IMCI) program	Revitalize nutritional recovery centers	2004–06	30%
Malaria	Reduce morbidity due to malaria	Strengthen prevention by distributing treated mosquito nets in malaria prone areas	2004–06	50%
		Step up anti-malaria activity in urban dispensaries through an assessment and adjustment of the intake algorithms	2004–06	50%
		Improve urban sanitation and vector control	2004–06	20%
Tuberculosis	Reduce the rate and number of cases of tuberculosis and decentralize testing and treatment using Directly Observed Treatment, Short-course (DOTS)	Decentralize testing and treatment using the DOTS strategy throughout the entire territory	2004–06	15%
		Continue to monitor tuberculosis patients and strengthen supervision of the decentralization process in the treatment units	2004–06	30%
HIV/AIDS	Reduce the HIV/AIDS rate	Strengthen implementation of anonymous and free voluntary HIV testing	2004–06	20%
		Reduce mother-to-child HIV transmission rate	2004–06	30%
		Supply and facilitate access to condoms as a means of preventing HIV/AIDS infection	2004–06	70%
	Improve the quality and care of preventable STIs and HIV/AIDS	Improve the safety of blood transfusions and operation of the network of national laboratories	2004–06	20%
		Strengthen implementation of the psychosocial care (counseling)	2004–06	50%
		Improve care for persons living with HIV/AIDS	2004–06	50%
		Improve treatment of preventable STIs at the Yonis Toussaint Center and outlying health units	2004–06	70%
	Improve the design, oversight, and evaluation of health outreach efforts	Organize mass health information campaigns	2004–06	80%
		Organize health information campaigns at health facilities and in their areas of coverage	2004–06	80%
		Organize health information campaigns for target groups covered by other ministerial sectors	2004–06	80%
	Promote community participation in information campaigns aimed at the community and target groups	2004–06	75%	
Infrastructure	Build and rehabilitate infrastructure	Build/rehabilitate first-tier and second-tier health facilities in accordance with the health map	2004–06	60%
		Build/rehabilitate referral health facilities	2004–06	30%
	Build the maintenance capacity of health services	Provide health facilities with the equipment and logistical means needed to do their work, in compliance with the standards of the health map	2004–06	30%
		Offer the entire population health care that meets their needs the standard quality criteria	2004–06	40%
		Build capacity for managing buildings and equipment	2004–06	30%
Medication	Stock each public health facility in compliance with the national list of medication	Make the CAMME and the Directorate of Medication and Pharmacies operational	2004–06	75%
		Complete preparation of a national pharmaceutical policy paper	2004–06	80%
		Adopt the national pharmaceutical policy for health practitioners	2004–06	80%
		Develop standardization and monitoring procedures	2004–06	60%
		Adopt a list of essential medications specific to each level of health care, in accordance with the health map	2004–06	50%

Area	Objectives/Strategies	Priority Actions	Period	Progress
	Orderly dispensation of generic versions of essential medications to all users of public health facilities	Lock-in financing for medications supplied by the Purchasing Center for Essential Materials and Medications	2004–06	50%
		Promote the use rational use of medications by personnel responsible for prescribing and dispensing medications at public health facilities	2004–06	60%
		Develop good dispensing practices for essential medications at the national referral hospital (Hôpital Général Peltier)	2004–06	50%
		Develop techniques for promoting generic versions of essential medications and their use by consumers	2004–06	50%
Human resources	Implement a basic training program for medical and paramedical staff	Train a complement of doctors, dentists, and pharmacists to meet the needs of the healthcare system for the next 10 years	2004–06	30%
		Conduct a training program for specialist doctors	2004–06	20%
	Implement ongoing vocational training programs	Build capacity at the Training Center for Health Practitioners	2004–06	30%
		Basic and specialized training for paramedical personnel	2004–06	30%
		Vocational training for medial and paramedical personnel	2004–06	20%
		Retraining for unqualified health personnel	2004–06	20%
Decentralization and community participation	Gradually deconcentrate the management and decision-making process for the healthcare system	Gradually decentralize budget management in the healthcare districts	2004–06	10%
		Evaluate Hôpital Peltier's management autonomy	2004–06	75%
		Implement the management autonomy plan for national healthcare referral facilities, using the experience of Hôpital Général Peltier as a guide	2004	30%
		Review the options for participatory management of health facilities	2004–06	30%
Financing healthcare and financial accessibility	Improve the quantity, allocation, and management of public financial resources in line with the public health policy objectives	Increase public spending on health, notably by allocating 6 percent of government's operating budget and ensuring an overall budget for the health sector of 9 percent of the government budget	2004–06	80%
		Draft and adopt procedures for applying a fee structure for health services	2004	75%
		Implement the cost-recovery system	2004	75%
	Increase financial contributions from Djiboutians toward the cost of healthcare	Review the options for expanding health insurance	2004–05	75%
		Support the development of mutual health societies and involve the community as co-managers of the health facilities	2004–06	75%
Mainstream women in development				
Institutional support	Build the Ministry's capacity to coordinate, support, monitor, and evaluate the process of implementing the SNIFD in collaboration with relevant government and non-governmental organizations	Increase training for all managers	2004–06	30%
		Set up a gender training unit	2004–06	75%

Area	Objectives/Strategies	Priority Actions	Period	Progress
	Contribute to sustainable development of Djibouti through the intersectoral integration of gender into all national development programs	Set up a multisectoral interministerial committee	2004–06	100%
		Establish and put into operation a program management unit with the necessary staff, management procedures, and work plans, as well as the logistical and financial resources	2004–06	50%
		Set up a monitoring mechanism in the implementing and coordinating agencies	2004–06	10%
		Implement an appropriate policy for achieving the sectoral integration objectives	2004–06	75%
	Build line ministries' capacity to establish a coherent policy for including a gender perspective in the establishment of an internal unit and recruitment of qualified personnel so as to maximize the chances of achieving sectoral development objectives	Set up a gender unit at each ministry involved in implementing the SNIFD	2004–06	100%
Partnership	Build substantive and management capacity of 20 NGOs to implement and monitor community outreach programs to mainstream women into decision-making areas, healthcare, education, and the economy	Select partner NGOs of the program	2004–06	100%
		Plan and implement a survey of the capacities and needs of NGOs, selected on the basis of their organizational development	2004–06	75%
		Develop training plans and institutional support for each NGO, as well as a draft cooperation agreement	2004–06	50%
		Identify and develop a participatory approach for NGO pilot projects in the four priority areas of the SNIFD	2004–06	75%
		Finalize a memorandum of understanding with each partner and begin implementation of NGO community projects in the respective areas	2004–06	75%
		Monitor NGO community projects on the ground	2004–06	75%
	Develop a dynamic partnership between the Ministry for the Promotion of Women and 20 NGOs to implement the SNIFD	Plan and implement fortnightly meetings with NGO partners, exchange experiences, review the implementation status of the SNIFD, and participate in training sessions	2003–07	40%
	Write and distribute a quarterly bulletin	2004–06	100%	
Decision making	Establish an institutional framework to ensure equal and equitable participation of women and men in decision making by broad based implementation of GED objectives	Increase representation of women in decision-making positions in political, lawmaking, and professional institutions through affirmative action	2003–07	30%
		Build the capacity of female candidates in local and general elections to run a campaign and win	2003–07	15%
		Strengthen implementation and monitoring of the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) convention by creating a committee to monitor its implementation	2003–07	10%
	Take appropriate measures to ensure consistency between the current legal provisions and thus ensure they are implemented.	Promote consistency between national and international legal systems	2003–07	75%
		Develop mechanisms to support women and abandoned children and more broadly destitute women heads of household through an analysis of their needs and circumstances with a view to creating a solidarity fund	2003–07	30%

Area	Objectives/Strategies	Priority Actions	Period	Progress
		Promote equitable mechanisms for granting children nationality and establishing courts to determine civil status	2003–07	75%
		Improve the services of allied legal professions and notably those dealing with women within the framework of national instruments and international conventions	2003–07	10%
	Ensure women can fully exercise their civic rights	Promote the registration of women on the civil register	2003–07	80%
	Introduce a civic culture of equality and equity in the society and eradicate women's ignorance of the laws and their rights	Increase awareness and foster support for men and women for the rule of law by building NGO's capacity to raise awareness and inform the community	2003–07	30%
		Enable women and men to better manage their families in line with the new family	2003–07	50%
Health	Work toward an integrated approach to community healthcare through environmental protection, strengthening the role of women and youths, broad based health education, and improving access to health services	Heightened awareness of women of protecting the environment to reduce household waste	2003–07	50%
		Reduce maternal mortality by direct community responsibility for sensitizing and providing information on risk-free delivery/maternity, as well as improve relations between the community and the health centers in the five...	2003–07	75%
		Mobilize family and community support for managing health and community infrastructure and protecting the environment	2003–07	50%
	Help improve reproductive health among women at the various stages of their life cycle to reduce morbidity and maternal and infant mortality	Further integrate reproductive health programs to deliver a comprehensive range of services (psychological, medical, and social services throughout the life cycle)	2003–07	70%
		Develop integrated advocacy programs to involve the political authorities, civil society, community leaders, and members of the community sensitize them to the importance of gender and health programs	2003–07	70%
		Develop in children enrolled in school and those who are not a culture of responsibility as citizens of the future, regarding prevention in the area of reproductive health, sexually transmissible diseases/AIDS; gender, violence against women and unhealthy habits (smoking, etc.)	2003–07	80%
		Build capacity of health practitioners to integrate new approaches to reproductive health in their training syllabi, including all its components, including gender, reproductive rights, and against women, including mutil (sic)	2003–07	30%
		Increase the focus on training for healthcare practitioners in obstetrical emergencies and the referral and evacuation system, including for rural deliveries	2003–07	30%
		Improve RH program management capacity by optimizing and rationalizing human resources	2003–07	50%
		Build capacity for handling obstetrical emergencies and intake in facilities in Djibouti city, urban maternity facilities, and district medical centers	2003–07	50%
		Build capacity of rural midwives by giving them the appropriate tools and setting up a monitoring and evaluation system	2003–07	40%

Area	Objectives/Strategies	Priority Actions	Period	Progress
		Establishing a pilot center “Women’s Health”, which will provide women, couples planning to marry, and those who are not, with comprehensive services covering reproductive health, psychological counseling, and legal assistance	2003–07	0%
	Institutionalize the campaign against practices harmful to the health of women and the community, including various forms of violence and female genital mutilations	Develop new strategies to reduce genital mutilation, by identifying the social, cultural, religious mechanisms propping up this harmful practice despite national awareness raising campaigns	2003–07	80%
		Develop strategies to reduce violence against women through research and documentation of cases of domestic and sexual violence	2003–07	30%
		Mobilize support from the community and local and traditional authorities to prevent domestic violence and harmful practices, as well as to support victims	2003–07	70%
		Offer women victims of violence access to reliable places they can go to and be heard, as well as be offered legal assistance from local associations	2003–07	10%
			2003–07	
	Work toward social and political mobilization by the government and its national and international partners to develop strategies to prevent and control AIDS	Sensitize all relevant bodies and institutions to integrate STD/AIDS prevention into programs to reduce poverty and gender inequality, and to programs to promote women	2003–07	80%
		Involve the different ministerial departments concerned by implementing the national AIDS prevention program (health, education, youth, promotion of women, justice, etc.) through a system of sub-programs	2003–07	80%
		Build solidarity between the national and international partners in the implementation and financing of AIDS prevention programs through awareness raising actions at the institutional and societal levels	2003–07	75%
		Improve the supply and quality of information on STD/AIDS prevalence in general and in women and children in particular to identify the appropriate control programs	2003–07	70%
		Strengthen control of vertical mother-to-child transmission by sensitizing and training staff at maternity facilities	2003–07	60%
		Sensitize the most vulnerable members of society, in particular, youths and women to the risks of STD/AIDS through the relevant institutions and associations	2003–07	70%
		Improve access to the methods and means of prevention, including providing access to condoms	2003–07	75%
		Campaign against prostitution and rape of women as a factor promoting the spread of the STD/AIDS epidemic	2003–07	10%
		Develop and implement an ethical framework to protect patients suffering from STD/AIDS to fill the legal void	2003–07	0%
		Institute a prenuptial certificate and strengthen premarital counseling	2003–07	0%

Area	Objectives/Strategies	Priority Actions	Period	Progress
		Develop support for campaigns to raise STD/AIDS awareness in collaboration with religious leaders to address the reality and actual risks	2003–07	70%
		Build NGOs' capacity and resources for caring for and supporting patients suffering both from contamination and society's rejection of them, especially women and children	2003–07	60%
		Establish a solidarity fund to support hospitalized patients or those in the terminal phase	2003–07	0%
Education	Help attain the national goal of a gross enrolment rate of 65% by 2005 by identifying the obstacles and putting incentive and sensitizing measures in place	Develop strategies to increase enrolment of young girls by identifying the social, cultural, family, economic, and pedagogical mechanisms leading to and perpetuating the dropout rate	2003–07	70%
		Establish a national action plan to boost sustainable enrolment of girls through outreach with proven approaches and practices to the families and communities of 4 schools in each district in a bid to curb the dropout rate	2003–07	70%
		Establish new individualized educational approaches for unenrolled girls through the one class one school approach in 5 districts	2003–07	0%
		Mobilize family and community support to enroll girls	2003–07	70%
		Increase enrolment of girls through a pilot project	2003–07	
		Build capacity of 20% of teachers and principals to spot and prevent girls from dropping out	2003–07	50%
		Support the national goal of an enrolment rate of 65% of girls by 2005 by setting up an effective intersectoral technical committee to monitor and spearhead programs to boost the enrolment of girls in school	2003–07	20%
		Help establish the national literacy program and implement it through measures geared toward increasing the participation of women and young girls in literacy and nonformal programs	Develop strategies to boost the effective literacy for women by identifying the social, cultural, family, economic, and pedagogical mechanisms impeding their access to services or full...	2003–07
		Establish a national operation plan to effectively reduce illiteracy by spearheading appropriate approaches and practices through a pilot Arabic literacy program and post literacy.....	2003–07	70%
	Combat forms of discrimination in education against little girls and women and promote a culture of equality in the formal and nonformal sector of education and society	Information and awareness raising campaign with all partners relying on outreach workers in contact with women	2003–07	60%
		Participate in analyzing the content of textbooks, the electronic and print media and popular culture (tales, songs, and proverbs) to assess the images and depictions of women in the various stages of their lives	2003–07	75%
		Campaigns to sensitize parents and teachers and the media to the forms of discrimination	2003–07	75%
		Hold discussions with children to develop the principle of freedom of expression and respect for others	2003–07	0%
		Organize in schools on the International Women Day (March 8) or on the commemoration of the Convention on the Rights of the Child (November 18) a national annual competition on the culture of equal rights	2003–07	50%

Area	Objectives/Strategies	Priority Actions	Period	Progress
		Integrate gender issues in the training of teachers at the various levels of the educational system and conduct awareness raising campaigns	2003–07	50%
		Foster partnerships between schools and communities to improve the quality of formal and informal education of children and more specifically, of young girls	2003–07	80%
	Integrate young female graduates from secondary school technical and academic streams (<i>BEPC</i> and <i>Baccalauréat</i> holders) into the socioeconomic development of the country by providing them access to training leading to qualifications and that respond to the needs of the market	Conduct a survey of the employability of young female graduates from secondary schools	2003–07	20%
		Evaluate the potential for creating jobs for youths at the district and national levels	2003–07	0%
		Encourage professional internships in the private and public sectors	2003–07	50%
		Support the initiatives of associations and the private sector in their delivery of short vocational training courses, especially in information technology	2003–07	10%
		Facilitate micro- and small enterprise creation for young girls through promotion programs, training, and credit facilities	2003–07	30%
		Create an employment information and counseling center in secondary schools and districts managed by a committee comprised of key economic and institutional actors and representatives of the young girls and boys	2003–07	0%
Poverty reduction	Help reduce poverty among women by putting in place specific mechanisms and measures	Develop strategies to mainstream women into the formal and regional economies by identifying their needs and fears about formalizing their undertakings	2003–07	20%
		Develop strategies and approaches to stimulate creation and growth of micro and small enterprises by identifying their needs and constraints in the area of financial and nonfinancial support services	2003–07	20%
		Establish a dialogue between women owners of micro and small enterprises and officials from the government economic and commercial agencies to facilitate the development and use of support services for women and promote...	2003–07	10%
		Improve the integration of young female graduates from vocational training centers by introducing short training modules in entrepreneurship and how to start up and manage a small business	2003–07	0%
		Develop local training capacity for adults through small and micro enterprise management modules in local languages	2003–07	0%
		Build the capacity of 5 NGOs, one per district, to provide orientation and counseling in micro and small enterprise management	2003–07	20%
		Promote the economic integration and success of women entrepreneurs in the formal sector through the dissemination in local languages of the laws governing commerce, industry, tax services...	2003–07	0%
Employment of women	Foster equitable access to employment for women and promote training and professional integration	Develop strategies to reduce the disparities in the employment of women in the public and private sectors	2003–07	30%
		Facilitate access for female civil servants to positions of responsibility by strengthening their leadership and management skills	2003–07	30%

Area	Objectives/Strategies	Priority Actions	Period	Progress	
		Improve the integration of young female graduates into the formal public and private sector by developing their job-seeking skills	2003–07	40%	
National employment promotion policy	Increase awareness of the labor market	Build capacity at the Labor Directorate	2004–06	10%	
		Develop and implement a system to provide information (data base), analysis, and statistics on the labor market	2004–06	0%	
	Promote employment and adapt the training system to the needs of the economy	Systematize the mechanisms for monitoring diplomas and other outputs of the school curricula	2004–06	0%	
		Design a strategy and program to match training and employment needs taking into account promising current and future needs (transport sector, other service sectors) and training capacity	2004–06	50%	
		Develop and implement a national employment strategy	2004–06	0%	
		Implement the strategy	2004–06	0%	
	Set up key socio-economic structures in urban and peri-urban areas to improve the living conditions of the residents	Build/rehabilitate the infrastructure listed as priority in the framework of the neighborhood development project (PDQ)	2004–06	0%	
	Create as many jobs as possible in the public buildings and works sector by focusing on labor-intensive methods	Create 150,000 man/day jobs over the next 3 years	2004–06	80%	
	Promote the development of SMEs and local consultancy firms (BELs) in the sector	Training for SMEs and BELs	2004–06	70%	
		Develop professional development programs that take into account the needs of enterprises	2004–06	10%	
	Promote/disseminate local materials	Assess local materials	2004–06	50%	
		Implement programs to promote use of local materials in government procurement	2004–06	0%	
	Lock-in the achievements of ADETIP	Gear the activities of the ADETIP toward the poor and job creation	2004–06	100%	
		Expand interventions of the ADETIP to inland communities	2004–06	60%	
	Vocational training	Develop vocational training geared toward youths not attending school and the needs of the job market	Assess the capacity building needs of the CFPA	2004–06	0%
			Assess the current CFPA programs	2004–06	0%
			Develop a three-year professional development program to meet the needs of the job market	2004–06	0%
Strengthen the current training capacities and develop new skills		Restructure existing training courses and develop new benchmarks	2004–06	0%	
		Expand the range and scope of the training courses offered	2004–06	20%	
		Implement a program for training trainers	2004–06	0%	
		Expand the capacities of the CFPA to Djibouti City and inland towns	2004–06	20%	
Microfinance	Promote the development of microfinance	Research the setting up of a suitable legal framework for microfinance	2004–06	100%	
		Set up a framework for a dynamic consultation process involving all the actors	2004–06	100%	
	Build capacity in microfinance institutions	Recruit a professional international operator to train and supervise MFIs	2004–06	0%	

