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Office of Transition Initiatives
US Agency for International Development

USAID'S STRATEGY FOR ANGOLA

Introduction

The following USAID strategy for Angola spans a five year period, dating from July 1995. Special emphasis is given both to mapping out USAID's immediate plans over the next eighteen months, as well as defining how USAID programs are expected to evolve over the broader, five year transitional phase.

An opening section summarizes the major premises of USAID's approach; presents the integrated package of programs envisioned by USAID's different entities: OFDA, OTI, FFP, AFR, and the G Bureau's War Victim's Fund/Displaced Orphans and Children's Fund; and explores the most important management and policy issues before USAID.

This effort builds upon the recommendations of the December 1994 USAID/State mission to Angola, the June 1995 USAID/State/DOD de-mining mission to Angola, and the work of an Interagency Working Group on Angola, chaired by OTI, that began meeting in early 1995 to prepare for the possibility of a turn towards peace in Angola. A concluding section contains annexes which explain in more detail the programs of individual bureaus and offices.

SUMMARY OVERVIEW

I. Major premises

(1) The United States has a discernible national interest in assisting Angola in consolidating a durable peace.

Since the 1970s, Angola has figured prominently in US policy towards Africa. Proof that this continues to be the case is seen in: the intensive US involvement in the Lusaka Peace process, led by White House envoy Ambassador Hare; US humanitarian assistance exceeding \$90 million per annum since late 1992, its operations dependent on a core of dedicated American NGOs now eager to move into rehabilitation and recovery activities; and strong bipartisan Congressional support for UNAVEM III peacekeeping operations that will cost American taxpayers more than \$100 million over the next two years. Happily, bitter partisan divisions over US policy towards Angola, so prominent in the 1970s and 1980s, no longer exist.

US private investments in Angola, estimated at \$3 billion, are among the largest in sub-Saharan Africa. Reportedly, considerable prospective US investments are also on the table, pending peace. Angola presently accounts for 7% of US petroleum imports. As production rises in the coming years, that figure is expected to rise further.

A stable and increasingly democratic Angola will significantly reinforce political and economic prospects for southern Africa, a priority in current US policy towards Africa. Conversely, continued war in Angola could strain the transitions underway in South Africa and Mozambique and compound the already formidable difficulties of coping with Zaire's crisis.

Any future expanded USAID engagement in Angola, clearly risky, will itself be an integral dimension, politically and psychologically, in advancing the Lusaka peace process. Along with political will and adequate resources, timeliness and management quality will be critical to USAID's effectiveness.

As the deployment of UN peacekeepers unfolds June through August, pressure will mount for the USG and other donors to initiate programs that address immediate and medium-term requirements, as a means of buoying the confidence of the two parties and reinforcing compliance with the Lusaka Accords. USG presence and leadership in Angola will greatly influence the actions taken by other key donors. Realistically, donors and NGOs will only be able to put programs on the ground outside Luanda beginning in late 1995/early 1996, following the full deployment of UNAVEM peacekeepers. But meeting that schedule requires immediate initial resource commitments.

(2) USAID's proposed strategy assumes a modestly optimistic scenario: that Angola has entered a phase in which implementation of the Lusaka Protocol will genuinely advance, however slowly and unevenly.

Several recent developments, accelerating in April, suggest that the Government and UNITA have crossed important political and psychological thresholds. Evidence includes the near-final agreement on the size and nature of the national army; a sharp decrease in the reported violations of the ceasefire; Savimbi's April 7 speech to the Joint Commission in Bailundo, strongly committing UNITA to compliance with the terms of the Lusaka Protocol; restraint by the GRA in not carrying through with threatened military action against UNITA strongholds; early UNITA/Government collaboration in de-mining priority roads; virtually comprehensive deployment of UN military monitors to sensitive GRA and UNITA sites; and the arrival of the UK logistics battalion to prepare the way for UNAVEM III peacekeeping troops.

The May 6 Lusaka meeting of President Dos Santos and UNITA President Savimbi added new momentum to the Lusaka Process. In subsequent high level GRA-UNITA sessions in Luanda and Bailundo during May and June, discussions advanced on the core outstanding issues of Savimbi's future political role, Phase II of the disengagement of forces, and future legislative and national elections.

Following the Secretary General's May 8 report to the Security Council and the conclusion of a UN-GRA status of forces agreement, the UN in early June began in earnest the deployment of the 7,600 peacekeepers authorized by the Security Council.

(3) Realistically, as the Lusaka Process proceeds it will still be prone to delays, unforeseen and often violent disruptions, and periods of considerable confusion and insecurity. USAID will need to create a capacity to cope effectively with these developments.

The Lusaka Process requires the two sides to embrace many unknowns, against the backdrop of ethnic massacres and perceived betrayals that undermined the previous Bicesse accord. Each side has to grapple with its own internal divisions which, if not somehow reconciled, could trigger destabilizing military actions and sap the political will necessary to move the peace process forward.

Each has to cope with an array of additional challenges: sizeable, opposing armed forces, often in close proximity to one another; resilient popular skepticism; previously demobilized soldiers whose anticipated entitlements and reintegration plans were interrupted by the return to war; a pervasive availability of weapons; wasted infrastructure; a massive land mine inheritance; and the daunting task of introducing structural economic reforms while simultaneously implementing a complex peace accord.

