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OFFICE OF TRANSITION INITIATIVES
BUREAU FOR HUMANITARIAN RESPONSE

RESULTS REVIEW

FY 1996

AND

RESOURCE REQUEST

FY 1999

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BHR/OTI

DRAFT

PART 1: OVERVIEW AND FACTORS AFFECTING PROGRAM PERFORMANCE

In 1994 USAID established the Office of Transition Initiatives (OTI) as a foreign policy tool to provide creative strategies yielding rapid and visible results in conflict-prone states where recently resolved conflicts could re-emerge in the absence of special assistance. The volatile nature of political crisis in conflict-prone states require fast, targeted responses designed to address both the fundamental needs of emergency rehabilitation and democratic development. Thus, transition initiatives bridge the gap between emergency relief to save lives and longer-term sustainable development.

The creation of OTI as a separate office within BHR reflects the USAID Administrator's desire to have a distinct operating unit that can carry out overtly political programs in crisis-prone countries and to provide the Agency with new approaches with which to respond to countries in transition. OTI's goal is to enhance development prospects in priority, conflict-prone countries. It seeks to empower the citizenry of a country, so that they can move towards democratic self rule. Post-conflict situations offer a special environment for political development. Crisis can create opportunities for reform, if change agents can be identified and supported. Short-term interventions can lay the foundation for what can be accomplished after the immediate crisis is resolved.

Over the last three years, OTI's experience has allowed it to develop an opportunistic, risk-taking, model for transition activities. This approach values the influence of early investments during critical moments that change the situation on the ground and positively affects people's attitudes. Activities are designed to directly advance high priority US strategic and economic interests, while empowering the citizenry of a country to move toward democratic self rule. Measuring the impact of these activities, however, has proven to be problematic.

OTI and Performance Measurement

Evaluation of the achievement of OTI's Strategic Objective requires a qualitative analysis that is difficult to capture in the Agency's current monitoring system. There are a number of factors that inhibit this kind of analysis in the monitoring system outlined in Automated Directive Series (ADS) Chapter 203 for sustainable development countries.

First, political transitions by their very nature defy easy measurement, especially challenging issues such as promoting expression of popular will, increasing the confidence of previously warring parties that they can live together peacefully, and reducing fear of intimidation. Second, the security environment in conflict-prone countries may be such that data cannot be accurately collected during the program implementation stage, or it may be collected unevenly across a country. Third, much of OTI's programs are evolutionary -- there are no beaten trails for OTI to follow in design, implementation, or in measuring its results. Fourth, in countries that are emerging from crisis, there is often a dearth of politically relevant baseline data -- making it difficult to establish data for specified indicators. Fifth, OTI programs are implemented in various

and very diverse countries further complicating data aggregation and presentation. Sixth, given OTI's short time frame for program implementation (target of two years or less), there may be little time to establish and collect political data before the program has ended. Indeed, the two year time frame also means that the impact of certain activities may not be manifested until a number of years after OTI's programs have ended.

OTI and the R4 Process

OTI's strategic plan was approved on January 1997, despite concerns about our ability to measure performance in the area of transition assistance using the strategic planning approach that USAID applies to development activities. OTI's plan emphasizes the experimental nature of attempts to apply a performance measurement framework to transition assistance, and attaches a concomitant need for flexibility and creativity in determining how best to measure impact. Indeed, this R4 is OTI's first attempt at measuring program performance, and performance measures and indicators are still being developed for each activity.

As OTI progressed through the R4 process, we found that some of the tentative measurements and indicators suggested in the Strategic Plan were impossible to execute. We even found that the language of our Strategic Objective and our Intermediate Results needed adjusting, in order to accommodate new experience and strategies for transition activities. Thus, even as our Strategic Plan was being approved, OTI's need for flexibility and our creative approaches to transitional situations resulted in the current refinement of OTI's measurements and indicators. This experience mirror that of the transitional literature -- it is evolutionary. Later in this fiscal year, OTI expects to take advantage of the BHR IQC performance measurement contract and further fine-tune and add both measurements and indicators.

PART II: PROGRESS TOWARD OBJECTIVES

1. Performance Analysis

Following USAID's new reengineering strategy, OTI is exploring ways to institute a results-oriented operations system. Because OTI's activities new and unique to the Agency, its methodologies for measuring and monitoring the impact of its interventions must also be novel and original. The R4 exercise provided OTI with the opportunity to refine and augment the results framework suggested in its 1997 Strategy, and the R4 process also exposed the many problems associated with measuring the impact of transitional initiatives.

