

# MAURITANIA

UNITARY COUNTRY

## BASIC SOCIO-ECONOMIC INDICATORS

INCOME GROUP: LOWER MIDDLE INCOME

LOCAL CURRENCY: OUGUIYA (MRO)

### POPULATION AND GEOGRAPHY

**Area:** 1 030 700 km<sup>2</sup>  
**Population:** 4.420 million inhabitants (2017), an increase of 3.0 % per year (2010-2015)  
**Density:** 4 inhabitants / km<sup>2</sup>  
**Urban population:** 52.8% of national population (2017)  
**Urban population growth:** 4.4% (2017 vs 2016)  
**Capital city: Nouakchott:** 27% of national population (2017)

### ECONOMIC DATA

**GDP:** 17.5 billion (current PPP international dollars), i.e. 3 949 dollars per inhabitant (2017)  
**Real GDP growth:** 3.5% (2017 vs 2016)  
**Unemployment rate:** 9.9% (2017)  
**Foreign direct investment, net inflows (FDI):** 588 (BoP, current USD millions, 2017)  
**Gross Fixed Capital Formation (GFCF):** 58.5% of GDP (2017)  
**HDI:** 0.52 (low) rank 159 (2017)  
**Poverty rate:** 6% (2014)

## MAIN FEATURES OF THE MULTI-LEVEL GOVERNANCE FRAMEWORK

According to the 1991 Constitution, Mauritania is a unitary semi-presidential regime. The President of the Republic has important prerogatives, including the appointment of the Prime Minister, members of the High Islamic Council, the President of the Supreme Court and the Court of Audit. As Chief of the Executive, the president has the possibility to amend the Constitution by referendum. Since the constitutional referendum of 5 August 2017, the President may be re-elected indefinitely. In addition, the Parliament has become unicameral with a National Assembly composed of 157 elected members and the abolition of the Senate. Several bodies within a Fatwa Supreme Council were also merged.

The principle of decentralization was first established by law in 1986 with the acknowledgement of municipalities as self-governments. Prior to this, sub-national administrative authorities (regions and departments) had been created by the national regionalization policy (1968). The decentralization framework was unclear according to several White Papers on Decentralization (the last one in 2013). Since 2007, the Ministry of Interior and Decentralization is in charge of supervising decentralization reforms through the Directorate of Local Governments. In 2010, a national declaration laid down the principles for a decentralization reform which led to an amendment of the Constitution (new Article 98 Title X) in 2017 and to an organic law (No. 2018-010) transforming regions into a new category of decentralized self-government with political and financial autonomy. In practice, governance remains centralized and local councils might be placed under the authority and control of national ministries.

Institutional consultation mechanisms exist at the subnational levels, in the form of regional and municipal committees. There are few of them. At the regional level, the main bodies are the Regional Poverty Reduction Committees (CRLPs), Regional Development Committees (CRDs) and thematic committees such as Regional Health Committees (CRSs). However, until 2018, there was no legal or financial framework enabling regional committees to operate fully. At the municipal level, the main mechanism, with clear allocation of responsibilities, is the Citizen Consultation Committee (CCC). The committee participates in the programming of the Municipal Development Plans. It is composed of representatives of the City Council, moral and traditional authorities, cooperatives and associations as well as social, economic and financial stakeholders and representatives of deconcentrated technical bodies. They exist in half of the municipalities. They are consultation mechanism and should not be considered as an institutional space for citizen participation.

## TERRITORIAL ORGANISATION

2018	MUNICIPAL LEVEL	INTERMEDIATE LEVEL	REGIONAL OR STATE LEVEL	TOTAL NUMBER OF SNGS
	Municipalities ( <i>Baladiya</i> )		Regions ( <i>Wilayas</i> )	
	Average municipal size: 16 121 inhabitants			
	219		13	232

**OVERALL DESCRIPTION.** Since the independence in 1960, the Constitution (1961) acknowledges the territorial organization of the country in communes. In 2018, regions were set up as into decentralized local authorities. The country is now organized in a two-tier system composed of two levels of self-government and a deconcentrated territorial administration, the departments. There are 219 municipalities (*baladiya*), 13 regions (*wilayas*) and 52 departments (*moughataa*). Local elections are held every 5 years (the last ones were in September 2018). There are significant disparities in terms of population size and territorial boundaries. Likewise, municipalities are unevenly distributed among the regions.

**MUNICIPALITIES AND INTER-MUNICIPAL COOPERATION.** Municipalities are led by a municipal council with 9 to 21 seats depending on the population of each municipality. Municipal councilors are elected by direct universal suffrage by men and women over 21 years of age, using a mixed system of proportional representation and two-round majority voting. The council elects the mayor and his/her deputies. Municipalities in the same geographical area are encouraged to form inter-municipal structures, the modalities of which are to be set by national decrees. Until 2018, the Urban Community of Nouakchott (CUN) was the only existing model of an inter-municipal structure (Act No. 2001-051) with nine municipalities (Act No. 2001-070); the CUN then became the Region of Nouakchott.