Area	Objectives/Strategies	Priority Actions	Period	Progress	
	Build capacity in women's associations and microentrepreneur groups	Implement a training and supervision program for associations through NGO partners in the Social Development Fund	2004–06	50%	
	Expand national coverage of microcredit institutions and facilitate access of the poor to microcredit	Increase microcredit institutions and foster their establishment throughout the country	2004–06	20%	
		Develop the supply of microfinance and expand it to the needy areas	2004–06	30%	
		Set up flexible procedures suited to the needs of poor women and associations of microenterprises	2004–06	60%	
	Lock-in the achievements of the Social Fund in the area of microfinance	Mobilize the external resources at concessional rates (lines of credit) to finance microfinance programs	2004–06	30%	
	Promote an institutional framework for microfinance	Upon completion of the project, set up the Social Development Fund Agency (a legal entity), which will receive the surplus funds from the project and ensure continuity and sustainability of microfinance, develop linkages between	2004–06	0%	
		Set up a national network of microfinance structures comprising all MFIs	2004–06	50%	
Protection of disadvantaged segments of the population	Set up a program to protect and place street children	Hold broad-based consultations (bring together the government, local authorities, NGOs, and funding agencies) to tackle the problem of street children	2004–06	0%	
		Implement a strategy to assist and support children	2004–06	0%	
		Implement a comprehensive assistance plan	2004–06	0%	
		Implement legal protection measures	2004–06	0%	
		Social welfare program (housing, health, education, psychosociological counseling)	2004–06	0%	
		Socioeconomic protection program	2004–06	0%	
	Reduce the vulnerability of nomads to exogenous shocks	Implement the livestock development program	2004–06	30%	
		Set up a food aid program	2004–06	100%	
		Raise awareness of anti-drought behavior	2004–06	30%	
	Reduce the vulnerability of displaced populations	Set up a medium-term food aid program	2004–06	100%	
		Set up a program to access basic services (safe water, health, and education), especially for displaced people living in poor urban neighborhoods	2004–06	20%	
	PILLAR 3: PROMOTE INTEGRATED LOCAL DEVELOPMENT				
	Urban development	Strengthen the institutional mechanism for urban management	Develop an urban development code, building code, and a land management code	2003–04	5%
Update the Djibouti Master Plan			2003–04	5%	
Define a housing promotion strategy		Prepare a strategic study that includes a gender perspective and the implementation of appropriate measures	2003	0%	
Preserve the urban and architectural heritage of the city center		Research options for special regulations, tax-incentive measures, awareness raising initiatives, and upgrading major public buildings	2004–06	90%	
Improve access of low-income segments of the population to landownership and housing		Increase the real estate supply by servicing 5,000 lots in Balbala	2003–07	5%	
		Assist in building 2,000 housing units	2003–07	???	
		Implement phase II of Barwaqo	2003–07	30%	
		Build 1,000 housing units	2003–07	50%	
	Service land and build 820 housing units in the inland towns	2003–07	0%		

Area	Objectives/Strategies	Priority Actions	Period	Progress
	Manage household waste	Purchase material and expand infrastructure	2003–05	
		Strengthen services	2003–05	
		Train staff	2003–05	
Sanitation	Define and establish a coherent sanitation policy	Carry out a strategic study of sanitation in Djibouti City	2003	100%
		Institutional and financial framework along with a legal and regulatory component essential to its implementation	2003	100%
		Identify a priority investment program	2003	
		Conduct environmental impact studies	2003	
	Improve the sanitary condition, living environment, and strengthen environmental protection in poor neighborhoods	Upgrade neighborhoods by putting in drain works for rainwater runoff	2004–06	50%
		Develop rainwater treatment networks	2004–06	50%
	Optimize the general operation of infrastructure, improve sanitation, and living conditions of the people of Djibouti	Partial rehabilitation of the waste water network and the city's pumping stations	2004–06	50%
		Rehabilitation of the Doudah and Cheik Osman treatment station	2004–06	
		Sanitation of secondary cities (Ali Sabieh, Tadjourah, Dikhil, and Obock)	2004–06	
	Build capacity for managing the networks	Procure appropriate equipment for the new facilities: buildings, vehicles, and other devices and material	2004–06	
		Install and outfit EU and UP material	2004–06	
		Train technical personnel	2004–06	10%
		Human resources	2004–06	10%
		Support effective launch of the sanitation fund	2004–06	
	Awareness raising and outreach	2004–06	0%	
	Open up access to poor neighborhoods and support economic activity	Implement a priority access program	2003–05	10%
	Secure control of land development and foster balanced regional development	Develop master plans for land use planning	2004–06	100%
Plan the development of the regions		2004–06	100%	
Improve management of the sanitation sector and household waste	Monitor the implementation of the actions defined in the strategic sanitation plan	2004–06	30%	
	Set up a strategy and participatory action plans for pre-collection of household waste	2004–06	30%	
Environment	Ensure the conservation and sustainable use of species, habitats, and ecosystems	Create two protected marine parks	2004–06	
		Rehabilitate damaged ecosystems	2004–06	
		Sensitize rural populations to environmental protection	2004–06	
	Improve the legal framework for environmental protection	Implement the PANE and, in particular, measures to protect biodiversity and threatened species	2004–06	
		Develop an environment code	2004–06	
Use environmental impact studies in accordance with the law for systems	2004–06			
Drinking water	Rationalize management of the Djibouti water table	Research management and protection of the water table	2004–06	100%
		Preliminary technical draft of a desalination plant	2004–06	100%

Area	Objectives/Strategies	Priority Actions	Period	Progress
		Better distribution of catchment areas: new boreholes and discontinue use of wells past their active life	2004–06	50%
	Deepen networks in the various neighborhoods	Participatory approach to water management / Awareness and outreach in neighborhoods where networks are to be expanded and stand pipes erected	2004–06	50%
		Deepen the PK12 network	2004–06	50%
		Deepen the Djebel network	2004–06	50%
		Deepen and extend the Balbala network (Wahyadaba)	2004–06	50%
		“Social” connection campaigns	2004–06	70%
	Reduce leaks	Replace section valves, diagnostic survey to identify leaks, replace defective sections– 1st phase	2004–06	50%
	Improve water supply to inland towns	Identify through research new water resources to supply the inland towns, including reconnaissance drilling - Ali Sabieh, Dikhil, Tadjourah, Obock, and Arta/Wéa	2004–06	75%
	Undertake institutional reforms to improve the outputs of the ONED	Training program for managers and technical personnel	2004–06	25%
		Reduce waste – awareness raising campaign	2004–06	30%
		Improve water billing system. Regular replacement of nonworking water meters	2004–06	50%
	Improve awareness of the resources in terms of quantity, quality, and distribution	Sustainable management of Djibouti’s various water resources	2004–06	75%
		Set up a network to monitor the water cycle	2004–06	80%
		Quantify the available resources	2004–06	80%
		Inventory water areas	2004–06	100%
		Map water resources	2004–06	100%
		Set up tools to support decision making and planning of water resource management, as well as promote the appreciation of water as a resource	2004–06	50%
		High exposure for information on water	2004–06	50%
	Develop water resources to highlight local potential	Comprehensive development of the Ambouli Oued spillway	2004–06	70%
		Study the alluvial tables of the Dey-Dey, Dhouré, and Weima oueds	2004–06	100%
		Disseminate information on good irrigation practices in gardens, reduced costs of irrigation, and the quantities of water used	2004–06	30%
	Rehabilitate and build water areas and supply networks in rural areas and preserve the water quality	Provide a central water supply system for 4 large rural communities in the Districts (Sagallou, Adailou, Assa Gueyla, and Khor Angar)	2004–06	75%
		Refurbish infrastructure supplying water to 10 villages (Dorra, Alaïli Dada, Holl Holl, Ali Addé, Gallamo, Boli, Chebelley, PK 51, Petit Bara, and Adoïla)	2004–06	80%
		Build: (i) 10 pumping stations, (ii) 23 boreholes, (iii) 137 wells to be rehabilitated, (iv) 70 new wells	2004–06	50%
		Base studies	2004–06	50%
		Supervise projects and train the supervisory team in the participatory approach	2004–06	50%
		Clean-up wells and monitor the water quality in the wells	2004–06	50%

Area	Objectives/Strategies	Priority Actions	Period	Progress	
	Build reservoirs, dig, and restore underground cisterns	Hydrological study of the possibilities for harnessing ground water, and identifying favorable sites	2004–06	50%	
		Build reservoirs, dig, and restore clogged cisterns used for livestock herding or agriculture (infiltration) 1st phase	2004–06	75%	
	Ensure rural hydraulic infrastructure is sustainable	Maintenance:			
		- Materials for maintaining water points	2004–06	40%	
		- rehabilitate the drilling works and all the equipment	2004–06	50%	
		Participatory management:			
		- Create local committees to manage rural water points and for outreach	2004–06	60%	
		- Support regional offices of the Water Directorate,	2004–06	50%	
		- Disseminate any “good practices” observed thus far	2004–06	50%	
		- Socioeconomic survey	2004–06	50%	
		- Disseminate techniques for well rehabilitation and protection from floodwaters	2004–06	50%	
		Lower the cost of dewatering:			
		- Convert 40 water places to solar energy	2004–06	50%	
		- dissemination of manual dewatering techniques and equipping of 50 wells	2004–06	50%	
		- Open up access to areas for easier maintenance	2004–06	30%	
	- Rehabilitate 100 km of rural roads each year for 5 years	2004–06	30%		
	- Immediate intervention and maintenance of rural roads after rains	2004–06	30%		
	Develop a new management model for local water management that involves rural actors and promotes private sector activity	Professional development for water-related trades (well diggers, electrical mechanics, and standpipe-plumbers)	2004–06	25%	
	Build management capacity	Build capacity to manage water resources and for field interventions	2004–06	20%	
		Set up and outfit regional rural development sub-directorates	2004–06	10%	
Train technical personnel and managers that tackle water-related issues at the regional sub-directorates		2004–06	10%		
Build capacity to mainstream gender in the design and supply of water-related services		2004–06	0%		
Provide basic training and professional development for engineers and technical personnel dealing with water and rural facilities		2004–06	10%		
Support the effective launch of the National water Fund (government should match each dollar mobilized domestically)		2004–06	10%		
Implement legal and regulatory		2004–06	60%		
Inform and train in legal measures regulating management of water resources		2004–06	0%		
Ensure food security	Special Food Security Program - Phase I:				
	- Intensification	2003–05			

Area	Objectives/Strategies	Priority Actions	Period	Progress	
		- Agricultural diversification	2003–05		
		- Water control	2003–05		
		- South-south cooperation with Morocco	2003–05		
		Survey the risks of contamination of the food chain from cattle to humans	2004		
		Rural development project in six districts (PDR) (agriculture, livestock, and fisheries):			
		- Individual farms	2004–06		
		- Irrigation infrastructure	2004–06		
		- Inputs for agriculture, livestock rearing, and fisheries	2004–06		
		- Rural roads	2004–06		
		Improve the efficiency of government departments	Institutional support project:		
	- Set up regional rural development sub-directorates		2004–06		
	- Central agricultural statistics department		2004–06		
	- Training center for farmers and shepherds (premises)		2004–06		
	- Documentation (premises and facilities)		2004–06		
	- Rehabilitation of the premises of the Ministry of Agriculture, Livestock Production, and Marine Affairs (MAEM)		2004–06		
	Project to train technical managers at the MAEM:				
	- Training in livestock rearing techniques in periurban areas		2004–06		
	- Training in quality and laboratory testing		2004–06		
	- Training in certification and regulation		2004–06		
	- Support for the CERD	2004–06			
Improve access to the factors of production	Rural microfinance project:				
	- Establish local microfinance funds	2002–09			
	- Microcredit	2002–09			
Combat desertification	Implement the PANE:				
	- Pilot initiative to reforest and regenerate pasturelands	2004–06			
	- Sensitization	2004–06			
Biodiversity and local development	Biodiversity conservation	Integrated project for the development and management of the DAY Forest:			
		- Project to prohibit grazing in 3 demonstration areas (natural forest regeneration) and rehabilitation of underground storage tanks	2004–06		
		- Update the 1993 comprehensive integrated development survey	2004–06		
		- Conservation of biodiversity and sustainable management of the DAY forest	2004–06		
		Carry out a study of the integrated development of the Abhé Lake	2004–06		
		Mangrove protection	2004–06		

Area	Objectives/Strategies	Priority Actions	Period	Progress
	Develop livestock rearing	Pan-African Program for the Control of Epizootics (PACE):		
		- Set up a national network for monitoring diseases affecting animals	2004-06	
		- Capacity building in the veterinary sector	2004-06	
		- Equip veterinary laboratories	2004-06	
		- Veterinary medications	2004-06	
		Pastoral production support program:		
		- Animal health	2004-06	
		- Improve cattle trails	2004-06	
		- Livestock census	2004-06	
		- Awareness raising and outreach	2004-06	
		- Pastoral water resources	2004-06	
		Project for the development of regional cattle trade infrastructure:		
		- Domestic market: cattle herding centers in rural areas	2004-06	
		- Export (cattle from Djibouti to Ethiopia and Somalia): cattle stalls, sanitary inspection, harmonization of regulatory procedures for certification	2004-06	
		- Cattle feed and mineral supplement production facility	2004-06	
		Promotion of periurban livestock rearing:		
		- dairy	2004-06	
		- poultry (eggs)	2004-06	
		- meat (young animals)	2004-06	
Agriculture	Increase areas under cultivation	Create a hydro-agricultural perimeter on the Hanlé plain (50 ha)	2004-06	
		Rehabilitate and privatize government garden plots (10)	2004-06	
	Develop agricultural know-how	Refurbish the PK20 agro-pastoral training center	2004-06	
		Establish a pilot farm	2004-06	
		Agricultural outreach	2004-06	
	Assess farm output	Gather data on model farms	2004-06	
	Sustainable resource management	Fisheries master plan	2004-06	
		Joint management system		
	Increase earnings for fishers and foster job creation	Institutional support (Fisheries Directorate and Maritime Affairs Directorate)		
		Build organizational capacity	2004-06	
		Rehabilitate production facilities	2004-06	
		Increase the means of production	2004-06	
	Promote export development	Training and outreach (technical and technological innovations)	2004-06	
Upgrade fish export infrastructure to meet international standards by setting up a laboratory for sanitary control		2004-06		
Improve food security and develop support techniques	Support women in improving fish processing and distribution	2004-06		
	Promote the introduction of processing and storage techniques	2004-06		

Area	Objectives/Strategies	Priority Actions	Period	Progress
		Promote low-cost cold storage	2004–06	
		Improve the distribution network by increasing the number of fish vendor stands on the local market to promote consumption of fish	2004–06	
Disaster management	Increase and improve coordination of disaster prevention and management	Support the creation of a national entity with local offices	2004–06	
		Support the development of a national disaster prevention and management strategy	2004–06	
	Strengthen local technical and operational competencies of national institutions and civil society partners involved in disaster prevention and management	Strengthen the technical and operational competencies of NGOs involved in this sector	2004–06	
		Build capacity through public information and training	2004–06	
	Promote and establish a work environment in which the institutions, local NGOs and international agencies can network and exchange information and better coordinate the preparation of their disaster response programs	Support the creation of a Documentation Center, a focal point for gathering and exchanging basic information on disasters	2004–06	
		Support and facilitate communication between national institutions and NGOs involved in this sector	2004–06	
Local participation and development	Make the regions operational and strengthen their participation in managing development programs and poverty reduction	Ensure gradual skills transfer, taking into account the capacities and means available to the government	2004–06	
		Implement a capacity building program for regional councils	2004–06	
		Support the establishment of a regional planning unit	2004–06	
		Establish a local investment fund	2004–06	
		Promote partnership agreements within the framework of decentralized cooperation	2004–06	
		Develop and put in place a legal framework conducive to creation of associations	2004–06	
		Set up an institutional mechanism to coordinate NGO initiatives	2004–06	
	Promote the development of participatory approaches and involvement of NGOs in poverty reduction	Develop and implement a capacity building program for NGOs	2004–06	
PILLAR 4: STRENGTHEN GOOD GOVERNANCE				
Court governance	Strengthen the legal mechanism	Implement the criminal procedure code through decrees	2004–06	20%
		Reform the civil procedure code to facilitate access to justice	2004–06	10%
	Unify the court system	Institution of a single court system	2004–06	80%
		Integration of Sharia courts into the single court system	2004–06	95%
	Facilitate access to justice for citizens	Establish in each inland town a court of first instance to promote easy access to justice	2004–06	10%
	Improve the operation of the court system	Recruit and provide vocational training for magistrates	2003–05	80%
		Observe the independence of magistrates, and raise the profile of the office	2003–05	90%

Area	Objectives/Strategies	Priority Actions	Period	Progress
	Promote human and women's rights	Establish an independent body to promote human rights	2003–04	50%
		Strict implementation of the Family Code	2003–04	100%
		Eliminate all forms of discrimination against women	2003–04	50%
		Renovate and humanize detention centers	2003–04	75%
	Improve working conditions	Extend the two wings at the Palais de Justice (Main Courthouse)	2003–04	0%
		Refurbish the prison	2003–04	75%
		Build courts	2003–04	0%
		Outfit the courts of law	2003–04	70%
	Capacity building	Build a training center for prisoners	2003–04	0%
		Technical assistance needs	2003–04	50%
Information and documentation		2003–04	50%	
Reform government	Modernize the governments management of human resources	Set up a single automated file to manage government employees	2004–06	60%
	Promote equal access to government jobs and strengthen training for staff	Implement a recruitment procedure on a strictly competitive basis	2004–06	90%
		Strengthen the institutional framework of the INAP	2004–06	30%
		Develop and implement a training and re-training program for government employees	2004–06	50%
Economic and financial management	Ensure transparent and effective management of public expenditure	Ongoing implementation of provisions on budget preparation, monitoring and execution of expenditure	2004–06	100%
		Delegate to the line ministries the commitment and authorization of their expenditure	2004–06	0%
	Strengthen public expenditure control	Set up and recruit staff for the Government Inspectorate General	2004–06	100%
		Implement the Government Inspectorate General's program of controls	2004–06	100%
		Strengthen the Audit Court's control and publication of annual reports	2004–06	100%
	Improve public expenditure effectiveness	Continue work on the expenditure review	2004–06	80%
		Set up a medium-term framework budget consistent with the PRSP	2004–06	50%
		Implement program budgets for education, health, transport, and rural development	2004–06	50%
	Improve the preparation and monitoring of capital expenditure programs	Implement an automated file of PIP projects	2004–06	80%
		Define the eligibility rules for the PIP and set up a three year PIP and annual capital expenditure budget in line with the strategy	2004–06	0%
		Set up tools to monitor projects and the PIP (evaluation forms and monitoring report)	2004–06	100%

Annex 3: Execution of the 2004–06 Public Investment Program

Sector	Cost	Financing assured		Financing to be arranged		Financing obtained	
	\$US 000	Amount	%	Amount	%	Amount	%
Water							
Miscellaneous programs	5,548	5,548	100%				
Rural water supply	12,830			12,830	100%		
Urban water supply	3,703			3,703	100%		
Sanitation	16,409	5,278	32%	11,131	68%		
Housing	31,028	5,925	19%	25,103	81%		
Environment	726			726	100%		
Agriculture, livestock, fishing	9,020	9,020	100%		0%		
Agriculture	12,800			12,800	100%		
Livestock	600			600	100%		
Fishing	1,500			1,500	100%		
Poverty reduction (ADETIP)	18,898	6,398	34%	12,500	66%		
Justice	3,510			3,510	100%		
Advancement of women	8,649	867	10%	7,783	90%		
Tourism	490			490	100%		
Electrical energy	2,000			2,000	100%		
Road infrastructure	21,000			21,000	100%		
Roads and public facilities	15,271	15,271	100%				
Education	56,703	39,202	69%	17,502	31%		
Health	18,124	18,124	100%				
FSD	3,483	3,483	100%				
Support for economic management	8,626	8,626	100%				
TOTAL	250,916	117,741	47%	133,176	53%		