Throughout its programs, OTI collects information from the field (from both USPSCs and implementing partners) on the status of program activities. These reports are often highly individualized, and have been found to be useful for a variety of purposes. For example, not only do these field reports monitor the status of small grants, but they have also provided quick assessments of the latest political developments in the field and the progress of peace and democracy. In some cases, the reports are received in Washington on a weekly basis. Other reports are accepted on monthly or quarterly intervals.

Additionally, OTI has funded two major external evaluations of its most mature program (Haiti) and an internal evaluation of its management practices. These evaluations have provided valuable information to this R4 process.

OTI does not yet require field representatives to collect and report on data and outputs as a component of the Results Framework. This is due, in large part, to the fact that OTI has not previously participated in the R4 process. Nevertheless, with this R4 OTI is reporting on targets, data, outputs, results, and measurements ... wherever possible. OTI found that in some cases the proposed indicators and measurements worked, others did not, and others need further development. It is expected that OTI will attempt to ground-truth suggested indicators, measurements, and targets during pilot testing of the Results Framework presented in this document.

By the start of FY 1998, OTI plans to continue to refine its performance measurement methodologies. Specifically, OTI will participate in the BHR plans to field test indicators and measurements for various offices within the Bureau (it is anticipated that two or three field trips will be conducted to OTI-active countries). Additionally, OTI expects to continue to meet with implementing partners and others to further augment and fine-tune its performance measurement processes.

OTI's 1996 Macro-level Accomplishments: Strategic Objective

OTI's Strategic Objective is to advance political transitions in priority, conflict-prone

countries. In 1996 OTI was fully engaged in Angola, Bosnia, Haiti, and Rwanda -- and had initiated activities in Liberia and Sierra Leone.

In **Angola**, in order to strengthen compliance with the November 1994 Lusaka Protocol, OTI has focused on activities that supported the peace process -- such as increasing freedom of movement, promoting and supporting community identified self-help activities, increasing the flow of alternative information, and assisting the reintegration of ex-combatants. OTI's Transition Program has advanced the political transition in Angola by:

- moving the peace process forward -- OTI was involved in designing and implementing key elements of the Lusaka Protocol focused on demobilization and reintegration of former combatants.
- enhancing citizen security -- large areas of the country (previously considered unsafe because of landmines) have been reopened to commerce, agriculture, and the return of refugees and displaced persons.
- promoting democratic political processes -- new opportunities have been generated to obtain clear statements from the Government of Angola concerning basic freedoms such as freedom of the press.

WINDOW OF OPPORTUNITY: In Angola OTI has supported both FM and AM information/news programming, including USIA/VOA broadcasts which are carried by a Lubango commercial FM station (Radio 2000). These FM programs are believed by many Angolans to be the most informative and unbiased source of information presently available in Angola. As of April 1997, both a local minister and the governor of Lubango have banned the OTI/VOA rebroadcasts of Radio 2000's Angola-produced programming. Most importantly, several Angolan stations, including Radio Ecclesia, and other media have been carrying news pieces on the prohibition. OTI believes that this is a potential opening for the national government to show that it can resolve problems created at the provincial level, and is one of the few opportunities in Angola to advance an important freedom -- a chance to define a fresh new Angolan policy of broadcast freedom.

In **Bosnia**, USAID's focus is to support and ensure implementation of the December 1995 Dayton Peace Agreement. OTI's programs are intended to be cutting-edge initiatives which test the viability of post-war transition concepts. Instantaneous application of lessons from initial programs are used to focus OTI's ongoing program

and facilitate expansion of larger and longer-term USAID initiatives. OTI's program concentrates on providing Bosnians with alternative information to reinforce peace and negate nationalist voices; to promote positive inter-ethnic relations; to expand basic freedoms; to encourage political participation; and empower citizens. OTI's Transition Program has advanced the political transition in Bosnia by:

- moving the peace process forward -- initially reinforcing the March 1994 Federation Accord through a small grants program, OTI then expanded its program with the signing of the Dayton Peace Accords.
- promoting democratic political processes -- over 271 Political Transition Grants valued at a total of \$2,877,218 have supported over 170 civic and media groups implementing practical initiatives that reduce community tensions, cultivate democracy, and promote basic political freedoms. The Freedom House reports positive increases in both political and civil liberties in 1996/1997.