**REGIONS.** In 2018 (Act 2018-010), the 13 regions (*wilayas*), previously deconcentrated entities of the State, were grouped into 6 administrative regions and set up as decentralized local authorities, each with a regional council composed of members elected by direct universal suffrage for five years. They elect the governor (*wali*), as the head of the council, and his/her deputies. The Region of Nouakchott is divided into 3 wilayas (north, south and west). Each region is divided into departments, which are in turn divided into districts. The departments are placed under the authority of a prefect (*hakem*), while the arrondissements are managed by a head of district, both of whom are representatives of the national government.

## SUBNATIONAL GOVERNMENT RESPONSIBILITIES

The powers of the municipalities are set out in Article 2 of Ordinance No. 87-289 of 20 October 1987 establishing the municipalities. No further amendments were made to the general assignment of municipalities' responsibilities, except in the specific case of the distribution of tasks between the Urban Community (now the Region) of Nouakchott and its member municipalities. Despite the legislation, the division of responsibilities between local governments and territorial administrations was unclear due to the decoupling of activities and frequent changes in supervising ministries. Line ministries often assume de facto responsibility for the functions assigned to municipalities. The Poverty Reduction Strategy Paper (PRSP) adopted by the Government (2011-2015) assigned additional responsibilities to regional administrations to fight poverty. The most recent reform (Act No. 2018-10) seeks to clarify the situation by assigning to the regions a broad and important set of competences, divided into two categories: own competences (described in the Article 4) and transferred competences (described in Article 5). These are partially identified in the following nomenclature.

### MAIN RESPONSIBILITY SECTORS AND SUB-SECTORS

	REGIONS	MUNICIPAL LEVEL
<b>1. General public services</b>	Maintenance of Regional public facilities	Administrative services (marriages, births, etc.); Maintenance of municipal public facilities and social infrastructure
<b>2. Public order and safety</b>	Civil protection; Fire and bush fire fighting	Municipal police; Municipal road and traffic signs
<b>3. Economic affairs/transport</b>	Regional road networks (maintenance and construction); Agriculture and rural development; Support for local businesses; Regional tourism; Energy provision	Local roads (maintenance and construction); Urban public transportation; Local tourism
<b>4. Environmental protection</b>	Nature conservation; Soil and groundwater protection; Sanitation (transferred since 2018)	Parks and green spaces; Waste management; Street cleansing; Construction and renovation
<b>5. Housing and community amenities</b>	Water management (transferred since 2018)	Maintenance of community amenities, particularly drinking water supply and street lighting; Urbanism and territorial planning
<b>6. Health</b>	Health facilities (hospitals, dispensaries)	Construction, maintenance and equipment of dispensaries, maternal and childcare centers
<b>7. Recreation, culture &amp; religion</b>	Museums and heritage sites; Libraries; Sports facilities; Youth policies	Communal sports and cultural facilities including libraries and local museums
<b>8. Education</b>	Secondary and higher education (including literacy and vocational training); Construction, equipment and maintenance of establishments; Recruitment and management of support staff	Construction and maintenance of school buildings for pre-primary and primary education
<b>9. Social protection</b>	Social welfare and assistance to elderly people and people with disabilities Social infrastructure (transferred since 2018)	Social protection and assistance to the poor

## SUBNATIONAL GOVERNMENT FINANCE

**Scope of fiscal data:** municipalities. Data is not consolidated at national level and national accounts use different nomenclatures. There is a probability of double counting.

Direction générale des collectivités territoriales

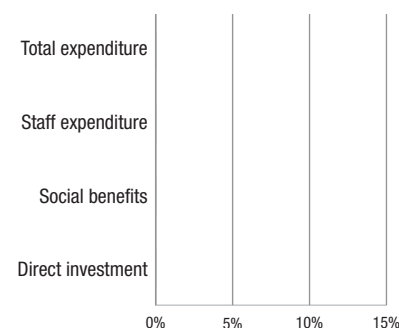
Availability of fiscal data:  
**Low**

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

**GENERAL INTRODUCTION.** There is a general lack of data on subnational finance in Mauritania. Municipal finances are under the supervision of the Ministry of Finance, and its Local Finance Department. However, audits of financial accounts have been sporadic, according to a recent (2018) assessment of institutional environment of local governments in Africa by Cities Alliance and United Cities and Local Governments Africa. Legal frameworks provide little information on compulsory expenditures, but clearly define the sources of revenue and leeway of subnational governments in the General Tax Code (adopted in 1982) and National Acts on decentralisation. In April 2019, the National Assembly adopted a draft law to renew the General Tax Code.

