

NIGER

UNITARY COUNTRY

AFRICA

BASIC SOCIO-ECONOMIC INDICATORS

Income group - **LOW-INCOME** Local currency - **Franc CFA (XOF)**

POPULATION AND GEOGRAPHY

AREA: **1 267 000** km²

POPULATION: **19.1** million inhabitants (2014),
an increase of 4.1% per year (2010-14)

DENSITY: **15** inhabitants/km²

URBAN POPULATION: **17.6%** of national population

CAPITAL CITY: **Niamey** (5.5% of national population)

Sources: World Bank database, UNDP-HDR, ILO

ECONOMIC DATA

GDP: **17.9** billion (current PPP international dollars)
i.e. 938.4 dollars per inhabitant (2014)

REAL GDP GROWTH: **7.0%** (2014 vs 2013)

UNEMPLOYMENT RATE: **2.7%** (2014)

FOREIGN DIRECT INVESTMENT, NET INFLOWS (FDI): **769** (BoP, current USD millions, 2014)

GROSS FIXED CAPITAL FORMATION (GFCF): **40.2%** of GDP (2014)

HUMAN DEVELOPMENT INDEX: **0.348**(low), rank **188**

TERRITORIAL ORGANISATION AND SUBNATIONAL GOVERNMENT RESPONSIBILITIES

MUNICIPAL LEVEL	INTERMEDIATE LEVEL	REGIONAL OR STATE LEVEL	TOTAL NUMBER OF SNGs
265 MUNICIPALITIES (COMMUNES) WITH 52 URBAN AND 213 RURAL AVERAGE MUNICIPAL SIZE: 72 075 INHABITANTS	-	8 7 REGIONS (RÉGIONS) AND THE URBAN COMMUNITY OF NIAMEY (COMMUNAUTÉ URBAINE DE NIAMEY)	273

MAIN FEATURES OF TERRITORIAL ORGANISATION. Niger is a unitary country with a two-tiers system of decentralization, comprising 265 municipalities, among which 52 urban municipalities and 213 rural, and 8 Regions, including the urban community of Niamey. The cities of Maradi, Zinder and Tahoua also have a special status of Urban Communities (*communautés urbaines*) due to their importance as urban centers, however, unlike Niamey they are not considered as being of both municipal and regional level. They all gather 15 sub-municipalities (*arrondissements*). Niger also accounts 63 departments, which are intermediary subnational entities between the regions and the municipalities. However as their executive is directly appointed by the central government, they couldn't be considered as decentralized units, but as deconcentrated administrative units in the western definition of decentralization. As for the municipalities and regions, they have both elected executives and local bodies. In addition, the 2002 Law on local governments provides for the inclusion of traditional authorities in the definition of local institutional development plans. Decentralization was the result of the National conference of 1991. 2010 coup opened a transition period where local bodies were replaced by consultative commissions comprising local traditional authorities, representatives of deconcentrated administration of local organizations, etc.

MAIN SUBNATIONAL GOVERNMENTS RESPONSIBILITIES. The newly adopted Constitution of Niger consecrated the freedom of administration and autonomy of local governments, and after the adoption of the local governments code in 2011, elections have been organized to newly appoint municipal councils, and elect regional councils for the first time after the creation of Regions. The country has established a National Policy on Decentralization, aiming to improve local democracy and basic public services provision through the decentralization process. Local governments are responsible for economic development, education, social services and cultural development on their territory. At the municipal level, they also are in charge of primary health care provision, water provision (both potable and for agricultural purposes), public safety and justice (for the Regions only).

SUBNATIONAL GOVERNMENT FINANCE

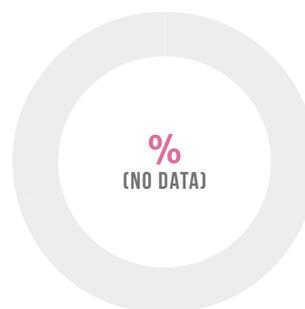
EXPENDITURE	% GDP	% GENERAL GOVERNMENT (same expenditure category)	% SUBNATIONAL GOVERNMENT
TOTAL EXPENDITURE (2013)	-	-	-
CURRENT EXPENDITURE	-	-	-
STAFF EXPENDITURE	-	-	-
INVESTMENT	-	-	-

There is no official statistics on local governments expenditures compared to general government expenditures in Niger, due to the incomplete definition of responsibilities and functions of levels of government.