SPREADING THE WORD: Regional Media programs have proven to be extremely important to national level reconciliation and peace-building in Bosnia because it is at the regional level that intolerance and nationalism are manifested. OTI's alternative media programs are directly challenging the mis- or dis-information that is being disseminated by nationalist parties throughout the country. For example, OTI funded the establishment of Nezavine Novine -- an independent daily newspaper in Banja Luka -- which brings objective and balanced information to the citizens of the area.

In Haiti, OTI's objectives were to support the post-conflict transition initiated by the return of President Aristide to Haiti in October 1994. Specifically, OTI focused on political development initiatives -- which emphasized the restoration of communal life and the fostering of democratic practices in areas outside of Port au Prince, and a national demobilization program -- which increased stability. OTI's Transition Program has advanced the political transition in Haiti by:

- enhancing citizen security -- through a successful effort to demilitarize Haiti, the OTI funded demobilization program probably helped protect US forces and contributed to the maintenance of a secure and stable environment. The two-year demobilization program contributed to the lessening of the threat that ex-members of the Armed Forces of Haiti (FAd'H) would destabilize the security, political, economic, and social transition in Haiti.

- promoting democratic political processes -- communal decision-making processes characterized by broad citizen participation and transparency of resource allocation have been learned. Thus, Freedom House reports positive increases in both political and civil liberties since OTI's programs began.

SHARING THE WEALTH: The impact of training on political development of local officials in Haiti was evident in phase two of the OTI-funded Communal Governance Program (CGP). Increased political sophistication of mayors and community leaders resulted in new initiatives to seek out funds from other donors. By the end of the CGP program, local officials were able to articulate the link between resource allocation and political development. In one case, through a proposal prepared by a mayor for the Japanese government, a grant to cap wells resulted in the first potable water for an entire community. However, at the end of the project a surplus of funding remained. Because of the visible, demonstrable, benefits of community decision-making, the commune's elected officials shared their remaining resources with a neighboring commune which was also in need of potable water. Such results can be directly attributed to OTI's programs.

In **Rwanda**, USAID's objective is to restore stability and security to a society that has experienced genocide. With the end of violence in July 1994, only the shell of a country remained -- everything was needed, few resources were available, and international assistance for governing was slow to arrive. The central political development needs of Rwanda are to deal with the genocide, to improve the sense of security in the countryside, and to expand the political marketplace. OTI's Transition Program was initiated early in process, and has advanced the political transition in Rwanda by:

- enhancing citizen security -- which has resulted in the initiation of restoration of public confidence in the justice system and the reestablishment of personal security.
- promoting democratic political processes -- because women comprise 70% of the post-genocide population in Rwanda, OTI focused on the role of women in that society. As a result of its Women in Transition project, the political role of women has been expanded through a partnership which addresses community's most practical needs through local women's groups.

JUSTICE ON TRACK: An OTI-funded conference on genocide, hosted by the President of Rwanda, resulted in draft legislation on the definition of genocide that was debated in the National assembly. Later, the legislature passed a genocide law. Thought by the USAID Mission to be the "greatest single contribution of AID in the justice sector," OTI's support to this conference demonstrated US concern for genocide and established USG leadership among other donors in the area of comprehensive genocide justice.

Evaluations

Evaluations provide critical feedback to OTI in order to improve performance and suggest new approaches to transitions. Indeed, OTI is and plans to use evaluations as tools to hone not only our indicators and measurements, but also to suggest new strategies throughout USAID. Because OTI is transcending traditional assistance mechanisms in transitional countries, its evaluation methodologies will also be unique -- and will be further developed throughout the next few years. So far, OTI has conducted three evaluations: two of programs; and one of OTI's management experience (to date).

(1) In 1996, OTI funded two evaluations of its Haiti transition program, each focusing on a different aspect of OTI's program.

Demobilization and Reintegration: The evaluation of the demobilization program found that OTI accomplished its primary goals by offering high-quality training opportunities to every demobilized soldier. This was accomplished through: a flexible program design which accommodated changing events; an appropriate stipend for the ex-fighters; good central coordination by the implementing organization; and the effective use of the implementing organization as a "cover" for a program with which the US government did not want to be closely associated. However, the program's unpopularity made it impossible to embed it in other aid programs in order to help promote reintegration.

However, the evaluation also found that despite several efforts, the implementing organization could not introduce civic education into the program (the ex-fighters continued to view themselves as "entitled" victims of an unjust dismissal), and there were no systematic attempts to promote the efforts of some schools to foster local reconciliation through community projects.