Inevitably, schedules for the different phases of the Lusaka Protocol will slip, requiring a regular, rolling revision of expectations. Even under the rosier of scenarios, risk and instability will coexist ambiguously with progress over the coming eighteen months. Serious security concerns will persist for an indefinite period.

Hence a constant challenge for USAID and other donors will be interpreting individual setbacks against the broader context of events. To some degree, the fairly detailed benchmarks set forth in the Lusaka Protocol -- after adjustments -- will be helpful in estimating the pace of progress. Nonetheless, donors will need to add their own active analysis of Angola's complex, evolving situation. It will be especially important that donors quickly build knowledge of political, security and economic conditions outside Luanda, particularly in the UNITA redoubts which, until very recently, have been largely inaccessible. It will be equally essential that they closely track the Lusaka Protocol as events unfold, ad hoc, on the ground. As regards long-term macroeconomic reform, progress will need to be closely monitored against evolving IMF and World Bank negotiations with the Government of Angola.

For the USG, this essential analytic capacity will rest on a team comprised of the senior USAID officer, Embassy political/economics officers, and OTI's interim office in Luanda.

(4) Immediate and mid-term benchmarks to the peace process do provide donors with useful guidance as to how the future may unfold.

Presently, pressure is upon the GRA and UNITA to finalize agreement on the size and composition of the national army, complete the establishment of an effective UN verification mechanism, and contribute personnel and funds towards repair of roads and bridges and removal of land mines. Triangular communications (GRA, UNITA, UNAVEM) need to be completed, while the GRA and UNITA must each complete the disclosure of key military data to the UN.

Further, negotiations will continue aimed at strengthening communications between President Dos Santos and Savimbi, holding follow-on meetings between the two leaders, possibly in Luanda, and resolving lingering ambiguities such as Savimbi's political status and the schedule and nature of future elections.

The Lusaka Protocol spells out the successive steps of the accord that are to unfold in the coming months: Phase II of the disengagement of forces; collaboration in de-mining; the Joint Commission's investigation and handling of disputes; establishment of the quartering areas and UNITA's eventual entry into them; formation of a unified command and national army; and reentry into civil society of demobilized ex-combatants.

As the initial phase of de-militarization is completed late in 1995, an ambitious process of civil reconciliation will begin, stretching across 1996. The Protocol lays out extensive details. Yet actual implementation in several key areas is expected to require further negotiation and considerable care to avoid protracted delays or heightened tension and conflict.

A major test will come with the resumption of GRA administrative control over UNITA-controlled areas, especially in the northeast diamond fields and other areas that generate independent income for UNITA. Also potentially problematic will be the integration of UNITA into numerous government posts at all levels across Angola. This unprecedented process could involve hundreds of mini-accommodations and will require considerable good will and flexibility. Similar challenges will exist in integrating UNITA doctors, nurses and teachers into the Angolan civil service.

(5) As it initiates programs in support of the Lusaka Protocol, USAID will need to address several other major challenges:

- (i) the absence of an in-country USAID mission, the wholesale turnover of US Embassy staff in mid-1995, and the acute shortage of embassy office space;
- (ii) the limited universe of American and other international NGOs, generally overextended in meeting ongoing emergency requirements;
- (iii) UNITA's weak, uneven relations with donors, the UN and NGOs;
- (iv) a changeover in the leadership of UCAH, combined with the establishment of new UNAVEM leadership and structures that will predominate within the UN for at least the next eighteen months;
- (v) a weakly organized donor community within Luanda;
- (vi) the formidable uncertainties surrounding the USG foreign assistance budget.

II. An integrated USAID strategy

(1) The time frame for USAID reengagement in Angola:

USAID gives immediate priority to concrete planning for an eighteen month time-frame that stretches from July 1995 until the planned expiration of UNAVEM III's mandate in February, 1997. Beyond that, USAID foresees a five year transitional engagement in assisting Angola's recovery, focused upon creating effective models for donor action in priority areas.

Because of the importance of harvest cycles to humanitarian need, Food For Peace's strategy will use the May, 1997 harvest as a proposed endpoint in its planning.

Inevitably, commitments made for FY95-96 will raise expectations for successive years. It is proposed that USAID complete a review of its longer term strategy for Angola by May 1996. For planning purposes, it is assumed that USAID's transitional program for FY1997-FY2000 will be approximately \$7.5 million per annum.

USG resources are expected to be increasingly scarce, while Angola has exceptional means to develop on its own once the terms of the Lusaka Protocol are implemented: over \$3 billion in annual oil earnings, together with the potential for another \$500 million in diamond revenues. Hence USAID-financed Angola activities will be a five year transitional program, and not amount to a long term commitment to sustainable development.

Accordingly, in each of its priority areas USAID programs will give great emphasis to creating models for action that set important examples to Angolans, NGOs and other donors, demonstrate effective results, and build knowledge. That will be the guiding aim of USAID engagement in: agricultural and health infrastructure rehabilitation; reconciliation and other democracy/governance activities; demobilization/reintegration activities; de-mining programs; and support of macro-economic reform.

(2) USAID management:

Strong in-country coordination of USAID's evolving program in Angola will be essential. USAID's decision-making will require considerable flexibility and input from constant monitoring, owing to the fluidity of Angola's circumstances. Adequate management capacity in Washington will also be essential.