Annex 4: Long-term Objectives of the INDS

Priority Objectives and Performance Indicators	Baseline		Quantified Objectives	
	Date	Value	2011	2015
<i>Living standards and conditions</i>				
Reduce poverty				
1. Number of poor people (000)				
2. Incidence of relative poverty (%)	2002			
3. Incidence of extreme poverty (%)	2002	42.2		
4. Depth of extreme poverty (%)	2002			
5. Gini index (%)	2002	40.9		
6. Share of poorest quintile in national consumption (%)	2002			
<i>Levers of growth</i>				
Accelerate economic growth				
7. GDP per capita (US\$)	2006	947	1,331	
8. Growth rate (%)	2006	4.8	5.9	
9. Growth rate of per capita GDP (%)	2006	2	3.3	
10. Investment rate (as % of GDP)	2006	29.5	33.5	
11. Unemployment rate	2002	60		
12. Percentage of women in non-farm employment				
Preserve macroeconomic stability				
13. Inflation rate (%)	2006	3.5	3.5	
14. Overall budget balance (payment order basis, incl. grants, as % du PIB)	2006	-2.3	0.1	
15. Current transactions balance (excl. official transfers, as % of GDP)	2006	-6.4	-13.2	
16. External current account balance (incl. official transfers, as % of GDP)	2006	-8.9	-14.2	
17. Gross official reserves (in months of imports)	2006	3.2	2.4	
18. Debt/GDP ratio (%)				
19. ODA as percentage of GDP				
<i>Education and literacy</i>				
Improve overall education levels				
20. Gross enrollment rate in primary	2006	55.9	82.9	100
21. Net enrollment rate in primary	2006	66.2		
22. Girls/boys ratio in primary school	2006	0.81	0.93	1
Girls/boys ratio in intermediate school	2006	0.64	0.81	0,91
Girls/boys ratio in high school	2006	0.4		
23. Proportion of children reaching 6th year of elementary school	2006	65.8	81.4	84,3
24. Proportion of girls reaching 6th year of elementary school				
25. Adult literacy rate (15 years and over)	2002	27.2		
26. Adult literacy rate (15-24 years)				
27. Literacy rate among women (15-24 years) vs. men				
28. Current spending on education as percentage of GDP Nominal GDP is the estimate prepared by the IMF	2006	7.1	5.6	
<i>Health and nutrition</i>				
Improve the overall state of health				
1. Life expectancy at birth (years)	2002	49		
2. Synthetic fertility rate	2002	4.2	3.5	3
3. Infant mortality rate (‰)	2006	67	55	40

Priority Objectives and Performance Indicators	Baseline		Quantified Objectives	
	Date	Value	2011	2015
4. Under-five mortality rate (%)	2006	94	80	75
5. Proportion of one-year-olds vaccinated against measles	2006	53	90	95
6. Maternal mortality rate (for 100,00 live births)	2006	550	470	400
7. Percentage of births assisted by a skilled health worker	2006	87	90	95
8. HIV/AIDS prevalence rate	2002	2.9	2.3	2.3
9. HIV/AIDS prevalence rate among women ages 15 to 24 years	2002	2.4	2	2
10. rate of contraception use among men	2006	44	54	62
11. Number of AIDs orphans	2006	5000	x	x
12. Malaria prevalence rate	x	X	x	x
13. Tuberculosis prevalence rate (per 100,000 inhabitants)	2006	1161	500	400
14. Proportion of TB cases detected and given short-course treatment	2006	100	100	100
15. Rate of coverage within a 5-km radius	2006	80	90	100
16. Proportion of population with permanent access to affordable basic medications	x	80	85	90
17. Proportion of population falling short of minimum caloric intake	2006	X	x	x
18. Malnutrition rate (weight for age) among children under 5 years	2002	18	10	6
Drinking water				
Increase access to drinking water				
19. Rate of dwellings with indoor tap	2006	22%	32%	42%
20. Price of water per m ³ (US\$)	2006	0.87	1	2
21. Proportion of population with access to a drinking water source	2006	96.3%	100%	100%
22. Rate of service in urban areas	2006	75%	90%	100%
23. Rate of coverage in rural and semi-urban areas				
24. Proportion of population with access to an improved sanitation system (toilets with sewer connection)	2006	20%	23%	26%
Environment and sustainable management of natural resources				
Ensure a sustainable environment				
29. Proportion of forested zones				
30. Land area protected to preserve biodiversity				
31. GDP per unit of energy consumed				
32. Carbon dioxide emissions per person				
33. Consumption of chlorofluorocarbons that harm the ozone layer				
Good governance and institutional capacities				
Enhance governance and strengthen institutional capacities				
34. Proportion of seats held by women in the national parliament	2006	10.8%	10.8%	20%
35. Satisfaction rate of public service users				
General administration				
Health				
Education				
Justice				
Commercially traded services				

Annex 5: Short- and Medium-term Objectives

Priority Objectives and Performance Indicators	Baseline		Quantified Objectives				
	Date	Value	2007	2008	2009	2010	2011
Accelerate economic growth							
1. GDP per capita (US\$)	2006	947	1,002	1,070	1,156	1,244	1,331
2. Growth rate (%)	2006	4.5	5.1	5.7	7	6.6	5.9
3. Growth rate of per capita GDP (%)	2006	2.3	2.2	3.1	4.4	4	3.3
4. Public investment rate (as % of GDP)	2006	7.5	12.4	12.4	10.1	8	6
5. Unemployment rate	2002	60.0					
6. Percentage of women in non-farm employment							
Preserve macroeconomic stability							
7. Inflation rate (%)	2006	3.5	3.5	3.5	3.5	3.5	3.5
8. Overall budget balance (payment order basis, incl. grants, as % of GDP)	2006	-2.3	-3.4	-5.4	-3.4	-1.8	0.1
9. Current transactions balance (excl. official transfers, as % of GDP)							
10. External current account balance (incl. official transfers, as % of GDP)	2006	-8.9	-13.9	-16.9	-17.9	-15.9	-13.7
11. Gross official reserves (in months of imports)	2006	3.2	2.4	2.4	2.4	2.4	2.4
12. Debt/GDP ratio (%)	2006	55.5	58.2	64.3	71.3	73.1	71
13. ODA as percentage of GDP							
Improve overall education levels							
14. Gross enrollment rate at primary level	2006	55.9	57.5	66.2	70.6	76.8	82.9
15. Net enrollment rate at primary level							
16. Girls/boys ratio at primary level	2006	0.81	0.84	0.88	0.92	0.97	1
Girls/boys ratio at intermediate level	2006	0.64	0.70	0.73	0.76	0.78	0.81
Girls/boys ratio in high school	2006	0.4					
17. Proportion of children reaching 6th year of elementary school	2006	65.8	70.2	74.9	80.0	80.7	81.4
18. Proportion of girls reaching 6th year of elementary school							
19. Adult literacy rate (15 years and over)	2002	27.2					
20. Adult literacy rate (15-24 years)							
21. Literacy rate among women (15-24 years) vs. men							
22. Current spending on education as percentage of GDP	2006	7.1	6.7	6.2	5.9	5.7	5.6
Improve the overall state of health							
260. Life expectancy at birth (years)	X	X	X	X	X	X	X
261. Synthetic fertility rate	2002	4.2	4.1	3.9	3.7	3.6	3.5
262. Infant mortality rate (‰)	2006	67	65	63	61	58	55
263. Under-five mortality rate (‰)	2006	94	92	90	87	84	82

Priority Objectives and Performance Indicators	Baseline		Quantified Objectives				
	Date	Value	2007	2008	2009	2010	2011
264. Proportion of one-year-olds vaccinated against measles	2006	53	65	70	75	85	90
265. Maternal mortality rate (for 100,00 live births)	2006	550	530	510	490	480	460
266. Percentage of births assisted by a skilled health worker	2006	87	89	91	93	94	95
267. HIV/AIDS prevalence rate	2006	2.9	2.8	2.7	2.5	2.4	2.3
268. HIV/AIDS prevalence rate among women ages 15 to 24 years	2002	2.4	2.4	2.3	2.2	2.1	2
269. Rate of contraception use among men	2006	44	46	48	50	52	54
270. Number of AIDS orphans	2006	5000	X	X	X	X	X
271. Malaria prevalence rate	X	X	X	X	X	X	X
272. Tuberculosis prevalence rate (per 100,000 inhabitants)	2005	1161	1000	800	700	600	500
273. Proportion of TB cases detected and given short-course treatment	2006	100	100	100	100	100	100
274. Rate of coverage within a 5-km radius	2006	80	83	85	87	88	90
275. Proportion of population with permanent access to affordable basic medications	2006	80	81	82	83	84	85
276. Proportion of population falling short of minimum caloric intake	X	X	X	X	X	X	X
277. Malnutrition rate (weight for age) among children under 5 years	2006	18	17	16	14	12	10
Improve access to drinking water							
278. Rate of dwellings with indoor tap	2006	22%	24%	26%	28%	30%	32%
279. Price of water per m ³ (US\$)							
280. Proportion of population with access to a drinking water source	2006	96.4	97.4	98.36	99.32%	100%	100%
281. Rate of service in urban areas	2006	75%	78%	81%	84%	87%	90%
23. Rate of coverage in rural and semi-urban areas	2006	72					80
24. Proportion of population with access to an improved sanitation system (toilets with sewer connection)							
Ensure a sustainable environment							
25. Proportion of forested zones							
26. Land area protected to preserve biodiversity							
27. GDP per unit of energy consumed							
28. Carbon dioxide emissions per person							

Priority Objectives and Performance Indicators	Baseline		Quantified Objectives				
	Date	Value	2007	2008	2009	2010	2011
29. Consumption of chlorofluorocarbons that harm the ozone layer							
Enhance governance and strengthen institutional capacities							
30. Proportion of seats held by women in the national parliament	2006	10.8%	10%				15%
31. Satisfaction rate of public service users							
General administration							
Health							
Education							
Justice							
Commercially traded services							

Annex 6: Priority Actions, 2008–11

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
Pillar 1. Growth Potential, Competitiveness, Macroeconomic Framework				
Macroeconomic Framework				
Economic and budgetary policy	Strengthen economic governance	- Implement a macroeconomic framework	2008–09	80,100,000 To be sought
		- Production of sector impact studies	2008–11	186,900,000 To be sought
		- Introduction of a Current Economic Situation Note	2008-10	53,400,000 To be sought
	Continue the policy of controlling current expenditure	- Control of payroll	2008–11	To be decided
		- Stabilization of operating expenses	2008–11	To be decided
		- Implementation of a single filing system	2008–11	To be decided
		- Computerization of the expenditure chain	2008–11	To be decided
- Rigorous application and respect for the cash plan	2008–11	To be decided		
Maritime Transport, Air Transport, Transport Corridor, International Transport				
Maritime Transport	Respond to competition from ports in the region and the demand for a new generation of maritime transport	- Put new infrastructures in place: <ul style="list-style-type: none"> ▪ Construction of a new container terminal ▪ Construction of an industrial and trade free zone 	2008–09 2008-10	53,400,000,000 Private 2,028,000,000 Private
Air Transport	Effectively implement an industrial and trade management policy		2008–11	801,000,000 Obtained
Rail Transport		- <i>"Likely"</i> concession of management to a private operator (A memorandum of understanding has been signed between the Ministry of Transport and the Ghanim Investment Group)	2008–11	To be decided
Djibouti-Ethiopia transport corridor	Implement the April 2002 agreement between the two countries to strengthen integrated development of the corridor.	- Implement a customs clearance regime between the two countries.	2008–11	122,000,000 To be sought
Highways and Minor Roads				
Highways and minor roads	Open up the regions traversed by providing minimal transit conditions, to serve the vast rural agricultural area. Contribute to the fight against poverty and improve living conditions for the various population groups	- Asphaltting of the OBOCK - ERITREA BORDER highway Construction to asphalt-highway standard of the final section of the Djibouti-Eritrea, Obock Border highway (N16). The section is 102 km long. The components of the project are as follows: <ul style="list-style-type: none"> ▪ technical, economic, and environmental studies ▪ earthworks. ▪ surveillance and oversight of works execution 	2008-10	5,000,000,000 To be sought
	Open up areas with strong-livestock grazing potential by providing minimal transit conditions, and serve the vast rural agricultural space. These regions are located right next to the country's economic hub: Djibouti City.	- Asphaltting of the DJIBOUTI - HOLL-HOLL highway Construction to asphalt-highway standard of the first section (Djibouti-Holl-Holl), of highway N18 linking Djibouti to Ali Sabieh through the southern zones of the country. The segment is 45 km long. The components of the project are as follows: <ul style="list-style-type: none"> ▪ technical, economic and environmental studies. ▪ earthworks ▪ surveillance and oversight of works execution 	2008-10	2,933,000,000 Obtained, IDB
		- Construction of the DJIBOUTI-LOYADA highway Construction of the Djibouti-Loyada highway, 18 km long, financed by the Islamic Development Bank (IDB). A bank mission is scheduled in July 2007 to evaluate the project which will be submitted to the Bank's Board of Directors in November 2007.	2008-10	2,044,000,000 Obtained, IDB
	Restore highway infrastructures that are crucial for opening up the north east of the country. Contribute to the fight against poverty and improve living conditions for the various population groups	- Refurbishment of the RANDA - DORRA and RANDA - DAY highways Upgrading to modern dirt road standard of the Randa - Dorra segment of National Highway 11, linking the Route de l'Unité to Ethiopia through the north-eastern zones of the country, and the Randa-Day segments serving one of the country's key tourist areas. The sections in question are 51 km and 15 km long, respectively. The components of the project are as follows:	2008-10	800,000,000 to be found

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
Highways and minor roads		<ul style="list-style-type: none"> ▪ technical, economic and environmental studies, ▪ earthworks ▪ surveillance and oversight of works execution 		
	Open up a vast zone in the north of the country through minimal investments	<p>- Improvement of the RANDA - BALHO (Ethiopian border) and AS DORA - ASSA GAILA highways.</p> <p>Improvements (upgrading from non-maintained road standard to maintained road standard) of two highways opening up the north-east of the country from Randa. The project includes:</p> <ul style="list-style-type: none"> ▪ technical, economic and environmental studies, ▪ works consisting of earthworks, road surfacing work (implementation of hardcore foundation layers) drainage channeling (discharge pipes, conduits, "buses", etc.....) ▪ surveillance and oversight of works execution. ▪ the tender to recruit a consultant to update the study has recently been launched and will be financed by the Kuwaiti Fund. 	2008-10	300,000,000 Obtained, KFAED
	Improve road infrastructures in urban areas. Contribute to the fight against poverty and improve living conditions for the various population groups.	<p>- Urban Investments Program</p> <p>Reinforcement or asphaltting of the road networks in the cities of Djibouti, Dikhil, Ali Sabieh, Tadjourah, and Obock.</p> <p>The project includes the following:</p> <ul style="list-style-type: none"> ▪ technical, economic and environmental studies ▪ earthworks ▪ surveillance and oversight of works execution 	2008-10	1,400,000,000 To be sought
	Open up a vast area in the north of the country through minimal modern infrastructures. Contribute to the fight against poverty and improve living conditions for the various population groups	<p>- Improvement of the YOBOKI - MOUTROUS - LAC ASSAL route</p> <p>Improvement works (upgrading from undeveloped to developed road standard) of the highway opening up the interior of the country from Yoboki, joining N10 in the neighborhood of Lake Assal. The project includes:</p> <ul style="list-style-type: none"> ▪ technical, economic and environmental studies, ▪ works consisting of earth movement, road surfacing work (implementation of hardcore foundation layers) drainage channeling (discharge pipes, conduits, "buses", etc.....) ▪ surveillance and oversight of works execution. 	2008-10	250,000,000 To be sought
	Open up an area of the south of the country through minimal investments	<p>- Construction works on the HOLL-HOLL - ALI SABIEH and DIKHIL - AS ELA highways.</p> <p>Works to improve water drainage on the Holl-Holl - Ali Sabieh (via Ali Adde) and Dikhil - As Eylal highways, by constructing discharge pipes and conduits, together with erosion protection works. The project includes:</p> <ul style="list-style-type: none"> ▪ technical, economic and environmental studies, ▪ works consisting of earth movement, road surfacing work (implementation of hardcore foundation layers) drainage channeling (discharge pipes, conduits, "buses", etc.....) ▪ surveillance and oversight of works execution. 	2008-10	150,000,000 To be sought
Energy and Natural Resources				
Energy	Improve access to energy and diversify energy sources	<ul style="list-style-type: none"> - Installation of a wind turbine park in Arta; - Construction of an electricity network in Balbala (medium- and low-tension transmission lines and transformer substations) - Technical assistance including a study on reducing EDD electricity losses. - Technical assistance including a study to strengthen ONEAD customer management and purge the customer file 	2008-09	1,300,000,000 Obtained, WB
	Improve access to energy and diversify energy sources, prioritizing the exploitation of geothermal energy	<ul style="list-style-type: none"> - Relief d'Assal project 	2008-09	534,000,000 Obtained, GEF
	Increase electric energy production to satisfy demand and provide energy at the best price	<ul style="list-style-type: none"> - DJIBOUTI/ ETHIOPIA link <ul style="list-style-type: none"> ▪ Creation of markets for 220 kV and 63 kV lines, 220/63 pylons, and 63 kV cabling ▪ Construction works ▪ Works supervision 	2007-09	12,104,000,000 of which 8,900,000,000 Obtained, ADB 3,204,000,000 To be sought

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
		- Installation of a 7 MW power plant at Boulaos	2008-09	3,204,000,000 Promise, IDB
		- Expansion of the machine room at Boulaos 2 and installation of the 50 MW diesel plant	2009-10	7,120,000,000 To be sought
		- Improvement of the AL BOUM real estate project <ul style="list-style-type: none"> ▪ Seek financing ▪ Validation of the 63/20 kV pylon project ▪ Look for land ▪ Establish service plans for the overall project 	2008-09	1,780,000,000 To be sought
		- Electricity supply to the Haramous area <ul style="list-style-type: none"> ▪ Specification of the cable installation plan ▪ Strengthening of the Boulaos source post ▪ Creation of medium- and low-tension pylons 	2007-09	178,000,000 Private means
	Ensure provision of energy to allow provision to the south of Boulaos	- Renewal and extension of the Boulaos source pylon	2008-09	1,246,000,000 of which 356,000,000 Obtained, IDB 890,000,000 To be sought
	Improve electric energy distribution by restructuring and optimizing the 20 kV grid, and reducing losses	- Specification of the necessary 63 kV injection points - creation of posts and establishment of new medium tension schemes	2008-11	890,000,000 To be sought
	Improve energy marketing of by automating changeovers and reducing fraud	- Installation of metering system with current carrier changeover - Generalization of the system	2008-11	1,246,000,000 To be sought
	Strengthen the energy transport network	- Supply of energy from the future Ambado power plant <ul style="list-style-type: none"> ▪ Seek financing ▪ Recruitment of an engineer "works supervisor" ▪ Validation of EDD plans ▪ Establishment of markets 	2008-09	8,010,000,000 To be sought
Production - Transport Regulation network	- Creation of a dispatching center for all production and transport modes	2008	890,000,000 To be sought	
Develop solar energy	- Set up a national environmental protection strategy	2008-10	Estimation underway	
Natural resources	Evaluate the country's mining potential	- Mining prospection project	2008-09	17,800,000 Obtained
	Mining of precious and base metals in the Republic of Djibouti	- Inventory of metal mineral deposits	2008-09	Estimation underway
Free Zones				
Free zones	Promote Djibouti as an international and inter-regional trade platform Promote national economic growth in the framework of the Arab region and COMESA countries	DAHEZ project (Djibouti Automobile Heavy Equipment Zone) between the Dubai Customs and Djibouti - Establishment of a 570 ha free zone for the sale of all types of new and second-hand vehicle engines This involves building exhibition halls in the free zone, together with garages and hangers (for automobile sector enterprises), parking lots (for users and visitors), and an auction hall	2007-09	1,250,000,000 Private
Tourism				
Tourism	Promote tourism development and increase awareness of Djibouti as a destination	- Study on the positioning of Djibouti in the international market	2008-11	160,000,000 To be sought
		- Strengthening of national and international partnerships to promote Djibouti as a destination		
		- Support for the development of regional tourist sites (infrastructures, roads to open up remote regions)		
	Promote the development of tourism and increase awareness of Djibouti as a destination	- Intensification of training in tourism jobs, particularly for women - Public awareness raising on tourism and its benefits - Implementation of tourism project funding mechanisms	2008-11	200,000,000 To be sought
Telecommunications and Information and Communication Technologies				
Regional and international connectivity	Make Djibouti Telecom a regional hub	- Implement a land-based fiber optic cable linking Djibouti with Ethiopia	2008	445,000,000 Private
	Improve the country's international connectivity	- Participation in the SMW5 or EIG submarine cable Djibouti Telecom is currently actively pursuing two concurrent undersea cable projects and aims to join whichever starts first. The chosen cable will eventually replace the SMW3 cable currently being used by Djibouti Telecom	2009	5,340,000,000 Private