Communal Governance Program: This evaluation found that the Communal Governance Program (CGP) funded by OTI contributed to the democratization process by: quickly moving into a new political space and providing badly needed material

resources to enable local organizations to begin improving their communities. In other words, the CGP empowered local organizations to address development problems in very concrete, visible ways.

By addressing development problems at the community level, the CGP provided a means for Haitians to express themselves freely both with one another and with their local representatives. This resulted in local officials being more responsive to their constituencies in determining priorities and the allocation of program funds. CGP also served to facilitate the decentralization of government by working directly with local community groups (outside of Port au Prince) and locally elected officials. The evaluation concludes that the CGP initiated an important process to rebuild confidence in local government and lay the foundation for other democratization activities by USAID and other donors.

(2) Management Assessment: As OTI entered its third year of operations, it has tested several program approaches in various countries. In order to improve implementation effectiveness and refine the strategic design of future OTI programs, an in-depth internal analysis was conducted in 1997. This analysis scrutinizes the qualitative and quantitative aspects of each of the country programs through the end of FY 1996. Quantitatively, the country program budgets were disaggregated according to: Staff Cost, Administrative Cost, and Direct Project Cost. Qualitatively, OTI Country Officers were interviewed using a standardized questionnaire which addressed the following issues: timeliness, speed of response, bureaucratic constraints, operational environment, political complexity, program flexibility, level of staff effort, staffing pattern overseas, results of activities, strategic impact, and ability to hand-off program upon completion. Finally, a holistic list of lessons learned was developed.

The qualitative and quantitative analysis of the OTI political development activities in Angola, Bosnia, Haiti, and Rwanda provide the following findings (highlights):

- Each country program uses a unique approach to accomplish its strategic objectives, but all maintain the following operating assumptions: focus funding on tangible, targeted, and timely activities; design programs to allow for instantaneous application of lessons learned -- flexibility is built-in to modify the implementation plan when necessary; scale the program to fit absorptive capacity of situation; and ensure the participation of citizens.
- An overall lesson for OTI is that it must have at least one field USPSC representing OTI's interest for each country program. With an empowered Country Representative, OTI can achieve the tangible, targeted, and timely operational approach it needs.
- A mechanism is needed that provides a standard operating system -- a system that maintains program flexibility and allows program implementation tailored to the infrastructure (financial, political, logistical,

etc.) of each country.

- OTI would benefit from a standardized mechanism to procure commodities and services necessary to achieve the implementation of high impact low cost activities. The addition of this mechanism would provide Country Representatives with a fast, flexible, and consistent tool.

Partnerships

Some NGOs and activists have expressed concern that OTI is not fully engaged in "partnering" more with NGOs. Initially, OTI relied on one or two US- or internationally-based NGO/PVOs. With a growing country portfolio, OTI is expanding its partnerships to include: other NGOs and PVOs (U.S.-based and international), consulting firms, U.N. agencies, other international organizations, other donor organizations, U.S. government agencies (Department of State, Department of Defense, National Security Council (NSC), U.S. Information Agency (USIA), Department of Justice, and more), and host governments. NGOs and PVOs are also evolving their thinking and policies towards transition projects, which may mean that OTI will be using their services more in the future.

Multi-lateral coordination is taking place in **Guatemala** (with the Organization of American States, the UNDP, and the EU); in **Sierra Leone** -- a non-presence USAID country (with the UNDP, UNDHA, and the World Bank); in **Angola** (with the United Nations Assistance Coordination Group); in **Bosnia** (with the OSCE, the United Nations Protection Forces, NATO, the Office of the High Representative, and the EU); and in **Rwanda**, OTI is working with the UN Human Rights Field Operations.

Bilateral collaboration is taking place in **Liberia** (with the Dutch); in **Bosnia** (with the British); in **Angola** (with the Norwegians); in **Haiti** (with the Japanese); and in **Sierra Leone** (with the British).

Internal USAID and USG collaboration with OTI is taking place in many of OTI's activities, including: proactive and preemptive policy influence (in **Liberia** with the NSC; in **Haiti** with the Defense Department's Special Forces); on democratic strategy development (in **Bosnia**, with USAID's ENI, G, and PPC Bureaus); on implementation of activities (in **Angola** with USIA/VOA and the DOD, and in **Rwanda** with the Departments of State and Justice); on development objectives (in **Guatemala**, with the Mission and the LAC Bureau); linking relief to transitions (in **Bosnia** with OFDA and DART/Bosnia, in **Sierra Leone** with FFP); and in the R4 process (in **Rwanda**, **Angola**, **Guatemala**, and **Liberia**).