During the initial eighteen month period, an array of USAID programs will co-exist in Angola: emergency humanitarian relief; aid to the settlement of returnees; other transitional activities that address Angola's massive mine inheritance; and longer-term transitional programs that promote national reconciliation and democratization, recovery of agricultural production, reconstruction of community infrastructure, and macroeconomic reform. As recovery advances, the role of multilateral institutions, potentially supported by USAID, will expand significantly.

The challenge to USAID management will be in constantly adjusting the relative balance and priority among the different elements of its programs. An important goal will be to phase out both emergency humanitarian and OTI programs in 18-24 months, while simultaneously shifting to follow-on programs for the balance of the five year transition. In this latter phase, a critical challenge will be addressing Angola's long-term development needs: building capacity within Angolan institutions to absorb and make good use of multilateral resources and, as well, Angolan resources which presumably will no longer be required to finance military structures.

At the same time, however, USAID must consciously preserve the option of sustaining or reintroducing humanitarian and certain OTI programs, if required.

USAID management in Angola:

(i) It is recommended that a USDH Representative be in place in Luanda as soon as possible, to ensure effective authority, leadership and coordination of programs. His/her presence would not constitute a USAID mission; the Representative would function within the country team as the head of the USAID Office, be responsible for oversight of all USAID programmed funds in Angola, including management of contract personnel working for OFDA, OTI and the Global Bureau.

AFR/AM has allocated one USDH and one PSC to Angola for FY 96 and FY 97. AFR has proposed that AM be given the go-ahead to begin recruiting a seasoned, Portuguese-speaking USDH to fill the position of "Angola Program Officer" so that placement can occur as soon as possible in FY 96. In the meantime, FY 95-funded activities would be managed through OFDA and the G Bureau (Displaced Children and Orphans and War Victims Funds) while AFR prepares for increased managerial oversight in FY 96 and beyond. AFR would assume overall management responsibility for the Angola portfolio as soon as a USDH is placed.

As OFDA and FFP activities phase out and as OTI's initiatives and office infrastructure pull out of Luanda (scheduled for July 1996), greater managerial support will be required and a PSC should be hired. AFR proposes mid-FY 96 as a likely start date for this staffperson.

(ii) Through Creative Associates International, OTI intends to establish an Interim Office in Luanda for the initial period September 1, 1995 - September 1, 1996. The Office will perform three major functions:

Quick Impact Community Revitalization Projects, in infrastructure improvement, agricultural production, water and sanitation; concentrated in a Planalto province of high importance to reconciliation between the GRA and UNITA.

A Documentation/Analysis unit: to monitor, map and analyze progress in select geographic zones where BHR and AFR Bureaus' program interests are to be increasingly concentrated. The substantive focus will include Quartering Areas (including status of UNITA dependents in the vicinity of the QAs); UNAVEM presence and progress; NGO and UN demobilization and reintegration programming; evolving security and human rights conditions; NGO and UN progress in mine surveys, clearance programs, and mine awareness activities; and restoration of local health infrastructure, rural production and community governing structures. Special care will be taken to ensure there is no overlap with the reporting duties of Embassy staff.

A Technical Assistance unit: to support the technical assistance needs of the UN's humanitarian coordination unit (UCAH) and its Central Mine Action Office (CMAO); and to provide field support to USAID survey and other missions. Support to USAID will include logistical coordination for visiting field survey missions (transport, communications, accommodations, appointments) and identification and recruitment of technical experts.

The Office will have two international staff: a Director, and a Deputy Director responsible for logistics and administration, and support staff. The three units will each have an Angolan manager. The Office's director will report to the US Embassy/Luanda through the senior USAID officer in Angola (AFR) and to USAID/Washington through OTI/Washington. The Office will also operate one small regional office.

By April 1, 1996, OTI should have arrived at recommendations, formulated in collaboration with the US Embassy/Luanda and AFR/Washington, as to whether the Office should be extended and otherwise modified beyond August 1, 1996.

(iii) BHR/OFDA already has in place in Luanda a full-time Emergency Disaster Response Coordinator (EDRC) charged with monitoring the OFDA and FFP's Angola portfolio. BHR/OFDA is in the process of hiring an Assistant EDRC who should arrive in Angola in August.

USAID management in Washington:

(i) In USAID/W, OTI and AFR/SA will co-chair the Angola Inter-Agency Working Group, the key forum for coordination of USAID activities, liaison with State and DOD, and discussion of evolving programs. In late 1996/early 1997, as OTI's Interim Office phases out and AFR's management of its program becomes less reliant on BHR personnel, AFR/SA will become the sole chair of the Working Group.

A Presidential Management Intern, expected to join AFR/SA in September/October for a two year period, will assume a major role in providing desk support for USAID activities in Angola, under the supervision of a USDH.

(ii) OTI intends to hire a PSC by September 1, on a one year contract, to manage its growing Angola portfolio.

(3) Humanitarian goals during the transition:

The USG's existing assistance foundation in Angola -- the emergency humanitarian programs undertaken through the Office of Foreign Disaster Assistance (OFDA) and the Office of Food For Peace (FFP) -- are expected to evolve over the next eighteen months

in the following ways:

(i) primary objectives will include upgrading the accountability of emergency programs, reducing Angola's humanitarian dependency, and redirecting USG humanitarian resources increasingly towards transitional purposes that set the stage for eventual sustainable development. An ultimate target is to end USG emergency humanitarian programming by the May, 1997 harvest. These goals and time frames are consistent with the approach now advocated for Angola by UN agencies.