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
Infrastructures and technologies	Upgrade the international transit center	- Installation of a new international exchange to replace the current EWSD which has served for 12 years (useful life expired and difficulties in technical maintenance)	2008	260,325,000 Private
	Improve services to rural zones	- Implementation of a rural, wireless, telephone network, using CDMA technology. This network will consist of 6 sites in Djibouti City and 11 in rural areas	2008	1,103,600,000 Private
	Deploy competitive technologies making it possible to reduce the cost of technical infrastructures and international communications	- Implement international carrier-to-carrier equipment making it possible to use voice-over-IP	2008	178,089,000 Private
	Upgrade the CDMA network	- Evolution of CDMA wireless telephony from the current 1x CDMA status to EVDO CDMA status	2009	534,000,000 Private
	Migrate to next-generation networks (NGNs)	- Evolution of Djibouti Telecom's fiber optic access network to an entirely IP NGN architecture	2010	534,000,000 Private
	Increase the capacity of the ADSL network	- Extension of the ADSL network capacity	2010	178,000,000 Private
	Increase capacities of the GSM and CDMA networks	- Increase in the density of the GSM and CDMA networks	2011	445,000,000 Private
Scarce resources	Improve management of the frequency spectrum	- Implement frequency monitoring equipment, making it possible to manage frequencies in the Republic of Djibouti and combat fraud in this area	2008	237,630,000 Private
Real estate assets	Improve Djibouti Telecom working environment	- Construction of a high-quality four-story building consisting for the management of Djibouti Telecom A large exhibition and conference hall of 900 m ² will be adjacent to this building	2008	1,068,000 000 Private
	Make Djibouti a center for cabling vessel reprovisioning	- Creation of a submarine cable depot at Djibouti	2010	178,000,000 Private
Industrial Development and Promotion of the Private Sector				
Emergence of industrial sectors and geographic deployment	Promote industrial development by upgrading potentials in the Republic of Djibouti, and ensuring geographic distribution of wealth creation	- Production of an economic and industrial database	2008-11	66,750,000 To be sought
		- Development of job creating value-added sectors	2008-11	1,335,000,000 To be sought
		- Support for and relaunch of existing industrial activities	2008-11	587,400,000 To be sought
		- Establishment of regional and sector development hubs	2008-11	160,200,000 To be sought
Institutional capacity strengthening	Make the institutional system suitable for engaging with and supporting industrial takeoff, gaining ownership of the techniques developed	- Provide training to improve the skills and effectiveness of government services and the institutional system	2008-11	133,500,000 To be sought
		- Make the Chamber of Commerce an enterprise promotion vehicle	2008-11	133,500,000 To be sought
		- Make a national inventory of mineral resources, and provide analysis and conformity control equipment	2008-11	93,450,000 To be sought
Support for industrial takeoff	Implementation of incentive mechanisms for industrial development	- Make the management process and public-private sector partnership operational	2008-11	276,000,000 To be sought
		- Set up a support mechanism	2008-11	987,900,000 To be sought
		- Put a mechanism in place to promote entrepreneurship	2008-11	240,300,000 To be sought
		- Conduct studies on national energy potentials (cartography, search for suitable technologies, etc.)	2008-11	133,500,000 To be sought
Small and medium-sized enterprise	Promote and develop private initiative in Djibouti	- Implement credit lines through the Economic Development Fund (FDED), which is an alternative mechanism for funding SMI/SME, and also includes a guarantee fund. The fund prioritizes projects for the creation, upgrading, or extension of major enterprises in the following sectors: <ul style="list-style-type: none"> ▪ Crop farming and livestock breeding; ▪ Fishing; ▪ Tourism and craftwork; ▪ Tertiary (commerce, service activities) ▪ Mining and national raw material processing industries 	2008-09	916,000,000 first line Obtained, KFAED
			2010-11	2,670,000,000 of which 890,000,000 second line To be sought, KFAED; 1,780,000,000 To be sought IDB

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
Microenterprises	Promote and develop microenterprise	- Implement a guarantee fund mechanism within the FDED	2008-09	200,000,000 To be sought
Commerce				
Integrated framework	Develop commerce through a new integrated framework program	- Development of partnership between the private and public sectors	2008-11	To be decided
		- Support for SMEs		
		- Development and integration of craft work in the national commercial and economic development process		
		- Strengthen production capacities		
Chamber of commerce	Reform the Chamber of Commerce	- Preparation and validation of the reform	2008-11	To be decided
Commercial Code		- Preparation of a Commercial Code: Writing and publication of volumes 1, 2, 3 and 4; Awareness raising and validation meetings	2008-11	To be decided
Regional Economic Integration				
Transport facilitation	Control of axle weight	- Implementation of limits on axle weight	2008	25,000,000 To be sought
		- Implementation of control of vehicle axle overweight: Preparation of a model framework to facilitate implementation of the control regionally		
		- Implementation of a regional system for operating weigh bridges, in which the private sector and institutions would be involved: preparation of common weighing procedures; creation of standardized tolerance limits, etc		
	Promote regional integration through international trade, using facilitation measures	- Signature of a protocol on the free circulation of people, labor and services, as well as the right to set up residence	2008	1,000,000 To be sought
		- Implementation of the COMESA desk at the Djibouti airport		
	Implementation of an observatory to facilitate the circulation information in the COMESA market	- Implementation of the Eastern Corridor Observatory	2009	20,000,000 To be sought
	COMESA transporter license	- Implementation of the COMESA transporter license	2009	10,000,000 To be sought
		- Adoption of the COMESA registration plate for Djibouti operators		
	Progressively eliminate all administrative and financial constraints	- Adoption of all legal instruments relating to the customs union, specifically: <ul style="list-style-type: none"> ▪ DD-COM ▪ the Tariff Schedule ▪ the Community Customs Code 	2008	6,000,000 To be sought
		- Application of the ZEP - RE Charter (COMESA reinsurance Company)		
- Application of the protocol for the progressive elimination of visas				
Customs union	Standardize customs duty rates with those of the Common External Tariff (CET). NB: A period of two to three years is allowed to make the necessary adjustments before joining the customs union)	- Alignment of domestic consumption taxes (TIC) with the common external tariff (CET)	2008	To be decided
		- Formulate the list of sensitive products [products will benefit from differentiated treatment in the TEC tariff calculations; products of primary need, oil products, Khât, etc.]	2008	To be decided
		- Proposal of a formula for community tax withholding	2008	To be decided
		- Implementation of an interim customs guarantee regime (RGCD)	2008	To be decided
		- Official proposal of the choice of Djibouti as regional guarantor of the interim customs guarantee	2008	To be decided
Investment		- Participation in the Common Investment Zone (ZIC)	2008	To be decided
		- Collaboration with the Regional Investment Agency (AIR)	2008	To be decided
		- Compendium of infrastructure projects to be submitted to financial backers	2008	To be decided
Trade insurance		- Ratification of the amended ACA project treaty	2008	To be decided
Pillar 2: Promotion of Access to Basic Services				
Education, Basic Literacy				
Preschool education	Increase the number of children of 4-5 years of age attending preschool	- Extension of the network of maternal classes in the private and associative sector, and creation of maternal classes in public schools in all sectors of the outskirts of Djibouti City and in major localities in the rest of the country.	2008-11	45,400,000 To be sought
		- Recruitment of teachers; 12	2008-11	51,840,000 To be sought

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
Basic education	Increase reception capacities	- Rehabilitation and extension of existing schools and equipment in new or rehabilitated classrooms	2008–11	750,000,000 To be sought
		- Building of two schools	2008–11	120,000,000 To be sought
		- Recruitment of additional teachers; 294	2008–11	1,270,080,000 To be sought
Primary education cycle	Strengthen equity by reducing disparities between girls and boys and between regions	- Increase in rates of access to basic education for girls and children in underprivileged areas by paying school expenses (school fees and stationery)	2008–11	70,000,000 To be sought
		- Support for the operations of school canteens in poor rural and periurban areas, by providing supplies and sufficient operational credit, including secondary education	2008–11	270,000,000 To be sought
		- Implement the school book policy with a view to reducing the costs of school textbooks, free provision of school textbooks to pupils in vulnerable social sectors	2008–11	30,000,000 To be sought
Basic education	Increase reception capacities	- Recruitment of additional teachers; 258	2008–11	1,625,400,000 To be sought
Secondary education cycle	Strengthen equity by reducing disparities between girls and boys and between regions	- Creation of a hostel for young girls	2008–11	120,000,000 To be sought
		- Creation of four dormitories		
	Improve the quality and relevance of programs	- Implement the school book policy aimed at reducing the costs of school textbooks, free provision of school textbooks to pupils in vulnerable social sectors	2008–11	35,000,000 To be sought
Technical and vocational education	Generalities	- Implementation of a policy and strategy for the development and relevance of vocational and technical education	2008–11	30,000,000 To be sought
		- Implementation of a procedure to provide effective and relevant guidance to pupils on vocational and technical education	2008–11	30,000,000 To be sought
		- Development of partnership with professional and business world	2008–11	15,000,000 To be sought
		- Preparation of curriculum	2008–11	50,000,000 To be sought
		- Strengthening of equipment	2008–11	150,000,000 To be sought
		- Implementation of a job placement policy for graduates from vocational and technical education	2008–11	10,000,000 To be sought
	Secondary technical and professional education	- Recruitment of additional teachers; 87	2008–11	548,100,000 To be sought
	Secondary technical and professional education	- Recruitment of additional teachers; 57	2008–11	359,100,000 To be sought
	Higher technical and professional education	- Recruitment of additional teachers; 11	2008–11	99,000,000 To be sought
		- Implementation of a process and/or procedure for evaluating professional knowledge	2008–11	30,000,000 To be sought
Secondary education	Increase reception capacities	- Construction and equipping of a comprehensive secondary school in the Arta district	2007	100,000,000 To be sought
		- Construction and equipping of a general education secondary school in the district of Djibouti, Borough of Balbala	2008–11	600,000,000 To be sought
		- Recruitment of additional teachers; 69	2008–11	434,700,000 To be sought
	Improve the relevance of courses	- Implement a teaching program that is consistent with the reform of fundamental education and in line with the country's socioeconomic reality	2008–11	30,000,000 To be sought
		- Reform of the baccalaureate	2008–11	15,000,000 To be sought
		- Strengthening of equipment	2008–11	100,000,000 To be sought
Higher education	Improve the relevance of courses	- Capacity strengthening for collaboration with partner universities abroad	2008–11	300,000,000 To be sought
		- Teacher training	2008–11	50,000,000 To be sought
		- Implement a research policy	2008–11	150,000,000 To be sought
	Improve quality	- Strengthening of equipment	2008–11	1,500,000,000 To be sought

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
		- Recruitment of teachers; 35	2008–11	315,000,000 To be sought
Informal education and Basic Literacy	Improve access to and the relevance of basic literacy programs	- Preparation and generalization of the functional curriculum adapted to the needs of target populations	2008–11	100,000,000 To be sought
Strengthening of private education	Stimulate private-sector participation in basic education	- Implement measures providing incentives for the development of private education	2008–11	50,000,000 To be sought
Information and an communication technology (ICT)	Equipment	- Implement a communication network based on ICTs, linking all education sites	2008–11	38,000,000 To be sought
		- Strengthening or renewal of information technology equipment	2008–11	250,000,000 To be sought
	Development	- Recruitment of specialized personnel to manage the ICT area; 15	2008–11	31,500,000 To be sought
		- Training of teachers, using and developing online courses	2008–11	150,000,000 To be sought
Health				
Institutional capacity strengthening	Speed up reform and put a regulatory framework in place	Make the health charter operational	2008–11	66,100,000 To be sought
		- Dissemination and popularization of the charter among professionals, institutions, and related agencies		
		- Awareness raising among professionals and communities		
		- Promote the health charter in the media (provide information)		
		- Evaluation of the health care sectorization strategy (survey)		
		- Creation of circuits cover underprivileged population groups in referral hospital services		
		- Implement social assistance in referral centers to assist impoverished people		
		- Creation of a code to recognize indigent and similar persons		
		- Expansion of the list of medications to be used for the main chronic pathologies in outlying areas		
		- Implementation of a referral and counter-referral circuit		
		- Implementation of management tools in health establishments		
		Financial participation and management of health structures		
		- Dissemination of legislation to all stakeholders		
		- Seminar with members of management committees		
- Media dissemination and population awareness raising on implementing management committees				
- Implementation of management committees				
- Evaluation of the activities of management committees				
		Accessibility of basic services	2008–11	14,160,000 To be sought
		- Determine strategies and means		
		- Map the itineraries and journeys made by nomadic population groups		
		- Prepare a detailed work plan for teams operating in priority sectors		
		- Recruitment of community health agents		
		- Annually evaluate the strategies and activities adopted by the Health Ministry (survey)		
View of specific actions in urban areas	Promote healthy lifestyles to combat soft and hard drugs	- Evaluate the scale of urban delinquency linked directly to drug consumption (survey)	2008–11	9,800,000 To be sought
		- Implement targeted activities to combat drug-related crime		
		- Choose social and institutional partners		
		- Prepare an effective strategy to combat drug use among young people		
		- Prepare and implement a national strategy to combat nontransmissible diseases		
	Define and implement strategies for quality assurance in basic health care services:	- Prepare and implement therapy protocols for the most frequent diseases	2008–11	4,000,000 To be sought
		- Prepare monitoring and evaluation tools		
		- Train quality assurance providers		
	Improve the accessibility of primary health services	Prevention in urban areas	2008–11	6,000,000 To be sought
		- Education and awareness-raising activities among the inhabitants of underprivileged neighborhoods on hygiene and prevention of all types of epidemics		
- Specific activities undertaken in underprivileged sectors on a regular basis				

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF	
		- Awareness raising and IEC action against the hazards of liquid and solid wastes			
		Itinerant team in urban health sectors			
		- Define packages of activities for itinerant teams	2008–11	2,600,000 To be sought	
		- Planning specified and media dissemination of this activity among the relevant population groups			
		- Periodically evaluate the strategy			
		- Health center	2008–11	3,000,000 To be sought	
		- Development and implement integrated primary health care strategies			
Strengthen the availability and rational use of quality medicines		- Popularize and promote rational use of generic medicines	2008–11	6,000,000 To be sought	
		- Ensure quality control and availability of medicines			
		- Combat illegal medications markets in conjunction with the relevant partners			
Health evacuation	Implement and strengthen the SMUR in Djibouti	- Unification of health evacuation units within the SMUR	2008–11	10,600,000 To be sought	
		- Health sanitary evacuation modalities: staff training, increase in the vehicle fleet, etc.			
		- Centralization and coordination of emergency calls			
		- Decentralization of the command center to the Balbala sector			
		- Multiplication of SMUR vehicle departure points in coordination with the command center			
		- Evaluation of extension of SMUR intervention potentials			
	Create SMUR medical antenna in peripheral areas	- Decentralization of SMUR intervention units	2008–11	12,600,000 To be sought	
		- Standardize all material and human means for health evacuations			
		- Adopt a new evacuation strategy in line with regional needs			
		- Increase the number of evacuation modalities and ensure their maintenance			
		- Train local personnel on catastrophe-related health emergencies			
	Make regional operation blocks operational	- Open and equip emergency blocks in each health region	2008–11	2,000,000 To be sought	
		- Train doctors and paramedics to respond to chemical emergencies			
		- Set up blood transfusion units in each emergency unit			
	Implement means of communication	- Equip all health posts with suitable communications media	2008–11	-	
		- Equip all SMUR vehicles and vessels with suitable communications media			
	Health evacuation abroad	- Set up a patient selection committee	2008–11	8,000,000 To be sought	
		- Identify the most suitable evacuation centers abroad			
		- Increase the number of agreements with foreign institutions (private or public)			
		- Officialize the health evacuations circuit abroad			
		- Study the possibility of creating a solidarity fund to finance the evacuation			
Health program	Fight against mental diseases	- Study the scope and type of the most frequent diseases and research into the causes or propitiating factors	2008–11	14,000,000 To be sought	
		- Define priority needs and intervention sectors			
		- Train medical and paramedical staff in mental diseases			
		- Decentralize the handling of simple cases and improve follow-up in chronic cases			
		- Develop multiform and specific support for mental illnesses			
		- Develop awareness raising activities on mental diseases and combat prejudices among the population			
		Combat avoidable forms of eye disease	- Study the prevalence and etiology of cataracts and other eye diseases	2008–11	17,700,000 To be sought
			- Implement to the 2020 strategy vision		
			- Develop institutions to provide comprehensive services for vulnerable population groups		
			- Strengthen and extension of BED sites	2008–11	142,900,000 To be sought
Essential development needs (BED) program	Expand the BED program	- Institutionalize the BED with national budget lines			
		- Creation of a BED coordination unit in each health region			
		- Production and general dissemination of documents relating to the BED strategy			
		- Creation of prizes or awards for excellence for the best performing "sites"			

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
School health program	Promote healthy behavior among school students Improve early detection and follow-up of pathologies among school and university students	School and university health	2008–11	4,600,000 To be sought
		- Administrative mobilization and advocacy for implementing activities		
		- Teacher training		
		- Implementation and follow-up of activities		
Health education: Communication	Strengthening of information, education and communication, and social mobilization	- Survey of young people's health behavior	2008–11	14,000,000 To be sought
		- Train health personnel at the IEC		
		- Production of educational and preventive information through the mass media		
Strengthening of human resource development		- Production of printed and audiovisual materials	2008–11	96,000,000 To be sought
		- Promotion of social mobilization		
		- Recruitment of the civil administrator (to operate the health regions sub-department, and strengthen systemic management)		
		- Recruitment of medical students at the EMD; 200		
		- Recruitment of paramedical students at the SSS		
Strengthening of health coverage	Construct and refurbish infrastructures	- Recruitment of community health agents; 400	2008–11	230,400,000 To be sought
		- Recruitment of permanent or temporary trainers for the ISSS and EMD		28,800,000 To be sought
		- Construction and equipping of 22 rural health posts in inland regions		902,000,000 To be sought
		- Construction and equipping of five community health centers		280,000,000 To be sought
		- Construction of a pneumophthysiology hospital		1,730,000,000 To be sought
		- Establishment of a reproductive health center		354,000,000 To be sought
		- Construction of three regional hospitals		3,600,000,000 To be sought
		- Upgrading of five health posts into intermediate medical centers (in rural areas)		74,250,000 To be sought
		- Increase in the number of mobile health teams (ten 4x4 vehicles with equipment)		80,000,000 To be sought
		- Medication stock of the G. Peltier hospital		40,000,000 To be sought
		- Renovation of the reanimation service and operation block of the G. Peltier hospital		70,000,000 To be sought
		- Rehabilitation and re-education center operating at the HGP		40,000,000 To be sought
		- Library and health information service of the G. Peltier hospital		30,000,000 To be sought
		- Morgue of the G. Peltier hospital		10,000,000 To be sought
		- Hospital pharmacy at the G. Peltier hospital		55,000,000 To be sought
- Oxygen production unit	180,000,000 To be sought			
- Locations for the regional health subdepartments	150,000,000 To be sought			
Improvement of sector financing	Ensure permanent sector funding and safeguard system equity	- Implement the CNSS compulsory disease insurance regime (perform the actuarial studies needed to make this regime operational)	2008–11	88,500,000 To be sought
		- Define the architecture of the disease insurance regime		
		- Strengthen management capacity among health system stakeholders (to achieve rational use of resources)		
		- Set up a fund to cover medical services for indigent people.		
Women's Participation in Development				
Institutional support	Strengthen ministerial capacity to coordinate,	- Strengthening of training at all levels	2008–11	43,719,114 To be sought