Collaboration with NGOs and IOs has taken place throughout OTI's programs including: in **Angola** with Creative Associates, Inc., Catholic Relief Services,

World Vision, Search for Common Ground, AfriCare, CARE, Save the Children, Mines Advisory Group, Norwegian People's Fund; with the International Rescue Committee in **Bosnia**; and with the International Office on Migration in **Haiti** and **Guatemala**. This partnership with international NGOs and PVOs has proven to be particularly synergistic when dealing with NGOs whose mandates normally prevent them from working on political programs. OTI can bridge this gap by using humanitarian funding to work on political solutions through NGO/PVO rehabilitation activities.

The priority at OTI, however, remains on building partnerships with indigenous NGOs and PVOs in post-conflict countries. In particular, the programs in Haiti and Bosnia have succeeded phenomenally in building the capacity of local NGOs to take control of their own development process. OTI has been an effective partner with indigenous organizations, and has stimulated their active participation in the transition.

In **Haiti**, over 2,000 community groups were supported by OTI funded projects; in **Bosnia**, OTI has supported over 170 indigenous NGO/PVOs through its Political Transition Grant program; and in **Rwanda** hundreds of indigenous NGO/PVOS -- many of them women's associations -- have received grants.

A) Strategic Objective #1: Political Transitions successfully advanced in priority, conflict-prone countries.

Progress toward achievement of this strategic objective is measured in terms of:

1. Timeliness of intervention (criteria checklist)
2. Catalytic role of OTI
3. OTI's hand-off (exit) strategy (y/n)
4. Success in avoiding dependency of countries on relief assistance

The four process or efficiency measures associated with SO #1 are the following (the country examples are illustrative, and not comprehensive):

(1) *Timeliness of intervention.* The political windows of opportunity that open for transitional political development nearly always require fast action on the part of donors. In its 1996 Strategic Plan, OTI suggested that this objective could be measured by meeting the following target -- Was OTI's intervention fast and timely in nature, in order to take advantage of the political break? The means of verification for this indicator are contextual, and not subject to ubiquitous measurement. In some cases, an intervention before the peace accords are signed indicates that OTI's actions are fast and timely. In other instances, coordinating OTI's intervention with international military deployment could be considered fast and timely. Indeed, the closest means of verification for this indicator is that OTI's interventions are subjectively considered to take advantage of a window of opportunity to advance the political transition.

OTI's interventions are timed to take advantage of the openings of political windows of opportunity.

In **Haiti**, OTI's involvement began immediately after the first multinational forces arrived in Haiti on September 1994. Just two months later, OTI launched a communal governance program through a grant to IOM. Seven field offices were quickly established (eventually increasing to a maximum of fourteen offices) to support a decentralized political development effort.

In **Angola**, OTI first became involved in April 1994 by providing technical assistance to the UN's demobilization and reintegration office. In November 1994 the Lusaka Protocol was signed. By July 1995, OTI began to award grant, contract, and inter-agency agreements to implement mine action, demobilization and community self-governance programs.

Initially, OTI launched a small-value grant program in **Bosnia** in January 1995 which focused on reinforcing the March 1994 Federation Accord. This early involvement laid a foundation that allowed OTI to quickly expand its program within a mere month of the signing of the Dayton Peace Accords in December of 1995.

After the violence ended in **Rwanda** in July 1994, OTI began to provide immediate assistance to the justice sector within a few months. Indeed, OTI was one of the first of the bilateral donors to work with the new government of Rwanda.

In **Guatemala**, OTI was ready when the government needed immediate assistance. Technical assistance, coupled with hard cash, enabled the USG to get a seat at the donors table, and also a leadership role in the peace accords implementation process.

(2) *OTI's role as a catalyst.* Here OTI is attempting to measure the extent to which its intervention promotes the effective involvement of international and local populations/groups or organizations in advancing the political transition. Measurement of this indicator includes three means of verification:

- a) has OTI lead/recruited the interest of international organizations in transitional activities? (y/n)
- b) amount of funds leveraged by OTI through partners (ratio)
- c) have other organizations funded activities initiated by OTI? (y/n)

OTI has lead/recruited the interest of international organizations (IOs, bilaterals,

multilaterals, NGOs, and others) in transitional activities.