(ii) At the same time, FFP and OFDA share the realization that as the Lusaka Protocol comes into force, humanitarian demands may rise temporarily. Expanded access into previously inaccessible areas could reveal new pockets of malnutrition and prompt NGOs to expand their distribution networks. Ex-combatants and increased movement by displaced and others could swell the numbers of persons requiring short-term emergency assistance.

(iii) Concurrently, a chief FFP goal will be to reduce general distributions while gradually introducing resettlement packages and food-for-work schemes that facilitate reintegration of returnees to home areas (displaced, refugees, ex-combatants), the rehabilitation of infrastructure and sustainable food security. FFP may include demobilized soldiers among its beneficiaries.

(iv) FFP and OFDA emergency assistance will continue to be concentrated in Benguela, Huambo, Bie, Malange, Kwanza Norte, Kwanza Sul, Lunda Sul, Bengo, and Moxico provinces. Later in 1995, and into 1996, as demining proceeds, UNAVEM peacekeepers are deployed, and NGO and UN programs expand, a large proportion of returnees are expected to migrate into the core Planalto provinces of Bie, Huambo, Malange and Uije.

Due to slightly more favorable security conditions, the southern provinces of Namibe, Huila, Cunene, and Cuando Cubango are expected to be the first to begin the changeover from general distribution to food-for-work activities.

(v) As it reorients its programs towards resettlement packages and food-for-work, FFP commitments in Angola through the end of 1996 may remain at roughly current levels (71,000 MT in FY1995, at a value of \$41 million). Should higher demands materialize, FFP commitments could grow accordingly. So too, if demand slackens, as pressure on the Title II budget mounts, commitments could easily phase down: to approximately 50,000 MT in FY1996 (approximate value \$30 million), followed by 35,000 MT in FY1997 (approximate value \$20 million). FFP's ultimate goal is to phase out emergency distributions entirely as of the May 1997 harvest, contingent on a normal harvest.

(vi) Similarly, OFDA grant levels, up to \$25 million in FY95, are likely in FY96 to remain at that level, and possibly even increase temporarily. OFDA's goal, however, will be to phase out its grantmaking activities in Angola by the conclusion of UNAVEM III, contingent on an assessment of emergency health conditions conducted in late 1996.

BHR/OFDA will continue to respond to the immediate needs of "at risk" populations in Angola. As new areas become accessible and secure (especially in UNITA-held territory), BHR/OFDA will encourage PVOs/NGOs to respond quickly to emerging needs in health, water/sanitation, shelter, food, livestock, and infrastructure. BHR/OFDA will encourage PVOs/NGOs to include demobilized soldiers and their families in relief activities for which they qualify as targeted beneficiaries.

(4) Other core goals to consolidate the transition:

Beginning in the final quarter of FY95, it is proposed that USAID introduce three new priority actions:

(i) BHR/OTI will jump-start land mine programs, in collaboration with DOD.

This is prompted by an awareness that land mines pose a profound impediment -- to the deployment of peacekeepers, the restoration of commercial traffic and agricultural production, the cost-effective distribution of humanitarian assistance, and the return of displaced persons. It is also prompted by the realization that it is possible for NGO and UN-led demining efforts to make significant progress, even in the face of slow or uneven progress in the implementation of the Lusaka Protocol.

Based upon a DOD/State/USAID June mission to Angola, OTI is proceeding with plans to disburse approximately \$3.5 million in one year seed grants divided among 3 American NGOs poised to initiate mine action programs and a European de-mining NGO affiliated to CMAO. A tentative agreement exists for DOD to transfer \$3.5 million to OTI, matching funds which will bring the total in FY95 resources committed to de-mining NGOs to \$7 million.

OTI's Interim Office will also have a fund of \$150,000 dedicated to providing technical assistance to the UN's Central Mine Action Office.

OTI strongly prefers that its mine initiatives be limited to the first year. Aware of the possibility that DOD resources may be delayed or may not follow at all, OTI remains open to considering funding a second year of mine-related activities. OTI does not see being active in this sphere beyond twenty-four months.

AFR and BHR/OTI will promote the rehabilitation of rural communities, in combination with the assistance to resettlement and rehabilitation provided by BHR/FFP and BHR/OFDA.

Priority will be given to two geographic regions:

- (i) recovery of communities in the core Planalto provinces that were severely damaged by the civil conflict, specifically, Uije, Malange, Bie and Huambo. These are provinces of high agricultural potential and divided political loyalties that experienced significant war-related devastation, and which have also been inaccessible for extended periods during the civil war;
- (ii) recovery of those provincial centers in Bengo, Moxico, Kwanza Sul and Benguela, to which displaced served by US-based NGOs have returned home.

The proposed program will have three components:

- (i) \$4 million for agriculture and health infrastructure rehabilitation (Africa Bureau DFA resources programmed through OFDA, under OFDA's borrowing authority);
- (ii) \$2 million for the Displaced Children and Orphans Fund (Africa Bureau through the Global Bureau);
- (iii) \$1 million for quick impact recovery projects in one focus Planalto provinces, beginning in the last quarter of 1995 (BHR/OTI, through Creative Associates International).

A request for \$500,000 for prosthetics/orthotics assistance may also be forthcoming. Discussions are underway with interested NGOs.