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
	sustain, monitor, and evaluate the process of implementing the SNIFD in collaboration with the relevant government and nongovernmental organizations	- Set up a gender training unit	2008–11	108,758,000 To be sought
	Contribute to the sustainable development of Djibouti through intersectoral gender mainstreaming within national development programs	- Creation and implementation of a program management unit with personnel, management procedures, the necessary work plans, and logistical and financial resources	2008–11	257,737,058 To be sought
	Strengthen the capacity of technical ministries to establish a consistent gender mainstreaming policy, while setting up an internal structure and skilled staff to maximize achievement of their sector development objectives	- Implementation of a monitoring mechanism in execution and coordination bodies	2008–11	22,027,500 To be sought
		- Set up a gender unit in each ministry involved in implementing the SNIFD	2008–11	512,052,600 To be sought
		- Strengthen gender mainstreaming capacities at the central and local levels	2008	5,310,000 Obtained
Partnership	Strengthen substantive and management capacities among 20 NGOs to implement and monitor neighborhood programs to include women in decision-making areas, health, education and the economy	- Development of training and institutional support plans for each NGO and a draft cooperation agreement	2008–11	24 8,650,336 To be sought
		- Identification and development of participatory pilot projects for NGOs in the four SNIFD priority domains		
		- Conclusion of agreements with each partner and launch of the execution of NGO community projects in the respective domains		
	- Monitoring of the execution of NGO community projects on the ground			
	Develop a dynamic partnership between the Ministry for the Advancement of Women and 20 NGOs to implement the SNIFD	- Planning and holding of bimonthly meetings among partner NGOs, exchange of experiences, updating of progress in implementing the SNIFD, and participation in training sessions	2008–11	To be decided
		- Preparation and distribution of a quarterly bulletin		
Decision-making	Implement an institutional framework to ensure fair and equal and equitable participation by women and men in decision-making by a generalizing the application of GED objectives	- Greater female representation in decision-making posts in political, legislative and professional institutions, as a result of affirmative action	2008–11	8,673,762 To be sought
		Strengthening of the capacities of candidates for local and legislative elections to run and win a campaign	2008	6,934,746 To be sought
			Strengthening of the application and monitoring of the CEDAW convention by creating an operational monitoring committee	2008–11
	Take measures to ensure consistency among existing and forthcoming legal texts as well as their application.	- Promotion of consistency between national and international legal systems	2008–11	7,172,866 To be sought
		- Development of support mechanisms for women and abandoned children, and more generally for destitute women heads of family, by analyzing their needs and conditions with a view to creating a solidarity fund	2008–11	To be decided
		- Promotion of equitable mechanisms in relation to the nationality of children and creation of civil status tribunals	2008–11	8,990,068 To be sought
		- Improvement of justice-related professional services, specifically those dealing with women in the framework of national instruments and international conventions	2008–11	20,239,668 To be sought
		- Ensure full exercise of women's civil rights by promoting the registration of women's civil status	2008–11	7,893,766 To be sought
		- Strengthened networking to promote gender and women's leadership	2008	5,310,000 To be sought
Introduce a civil culture of equality and equity in society and overcome women's ignorance in terms of laws and rights	- Improvement of the awareness of and citizen support for the rule of law for strengthening NGOs' capacity to raise awareness and inform the community	2008–11	13,071,608 To be sought	
	- Education for men and women to better manage their family life according to the principles of the new family code	2008–11	14,607,036 To be sought	

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
Health	Develop an integrated approach to community health through environmental protection, strengthening of the role of women and young people, generalization of a health education program and better access to health services.	- Increased awareness of environmental protection among the female population to reduce household waste	2008–11	2,809,908 To be sought
		- Reduction of maternal mortality by directly involving the community in awareness raising and information on risk-free maternity and improvement of the relation between the community and the health center in the five districts.	2008–11	61,439,370 To be sought
		- Mobilization of family and community support to manage health care and social facilities and environmental protection	2008–11	9,556,642 To be sought
	Develop IEC activities or interventions and HIV prevention among exposed children	- Support proximity interventions and PTPE promotion within the communities	2008–11	2,658,150 To be sought
		- Implement a sex education program for girls being cared for at the mother and child center	2008–11	682,449 To be sought
	Help to improve reproductive health among women in the various stages of their life cycle, to reduce maternal and infant morbidity and mortality.	- Preparation of integrated advocacy programs to raise awareness and involve political and civil society authorities, community leaders and members of the community as to the importance of gender and health programs	2008	5,325,600 To be sought
	Institutionalize the fight against practices that are harmful to the health of women and the community, covering the different forms of violence including female genital mutilation	- Development of new strategies to reduce genital mutilation by identifying the social, cultural, family, and religious mechanisms that maintain these harmful practices despite national awareness campaigns	2008	14,911,772 To be sought
		- Development of strategies to reduce violence against women by research and documentation of cases of domestic and sexual violence	2008	14,911,772 To be sought
		- Mobilization of support from the community and local and traditional authorities to prevent domestic violence and harmful practices, as well as providing support to the victims	2008–09	12,086,022 To be sought
		- Provide women victims of violence with access to reliable services through shelter, listening, and legal assistance provided by local associations	2008	17,834,888 To be sought
		- Creation of provisional accommodation centers for women victims of violence	2008–11	12,380,600 To be sought
		- Preparation of a national strategy to combat gender-based violence		
	Develop social and political mobilization by the government and its national and international partners to prepare strategies to prevent and combat AIDS	- Preparation and implementation of an ethical framework with respect to disease protection for victims of STD/AIDS to fill the legal vacuum	2008–11	To be decided
		- Creation of a solidarity fund to accompany hospitalized patients or those who are terminally ill	2008–11	To be decided
- Organize CCC proximity activities for young people not attending school and OEV in the districts		2008–11	3,544,200 To be sought	
Education	Participate in achieving the national objective of a gross rate of 65% in 2005, by identifying obstacles and implementing incentives and awareness raising measures	- Development of strategies to improve school attendance among young girls by identifying the social, cultural, family, economic, and pedagogic mechanisms that cause and perpetuate nonattendance	2008	13,311,374 To be sought
		- Mobilization of family and community support for sending girls to school	2008–11	3,600,000 To be sought
	Help to implement the national policy to combat illiteracy and implement this through measures aimed at strengthening the participation of women and young girls in basic literacy and informal education programs	- Development of a national plan of action to effectively reduce illiteracy through practical basic literacy programs in the Arabic language and post-literacy programs for 6,000 women, with an extension of the literacy period to two years instead of one	2007–09	241,959,000 Obtained, IDB
		- Train community promoters for CFCs with a view to increasing the activities of young girls in the centers and in the community	2008–09	10,544,186 To be sought
	Combat forms of discrimination contained in education with regard to young girls and women, and promote a culture of equality in the formal and informal education sector and in	- Information and awareness raising campaign, by relying on proximity links in contact with women	2008	3,000,000 To be sought
		- Participation in analysis of the content of school textbooks, media, audiovisual, written press and popular culture (stories, songs, proverbs) with a view to identifying the images and representations of women in the different stages of their life	2007–08	To be decided

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF		
	society	- Awareness raising campaigns with parents and teachers, and media material on forms of discrimination. Discuss with children to develop the principle of freedom of expression and respect for the other	2007-08	To be decided		
		- Organization in the school of an annual national contest on the culture of the quality and rights, on the occasion of International Women's Day (8 March) or commemoration of the Convention on the Rights of the Child (18 November)	2007-08	To be decided		
		Integrate young girls that have graduated from secondary school technical and academic streams (BEPC/Baccalauréat holders) into socioeconomic development, through access to skill training in response to market needs	- Organization of consensus-building workshops to develop the strategy to integrate women into the formal economy	2008-09	3,600,000 To be sought	
			- Integration of gender issues in teacher training at the different levels of the education system, together with awareness raising campaigns	2008-09	To be decided	
			- Partnership between school and the community to improve the quality of formal and informal education of children, and most particularly young girls			
			- Study on the employability of young girls graduating from secondary school	2008	To be decided	
			- Evaluation of job creation potential for young people at the district and national levels	2008	To be decided	
			- Support for initiatives of private sector associations in providing short vocational training services, particularly in information technologies	2008-11	To be decided	
			- Help in creating microenterprises or small businesses by young women through promotion programs, training, and credit facilities	2008-09	To be decided	
			- Creation of an employment information and advisory center in schools and at the district level, managed by a committee consisting of key economic and institutional stakeholders and representatives of young girls and boys	2008-11	To be decided	
Combating poverty			Help combat female poverty, by implementing specific measures and mechanisms	- Development of strategies to integrate women into the formal and regional economy by identifying their needs and their anxieties regarding formalizing their enterprise	2008-11	6,898,212 To be sought
				- Development of strategies and approaches to stimulate the creation and growth of microenterprises and small businesses run by women by identifying their needs and constraints in terms of financial and nonfinancial support services	2008-11	7,531,325 To be sought
	- Establishment of a dialogue between women running microenterprises or small businesses and persons responsible for economic and trade services, to facilitate the preparation and use of support services targeting women and to promote the judicious use of the single window services by women	2008		11,342,250 To be sought		
	- Improve the integration of young girls graduating from vocational training centers by introducing short training modules on the development of the entrepreneurial spirit, creation and management of small businesses	2008-11		24,125,445 To be sought		
			- Capacity strengthening among five NGOs, one for each district, to operate guidance and advisory services for the creation and management of microenterprises and small businesses	2008	246,904,275 To be sought	
			- Development of local training capacity for adults with modules on the management of small businesses and microenterprises, in local languages	2008	237,983,125 To be sought	
			- Improvement of the integration and economic success of female entrepreneurs in the formal sector by disseminating legislation on trade and industry activities and taxation services in local languages	2008	8,764,418 To be sought	
	Women's employment		- Development of strategies to reduce disparities in employment of women in the public and private sector	2008-11	8,816,340 To be sought	
			- Help for women to gain access to responsibility post by strengthening their management and administrative skills	2008-11	7,852,470 To be sought	
			- Improvement of the integration of qualified young women in the public and formal private sector by developing their job search skills	2008-11	11,700,474 To be sought	
Water and Sanitation						
Drinking water (urban)	Work towards achievement of MDGs. Increase drinking water supply through additional production and	- Implementation of the water desalination unit in Doraleh	2008-10	11,700,000,000 Obtained, China		
		- Capacity strengthening for water quality control and analyses (mobile and fixed laboratory)	2008	125,000,000 Obtained, EU		

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
	better management of water resources	- Re-equip the ONEAD domestic drinking water service with light vehicles, crane trucks, computers, and office equipment	2008–11	190,000,000 To be sought
		- Construction of a building to serve as the ONEAD headquarters	2008–11	200,000,000 To be sought
	Improvement of access to drinking water at a nonprohibitive cost, especially for underprivileged population groups	- Reconditioning of the Djibouti and AEP districts network and actions to combat leakages	2008–11	4,300,000,000 Obtained, AFESD
		- Social strengthening in Djibouti City and in the regions, involving the drilling of 15 wells, network extensions and 5,000 household connections	2009–11	1,150,000,000 To be sought
Rainwater collection	Allow for better management of rainwater. Prevent stagnation of water on roadways. Improve drainage in the neighborhoods	- Clearance and maintenance of existing canals (Einguella, Salines Ouest, Avenue 26)	2008	356,000,000 To be sought
		- Network extension	2009–11	3,100,000,000 To be sought
		- Extension and rehabilitation of the Salines Ouest rainwater canal	2008–11	300,000,000 Obtained, ADB
Liquid sanitation	Make sanitation networks in the poor neighborhoods of Djibouti City operational and functional. Improve the urban environment. Gain better understanding of local pluviometric data and control water quality in certain watersheds and sea water	- Development of Quartier 4	2007–09	1,200,000,000 Obtained, EU
		- Rehabilitation of the DOUDA verification station, and implementation of the sewage treatment unit	2008–11	1,900,000,000 Obtained, EU
		- Rehabilitation of the network segment downstream of the abattoir unit, inclusive	2008–10	1,200,000,000 Obtained, EU
		- Network rehabilitation and construction in the upstream part of the network up to and including the abattoir	2008–11	1,000,000,000 Obtained, ADB
		- Network construction and extension	2008–09	290,000,000 Obtained, State
		- Re-equip the ONEAD domestic sanitation service with sewage trucks, small dumper trucks, light vehicles, replacement parts and provision for the wastewater and sanitation network	2008–11	300,000,000 To be sought
Employment and Social Protection				
Social welfare	Amalgamate social security funds with a view to generating economies of scale and reducing management costs.	- Merger of social welfare funds (OPS and CNR), approved by the government in September 2007 and being ratified by the National Assembly	2008–09	NC
		- Conduct an actuarial study of the funds with a view to setting up a genuine social security system. This study includes the following components:	2008–09	15,000,000 To be sought
		- Merger of funds. This requires defining a rapid, effective, and economic plan of action for the merger process, and, in particular, performing a financial and managerial audit on the different funds		
		- Convergence of regimes: This involves identifying the most deficient regimes and proposing parametric adjustments aimed at making existing regimes consistent and converging them progressively towards a national social protection model	2008–09	50,000,000 To be sought
		- Creation of a complementary retirement fund/pension: This involves diversifying the retirement system and setting up a new source of saving for the national economy	2008–10	20,000,000 To be sought
		- Extension of social coverage to other socioprofessional categories such as the transport sector, liberal professions, artisans, ...	2008	20,000,000 To be sought
- Creation of a genuine "sickness insurance": This involves implementing a disease insurance regime that is unified and coordinated, targeting wage earners in the public and private sectors, and progressively extending it under an optional regime to all nonwage-earners and the informal sector	2008–09	35,000,000 To be sought		
Employment	Promote an active employment policy, stressing vocational training and promoting the professional entry of young people into the world of employment	- Set up the employment and qualifications observatory	2008–11	100,000,000 To be sought
		- Implement the National Program for Youth Adaptation and Integration (PNIAP)	2008–11	954,000,000 To be sought
		- Introduce policy measures aimed at reforming the training and education systems	2008–11	To be decided

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
		- Monitor the professional track record of qualified young people after they obtain their qualification	2008–11	To be decided
		- Clearly identify the extent to which the training provided at university matches the jobs held by university graduates	2008–11	To be decided
		- Development of the job market network and analysis	2008–11	To be decided
		- Implement a system of information and vocational guidance for young people	2008–11	To be decided
		- Support independent employment projects and the creation of microenterprises	2008–11	To be decided
		- Development of specific computer programs to intermediate on the employment market and for management of an information system	2008–11	To be decided
		- Implementation of programs aimed at vocational retraining among jobseekers with higher education qualifications	2008–11	To be decided
		- Set up vocational training programs, particularly in the framework of public utility work, targeting jobseekers with low skill or schooling levels, or those from underprivileged sectors	2008–11	To be decided
		- Set up the National Agency for Employment and Vocational Integration (ANEFIP)	2008–11	To be decided
	Develop partnership and social dialogue among all parties involved in employment and training	- Definition of the composition and organization of the National Council on Work, Vocational Training, and Employment	2008	To be decided
Community Development, Social, Vocational and Economic Participation by Adolescents and Young People, Development of Sport and Leisure Activities				
Youth and community development	Promote social and vocational participation by adolescents and young people, with a concern for equality and equity, to enable them to contribute to the country's development	- Decision-making and education for citizenship	2008–11	50,000,000 To be sought
		- Basic complementary education and training	2008–11	50,000,000 To be sought
		- Employment, NTIC, business creation	2008–11	240,000,000 To be sought
		- Access to health care and AIDS prevention services	2008–11	90,000,000 To be sought
		- Sustainable environmental protection and conservation	2008–11	25,000,000 To be sought
		- Development of social life and community development centers (CDC) <ul style="list-style-type: none"> ▪ Implement CDCs in neighborhoods that do not have them, and in the most populated parts of Djibouti City, as well as in inland regions (neighborhoods 3,4,7, Gabode 4, Djebel, Balbala Cheik Moussa, Barwako, Dikhil...) ▪ Promotion and diversification of CDC activities, 	2008–11	788,500,000 To be sought
		- Promote the creation of homes and clubs for young girls and young women	2008–11	315,000,000 To be sought
		- Fight against crime	2008–11	40,000,000 To be sought
Sport and leisure activities	Develop the practice of sport generally - mass sport, school and university sport, female sport, traditional sport, high-level sport, military sport, sport for handicapped people, sport in prisons - and make leisure a key aspect of social life to enhance the physical and psychological development	- Access to sporting infrastructures and activities <ul style="list-style-type: none"> ▪ Preparation of football grounds and sporting platforms, ▪ Construction of a building to serve as headquarters of all federations ▪ Construction of a sports stadium ▪ Support for high-level sport and travel by national sporting teams ▪ Continuation of phase 2 of the Ali Sabieh high-level center ▪ Construction of new sports sites, ▪ Promotion of swimming by constructing a municipal swimming pool and an Olympic pool 	2008–11	2,090,000,000 To be sought

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
	of adolescence and young people	<ul style="list-style-type: none"> - Access to leisure activities and facilities <ul style="list-style-type: none"> ▪ Creation of leisure centers and spaces ▪ "Vacations for All" program ▪ Development of publicity spots on vacation and leisure places, ▪ Promote the opening of sports and leisure associations 	2008–11	1,750,000,000 To be sought
		<ul style="list-style-type: none"> - Access to cultural and artistic activities in the CDCs 	2008–11	70,000,000 To be sought
Infrastructure, equipment, institutional framework, staff training	Strengthen the institutional and operational capacities of the Department of Youth, Sports and Leisure Activities, and improve the management and piloting of the system	- Construction and equipping	2008–11	170,000,000 To be sought
		- Strengthening of the department's legal framework	2008–11	7,500,000 To be sought
		- Strengthening of interministerial agencies	2008–11	25,000,000 To be sought
		<ul style="list-style-type: none"> - Training of departmental staff <ul style="list-style-type: none"> ▪ Implementation of a national youth training institute for sports and leisure activities, ▪ Capacity strengthening in the different management bodies ▪ Skill development 	2008–11	640,000,000 To be sought
Urban and Interurban Transport				
Urban and interurban transport	Improve urban mobility in Djibouti City	- Improve urban mobility in Djibouti City	2009	20,000,000 To be sought
	Improve the functioning of organization of the current urban transport system	- Restructuring of collective transport	2008	10,000,000 To be sought
		- Vocational training of operators	2008	10,000,000 To be sought
		- Implementation of the school transport system	2008	5,000,000 To be sought
	Support urban transport SMEs through vehicle renewal Implement a financial support program	- Set up a program to support and strengthen the capacities of transport operators	2009	100,000,000 To be sought
		- Renewal of the vehicle fleet, particularly promoting the implementation of a loan-lease mechanism		
	Upgrade bus stations	- Decongest the main bus station "Mahamoud Harbi", and identify and equip new bus stations in Djibouti City	2009	50,000,00 To be sought
		- Set up a bus station at Balbala (technical assistance to conduct a study on the evaluation of a bus station)	2009	To be decided
		- Set up two taxi stations (Djibouti and Balbala).	2009	50,000,00 To be sought
	Implement a transport observatory to facilitate the circulation of information	- Create a transport observatory at the Land Transport Department (DTT) to facilitate information circulation on road sectors	2008	100,000,000 To be sought
	Strengthen MET capacities	- Strengthen the capacities of MET staff	2008	10,000,000 To be sought
		- Strengthening of the DTT to enable it to fulfill these missions		
	Implement reform	- Application of contractual conditions, licenses, technical controls	2008	20,000,000 To be sought
		- Clarification of contractual relations between transport owners, drivers, and users, in accordance with work regulations and the social legislation in our country		
	Implement reform of the urban transport system	- Creation of an urban transport perimeter and urban travel plans for each district capital, to define the urban transport circuits and lines needed to serve the public	2009-11	100,000,000 To be sought
- Improvement of population mobility in rural areas		2009-10	150,000,000 To be sought	
- Improvement of state-owned transport infrastructures and equipment				
- Holding of seminars and other training activities for police officers responsible for traffic regulation				
	- Development and proposal for a program of infrastructure equipment (signposting in urban roads, bus shelters, taxi stations, and a bus station project). Ensure correct coordination of activities with the Equipment Department	2009-10	20,000,000 To be sought	
Update urban transport plans for integration into a general traffic plan for Balbala	- Preparation of an urban mobility plan for Balbala.	2008	2,000,000 To be sought	