### SUBNATIONAL GOVERNMENT EXPENDITURE BY ECONOMIC CLASSIFICATION

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



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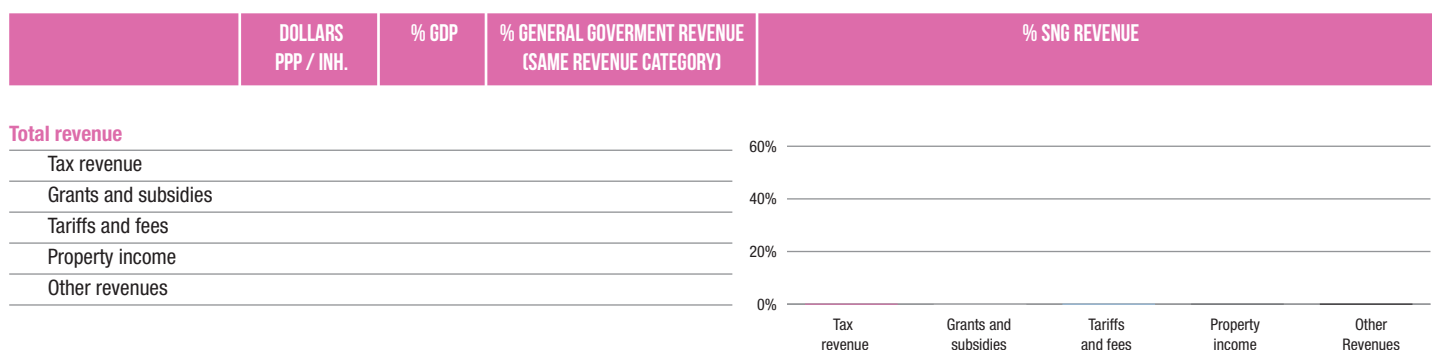
**EXPENDITURE.** There are no consolidated data available on subnational government expenditure in Mauritania. According to the Memento of the elected head of the regional council (2018), regions are required to allocate their budget to staff expenditure (including salaries, allowances and social security), operating costs of services, maintenance of real estate and assets, contributions to local development projects, mandatory insurance rates, repayment and interest on debts and contributions to solidarity and equalization funds.

**DIRECT INVESTMENT.** According to the 2018 Assessment of the Institutional Environment of Local Governments in Africa by Cities Alliance and UCLG Africa, municipal investments represented 4% of local governments spending in 2013. Municipalities and Regions must include direct investment in their annual budgets to justify 30% of the resources mobilized through the Regional Development Fund.

## SUBNATIONAL GOVERNMENT EXPENDITURE BY FUNCTIONAL CLASSIFICATION – COFOG



## SUBNATIONAL GOVERNMENT REVENUE BY CATEGORY



**OVERALL DESCRIPTION.** Municipal governments have financial autonomy (Act 90-004) but this is rather dysfunctional. According to Article 68 of Act 87-289 and the available data, subnational governments revenue come from four sources. These include tax revenues, composed of taxes collected directly by local governments and those transferred to them through a tax-sharing system; and tariffs and fees including sales of goods and services, administrative fees as well as revenue from municipal assets. Transfers, both conditional and unconditional, constitute the third and main source of income. The two unconditional grants, provided by the Regional Development Fund and the Inter-Municipality Solidarity Fund include an equalization modality. Lastly, regions and municipalities may receive donations from international partners, including the private sector and NGOs. A 2016 study on municipal finance reports that in 2014, the revenue of municipalities represented MRO 9 036 million (21 dollars PPP per inhabitant) representing 0.6% of GDP. (PPP conversion factor, population and GDP estimated by the World Bank for 2014).

According to a study on municipal finance conducted by the Ministry of Interior and the National Integrated Programme for Decentralization, Local Development and Youth Employment (PNIDDLE), in 2014 the share of municipal revenue in total public revenue was low (2.1% of total public revenue) including grants and subsidies from international partners.

**TAX REVENUE.** Municipal and regional governments have the power to levy taxes and determine compensatory tariffs for general services. The tax collection rate in Mauritania is low due to the weak institutional and technical capacities of municipal governments and the lack of incentives from national governments. In 2014, total local government tax revenue represented approximately MRO 3 433 million, (8 dollars PPP/inhabitants) with property taxes accounting for the largest share. It accounts for 38% of total local government revenue. Some taxes are collected by the tax administration and transferred back to municipalities. These include the “municipal tax” (6% of local government tax revenue in 2014) which is a tax on business activities developed on the territory of the municipality. The tax rate is set annually by the municipal council (new article 465 of the General Tax Code). Article 470 of the General Tax code allows

local governments to collect tax on land rights on the public domain they manage. In addition, the legal framework grants municipalities the authority to levy additional cents from national taxes levied on their territory, provided that it respects the same tax base.