AFR and BHR/OTI will lay the groundwork of a democracy/governance program.

- (i) In FY95, there is the possibility of up to \$2.5 million in Africa Bureau funding going towards democracy/governance activities, if acceptable NGO proposals are submitted and approved and if funding sources can be identified. There is also the possibility of making use of some AREAF resources for assessment work by partner NGOs.

The purpose would be the promotion of ethnic reconciliation and restoration/installation of local governance, concentrated in provincial centers and other municipalities where GRA-UNITA tensions are acute and the risk of resurgent civil conflict correspondingly high (Huambo, Cuito, Malange, Benguela/Lobito, Uije).

The focus of NGO programs in these locations should be promotion of respect for human rights, improved civil-military relations, support of the entry by civilian UNITA officials into authority structures as outlined in the Lusaka Protocol, and the general revitalization of local governing structures. Each of these facets of post-war democratic development will be critical to bringing UNITA back into Angolan civil society and consolidating the peace process.

(ii) In FY95, BHR/OTI anticipates giving a \$.5 million grant to the Voice of America's Portuguese-to-Africa Service to strengthen coverage of events in both government and UNITA areas, and to develop conflict resolution and reconciliation programs for placement on VOA direct broadcasts and on Angolan national and private radio stations. Through the extensive use of roundtables and interviews, the Service intends to provide a forum for Angolans of diverse backgrounds, including religious figures, human rights activists, educators and representatives of civic associations, to engage in public debate and discussion. The period of the project is August 1995 through mid-1997. It will also include training for Angolan journalists.

(iii) In FY96, OTI also remains open to complementing AFR's democracy/governance work, particularly in support of implementation of the political/institutional agreements contained within the Lusaka Protocol. No precise funding levels have been set, awaiting a planning mission tentatively scheduled for late September.

(5) In FYs 96-2000, AFR foresees a diversified program totalling approximately \$7.5 millica per year:

While \$10 million in ESF are currently programmed for Angola in FY 96, the availability of such resources cannot be confirmed at this point. Up to \$7.5 million in DFA per year are requested to support activities in D/G, agriculture and health infrastructure rehabilitation, and a possible economic structural adjustment program.

Anticipated status, end of 1996

Owing to Angola's multiple uncertainties, it is not possible to predict very reliably where Angola and USAID will be at the close of 1996. Hence the advisability of preparing for several possible scenarios and ensuring that USAID has sufficient flexibility to adjust its various programs as circumstances require. In essence, that flexibility will rest on a commitment on the part of OFDA, FFP and OTI to extend their programs, if warranted, and to evaluate regularly the respective spheres that concern them: e.g. health conditions, yearly harvests, and progress in implementation of the Lusaka Protocol, with special interest in demobilization, de-mining, and national reconciliation.

Under the most optimistic scenario, USAID's emergency humanitarian commitments will have ended by late 1996. Transitional programs undertaken by FFP, OFDA and OTI will either be phasing down, in anticipation of a final exit by mid-1997, or have already ended. Transitional development activities will have become the predominant component of the Agency's work. Based on a mid-1996 review of USAID's plans for FY97, the Agency will have reached some decisions regarding its 1997-2000 goals in Angola. Part of that could involve plans for the development of a CPSP during 1997.

ANNEX ONE. BHR/OFDA

OFDA's entry into Angola

OFDA has a long history of responding to disasters in Angola, beginning in 1988 with the deployment of a joint USG/PVO assessment team. Assigned to investigate the relief needs of those affected by drought and civil strife, the team initially focused on GRA-controlled areas. Upon its return, OFDA began funding ICRC airlifts of medical supplies, seeds, and tools to displaced camps in the Planalto region. In 1989, OFDA deployed a second joint USG/PVO assessment to Angola, focused on UNITA-held areas in the southeast. Later that year, OFDA began a cross-line emergency relief operation by funding five U.S. PVOs (CRS, ADRA, Africare, IMC and NCNW) and three UN agencies (UNDP, UNICEF and WFP) in both MPLA and UNITA-controlled areas.

Presently, OFDA's relief efforts include support of seven U.S. PVOs (Africare, CARE, CCF, CRS, IMC, SCF and WVRD), two international NGOs (AICF and MSF/F), three UN Agencies (UNDHA/UCAH, UNICEF and WFP) and one international organization (ICRC).

For the past year, OFDA has contracted a full-time Emergency Disaster Response Coordinator (EDRC) in Luanda to monitor OFDA and FFP's portfolios. That person has committed through the end of 1995. Should he notify OFDA at the beginning of the last quarter of 1995 that he does not intend to extend his contract, OFDA will need to move rapidly to recruit a competent, senior Coordinator as a successor.

In response to the growing workload, OFDA expects to have an Assistant EDRC in place in Angola by August, on a one year contract. That second person will be charged chiefly with traveling across Angola to monitor humanitarian conditions.

I. OFDA Funding for Angola

Since 1989, OFDA's funding levels have steadily increased. As of 1989-1990, OFDA spent roughly \$4.5 million annually on Angola-related activities. With the advent of the Bicesse Accord 1991-1992, followed by its sudden breakdown and the turn to an expansive, intensified war, OFDA's budget nearly tripled to approximately \$13 million annually. Over the past two years, the OFDA budget has risen to approximately \$20 million annually. Cumulatively since 1989, OFDA has spent a total of \$82.7 million on emergency relief activities in Angola.