Some bilaterals have created new offices with OTI-like transitional mandates (the Canadians and the Dutch); some multilaterals have initiated transitional activities (the EU and the UN); and other organizations, such as IFIs (the World Bank and the IMF) and pseudo-government organizations (e.g., Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GMBH), have expressed an interest in transitional issues.

OTI's early involvement in **Angola** allowed it to become a key coordinator for USG programs and policy -- because OTI was active in the country before the Peace Accords were signed, it used its understanding of the situation to bring together and help coordinate the Dept. of State, USAID, international organizations, and NGOs; after an initial visit to **Guatemala** in November 1996, OTI supported a plan to work in coordination with the United Nations Development Program and the European Union to meet the immediate needs of the government to implement the accords; identifying significant weakness in supporting compliance with the peace accords in **Liberia**, OTI has lead the effort to press both the USG and ECOWAS on strengthening enforcement of the sanctions.

OTI has found that leveraging its small financial resources through collaboration with other USAID offices, USG, IFIs, other donors, and more can augment the performance of its programs.

In **Haiti** OTI funding of \$7 million leveraged over \$6.7 million of local contributions over a period of 27 months; in **Angola**, DOD provided \$3.5 million demining assistance to OTI's \$7.2 Million investment; in **Guatemala**, OTI provided seed money to the post-encampment incorporation process, which the UNDP matched for \$2.3 million; in **Sierra Leone**, OTI received \$1.8 million of additional ESF and DA funding which augmented its \$2.1 million investment; in Rwanda, OTI's Women in Transition program has received \$769 Thousand in USAID/Rwanda funding; and in **Bosnia**, OTI leveraged two pilot shelter activities valued at \$159,000 into a USAID emergency shelter program valued at \$25,000,000.

OTI's initial investment in certain activities has encouraged other organizations to fund the same or similar activities.

OTI's successful Community Governance Program in **Haiti** is being followed up by a similar effort funded by the USAID Mission, and rural communities that had never participated in development are now being included in USAID's programs; in **Rwanda**, OTI's early technical

assistance to the new Government in Kigali -- focused on legal advice and criminal trials -- was succeeded by both the German and Dutch governments.

(3) *Hand-off strategy*. Because of the nature of OTI's funding and mandate, most country programs have a limited duration (approximately two years). This makes it imperative for OTI to establish a process to "hand-off" successful programs to another implementing organization, in order to maximize both impact and sustainability. Measurement of this indicator includes three means of verification:

- (a) did OTI exit the country within two years of establishing a fully-funded program? (y/n)
- (b) did OTI establish a hand-off strategy early on in the planning process and then promote the plan? (y/n)

(a) Did OTI exit the country within two years of establishing a fully-funded program?

In **Haiti**, OTI began operations with a grant to IOM in November 1994, and closed out its operations in March of 1997. Thus, OTI exited within approximately 28 months; in **Bosnia**, an initial grant to IRC in January 1995 inaugurated OTI's programs -- and plans to exit Bosnia in June of 1998; in **Angola**, OTI began operations with a grant in July 1995, and plans to close out its activities by the end of FY 1997; and in **Rwanda**, OTI's started its program in the Fall of 1994, and plans to close-out its programs in the Spring of 1998.

LESSON LEARNED: Establishing a finite time period for OTI engagement (2 years) brings about a sense of urgency to create and implement programs quickly, and engenders a sense of mission among the staff. Initially, OTI's programs in Haiti focused on demonstrating the benefits of democratic practices and peaceful resolution of conflict. As the country's recovery continued, the nature of OTI's programming was converted to a broader strategic program to address the country's continuing political development needs.

On the other hand, some countries have experienced a number of important "transitions" or phases within the transition (e.g., significant numbers of refugees returning unexpectedly). OTI's exit and hand-off strategies need to be flexible enough to respond to pivotal changes in circumstances that may require OTI to continue funding programs beyond the two-year target.

(b) Did OTI establish a hand-off strategy early on and promote and execute the plan?

The first order of business for OTI was to demonstrate the effectiveness of its activities to the rest of USAID and to the international community. Through demonstrator/pilot activities, other partners could feel that the risk of taking over OTI programs was reduced. OTI's flagship program was launched in **Haiti** in 1994, and concluded in March 1997. Although OTI's programs helped to define a clear exit strategy for the U.S. military, OTI's hand-off efforts suggest that new strategies need to be explored. However, now that OTI has demonstrated the effectiveness of its activities, other donors and USAID offices are beginning to swamp OTI with requests for collaboration and staggered implementation.