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
	Technical assistance	- Preparation of terms of reference for a more wide ranging technical assistance program that ensures financing to implement a common road transport system	2008	2,000,000 To be sought
Security and safety of road transport	Strengthen the institutional, legislative and regulatory framework for road safety in the Republic of Djibouti	- Review of the current highway code	2008	4,000,000 To be sought
		- Set up the driving license commission	2008-09	2,000,000 To be sought
	Establishment of a system for technical control over vehicles and minimum rules, as a condition for granting driving licenses ...)	- Set up systematic technical control of all private vehicles (buses, mini buses, taxis) to strengthen road safety	2008-10	50,000,000 To be sought
	Establishment of a training program for heavy vehicle drivers	- Set up a training program for 100 heavy vehicle drivers	2008	100,000,000 To be sought
		- Training of monitors		
		- Training of examiners		
	Establishment of a training plan for automobile mechanics channels	- Set up a training program for automobile mechanics	2009	50,000,000 To be sought
	Strengthening of road safety; Technical assistance	- Set up awareness raising campaigns on road safety with the public and transport Federation's	2008	20,000,000 To be sought
	Improvement of highway equipment and infrastructure	- Preventive and curative treatment in danger zones, particularly through public promotion and transport federations	2009	10,000,000 To be sought
- Implementation of vertical and horizontal signposting		2009	15,000,000 To be sought	
- Implementation of an awareness raising program on road users' right of way, to improve the quantity of transport services (transporters particularly) and also to make road safety a major concern of users in general		2009	10,000,000 To be sought	
Pillar 3: Promotion of Harmonious and Balanced Local Development, Environmental Conservation and Assistance for Specially Vulnerable Persons				
Land Development				
Land development	Implement a national land development policy	- Production of a land prospectus for the Republic of Djibouti to 2030	2008-09	26,550,000 To be sought
		- Land Management Orientation Law	2011	3,540,000 To be sought
		- Preparation of a national land management scheme	2010-11	88,500,000 To be sought
		- Preparation of regional land management schemes	2010-11	53,100,000 To be sought
Urban and Habitat Development				
Urban and habitat development	Strengthen the institutional framework for urban management	- Preparation of a code on urban management, real estate development and construction	2008-10	18,000,000 To be sought
		- Preparation of a scheme of orientation for urban development in the Djibouti conurbation	2008-09	14,240,000 To be sought
		- Preparation of a cartographic and topographic database	2008-09	101,169,500 To be sought
		- Creation of an urban observatory	2008-09	Under evaluation
	Define a habitat promotion strategy	- Study on improving the social habitat in Djibouti	2008-10	5,500,000 To be sought
	Conserve the architectural and urban heritage of the city center	- Development and upgrading of open and public spaces in Djibouti City center	2008-09	To be decided In the framework of PDSDI II
	Produce viable land plots and housing under adequate conditions	- Undertaking of phase II of the Barwaqo project	2008-09	746,340,000 To be sought
	Improved access for lower and middle income population groups to real estate property and housing	- Implementation of phase II of the HODANE housing project	2008-10	5,377,808,500 Obtained, AFESD, FADD
		- Land management and construction of 1320 homes in secondary cities by the SID	2008-10	13,332,750,000 To be sought
		- Development of 3,000 land plots in Djibouti by SID		
	- Construction of 74 duplex villas at Wadajir II	2008	400,000,000 Private	

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
		- Study of a project to build 1000 homes in the third phase of HODANE	2008	100,000,000 To be sought
		- Construction work in the Wadajir III project	2008-09	1,222,000,000 Private
		- Construction of 3000 homes in the first tranche of the project for 10,000 homes at Farah - at (PK12)	2008-10	10,680,000,000 To be sought
Environment				
Environment	Strengthening of environmental planning	- Updating of the National Plan of Action for the Environment (PANE)	2008-10	70,800,000 Obtained, UNDP
		- Preparation of a strategy and plan of action to increase national capacities for implementing three conventions on the environment: Biodiversity, Climate Change and Desertification (ANCR project)	2007-08	35,540,000 Obtained, GEF
	Fight against climate change	- Preparation of the second national statement on climate change	2007-09	71,685,000 Obtained, GEF
		- Promotion of the use of renewable energy	2008-11	354,000,000 of which 177,700,000 Obtained, GEF 177,700,000 To be sought
		- Improvement of integrated management of coastal zones (Kho-Angar, Douda) <i>Financing obtained: GEF: 354.000.000; State 53.000.000</i>	2008-11	708,000,000 of which 407,100,000 Obtained; 300,900,000 To be sought
		- Center for information and exchange on biosafety	2008	7,080,000 Obtained, GEF
	Conserve biological diversity	- Awareness raising program on protection of the marine environment (PERSGA)	2007-08	14,160,000 Obtained, PERSGA
		- Improvement of the management of protected marine areas <i>Financing obtained: GEF: 177.000.000; State 44.250.000</i>	2008-11	354,000,000 of which 221,950,000 Obtained, 132,050,000 To be sought
		- Implementation of the national network of protected areas (terrestrial and marine)	2008-11	35,540,000 Obtained, UNDP
	Improve the legal framework for environmental protection	- Updating of the Environment Framework Law	2007-08	1,770,000 Obtained, GEF
Crop Farming, Livestock Breeding, Fishing and Rural Water Management				
Livestock breeding	Develop cattle trade	Project for the development of cattle trade - Rehabilitation and creation of livestock parks - Construction of a food production factory - Creation of an integrated competitive hub - Training and organization of cattle traders - Strengthening of human and material resource capacities	2008-11	To be decided
	Ensure animal health and improvement of food safety	Animal health and food safety project - Capacity strengthening for surveillance and control of animal diseases - Improvement of laboratory diagnostic capacities - Capacity strengthening for food safety - Rehabilitation of veterinary posts and slaughter sites in inland districts - Training of livestock auxiliaries among breeders	2008-11	230,328,667 To be sought
	Develop and strengthen human resources	Training and recruitment programs - Training of 11 technicians and 18 agents - Recruitment of three vets, three technicians, six nurses, and five workers - Training of 10 vets	2008-11	250,000,000 To be sought

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
	Alleviate the effects of drought	Emergency programs to alleviate the effects of drought in grazing areas and reservoirs - Participation in rehabilitation and maintenance - Health and nutritional monitoring of livestock - Registration of nomadic livestock breeders in production - Promotion of groupings and training of livestock breeders	2008–11	292,800,000 To be sought
	Improvement of animal production	Animal production improvement program - Enhancement of genetic resources - Creation of two standard animal production farms - Creation of a general poultry farm - Promotion of livestock breeder groups to manage forage areas and water sources	2008–11	870,000,000 To be sought
	Develop periurban livestock breeding	Periurban development project - Organization of livestock breeders in the milk and meat segments - Support for the development of small-scale livestock breeding (chickens, rabbits, livestock fattening) - Training of livestock breeders - Monitoring and registration of producers	2008–11	246,418,000 To be sought
	Food security	PSSA - Livestock segment cf. global program	2008–11	32,220,000 Obtained
	Create a new abattoir	- Construction of an abattoir satisfying international standards	2008–09	773,350,000 Obtained
Agriculture and rural water management	Alleviate the effects of drought and improve conditions of life for the rural population	National Food Security Program (PNSA) - Agro-grazing areas project around water sources in the five inland districts - Development of 250 ha to install 1,000 farmers Program to promote date palm cultivation Phase of extension of 250 ha and plantation of 39,000 in vitro date palms in the five districts - Promotion of modern apiculture - Promotion of greenhouse cultivation with the private sector	2008–11	Being finalized
	Promote agriculture and improve the sustainable productivity of food resources from the ecological and economic standpoint to contribute to food security	Special Food Security Program (PSSA): Component involving intensification of plant production: - Support for producers to improve their productivity and reorganize their facilities - Implementation of plant nurseries and diversification of production - Promotion of the Agriculture/Livestock Association to disseminate high yielding adapted older plants - South-South technical cooperation to strengthen the technical framework	2008–11	52,000,000 Obtained, IDB, FAO
	Extend market garden cultivated areas, promote date palm cultivation and strengthen the capacities of national stakeholders	Medium-term and national investment program (PNIMT), new Partnership for Africa's Development (NEPAD): - Extension of irrigated areas - Support for farmers and strengthening of the technical framework - Diversification of production	2008–11	786,958,050 To be sought
	Combat desertification to promote reforestation, by planting windbreak and multiuse trees	Launch of a national operation to promote reforestation in 2007 - Project to create agro-grazing nurseries in the five inland districts - Mass production of multiuse plants (100,000 plants)	2008–11 2007–11	35,000,000 To be sought 15,000,000 To be sought
	Mobilize surface water, combat erosion, promote regeneration and planting, and develop agro-grazing Segment: Preparation of three pilot sites (Day, Barra and Gobaad)	Project (MAEM crosscutting) to mobilize surface water for agro-grazing development and sustainable natural resource management (IFAD)	2009–11	1,157,000,000 Obtained, IFAD 178,000,000 Obtained, GEF
Fishing	Sustainable management of resources	- Co-management system	2008–11	100,000,000 To be sought
		- Institutional support (Fishing Department and Maritime Affairs Department)	2008–11	300,000,000 To be sought

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
	Improve income for fishermen and promote job creation	- Strengthening of organization capacities	2008–11	300,000,000 To be sought
		- Rehabilitation of production equipment	2008–11	388,000,000 To be sought
		- Expansion of means of production (credit line)	2008–11	32,000,000 To be sought
		- Training and dissemination (technical and technological innovations)	2008–11	32,000,000 To be sought
	Promote export development	- Upgrade to international standards fish export infrastructures by implementing a health control laboratory	2007–11	454,000,000 Obtained, ADB
	Improve food security and develop support techniques	- Support women in improving the treatment and distribution of fish	2008–11	98,000,000 To be sought
		- Promote introduction of treatment and storage techniques	2008–11	32,000,000 To be sought
		- Promotion of low-cost refrigeration methods	2008–11	32,000,000 To be sought
- Improvement of the distribution network by increasing the number of fish sales outlets in the local market, and promoting fish consumption		2008–11	100,000,000 To be sought	
Microfinance, rural development, and combating poverty	Promote microfinance in the country's rural, periurban, and urban areas. Set up saving and loan funds	With respect to combating poverty - Direct microenterprises towards growth activities - Create a center or unit to provide guidance and advice to microenterprise backers - Facilitate access to capital and know-how, and develop adapted financial services	2007–11	694,000,000 Obtained, IFAD
		With respect to microfinance - Strengthen the capacities of microentrepreneurs and microcredit structures - Create synergy among institutions with similar objectives - Implement a unit for coordination and consensus among all social projects		
		With respect to rural development - Set up a network of saving and loan banks in the urban, periurban, and rural areas - Set up special credit lines in savings funds in the rural area, to develop agriculture and fishing		
Combating Urban Poverty and Social Exclusion				
Infrastructure and equipment, basic social services, and neighborhood services	Equip underprivileged neighborhoods with social infrastructures and strengthen the collective equipment network. Promote improvement in local management of infrastructure and equipment to involve residents and their associations	- Opening up of neighborhoods 12, 14, and 15 and Balbala by constructing a network of primary and secondary roads and extending the water and electricity network; - Construction of community infrastructures and equipment: community health center, public market, CDC, bus terminal, police station	2007–08	750,000,000 Obtained, AFD
		- Connection of underprivileged neighborhoods of Balbala to the electricity network: Installation of a small network with 5 km of medium tension lines, 16 km of low tension lines and 8 tension posts, and connections for 1,200 households	2008–09	267,700,000 Obtained, WB
	Implement integrated programs for the development of poor neighborhoods	- Priority intervention program of the Djibouti Social Development Agency (ADDS) in infrastructure, equipment and community development (Borough of Boulaos)	2008-12	1,424,000,000 To be confirmed ADB
		- Priority ADDS intervention program in infrastructure, equipment, technical and vocational training (Borough of Balbala)	2008-12	1,246,000,00 To be confirmed IDB
Employment and income-generating activities	Promote employment particularly in labor-intensive activities and the	- Set up community development funds to finance social activities (basic literacy, vocational training for unemployed youth) and income-generating activities	2008–11	To be decided

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
	use of local small enterprises. Promote assistance to undertake income-generating activities	- Implementation of a program of essential development needs in the underprivileged neighborhoods of the capital city	2008–11	To be decided
	Perpetuate and develop microfinance activities and increase the number of beneficiaries	- ADDS priority intervention program in microfinance	2007–08	450,000,000 Obtained, ADB
Combating Rural Poverty and Social Exclusion				
Infrastructure and equipment, basic social services. Employment and income-generating activities	Extend the BED program to 18 localities	- Implementation of 50 projects (including urban neighborhoods: 29 sites)	2007–08	139,000,000 To be sought
	Rehabilitate and strengthen water management in grazing areas	- Rehabilitation of 47 medium-size water deposits, 10 large deposits, 40 dams, seven micro-lakes and 48 underground cisterns - Rehabilitation/implementation of water production wells, 24 exploratory wells, and 55 cemented bore holes - Implementation of five hydroclimate network stations - Geophysical research of 34 sites in all districts	2007–08	342,989,900 To be sought
	Equip rural areas with infrastructure and basic equipment	- ADDS rural development program - Priority ADDS intervention program in infrastructure, equipment, and community development	2008–09 2008–12	445,000,000 To be sought 445,000,000 To be confirmed, IDA
Food security	Develop crop farming and livestock breeding. Alleviate the effect of drought on nomadic people	- Emergency program to alleviate the effect of drought in grazing areas and reservoirs	2007–09	192,800,000 To be sought
		- See the Ministry of Agriculture and Livestock's Special Food Security Program	2008–09	PM
		- See the Ministry of Agriculture and Livestock's National Food Security Program (PNSA) and the program to promote date palm cultivation	2008–11	973,350,000 To be sought
Vulnerable Population Groups (orphans without provision, the elderly and handicapped, the displaced, etc)				
Protection of vulnerable population groups and safety nets	Increase coverage of support and assistance for persons living in extremely precarious situations, by developing the activities of the Diwan-az-Zakat Foundation	- Increase the <i>Zakat</i> collection, and increase the number of beneficiaries - Awareness raising among donors (<i>Zakataires</i>) - Publication of a balance sheet of activities to build donor trust	2008–11	514,304,000 Private
		- Production of a database of beneficiaries and persons assisted through the zakat, in the following categories, consisting of persons without resources who are unable to work: Orphans, The handicapped, The elderly, Divorcees and widows Spinsters Poor families	2007	100,000,000 Private
		- Assistance for orphans through any sponsorship program (677), with a forecast of 3,000 beneficiaries in four years	2007 2008–11	40,620,000 720,000,000 Private
	Set up a protection and integration program	- Set up a social assistance program (elderly accommodation)	2008–11	To be decided
		- Set up a socioeconomic protection program - Placement of older orphans in organizations and enterprises for craft apprenticeship, and provision of work tools, - Set up clothes-making workshops for women and girls together with sales circuits - Assistance for vulnerable families and the handicapped who are able to work, by financing small income-generating projects to eradicate poverty	2008–11	To be decided
		- Implementation of a food assistance program	2008–11	To be decided
		- Zakat collection in kind and redistribution in the community where it has been collected	2008–11	To be decided
Risk and Disaster Management				
Executive Secretariat for Risk and Disaster Management	Make reducing disaster risk a national priority with a sound institutional	- Implement and strengthen capacities of the Executive Secretariat for Disaster Management	2007–08	34,000,000 Obtained, IDA
		- Preparation or review of plans for disaster readiness and emergency intervention	2008–09	8,600,000 To be sought

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
	framework	- Preparation of enabling decrees of the law: National Disaster Management Policy	2008	2,300,000 To be sought
		- Training of the staff at the Executive Secretariat for Disaster Management	2008–11	12,000,000 To be sought
	Identify, evaluate, and oversee disaster risks and strengthen early warning systems	- Production of a risk map	2008	14,750,000 of which 8,750,000 Obtained, WB 6,000,000 To be sought
		- Implementation of an early warning system	2008–09	25,000,000 To be sought
	Use of knowledge, innovations, and education to establish a culture of safety and resilience at all levels	- Preparation and dissemination of radio broadcasts in national languages	2008–11	12,000,000 To be sought
		- Training of elected personnel, administrators, communications staff, civil protection officers, army personnel, etc	2008–11	20,000,000 To be sought
		- Implementation and equipping of a National Disaster Management Documentation Center	2008	4,200,000 To be sought
		- Organization of training workshops for teachers	2008	7,450,000 To be sought
		- Inclusion of disaster risk reduction in school programs	2009	
		- Preparation and validation of a student manual on reducing disaster risk	2009	
	Reduce underlying risk factors	- Set up a public-private partnership	2008–09	5,600,000 To be sought
		- Integration of disaster risk reduction in the health sector		
		- Introduction of a gender perspective in all disaster management initiatives		
	Strengthen disaster readiness to be able to intervene more effectively	- Set up an emergency fund (national budget)	2008	100,000,000 Obtained, State
		- Set up and equip local and regional offices in the interior of the country	2008–09	24,000,000 To be sought
- Set up and equip a National Emergency Operations System		2008	8,500,000 To be sought	
ONARS	Strengthen ONARS to enable it intervene effectively in emergency operations	- Strengthening of ONARS capacities: trucks, shelters, tools, stores (regional stocks) ...	2008–09	To be decided To be sought
RED CROSS	Strength of the Red Cross to enable it intervene effectively	- Strengthening of Red Cross capacities: equipment, training of volunteers	2008–09	To be decided To be sought
CIVIL PROTECTION	Strengthen the management of civil protection to enable it to intervene more effectively in emergency operations	- Construction and equipment of the large main barracks located in West Salines	2008	Cost to be estimated Budget: State
		- Construction and equipping of rescue centers in the five regions: fire engine, ambulance, liaison ...	2008–09	To be decided
		- Construction and equipping of the training center	2008	To be decided
		- Rehabilitation of the Balbala barracks	2008	To be decided
		- Construction and equipping of a barracks at PK12		To be decided
		- Training of civil protection personnel	2008–11	To be decided
		- Seek financing to build a civil protection school at PK 25	2009	to be decided
		- Creation and construction of a rescue center at the port of Doraleh	2008	To be decided
Pillar 4: Local and Administrative Governance, and Capacity Strengthening				
Reform of Governance				
Administrative Reform	Institutional reform	- Perform a diagnostic study and update the public administration statutes (General Statute, Specific Statute, Collective Agreement)	2008–11	89,000,000 To be sought

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
	Capacity strengthening for the management of public administration to implement norms and procedures	<ul style="list-style-type: none"> - Strengthening of public administration and management capacities - Improvement of working methods - Preparation of a procedural manual and user guide - Modernization of public archives - Disseminate statutory and regulatory texts on public administration 	2008-09	62,300,000 To be sought
	Modernization of governance and development of the new administrative culture based on public service and merit	- Support for the implementation of a performance appraisal system in public administration	2009-11	89,000,000 To be sought
		- Establish a civil servant career plan	2009	35,400,000 To be sought
		- Preparation of an ethical code for the civil service	2008	17,800,000 To be sought
	Upgrading of civil service human resources	- Implement a more rational policy for human resource training and use of skills, through of initial training, updating, and recycling programs	2009	89,000,000 To be sought
		- Provide the necessary training for human resource managers		
		- Clarify and disseminate the new paradigm of administrative reform and modern management andragogy techniques		

Decentralization				
Support for institutional capacity strengthening	Set up agencies responsible for local decentralized development	<p>At the central level</p> <ul style="list-style-type: none"> - Support for the Decentralization Department () <p>At the local level</p> <ul style="list-style-type: none"> - Implementation of the Regional Development Coordination Committee/CCDR (District) - Set up a Finance Allocation Committee - Set up the Project Coordination Unit (pilot regions) <p>At the local level (population attached to an administrative post)</p> <ul style="list-style-type: none"> - Implementation of a Local Development Committee (CLD) 	2008-11	70,800,000 Obtained, EU, FENU, UNDP, SCAC, ACBF
	Decentralization actors are trained, informed and made aware	<ul style="list-style-type: none"> - Preparation of tools, instruments and support: <i>Manual inventories/ existing modules; Preparation of guides and textbooks</i> - Training: Elected officials, deconcentrated officials, <i>UCP technicians, local expertise network (NGOs, service providers), members of the CCDR Council, CLD Council</i> - Awareness raising and information campaign: Awareness raising and information workshop 		
Financial mechanism	Strengthen the capacities of local organizations in terms of planning, budgetary programming, and access to domestic and foreign financial resources	<p>Testing of a mechanism</p> <p>At the central level</p> <ul style="list-style-type: none"> - Implementation of a Local Development Fund (FDL) - Participatory specification of a Financing Code - Participatory specification of an infrastructure upkeep and maintenance manual - Benchmark studies <p>At the regional and local levels</p> <ul style="list-style-type: none"> - Investment planning and programming - Multiyear investment plan - Implementation of a local investment fund (FIL) - Annual budget - Local taxation study 	2008-11	195,800,000 Obtained, EU, FENU, UNDP, SCAC, ACBF, of which <i>178,000,000 for the FIL</i>
Support for local development	Local organization to promote local participatory and holistic development	<p>Consultation and studies</p> <ul style="list-style-type: none"> - Preparation of reports and studies (needs identification, diagnostic, local development strategy, ...) - Regional development plan <p>Project financing</p> <ul style="list-style-type: none"> - Support for associative structures - Financing of microprojects 	2008-11	26,700,000 Obtained, EU, FENU, UNDP, SCAC, ACBF