II. Future BHR/OFDA Involvement in Angola

Recent political changes in Angola have prompted OFDA to develop a strategy intended to facilitate Angola's transition from war to sustainable development.

A. If the Lusaka Protocol is steadily implemented:

Over the next eighteen months, OFDA anticipates that OTI, Africa and Global bureaus will become increasingly active in Angola at the same time that OFDA gradually phases down its activities. Quite possibly also in this period, emergency humanitarian needs may increase temporarily, in response to the opening of new, previously inaccessible areas and the increased movement of displaced, refugees and recently de-mobilized ex-combatants. Should that occur, OFDA will respond by increasing its grant-making activities over the short-term. At what level, precisely, will depend on demonstrated need and the availability of resources.

The following three phases are illustrative of how OFDA would expect to respond, as a relatively optimal scenario unfolds over the next eighteen months:

Short-Term Response (months 1 - 6): In this period, OFDA will continue to respond to the immediate needs of "at risk" populations. As new areas become accessible and secure (especially in UNITA-held territories), OFDA will encourage PVOs/NGOs to respond quickly to emerging needs. OFDA will also encourage PVOs/NGOs to include demobilized soldiers and their families in relief activities for which they qualify as targeted beneficiaries.

Medium Term Response (months 7 - 12): As the peace process advances, donor interest is expected to shift from emergency response to rehabilitation, reconstruction and national reconciliation. During this period, OFDA will reassess its portfolio with a view towards "bridging" from relief to rehabilitation. OFDA will closely consult with the Africa bureau and OTI in an attempt to contribute towards a consolidated response to a rapidly changing environment.

Long Term Response (months 13 - 18): If long-term peace is ultimately achieved, it is expected that the situation in much of Angola will progress beyond the emergency stage. However, the fragile nature of post-war Angola will continue to require a carefully coordinated approach that preserves OFDA's flexibility to respond quickly to resurgent needs. During this period, BHR/OFDA, in consultation with AFR and OTI, will continue to provide "bridging" support as other Agency programs gain momentum.

Contingent on a health assessment planned for late 1996, OFDA's aim is to have ended its emergency activities by January, 1997.

B. Continuation of the status quo:

Should the Lusaka process become stalled, OFDA will continue to respond to emergency needs on an as-needed basis. However, BHR/OFDA will scrutinize ongoing and future activities with a view toward reducing food dependency and encouraging self-sufficiency.

C. A return to war:

If Angola returns to war, OFDA and FFP will likely be the only USAID participants in Angola. With limited guarantees of security from the two warring parties, the distribution of humanitarian assistance would likely again be largely confined to air deliveries.

III. Priority BHR/OFDA Interventions

A recent OFDA document entitled "DRD Guiding Principles" prioritizes relief interventions in accordance with OFDA's mandate to save lives and relieve human suffering. To date, most OFDA interventions in Angola have been food distributions, health activities and the distribution of agricultural inputs. However, the following is a sampling of priority activities which OFDA will consider for future funding in Angola. All funding requests will be judged by the degree to which they provide life-sustaining emergency assistance, minimize risk to vulnerable populations and encourage the return to "normalcy." Highest priority will be placed on meeting the needs of children, women of childbearing age, and other vulnerables including the elderly.

A. Health:

- Emergency measles vaccination, first year EPI and cold chain
- Emergency feeding (therapeutic and supplementary)
- Provision of essential medicines and medical supplies
- TBA training programs where on-going health programs exist

B. Water/Sanitation:

- Provision of potable water through short-term emergency water operations
- Emergency rehabilitation of existing water systems
- Activities designed to minimize water borne diseases and other sanitation problems in controlled environments

C. Shelter:

- Provision of emergency cover from natural elements
- Provision of other non-food supplies
- Distribution of materials for quick repair of existing shelters

D. Food/Agriculture/Livestock/Infrastructure:

- General free food distribution to benefit a defined "at risk" population
- Targeted food distribution designed to benefit the most vulnerable

- Supplementary/therapeutic feeding for children under five and pregnant/lactating mothers
- Emergency airlift of food and non-food relief supplies
- Distribution of agricultural inputs

IV. Demobilization/Reintegration:

OFDA normally does not fund purely demobilization/ reintegration activities. Nonetheless, OFDA recognizes that efforts in these areas will be critical to maintaining peace in post-war Angola. Although OFDA will continue to depend on other offices to fund activities specifically designed to demobilize soldiers and/or benefit demobilized soldiers, when appropriate, BHR/OFDA will integrate demobilized soldiers and/or their families into BHR/OFDA-funded relief activities for which they otherwise qualify as targeted recipients.

SECTION TWO. BHR/FFP

I. Food For Peace levels for Angola:

FY1991:	27,000MT	approximate value:	\$15.1 million
FY1992:	31,900MT		\$17.0 million
FY1993:	19,300MT		\$13.1 million
FY1994:	71,100MT		\$45.2 million

The World Food Program/UNICEF/UNHCR Food Supply Assessment of December 1994 estimated Angola's total emergency food requirements for calendar year 1995 at 128,000 metric tons. In FY95, Food for Peace (FFP) will contribute a total of 76,100 metric tons of PL 480 Title II commodities, at a value of over \$41 million.