Other taxes are directly issued and collected by the municipalities (2001 Finance Act). These are land taxes (including taxes on built land and tax on agricultural land); property taxes (including a property tax specific to settlers living in tents) and patents (including commercial activities and interurban transportation). In 2014, these municipal taxes represented approximately MRO 1 597 million, (4 dollars PPP/inhabitants) with property taxes accounting for the largest share. The Urban Community of Nouakchott accounted for 52% of total local tax revenues.

**GRANTS AND SUBSIDIES.** In Mauritania, two categories of intergovernmental transfers should be distinguished: conditional and unconditional transfers.

**Conditional transfers** refer to specific development programs supported by international donors such as the World bank, the European Union, the French Development Agency or the German Society for International Cooperation. Funds are channeled through national funding to subnational governments by the central governments, which also contribute from its own budget. These include financing municipalities through programmes such as the Integrated National Programme for Decentralization, Local Development and Youth Employment (PNIDDLE), the Promotion of Regional Initiatives for Equitable Growth (VAINCRE) supporting municipalities in the Assaba, Guidimakha and Gorgol regions; or funding to regions, for example through the Regional Governance and Local Economic Development Support Programme (PAGOURDEL) for 8 regions (Trarza, Brakna, Gorgol, Assaba, Guidimakha, Tagant, Hodh El Gharbi and Adrar) for a total current amount of USD 10 million over the 2017-2021 period.

**Unconditional transfers.** These are mobilized through two national funds. First, the Regional Development Fund (FRD), created by decree (Act 2011-59). According to the legal framework until 2016, 98% of the funds were directly allocated to the municipalities for operating (40%) and for equipment/investment (60%) expenses. Since 2016, and following the recommendation of the Association of mayors of Mauritania, this ratio has been reversed. The allocation follows ad hoc criteria: 20% of the funds are equally allocated between all regions; 50% are allocated according to demographic factors, benefiting larger municipalities; 30% according to the poverty rate, for the benefit of the poorest municipalities. FRD funds remained stable from 2013 to 2016 at MRO 3 430 million per year (approximately 33 million dollars PPP (based on the 2014 conversion factor)).

Second, the Inter-Municipal Solidarity Fund (FIS), established by Article 70 of Act 8-.289. It is financed by the mandatory contribution of local governments themselves, from 1-3% of their annual budget. In practice, the contribution to the Fund is often budgeted but not paid. Information on the management of the Fund and eligibility criteria is very limited. Several reform proposals were presented since 2006 due to the unpredictability of the financing and limited monitoring by national government.

**OTHER REVENUES.** Administrative fees and charges include market place selling fees, visitor fees, exploitation fees, etc. while property income consist of property leasing and sales and income from municipal companies and public utilities. By law, the amounts of fees and charges is determined annually by decision of the Municipal Council within the maximum limit of 1 500 000 Ouguiya. In 2014, revenue from charges and fees represented approximately MRO 293 million, (1 dollars PPP/inhabitants) with property taxes accounting for the largest share. The Urban Community of Nouakchott accounted for 52% of total local tax revenues.

## ■ SUBNATIONAL GOVERNMENT FISCAL RULES AND DEBT

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

Financial debt\*

\* Currency and deposits, loans and bonds

**FISCAL RULES.** Budget rules are set by the Ministry of the Interior and the Ministry of Finance which have authority and control over regional and municipal budgets. Until 2018, the ministries formally delegated this power to the Wali except in the case of the municipalities of the former Urban Community of Nouakchott.

**DEBT.** Current legislation allows regions and municipalities access to loans with sovereign guarantees. This has generally not been used by municipalities due to a lack of financial capacities and clarity in the institutional framework. This is seen as one of the opportunities offered by the 2018 reforms on re-regionalisation, although the legal framework is still expected to evolve.



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

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

**Fiscal data:** Ministère de l'Intérieur et de la Décentralisation, Direction Générale des Collectivités territoriales. Capacités institutionnelles et performance, dashboard and statistiques // Subventions du Fonds Régional de Développement (2016 and 2018).

**Other sources of information:** UCLG Africa and Cities Alliance (2018) Assessing the Institutional Environment of Local Governments in Africa // Cheikh Sidya « Modifications des règles de fonctionnement du fonds régional de développement » in Le360afrique.com, accessed on 18/04/2019 // Ahmed Mahmoud Boiili (2016) Etude de la fiscalité et des finances des communes en Mauritanie, Manuel de la Fiscalité local en Mauritanie // Ahmed Mahmoud Boiili (2016) Etude de la fiscalité et des finances des communes en Mauritanie, Rapport final, Direction Générale des Collectivités territoriales // Étude sur la réforme du FIS. (2016) // Centre mauritanien d'Analyse Politique (2010) Analyse de l'intercommunalité à travers les rapports croisés CUN et les communes.