Areas	Objectives/Strategies	Priority Actions	Period	Cost in DF
Feasibility of local collective organizations	Local organizations endowed with resources and clearly defined prerogatives	<p>Consolidation of legal structure</p> <ul style="list-style-type: none"> - Consolidation of existing laws - Preparation of new laws and regulations <p>Transfer of resources</p> <ul style="list-style-type: none"> - Transfer of competencies to collective organizations - Transfer of human, material, and logistic resources 	2008–11	35,400,000 Obtained, FENU, SCAC, UNDP
Justice Reform				
Strengthening of the rule of law	Bring justice closer to users	<ul style="list-style-type: none"> - Construction of buildings to accommodate first instance jurisdictions at the regional and community level 	2008–09	To be decided Five courts in the five regions and two courts for the boroughs of Boulaos and Balbala
Quality and number of legal personnel	Include additional budgetary items in the Finance Law	<ul style="list-style-type: none"> - Definition of the number of budgetary items needed for the period - Development of training actions 	2008–11	To be decided
Justice in the service of development	Modernize codes and other texts and adapt them to the needs of the economy	<ul style="list-style-type: none"> - Make a general diagnostic of legislation and reformulation where necessary 	2008–11	To be decided In conjunction with other sectors, plus technical assistance; to be sought
Human rights	Implement a national policy to promote and protect human rights	<ul style="list-style-type: none"> - Creation of a permanent agency - Definition of its mission 	2008	To be decided
Central administration	Increase the capacity of central administration	<ul style="list-style-type: none"> - Construction of operational premises for central administration 	2008	100,000,000 Obtained, Tender launched
Prison administration	Support implementation of the institution	<ul style="list-style-type: none"> - Development of premises for prison guards - Specific equipment 	2008–11	To be decided

Annex 7. Public Investment Program, 2007–11

Table 1. Secured Financing (millions of Djibouti francs)

Project Portfolio					Public sector investment program (PIP) financing secured (millions of DF)						
Sector	Donor	Project titles	Institution	Fin. type	Total fin.	2007	2008	2009	2010	2011	2008/2011
Econ. mgmt.	ACBF	In support of the <i>Cour des Comptes</i>	MJDH	Grant	194	23					0
Econ. mgmt.	ACBF	In support of <i>l'Inspection Générale d'État</i>	PM	Grant	177	95	79	3			82
Water/Sanitation	ADB	Water and sanitation (AfDF X)	MAEM	Grant	1,915	90	300	1,008	443	524	2,275
Education	ADB	Education III	MENESUP	Grant	97	30		50	17		67
Education	ADB	Education III	MENESUP	Loan	1,215	300	300	533	315		1,148
Energy	ADB	Electric power grid project	MERN	Loan	4,618	1,252	1,422	1,244	1,147	400	4,213
Econ. mgmt.	ADB	In support of the <i>Cour des Comptes</i>	MJDH	Grant	310	26	100	90			190
Fishing	ADB	Fishing port (health lab)	MAEM	Loan	394	180					0
Health	ADB	Strengthening basic health services	MSP	Grant	262	100	100	146			246
Health	ADB	Strengthening basic health services	MSP	Loan	787	225	250	476			726
Health	ADB	Avian flu campaign	MSP	Grant	131	89	89				89
Social/Anti-poverty	ADB	Promotion of women	MPF	Grant	189	28					0
Social/Anti-poverty	ADB	Social development fund	PM	Loan	1,711	200					0
Social/Anti-poverty	ADB	PCI Africa project		Grant	178	7					0
Social	ADB	Anti-poverty campaign	PM	Grant	1,422		422	500	500		1,422
Water/Sanitation	ADB	Extension and rehabilitation Salines Ouest storm water canal	MAEM	Grant	300			100	100	100	300
Water/Sanitation	ADB	Rehabilitation and construction of network upstream of slaughterhouse	MAEM	Grant	1,000		250	250	250	250	1,000
Agriculture	IDB	Food Safety Program (PSSA)	MAEM	Grant	79	10	69				69
Agriculture	IDB	Food Safety Program (PSSA)	MAEM	Loan	308	100	100	28			128
Agriculture	IDB	Date palm project	MAEM	Grant	52		52				52
Rural water	IDB	Retaining reservoir	MAEM	Grant	79			79			79
Education	IDB	Construction of two <i>collèges</i>	MENESUP	Loan	1,244			244	1,000		1,244
Education	IDB	Education project II	MENESUP	Loan	514	360	552	85			637
Econ. mgmt.	IDB	DFE technical assistance	MEFPP	Grant	39						0
Econ. mgmt.	IDB	Project supporting urban planning and environment	MHUEAT	Grant	56	20	19				19
Social/Anti-poverty	IDB	Girls' literacy I	MPF	Grant	52	5					0
Social/Anti-poverty	IDB	Girls' literacy II	MPF	Loan	247	100	100				100
Health	IDB	Construction of regional hospital of Ali Sabieh	MS	Loan	858	360	543	313			856
Health	IDB	Construction of an anti-tuberculosis hospital	MS	Loan	889			445	444		889
Energy	IDB	Wind power development project	MERN	Loan	3,554				554	1,000	1,554
Energy	IDB	EDD wind power project	MERN	Loan	2,023				523	500	1,023
Infrast. roads	IDB	Djibouti-Loyada road project	MET	Loan	2,044			644	700	700	2,044
Infrast. roads	IDB	Djibouti-Holl-Holl road project	MET	Loan	2,932			932	1,000	1,000	2,932
Social/Anti-poverty	IDB	Anti-poverty campaign		Loan	1,422			222	1,200		1,422

Project Portfolio					Public Sector Investment Program (PIP) financing secured (millions of DF)						
Sector	Donor	Project Title	Institution	Fin. Type	Total fin.	2007	2008	2009	2010	2011	2008/2011
Water/Sanitation	AFESD	Water supply master plan for Djibouti	MAEM	Grant	119	73					0
Education	AFESD	Construction, primary and secondary schools	MENESUP	Loan	2,380	540	297	587	623		1,507
Education	AFESD	Construction, University of Djibouti	MENESUP	Loan	2,975		130	1,470	1,470		3,070
Energy	AFESD	Extension of Boulaos power plant (phase 4) - EDD	MERN	Loan	2,380	1,130	1,000	614			1,614
Urban planning	AFESD	Construction of <i>Mille logements</i> (phase 1)	MHUEAT	Loan	2,975	41					0
Urban planning	AFESD	Construction of <i>Mille logements</i> (phase 2)	MHUEAT	Loan	3,570	331	888	1,421	1,327		3,636
Agriculture	EDF	Program to control epizootic diseases	MAEM	Grant	146	35					0
Water/Sanitation	EDF	Quartier 4 sanitation effort	MHUEAT	Grant	1,200	306	464	247			711
Econ. mgmt.	EDF	In support of DFE	MEFPP	Grant	66	32		64			64
Infrast. roads	EDF	Urban bypass development	MET	Grant	2,552	772					0
Infrast. roads	EDF	Rehabilitation of southern corridor (Arta-Guelilé)	MET	Grant	1,540	450	556	514			1,070
Governance	EDF	Technical Cooperation Facility		Grant	572	105					0
Governance	EDF	Paix UA + Écho Facility		Grant	198	198					0
Governance	EDF	Civil society facility (Ariane project)		Grant	66	66					0
Water/Sanitation	EDF	Water/sanitation investment program	MAEM	Grant	3,872	1,686	1,500				1,500
Water/Sanitation	EDF	Ambouli dam	MAEM	Grant	1,078						0
Econ. mgmt.	EDF	In support of decentralization	MID	Grant	132	127					0
Governance	EDF	New cooperation facility		Grant	312						0
Water/Sanitation	EDF	Strengthening capacities (control and quality)	MAEM	Grant	125		125				125
Water/Sanitation	EDF	Rehabilitation of the Douba water purification station	MAEM	Grant	1,900		450	450	500	500	1,900
Water/Sanitation	EDF	Rehabilitation of the upstream portion of the network, starting at the slaughterhouse	MAEM	Grant	1,200		400	400	400		1,200
Agriculture	IFAD	Rural microfinance development (PDMM)	MAEM	Loan	666	100	200	200	159		559
Health	IMF	HIV/AIDS campaign	MSP	Grant	2,133	500	600	451			1,051
Health	IMF	HIV/AIDS campaign	MSP	Grant	3,199						0
Econ. mgmt.	IDA (WB)	Project in support of DISED	MEFPP	Grant	45	20	25				25
Education	IDA (WB)	Improve capacity of primary schools (phase 2)	MENESUP	Loan	1,777	369	369	499			868
Education	IDA (WB)	FTI	MENESUP	Grant	1,066	533	533				533
Energy	IDA (WB)	Water/Energy project		Loan	1,244	360	400	338			738
Energy	IDA (WB)	GEF Energy project	MERN	Grant	53	39	10				10
Econ. mgmt.	IDA (WB)	Budget Directorate support	MEFPP	Grant	25	25					0
Governance	IDA (WB)	Public market reform		Grant	63	20	20	14			34
Health	IDA (WB)	HIV/AIDS campaign	MS	Grant	1,564	270	72	114			186
Health	IDA (WB)	Health sector development	MS	Loan	2,666	630	630	98			728
Health	IDA (WB)	Avian flu campaign	MS	Grant	373	186	187				187
Social/Anti-poverty	IDA (WB)	Emergency rehabilitation (PRUSI)	PM	Grant	532	68					0
Social/Anti-poverty	IDA (WB)	Emergency rehabilitation (PRUSI)	PM	Loan	532	200	100				100
Social/Anti-poverty	IDA (WB)	Project in support of DISED	MFP	Grant	43	43					0
Social/Anti-poverty	IDA (WB)	ADETIP + addition (TIP)	PM	Loan	2,612	559					0
Social/Anti-poverty	IDA (WB)	Anti-poverty campaign	PM	Grant	480		200	180	100		480

Project Portfolio					Public sector investment program (PIP) financing secured (millions of DF)						
Sector	Donor	Project Title	Institution	Fin. Type	Total fin.	2007	2008	2009	2010	2011	2008/2011
Education	OPEC	CRIPEN equipment	MENESUP	Loan	355	20					0
Communications	OPEC	Government press equipment	MCCPT	Loan	800	25	20				20
Health	OPEC	Improvement of health services	MSP	Loan	444	180	196				196
Energy	OPEC	Extension to Boulaos power plant (phase 4)	MERN	Loan	889						0
Energy	UNDP	Solar energy project	MERN	Grant	8						0
Governance	UNDP	Support for good governance	PR	Grant	97	74					0
Social/Anti-poverty	UNDP	Anti-poverty campaign support	PM	Grant	132	37					0
Rural water	UNICEF	Development of water supply infrastructures	MAEM	Grant	14	12					0
Rural water	UNICEF	Maintenance and management of water supply points	MAEM	Grant	13						0
Rural water	UNICEF	Strengthening operational capacity of MAEM	MAEM	Grant	61	10					0
Education	UNICEF	Improvement of girls' schooling	MENESUP	Grant	75	17					0
Education	UNICEF	Improvement of the quality of primary education	MENESUP	Grant	61	31					0
Education	UNICEF	Informal education	MENESUP	Grant	8	8					0
Health	UNICEF	Various health projects	MSP	Grant	157	47					0
Health	UNICEF	Integrated childhood illness care	MSP	Grant	241	43					0
Health	UNICEF	Maternal and neo-natal health	MSP	Grant	23	13					0
Health	UNICEF	Prevention of disease transmission from mother to child	MSP	Grant	13	7					0
Health	UNICEF	AIDS prevention among youth	MSP	Grant	24	14					0
Social/Anti-poverty	UNICEF	Preparation for response to emergency situations	MID	Grant	11	2					0
Social/Anti-poverty	UNICEF	Campaign to eliminate female genital mutilation	MPF	Grant	48	24					0
Social/Anti-poverty	UNICEF	Protection of orphaned children and children at risk	MPF	Grant	10	10					0
Social/Anti-poverty	UNICEF	Enforcement of convention on the rights of children	MPF	Grant	9	9					0
Social/Anti-poverty	UNICEF	Birth registration	MID	Grant	12	12					0
Urban planning	Abu Dhabi	Subsidized housing, <i>Mille logements</i> (phase 1)	MHUEAT	Loan	1,432	245					0
Education	Saudi Arabia	Construction of primary and secondary schools	MENESUP	Loan	1,247	360	280	424			704
Governance	Saudi Arabia	Support for COMESA	MCI	Grant	142						0
Other infrast.	China	Technical equipment, Stade Hassan Gouled	MJSLT	Grant	41		41				41
Public works	China	Design of building for the Presidency	PR	Grant	12	12	0				0
Social/Anti-poverty	China	Food assistance	PR	Grant	44	44	0				0
Social/Anti-poverty	China	Non-reimbursable financial assistance	MEFPP	Grant	330	110	120				120
Social/Anti-poverty	China	Non-reimbursable financial assistance	MEFPP	Grant	440	200	240				240
Telecoms.	China	Djibouti Télécom (extension of the mobile network)	MCCPT	Loan	3,251						0
Education	USA	Equal access to basic education	MENESUP	Grant	2,133	391	231				231
Education	USA	Increased access to quality basic education	MENESUP	Grant	693	231	231	231			462
Health	USA	Provision of health equipment	MSP	Grant	2,133	500	176				176
Health	USA	HIV/AIDS campaign	MSP	Grant	75		75				75

Project Portfolio					Public sector investment program (PIP) financing secured (millions of DF)						
Sector	Donor	Project Title	Institution	Fin. Type	Total fin.	2007	2008	2009	2010	2011	2008/2011
Education	Fr. (AFD)	Construction of primary and secondary schools (PAEFD)	MENESUP	Grant	594	37					0
Education	Fr. (AFD)	Support for the University (PASDED 2)	MENESUP	Grant	539	97					0
Other infrast.	Fr. (AFD)	PK12 neighborhood development - ADETIP	PM	Grant	770	200					0
Health	Fr. (AFD)	HIV/AIDS campaign	MSP	Grant	1,200	66					0
Education	Fr. (AFD)	Djibouti Education for All project	MENESUP	Grant	1,920	48		1,872			1,872
Social/Anti-poverty	Fr. (AFD)	Services for Arhiba - Einguela	MHUEAT	Grant	0						0
Health	Fr. (SCAC)	Various health projects	MSP	Grant	540	300	240				240
Industry	India	Ali Sabieh cement plant project	MCI	Loan	1,777						0
Public works	Iran	Parliament & shopping center construction		Loan	2,200	751	751	800	267		1,818
Public works	Iran	Building construction		Grant	355	210					0
Health	Italy	Addition to Balbala hospital	MSP	Grant	2,028	500	500	500	800		1,800
Social/Anti-poverty	Japan	Non-project assistance	MEFPP	Grant	450	200	250				0
Social/Anti-poverty	Japan	Food assistance	MID	Grant	225	225					0
Social/Anti-poverty	Kuwait	Djibouti Economic Development Fund	PR	Loan	916	439	286				286
Infrast. Roads	Kuwait	Tadjourah-Obock road	MET	Loan	4,710	630	700	1,500	1,475		3,675
Total						23,544	21,117	23,284	17,891	7,551	69,843

(Continuation of Annex 7) - Table 2. Financing Requirement (millions of Djibouti francs)

Project Portfolio			PIP Financing Requirement (millions of DF)					
Sector	Project Title	Institution	Total fin.	2008	2009	2010	2011	2008/2011
Agriculture	Intensification of food crop production (PSSA)	MAEM	52		260	265	262	787
Agriculture	Mobilization of surface water for agro-pastoral development	MAEM	1,157			580	577	1,157
Agriculture	Mobilization of surface water for agro-pastoral development	MAEM	178			88	90	178
Agriculture	Enlargement of cultivated surfaces	MAEM	787		260	265	262	787
Agriculture	Campaign against desertification through reforestation	MAEM	50		15	20	15	50
Water/Sanitation	Creation of a sea water desalinization plant in Doraleh	MAEM	11,600	3,000	4,600	4,000		11,600
Water/Sanitation	Rehabilitation of AEP Djibouti and regions network and anti-leakage campaign	MAEM	4,300		1,300	1,500	1,500	4,300
Water/Sanitation	Drinking water department equipment renewal	MAEM	190		70	70	50	190
Water/Sanitation	Construction of an office building for ONEAD headquarters	MAEM	200		100	100		200
Water/Sanitation	Sealing and maintenance of existing canals (Einguela, Salines O., Av. 26)	MAEM	356		356			356
Water/Sanitation	Network enlargement	MAEM	3,100		1,000	1,100	1,000	3,100
Water/Sanitation	Domestic sanitation department equipment renewal	MAEM	380		120	130	130	380
Education	Enlargement of nursery school network	MENESUP	45		15	15	15	45
Education	Recruitment of preschool teachers (12)	MENESUP	52		13	13	13	39
Education	Rehabilitation and enlargement of existing schools	MENESUP	750		250	250	250	750
Education	Construction of two new schools	MENESUP	120		60	60		120
Education	Recruitment of additional primary school teachers (294)	MENESUP	1,270		317	318	318	953
Education	Increased rate of access to basic education for girls	MENESUP	70		17	18	18	53
Education	Improved operations of school canteens in rural areas	MENESUP	270		67	68	68	203
Education	Creation of a books policy in primary schools	MENESUP	30		7	8	8	23
Education	Recruitment of teachers in the middle school teaching cycle (258)	MENESUP	1,625		406	406	406	1,218
Education	Construction of 4 dormitories and creation of a girls' reception center	MENESUP	120		60	60		120
Education	Creation of a books policy in the middle school cycle	MENESUP	35		8	9	9	26
Education	Strategy for development of technical/professional schooling	MENESUP	30		7	8	8	23
Education	Procedures for orienting pupils towards professional and technical schooling	MENESUP	30		7	8	8	23
Education	Development of a partnership with the business community	MENESUP	15		5	5	5	15
Education	Curriculum development	MENESUP	50		12	13	13	38
Education	Equipment enhancement	MENESUP	150		37	38	38	113
Education	Creation of a professional social integration policy	MENESUP	10		3	4	3	10
Education	Recruitment of teachers in technical and professional education (155)	MENESUP	1,006		251	252	252	755

Project Portfolio			PIP programming financing needed (millions of DF)					
Sector	Project Title	Institution	Total Fin.	2008	2009	2010	2011	2008–11
Education	Creation of a student achievement assessment process	MENESUP	30		7	8	8	23
Education	Construction and equipment for a multi-purpose <i>lycée</i> in Arta	MENESUP	100		100			100
Education	Construction and equipment for a general studies <i>lycée</i> in Balbala	MENESUP	600		300	300		600
Education	Recruitment of teachers for secondary education (69)	MENESUP	435		108	109	109	326
Education	Teaching program in compliance with the basic teaching reform	MENESUP	30		10	10	10	30
Education	Baccalaureate degree reform	MENESUP	15		5	5	5	15
Education	Enhanced equipment at the secondary level	MENESUP	100		25	25	25	75
Education	Improved capacities for collaborating with foreign universities	MENESUP	300		75	75	75	225
Education	Teacher training	MENESUP	50		12	13	13	38
Education	Development of a research policy	MENESUP	150		37	38	38	113
Education	Equipment enhancements for higher education	MENESUP	1,500		375	375	375	1,125
Education	Recruitment of teachers in higher education	MENESUP	315		80	80	80	240
Education	Development and dissemination of functional curriculum	MENESUP	100		25	25	25	75
Education	Implementation of measures providing incentives for the development of private education	MENESUP	50		12	13	13	38
Education	Implementation of a communications network based on TICs	MENESUP	38		9	9	9	27
Education	Upgrading and replacement of computer equipment	MENESUP	250		60	65	65	190
Education	Recruitment of specialized personnel as managers in the TIC area	MENESUP	32		8	8	8	24
Education	Training of teachers for on-line course development	MENESUP	150		35	40	40	115
Livestock prod.	Food safety program (PSSA)	MAEM	32		10	12	10	32
Livestock prod.	Construction of a new slaughterhouse	MAEM	773		385	388		773
Livestock prod.	Animal health and food safety project	MAEM	230		75	80	75	230
Livestock prod.	Training and recruitment programs	MAEM	250		30	30	30	90
Livestock prod.	Emergency programs to limit the effects of drought	MAEM	293		95	100	98	293
Livestock prod.	Program to improve cattle production	MAEM	870		290	290	290	870
Livestock prod.	Suburban development project	MAEM	246		80	85	81	246
Energy	Modernization and enlargement of the Boulaos power generating station	MERN	890		225	450	215	890
Energy	Assal topography project	MERN	534		267	267		534
Energy	Djibouti-Ethiopia electrical power connection	MERN	3,204	800	1,600	804		3,204
Energy	Installation of a power generating set in Boulaos	MERN	3,204	800	1,600	804		3,204
Energy	Enlargement of Boulaos 2 turbine room and installation of 15 GW generating set	MERN	7,120		2,100	3,600	1,420	7,120