II. FFP fully supports transitional activities in Angola which focus upon linking relief and development. Activities such as food-for-work which provide immediate relief while addressing the transitional phase to development will be a priority. Investing in transitional activities which directly benefit sustainable agriculture and local capacity building will assist in avoiding massive outlays of emergency food aid over the longer term.

In following this strategy from emergency through rehabilitation to development, FFP activities will emphasize the following:

- FFP will provide support for the emergency food programs in Angola which benefit the war-affected, internally displaced, returning refugees and vulnerable groups. FFP assistance to the war-affected may include demobilized soldiers and those war-affected resettling to begin the transition to rural agricultural activities.
- FFP will continue to utilize the World Food Program and private voluntary organizations as the implementing partners for distribution of emergency food commodities to Angolan beneficiaries.

As the internally displaced and refugees return to their homes of origin within Angola, the PVO programs supported by FFP will convert general distribution programs to address resettlement needs and short-term rehabilitation programs necessary for ensuring food security.

Resettlement needs will be addressed by provision of food commodities within resettlement packages along with seeds, tools, and household items. Resettlement will also be supported by emergency food distributions which will follow the resettled persons back to their villages with distributions carried out locally.

As resettlement continues, food assistance programs will transition to food for work programs focusing upon rehabilitation and reconstruction of local infrastructure thereby enhancing local capacity and providing sustainability and food security.

-- Food-for-work programs will be structured to complement agricultural activities with programs ceasing during planting and harvesting. Food-for-work programs will be maintained through two full long planting seasons from time of resettlement to ensure household food security as developmental programs take hold.

Urban and peri-urban war-affected populations residing in and around the townships will also be encouraged to pursue agricultural as well as economic development activities. These general distribution programs may also convert to food-for-work and cash for work programs focusing on rehabilitation and reconstruction of local infrastructure which will assist in jump-starting economic activities within the urban and peri-urban areas.

III. Areas of Focus

Most affected areas of Benguela, Huambo, Bie, Malange, Kwanza Norte, Kwanza Sul, Lunda Sul, Bengo, and Moxico will continue to be focal areas for FFP emergency assistance. As areas are demined and resettlement becomes viable, food-for-work and agricultural activities will be encouraged along with phasing out of general food distributions.

The southern region of Angola encompassing the provinces of Namibe, Huila, Cunene, and Cuando Cubango will be the first to begin the change over from general distribution to food for work activities. Displaced populations residing in the southern regions will be encouraged as soon as viable to return to their provinces of origin with resettlement packages to begin agricultural activities and food for work programs. General distribution programs for urban dwellers affected by war will also be converted to food for work activities in these provinces.

ANNEX THREE. BHR/OTI

I. An OTI Interim Office

Through a contractor, OTI intends to establish an Interim Office in Luanda, for an eighteen month period beginning July 1, 1995, at an estimated cost of \$2.5 million.

The Office will have three major functions:

A. A Documentation/Analysis unit: to monitor, map and analyze progress in key areas related to BHR and AFR Bureaus' program interests. Specific activities will include:

Report on key facets in the implementation of the Lusaka Protocol, with special emphases on demobilization/reintegration of former combatants, mine action, and restabilization of conflicted rural communities. Geographically, the principal focus should be the core Planalto provinces of Bie, Huambo, Uije and Malange.

Topics to be covered include: Quartering Areas (including status of UNITA dependents in the vicinity of the QAs); UNAVEM presence and progress; NGO and UN demobilization and reintegration programming; evolving security and human rights conditions; NGO and UN progress in mine surveys, clearance programs, and mine awareness activities; and restoration of local health infrastructure, rural production and community governing structures.

The unit will manage a computerized information system, and will produce and translate into Portuguese regular reports on the current situation and progress to-date in the implementation of the Lusaka Protocol. The reports will be shared with the US Embassy, other donors, NGOs, the UN, and bureaus at USAID and the State Department.

B. A Technical Assistance unit: to support the technical assistance needs of the UN's humanitarian coordination unit (UCAH) and its Central Mine Action Office (CMAO); and to provide field support to USAID survey and other missions.

Support to the UN will include:

Conduct seminars and workshops on demobilization and reintegration, involving NGOs, donors, and authorities from the GRA and UNITA.

Provide to UCAH, upon its request, comparative country experiences in demobilization/reintegration that can inform and enhance UCAH's evolving strategy in these areas.

Design social promotion programs for the Quartering Areas.

Recruit and field short term TA consultants for UCAH and CMAO, including development of scopes of work and qualifications of consultants.

Support to USAID will include:

Logistical coordination for visiting field survey missions (transport, communications, accommodations, appointments).

Identification and recruitment of technical experts.

C. A Quick Impact Community Revitalization Projects Unit:

Operating in one target province, the Office will initiate quick impact projects in infrastructure improvement, agricultural production, water and sanitation. Other sectors may be added, following an initial assessment. Projects will be strongly oriented to facilitating the return of displaced, ex-combatants and refugees. These projects are intended as pilots, to enlarge access to, and knowledge of the core Planalto provinces, and to assess the feasibility of an expanded future USAID program in support of community revitalization in the Planalto.

Implementation issues

The Office's director will report to the US Embassy/Luanda through the senior USAID officer in Angola (AFR) and to USAID/Washington through OTI/Washington.