EXPENDITURE BY FUNCTION

% SUBNATIONAL GOVERNMENT EXPENDITURE

- GENERAL PUBLIC SERVICES
- DEFENCE
- SECURITY AND PUBLIC ORDER
- ECONOMIC AFFAIRS
- ENVIRONMENTAL PROTECTION
- HOUSING AND COMMUNITY AMENITIES
- HEALTH
- RECREATION, CULTURE AND RELIGION
- EDUCATION
- SOCIAL PROTECTION



Despite a strong natural resource potential and dynamic economic growth, Niger local investments still very weak. This is the challenge that strive to meet the Nigerian authorities, which have intensified their investment policy by offering a range of incentives and legal and fiscal advantages for potential investors. Yet, considering these elements and the limited resources available to local governments, the effective devolution of powers is unfinished in Niger.

REVENUE BY TYPE	% GDP	% GENERAL GOVERNMENT (same revenue category)	% SUBNATIONAL GOVERNMENT
TOTAL REVENUE (2013)	0.6%	2.4%	100%
TAX REVENUE	0.04%	-	7.5%
GRANTS AND SUBSIDIES	-	-	-
OTHER REVENUES	-	-	-

As the legal corpus is being finalized and the transfer of resources and responsibilities to local authorities have low effectiveness on the ground, the sub-national development of the country now depends on central funding, and external resources (budget support loans, budget support, etc), and the process of fiscal decentralization is being slow down by inadequate human, financial and technical resources.

TAX REVENUE. Nigerian municipalities and regions both receive a share of national raised taxes. For the municipality, which can also raise local taxes, shared taxation represent the majority of tax revenue. Shared taxes are : property tax, with 50% being retroceded to the LGs; business tax, with the total being given to municipalities and regions ; personal income tax (30% to the LGs) ; business licenses tax (100%) and the mining and petrol tax (15% of the mining and petrol revenues of the state). In addition to these shared taxes, municipalities may raise a high variety of local taxes. This diversity induces difficulties for the collection of these taxes which thus constitute a limited resource.

GRANTS AND SUBSIDIES. Due to the lack of resources and increasing needs at the local level, a National agency for local governments funding (ANFICT) has been recently created to support the LGs in fulfilling their financial needs by mobilizing, managing and distributing resources to the LGs. It is thus both a decentralization compensation fund, and a perequation fund aiming to enhance the territorial development. the ANFICT is responsible for allocation of grants, however as explained above, its power still very limited for the moment, and no data are available at the moment on its activity.

OTHER REVENUES. Due to their limited human and technical capacity, subnational governments in Niger are very limited in their collection of other sources of revenues.

OUTSTANDING DEBT	% GDP	% GENERAL GOVERNMENT
OUTSTANDING DEBT (2013)	-	-

According to the 2002 law on local governments, municipalities and regions are allowed to borrow from credit and financial markets. The decree 2003-178/PRN of 2003 provides for a set of conditions applied to this ability, the most important being that the loan should be used to fund investments only, it can be contracted through financial operator or bond issuance or with another LG, long and middle-term loans do not require a state guarantee; the loan cannot exceed 25 years.

A joint- study of:



Sources: Ministère de l'intérieur, de la sécurité publique, de la décentralisation et des affaires coutumières et religieuses (MI/SP/D/ACR) – Direction générale de la décentralisation et des collectivités territoriales (DGDCT) available on <http://decentralisation-niger.org/> • Document cadre de politique nationale de décentralisation, MI/SP/D/ACR-DGDCT (2012) • F. Yatta (2013) • UCLG-OECD Survey on fiscal decentralization (2015)