Project Portfolio			PIP programming financing needed (millions of DF)					
Sector	Project Title	Institution	Total Fin.	2008	2009	2010	2011	2008–11
Energy	Supplies for the Al Boum building construction project	MERN	1,780		445	890	445	1,780
Energy	Modernization and enlargement of the Boulaos generating plant	MERN	890		225	450	215	890
Energy	Improvements in distribution of electric power	MERN	890		150	300	300	750
Energy	Improved marketing of energy	MERN	1,246		200	350	400	950
Energy	Extraction of energy from the Khor Ambado generating plant	MERN	8,010		4,005	4,005	0	8,010
Energy	Creation of a central dispatching facility for production and transportation resources	MERN	890		890	0		890
Environment	Updating of the national action plan for the environment	MHUEAT	71	23	24	24		71
Environment	Strategic development and action plan to enlarge national capacities	MHUEAT	36	18				18
Environment	Development of the second national communication on climate change	MHUEAT	72	24	24			48
Environment	Promotion and use of renewable energy sources	MHUEAT	178	58	60	60		178
Environment	Improved integrated management of coastal areas (Khor Angar, Douda)	MHUEAT	354	86	90	90	90	356
Environment	Improved management of protected marine areas	MHUEAT	177	44	45	44	44	177
Environment	Information and exchange center for bio-security	MHUEAT	7	7				7
Environment	Updating of the environmental framework legislation	MHUEAT	2	2				2
Environment	Marine environment protection awareness program	MHUEAT	14	14				14
Environment	Operational effectiveness of the national network of protected areas	MHUEAT	36	9	9	9	9	36
Environment	Promotion of tourism	MERN	160		40	80	40	160
Environment	Training in tourism trades/increased public awareness	MERN	200		50	100	50	200
Environment	Implementation of a national land-use planning policy	MHUEAT	172		55	60	57	172
Environment	Promotion of renewable energy usage	MHUEAT	178		58	60	60	178
Environment	Improved integrated management of coastal areas	MHUEAT	301		100	101	100	301
Environment	Improved management of protected marine areas	MHUEAT	132		44	44	44	132
Environment	Reduction of catastrophic risks	MID	23		8	10	5	23
Environment	Creation of a risk map and implementation of an early warning system	MID	31		15	16		31
Environment	Use of knowledge, innovations and education to establish a culture of safety	MID	44		12	15	15	42
Environment	Reduction of underlying risk factors	MID	6		6			6
Environment	Strengthened preparation for catastrophes	MID	33		15	18		33
Economic mgmt	Creation of a macroeconomic framework	MEFPP	80		40	40		80
Economic mgmt	Generation of sector impact studies	MEFPP	187		87	50	50	187

Project Portfolio			PIP programming financing needed (millions of DF)					
Sector	Project Title	Institution	Total Fin.	2008	2009	2010	2011	2008–11
Economic mgmt	Implementation of a customs transit system with Ethiopia	MET	122	61	61			122
Economic mgmt	Assessment of Djibouti's mining potential	MERN	18		8	10		18
Economic mgmt	Miscellaneous transportation facilitation projects	MCI	62		32	30		62
Governance	Institutional support and strengthening of decentralization capacities	MID	71		20	30	21	71
Governance	Strengthening of capacities of local governing bodies in budget programming	MID	196		65	70	61	196
Governance	Support of local development	MID	27		8	10	9	27
Governance	Restore viability to territorial governing bodies	MID	35		10	15	10	35
Governance	Diagnosis and updating of public administration statutes	MESN	89		29	30	30	89
Governance	Strengthening capacities of public administration directorate	MESN	62		31	31		62
Governance	Modernization of administration and development of a new administrative culture	MESN	142		42	50	50	142
Governance	Enhancement of public administration resources	MESN	89		89			89
Rural water	Rehabilitation and improvement of rural water supply	MAEM	343		170	173		343
Industry	Creation of an economic and industrial database	MCI	67		22	23	22	67
Industry	Development of job-creating growth channels	MCI	1,335		335	500	500	1,335
Industry	Support for and reactivation of existing industrial activities	MCI	587		187	200	200	587
Industry	Establishment of regional and sectoral development orientations	MCI	160		50	50	60	160
Industry	Improve abilities and effectiveness of government services	MCI	134		44	45	45	134
Industry	Make CCD an agent of business promotion	MCI	134		44	45	45	134
Industry	Complete a national inventory of mineral resources and equipment for undertaking analysis and compliance control	MCI	93		31	31	31	93
Industry	Make operational the process of managing and cooperating between public/private sectors	MCI	276		92	92	92	276
Industry	Implementation of a support mechanism for industrial growth	MCI	988		330	330	328	988
Industry	Implementation of entrepreneurial promotion mechanism	MCI	240		80	80	80	240
Industry	Complete studies on national energy resource potential	MCI	134		44	45	45	134
Infrast. roads	Improve Randa-Balho and As Dorra-Assa Gaila roads	MET	300	75	150	75		300
Infrast. roads	Asphalting of the Obock–Erythréé highway	MET	5,000		500	1,500	1,500	3,500
Infrast. roads	Rehabilitation of Randa-Dorra and Randa-Day highways	MET	800		200	400	200	800
Infrast. roads	Strengthening road infrastructures in urban areas	MET	1,400		350	700	350	1,400
Infrast. roads	Improvement of the Yoboki-Motrous-Lac Assal highway	MET	250		75	125	50	250

Project Portfolio			PIP programming financing needed (millions of DF)					
Sector	Project Title	Institution	Total Fin.	2008	2009	2010	2011	2008–11
Infrast. roads	Construction of facilities on the Holl-Holl-Ali Sabieh and Dikhil-Ali S. highways	MET	150		30	80	40	150
Infrast. roads	Improve urban circulation in Djibouti city	MET	20			20		20
Infrast. roads	Improve functionality and organization of the urban transportation system	MET	25		25			25
Infrast. roads	Support for urban transportation SMEs	MET	100			100		100
Infrast. roads	Creation of a financial support program	MET	100			100		100
Infrast. roads	Development of bus/taxi stations	MET	100			100		100
Infrast. roads	Creation of a transportation observatory	MET	100		100			100
Infrast. roads	Strengthen MET's capacities	MET	10		10			10
Infrast. roads	Implement reforms of the urban transportation system	MET	290		90	100	100	290
Infrast. roads	Updating of the Balbala urban transportation plan/technical assistance	MET	4		4			4
Infrast. roads	Strengthening the institutional, legislative and regulatory framework for road safety	MET	6		3	3		6
Infrast. roads	Implementation of a technical vehicle control system	MET	50		25	25		50
Infrast. roads	Implementation of a training program for multi-axle truck drivers	MET	100		100			100
Infrast. roads	Implementation of a staged plan for training automotive mechanics	MET	50			50		50
Infrast. roads	Strengthen highway safety/technical assistance	MET	20		20			20
Infrast. roads	Improve highway equipment and infrastructures	MET	35			35		35
Fishing	Bringing fish exporting infrastructures up to international standards	MAEM	454	110	115	115	114	454
Fishing	Sustainable management of resources	MAEM	400		130	150	120	400
Fishing	Improve fishing incomes and create jobs	MAEM	752		250	250	252	752
Fishing	Enhanced food safety	MAEM	98		30	35	33	98
Fishing	Support techniques and improved distribution network	MAEM	164		50	55	49	154
Health	Accelerated reform and implementation of health card	MSP	120	30	30	30	30	120
Health	Improve access to health services in rural areas	MSP	25		8	8	9	25
Health	Broaden availability and efficient use of quality drugs	MSP	6		3	3		6
Health	Implementation and strengthening of SMUR units in Djibouti	MSP	11		5	6		11
Health	Creation of SMUR medical units in suburban Djibouti	MSP	13		6	7		13
Health	Creation of operating room service units	MSP	2		1	1		2
Health	Health evacuation to out of country	MSP	8		4	4		8
Health	Mental health campaign	MSP	14		7	7		14
Health	Broaden the program covering basic needs in development	MSP	143	43	50	50		143
Health	School and university health program	MSP	5	2	3			5

Project Portfolio			PIP programming financing needed (millions of DF)					
Sector	Project Title	Institution	Total Fin.	2008	2009	2010	2011	2008–11
Health	Information, education and communications	MSP	14	4	5	5		14
Health	Broadening health coverage	MSP	7,595		1,500	1,500	1,500	4,500
Health	Improve financing of the health sector	MSP	89		30	30	29	89
Social/Anti-poverty	Potential for institutionalizing the gender approach	MPF	5		5			5
Social/Anti-poverty	National action plan for reducing illiteracy	MPF	242		80	82	80	242
Social/Anti-poverty	Connect poor neighborhoods in Balbala to the electric power grid	PM	268	134	134			268
Social/Anti-poverty	Djibouti Economic Development Fund (FDED)	PR	2,670			445	445	890
Social/Anti-poverty	Implementation of a guarantee fund mechanism at FDED	PR	200		100	100		200
Social/Anti-poverty	Enhanced training of managers	MPF	44		11	11	11	33
Social/Anti-poverty	Creation of a gender training unit	MPF	109		25	30	30	85
Social/Anti-poverty	Creation and effective operation of a management unit	MPF	258		60	70	70	200
Social/Anti-poverty	Creation of follow-up mechanisms	MPF	22		5	6	6	17
Social/Anti-poverty	Establishment of a gender unit in each ministry	MPF	512		126	130	130	386
Social/Anti-poverty	Strengthen management capacities of NGOs	MPF	249		60	65	65	190
Social/Anti-poverty	Implementation of an institutional framework for women's decision making	MPF	30		10	10	10	30
Social/Anti-poverty	Adoption of appropriate measures to ensure consistency between legal documents	MPF	50		15	20	15	50
Social/Anti-poverty	Introduction of a civic culture of equality and equity	MPF	28		8	10	10	28
Social/Anti-poverty	Integrated approach to community health	MPF	74		24	25	25	74
Social/Anti-poverty	Development of IEC activities and activities to prevent HIV/AIDS	MPF	3		1	2		3
Social/Anti-poverty	Improvement of women's reproductive health	MPF	5		2	3		5
Social/Anti-poverty	Development of strategies to fight against harmful practices	MPF	72		24	24	24	72
Social/Anti-poverty	Social mobilization and policies for developing HIV/AIDS prevention and eradication strategies	MPF	4		2	2		4
Social/Anti-poverty	Improved schooling for young girls	MPF	17		13	2	2	17
Social/Anti-poverty	Training community leaders for CDCs	MPF	11		5	6		11
Social/Anti-poverty	Information and awareness campaign with partners	MPF	3		3			3
Social/Anti-poverty	Cooperation workshops to deploy SNIFD in the formal economy	MPF	4		2	2		4
Social/Anti-poverty	Contribution to the fight against poverty among women	MPF	50		20	15	15	50
Social/Anti-poverty	Strengthening the capacities of NGOs in the 5 regions	MPF	247		247			247
Social/Anti-poverty	Development of local capacities to train adults	MPF	238		238			238
Social/Anti-poverty	Improved economic inclusion and achievement of female entrepreneurs	MPF	9		9			9
Social/Anti-poverty	Facilitate women's access to public and private sector jobs	MPF	28		8	10	10	28
Social/Anti-poverty	Strengthen ties between social security service offices	MESN	140		40	50	50	140

Project Portfolio			PIP programming financing needed (millions of DF)					
Sector	Project Title	Institution	Total Fin.	2008	2009	2010	2011	2008–11
Social/Anti-poverty	Promote social and professional integration of adolescents and youth	MJSLT	1,599		533	533	533	1,599
Social/Anti-poverty	Enlarge access to sports infrastructures and activities	MJSLT	2,090		696	697	697	2,090
Social/Anti-poverty	Creation of leisure facilities and activities	MJSLT	1,750		580	590	580	1,750
Social/Anti-poverty	Access to cultural and artistic activities in the CDCs	MJSLT	70		20	25	25	70
Social/Anti-poverty	Strengthening institutional and operational capacities	MJSLT	843		281	281	281	843
Social/Anti-poverty	Development of infrastructures and equipment in Boulaos	PM	1,424		474	475	475	1,424
Social/Anti-poverty	Development of infrastructures and equipment in Balbala	PM	1,246		415	416	415	1,246
Social/Anti-poverty	Development of microfinance	PM	450		225	225		450
Social/Anti-poverty	Rural development program	PM	445		220	225		445
Social/Anti-poverty	Program for priority intervention in rural areas	PM	445		115	115	115	345
Urban planning	Strengthen the institutional instruments of urban planning	MHUEAT	139		69	70		139
Urban planning	Completion of phase II of the Barwaqo project	MHUEAT	746		373	373		746
Urban planning	Planning for 3,000 plots in Djibouti and construction of 1,320 dwellings in second tier cities	MHUEAT	13,333		4,444	4,444	4,444	13,332
Urban planning	Study for the project to construct 1,000 dwellings in Hodane (phase III)	MHUEAT	100	50	50			100
Total				5,394	40,142	42,021	25,205	112,762

Annex 8: SNDS 2008–11 Priority Action Plan

Statistics Area	Operational Objective	Expected Results	Cost (DF 000)				
			Total	2008	2009	2010	2011
General governance	Update the regulations and the institutional reform plan	- The SSN regulatory framework has been revised and corrected, in particular as regards observance of the basic principles of official statistics and the distribution of statistical responsibilities at the central and decentralized levels.	1289	1239	50		1289
Coordination	Establish an effective technical coordination system in the fields selected in the SNDS 2008-2012	- The statistics coordination committee meets regularly	12674	8174	900	1800	1800
		- DISED maintains communication with user areas and other producers					
		- Harmonized statistical tools are available					
Institutional strengthening	Restructure DISED to meet the needs of the new Statistics Act	- There are formal channels for exchanging data with the main SSN producing agencies	423994	63321	245389	64584	50700
		- DISED has the staff needed to carry out its mission					
		- DISED has a plan that offers technical assistance to the sectoral producers and establishes offices in the districts					
		- Staff have been trained in the procedures of managing a statistics bureau					
Planning	Ensure follow-up to implementation of the SNDS	- The working context is suitable to the production of quality statistics	8642	934	984	5740	984
		- Progress in implementing the SNDS is regularly evaluated					
Total cost of strategic pillar 1			446 599	73 668	247 323	72 124	53 484
Training	Recruit and train officers and staff as necessary for the national statistics system	- Recruit and train 8 <i>Ingénieurs Statisticiens Economistes</i> and <i>Ingénieurs Démographes</i> (Bac + 5 years)	167937	17437	61500	68000	21000
		- Recruit and train 20 <i>Ingénieurs des Travaux Statistiques</i> or equivalent (Bac + 4 years)					
		- Recruit and train 50 <i>Adjoints de la Statistique</i> (Bac + 2 years)					
	Train and re-skill personnel currently assigned to the national statistics system	- Production managers are trained in the techniques specific to their field of activity	61074	6137	14000	27837	13100
- Non-statistician staff assigned to the system receive ongoing training to equip them for data collection, processing and analysis, and publication of results.							
Total cost of strategic pillar 2			229 011	23 574	75 500	95 837	34 100
Population	Improve the understanding of the country's population structure in terms of numbers, components and dynamics	- The second population census is conducted;	690451	332774	242848	114829	
		- There is feedback on all statistics series.					
	Create a properly centralized system for gathering and publishing civil registry data for the entire country.	- Data from the civil registry are being used for statistical purposes, and published	138128	6874	76072	25175	30007

Statistics Area	Operational Objective	Expected Results	Cost (DF 000)				
			Total	2008	2009	2010	2011
Household living conditions	Adapt statistical output to the needs of monitoring household living conditions and evaluating poverty	- A permanent household survey is conducted as of 2008	276442	71200	10182	54539	140521
		- A comprehensive survey is conducted in 2009					
		- A demographic and health survey has been conducted					
Methodologies	Establish a precise methodology for each sector in turn, and evaluate it regularly	- Collection tools (questionnaires, methodologies, lists of observation points, etc.) are harmonized and data quality is improved	51754	21761	6764	9701	13528
Economic accounts	Consolidate the system for preparing the national accounts, and implement SNA 93	- Reliable national accounts of recognized quality are being produced and published	162952	53081	43187	32142	34542
Price statistics	Prepare and publish monthly consumer price indices that are internationally comparable	- Monthly consumer price indices are calculated and published, in accordance with GDDS standards	57446	14228	14228	14228	14762
		- The household expenditure, consumption and income survey is conducted					
External trade	Improve the collection, processing and dissemination of external trade statistics	- A quarterly External Trade bulletin is published regularly, and external trade indices are produced	48619	20677	9314	9314	9314
		- The quality of external trade data is evaluated regularly					
Balance of payments	Prepare and publish high-quality statistics on the balance of payments	- The balance of payments statistics are prepared in accordance with GDDS standards and timelines	25912	9148	5588	5588	5588
Money, finance and insurance	Support introduction of a budget and finance statistics unit	- Budget and finance statistical data are collected and published regularly	60971	19205	13922	13922	13922
		- The TOFE is produced regularly in accordance with accepted international standards					
Industry, trade and services	Create a central statistics structure to keep files on enterprises and establishments and to gather structural and cyclical data from these entities	- A statistics unit is up and running within the Ministry of Trade and Industry	132173	18989	24500	69842	18842
		- High-quality structural and cyclical statistics on industry, trade and services are being produced					
Transportation	Support implementation of the <i>Observatoire National des Transports</i> for the regular collection and processing of comprehensive information on trade flows, prices and quality of transport services	- The statistics necessary to strategic management of transportation systems are produced regularly	68399	59927	2024	2024	4424
Agriculture, livestock, water and fishing	Create a single statistics unit within MAEM-Water Resources (RH), to collect, process and publish regular high-quality statistics on agriculture, livestock, water and fishing activities	- A statistics unit is up and running within MAEM-RH	189291	78613	46966	30708	33004
		- High-quality statistics are being produced on agriculture, livestock, water and fishing					
Education	Consolidate provisions for the collection, processing and dissemination of education statistics	- Administrative data are available as needed for managing education policy	199615	42262	56917	65542	34894
		- The main indicators on the country's education levels are available					

Statistics Area	Operational Objective	Expected Results	Cost (DF 000)				
			Total	2008	2009	2010	2011
Health	Finalize implementation of a comprehensive health information system	- Administrative data are available as necessary for managing health policy	81688	43951	6379	6379	24979
		- The main indicators on the country's health status are available, produced through household surveys					
Active Population	Assemble all statistical functions relating to labor and employment within a single unit	- A statistical unit is up and running within the Ministry of Employment and Labor	85460	15495	17895	21535	30535
		- Statistics of recognized quality are being produced on employment and labor in the public and the formal private sectors					
Housing	Strengthen analytical capacities in the Housing Department	- Improved understanding of the characteristics of dwellings, housing conditions, and household living standards	36019			19451	16568
Total cost of strategic pillar 3			2305320	808 185	576 786	494 919	425 430
Publication and dissemination	Establish a limited but effective publications policy for DISED	- DEV Info installed and staff trained in its use	55631	2136	28421	12537	12537
		- A thematic document of some 20 pages is published yearly					
		- The online yearbook is regularly updated					
	Define a suitable publication format for each sector	- Those sectors that publish and disseminate information have a training plan	9937		5937	2000	2000
	Sensitize policymakers and the public to the use of statistics	- Awareness campaigns are launched for the general public					
Observe international dissemination standards	- Djibouti adheres to the GDDS						
Total cost of strategic pillar 4			92 641	11 107	40 392	20 571	20 571
Overall cost of the SNDS 2008–11			3 073 571	916 534	940 001	683 451	533 585