LESSON LEARNED: OTI's experience in Haiti initiated new efforts to establish hand-off strategies early in its planning. Thus, in Guatemala OTI has worked with the LAC Bureau and the USAID Mission in developing the USAID/Guatemala Strategy -- which includes clear blueprints that couple OTI's efforts to the overall USAID strategy.

OTI is continuously exploring new options for hand-off strategies and implementation: it has explored the hand-off of humanitarian assistance to transition initiatives in **Bosnia** and **Sierra Leone** (OFDA and FFP handing-off their programs to OTI); handing-off transition initiatives to development assistance in **Guatemala** (OTI handing-off its programs to the LAC Regional Bureau and USAID Mission); and it is looking into other partners to hand off its programs to (e.g., for non-presence countries in particular) such as other bilateral donors, IFIs, IOs, and the UN.

(4) *Reduced dependency on relief assistance.* One of the primary assumptions within USAID is that transitional activities supported by OTI can reduce the gap between relief needs and development assistance. One possible measurement of this assumption is to reduce the dependency on relief assistance.

Has the country or have local populations reduced dependency on relief assistance?

In **Haiti**, OTI rapidly moved out of Port au Prince and into rural areas, providing activities that helped revitalize local economies which were devastated by the international economic sanctions. OTI's assistance required contributions of labor, materials, and other local resources -- thus

reducing a dependence on disaster assistance.

Ninety percent of the local women's organizations funded by OTI in **Rwanda** have not received humanitarian assistance. However, their projects address the basic needs of their communities (e.g., housing).

b) Intermediate Result #1: Enhanced citizen security

Progress toward achievement of Intermediate Result #1 is measured in terms of the following performance indicators:

1. Reduction in the number and availability of weapons of war; reduce numbers of weapons-related accidents/deaths
2. Demobilization and reintegration of ex-combatants back into society
3. Providing reliable information/news and expanding freedom of the press
4. Promoting the protection and knowledge of human rights standards

The four process or efficiency measures associated with IR #1 are the following (the country examples are illustrative, and not comprehensive):

(1) *Reduce the numbers and availability of weapons of war; reduce numbers of weapons-related accidents/deaths.* Citizen security will increase if ex-combatants are disarmed, munitions are turned in, land mines are removed and/or infested areas are identified.

OTI's land mine awareness program in **Angola** has reached an estimated 1,400,000 people and has trained 750 people in mine removal techniques. This has resulted in a significant reduction in mine accidents, the re-opening of large areas of the country to commerce and agriculture, and the return of refugees and displaced persons.

In **Guatemala**, the turning in of weapons by the rebel forces has not only symbolized the end of the war and increased trust and legitimacy within that conflictive society, but it also served to remove dangerous munitions from easy use.

(2) *Demobilize ex-combatants and reintegrate them back into society.* Such programs increase citizen security by keeping fighters off the streets and demonstrate to people -- even in small villages -- one of the direct benefits of peace.

In **Haiti**, OTI's support to the demobilization and reintegration of former members of the FAd'H helped neutralize its short-term threat to the post-conflict process, and allowed the transition to proceed. Of the 5,482 former members of FAd'H who registered for the demobilization process, 88% completed vocational training

in 24 centers around the country. This two-year demobilization program was key to lessening the threat of destabilizing the security, political, economic, and social transition. However, full reintegration of the former FAd'H into society is not occurring because of national-level economic problems.

In **Angola**, OTI has provided technical assistance to the UN Humanitarian Coordination (UCAH) unit for the demobilization and reintegration of soldiers. This technical assistance has included: providing key staff positions to the UCAH; helped plan for the reintegration process; procure equipment; and logistical support. Because the actual demobilization and reintegration process has been slow and full of hurdles -- political will has been inconsistent within the various military forces -- the impact of TA on the process has been minimal.

(3) *Information strategy initiated.* Without unbiased sources of information, people will

In **Angola**, OTI supports a daily half hour Voice of America (VOA) special program for Angola which is rebroadcasted by an independent FM station -- Radio 2000 -- in Lubango. Radio 2000 is the only station inside Angola carrying this programming, and is believed by many Angolans to be the most informative and unbiased source of information available in Angola.

In **Bosnia**, OTI has supported alternative media in an effort to counter nationalist interests and overcome many citizens feelings of isolation and insecurity. For

example, information on the signing of the peace agreement between Serbia and Croatia was disseminated throughout OTI-funded media outlets, which helped in reducing fears of Croatia and increased the security of Bosnian citizens.