With USAID prior authorization, it is expected that the contractor will initiate formation of the Office in July. July 15 is the target for finalization of USAID's agreement with the contractor. By August 15, an Office Director and/or Deputy Director should be hired and office space leased. By early September, the Office should begin functioning.

By April 1, 1996, OTI should have arrive at recommendations, formulated in collaboration with the US Embassy/Luanda and AFR/Washington, as to whether the Office should be extended and otherwise modified beyond July 1, 1996.

The Interim Office will employ two international staff, a Country Director, and a Deputy Director responsible for logistics and administration. The three units will each have an Angolan manager. Angolan support staff in Luanda will number approximately 12 and include administrative assistants, receptionists, computer programmers, documentalists, accountant, procurement officer, drivers, mechanics, warehousing assistant, guards, and cleaning crews.

In addition to headquarters staff in Luanda, the Office will operate two small regional offices in the zones selected for quick impact community revitalization projects. Field Coordinators will be responsible for operation of the two field offices. Regional offices will include field coordinators, technicians, community extensionists, drivers, mechanics, procurement assistants, administrative assistants, and handymen. Total staff per field office will be approximately 12-13.

The contractor's US home office will include a project director, deputy, backstopping staff, and report writer/producer.

II. Jump-starting land mine programs.

This is prompted by an awareness that land mines pose a profound impediment -- to the deployment of peacekeepers, the restoration of commercial traffic and agricultural production, the cost-effective distribution of humanitarian assistance, and the return of displaced persons. It is also prompted by the fact that it is possible for NGO and UN-led demining efforts to make significant progress, even in the face of slow or uneven progress in the implementation of the Lusaka Protocol.

Following a June DOD/State/USAID mission to Angola, OTI began in June cutting \$3.5 million in one year seed grants divided among three American NGOs poised to initiate mine action programs and one European de-mining NGO(s) affiliated to CMAO.

OTI's Interim Office will also have a fund of \$150,000 dedicated to providing technical assistance to the UN's Central Mine Action Office.

III. Support to Voice of America

In FY95, BHR/OTI anticipates giving a \$.5 million grant to the Voice of America's Portuguese-to-Africa Service to strengthen coverage of events in both government and UNITA areas, and to develop conflict resolution and reconciliation programs for placement on VOA direct broadcasts and on Angolan national and private radio stations. Through the extensive use of roundtables and interviews, the Service intends to provide a forum for Angolans of diverse backgrounds, including religious figures, human rights activists, educators and representatives of civic associations, to engage in public debate and discussion. The period of the project is July 1995 through mid-1997. Training of Angolan journalists is also envisioned.

Washington management: OTI intends to hire in July a PSC, on a one year contract, to manage its growing Angola portfolio.

SECTION FOUR: BUREAU FOR AFRICA

Five Year USAID Transitional Program in Angola

Resource Levels

FY 95:

\$6.0 million has already been allocated for two activities:

- (1) \$4 million for agriculture and health infrastructure rehabilitation, and
- (2) \$2 million for assistance to displaced children and orphans.

A possibility of up to \$2.5 million for democracy/governance activities exists if acceptable NGO proposals are submitted and approved and if funding sources can be identified. 517 funds are being considered.

The G Bureau may provide approximately \$500,000 for prosthetics/orthotics assistance; implementing NGO partners are being explored.

FYs 96-2000:

While \$10 million in ESF are currently programmed for Angola in FY 96, the availability of such resources cannot be confirmed at this point. Up to \$7.5 million in DFA per year are requested to support activities in D/G, agriculture and health infrastructure rehabilitation and, possibly, technical assistance for an economic structural adjustment program.

Implementation Mechanisms

FY 95:

Agricultural and health infrastructure rehabilitation and recovery would be implemented via a grant to a comprehensive unsolicited proposal from Save the Children (the Agricultural Area Clearance Project) that combines demining (OTI-funded) with continued emergency relief from OFDA and FFP and agriculture and health rehabilitation support from AFR. AFR plans to fund approximately \$4.0 million of Angola OYB for this proposal; it will initially be managed by AFR/SA. As soon as a USDH officer is in place in Angola, s/he will assume

full management responsibilities at post with support from AFR. OFDA, with one PSC in Angola currently, and a second to be hired in August, 1995, will provide invaluable field support and monitoring. To expedite this implementation, AFR will use OFDA's rapid response procurement mechanism and OFDA will "recover" the \$4 million through its borrowing authority.

Programming for displaced children will be handled through an OYB transfer to G Bureau's Displaced Children and Orphans Fund. As well, G/PHN will manage a proposed prosthetics assistance project (\$1.0-\$1.5 million) through the War Victims Fund. AFR will assume management responsibility as soon as the USDH is placed in the field.

AFR will work with the G Bureau and NGOs with a demonstrated capacity in democracy and government to lay the foundation for funding of specific D/G activities which could possibly begin as early as FY 95 if funds are available.

FYs 96-2000:

AFR/AM has allocated one USDH and one PSC to Angola for FY 96 and FY 97. As soon as the USDH officer arrives in Luanda, AFR will directly manage all AFR-financed activities while providing leadership and program guidance on all USAID activities in Angola. Presence on-site in Luanda is preferred in order to take advantage of U.S. Embassy resources and the opportunity to quickly establish and maintain contacts with the Government of Angola, NGOs, private sector, and other donors. An umbrella grant project may be developed as a funding mechanism for NGO partnerships.