In **Rwanda**, OTI has been funding daily radio reporting from Arusha on the proceedings of the war crimes tribunal. Before this initiative, information on the proceedings was not being disseminated within Rwanda. These broadcasts, carried by Radio Rwanda and listened to by concerned citizens across the country, are increasing confidence that international donors are committed to a judicial process.

(4) *The protection and knowledge of human rights standards can increase citizens' sense of security.*

In **Bosnia**, OTI has funded a conference on violence against women, and provided basic assistance to residents of the Republic of Srpska to provide legal aid network to the victims of human rights violations. To date, legal assistance and/or consultations have been provided to 435 Bosnians -- including some Muslims and a majority of Serb refugees from Croatia.

In **Rwanda**, OTI funded a conference on genocide that resulted in new legislation that will address 70,000 prison detainees. Also in **Rwanda**, OTI has provided assistance to the UN Human Rights Field Operation in Rwanda (HRFOR) for the recruitment and training of human rights field officers. As a result, over 200 field officers have been trained. HRFOR reports have increased awareness within the Government of Rwanda of human rights abuses.

c) **Intermediate Result #2: Democratic political processes initiated, re-established, or expanded through a local participatory decision-making process (pre-democracy building).**

Progress toward achievement of Intermediate Result #2 is measured in terms of the following performance indicators:

- (1) Did OTI initiate programs to restore or support the creation of legitimate government at various levels? (y/n)
- (2) Have communities participated in collaborative problem solving activities? (y/n)
- (3) Have OTI programs encouraged the reemergence or creation of NGOs and civil society? (y/n, and where possible numbers of indigenous organizations supported)
- (4) Has OTI encouraged the dissemination of reliable news/information (or other relevant transitional democracy topics such as conflict resolution methods) and freedom of the press? (y/n)

The four process or efficiency measures associated with IR #2 are the following (the country examples are illustrative, and not comprehensive):

(1) Restoring or supporting the creation of legitimate government at various levels on transitional societies builds the institutions of democracy.

In **Bosnia**, a mini-documentary produced in conjunction with ICMA (USAID/ENI funded) demonstrated how the municipal government in Tuzla prepared for and conducted a public budget hearing -- which encouraged citizens to become involved in the process.

Also in **Bosnia**, OTI funded activities disseminated information about the September 1996 elections, including: the door-to-door distribution of 54,600 citizen voter guides and 24,600 Political Party Questionnaires through out the Republic Srpska; a media campaign which broadcasted over 10,000 Public Service Announcements through 34 TV/radio stations; and paid ads during the election campaign which injected \$264,000 of working capital into 34 TV/Radio stations.

In **Haiti**, more than 1500 municipal authorities and local leaders were trained in 25 subject areas at eight different sites. Emphasis during the training was on basic governance, including negotiation skills, ground facilitation and priority setting, for the purposes of fiscal planning. Many project ideas funded by USAID emerged through this process. The result of OTI's initiative was to increase the political sophistication of mayors and community leaders -- to the extent that the local officials have initiated efforts to receive funding by other donors. By the end of the project, local officials were able to articulate the link between resource allocation and political development.

In **Rwanda**, OTI's Women in Transition (WIT) project is a direct partnership with the Ministry of Family and Women Development. Three Ministry staff team with five WIT resource managers to review, approve, and monitor projects. Ministry staff receive on-the-job training from the WIT project manager and other WIT staff. In addition, thirty ministry field representatives were trained in FY 1996 to identify, develop, and manage projects and resources.

(2) Encourage conditions where communities can participate in collaborative problem solving activities. By providing financial support to communities through local grants, the benefits of peace and democracy is demonstrated to local citizens. All programs require a significant local contribution of labor or other in-kind resources, which foster high levels of participation and openness.

In **Angola**, 22 community reactivation projects were initiated by OTI in 1996 in order to help communities identify and deal with their own development priorities.

In **Bosnia**, OTI has supported 271 political transition grants valued at a total of \$2,877,218 which have supported civic and media groups implementing projects identified under the OTI supported civil society project, which address critical needs of communities.

In **Haiti**, as of March 1997, when its last field office closed, OTI supported processes resulted in the completion of 2,363 community identified projects in 122 of Haiti's 134 communes.

And in **Rwanda**, 251 projects have been funded for communal-level women's groups in 57 communes after demonstrating that: the proposed projects are priorities for the community involved; that all relevant community members will be actively involved in carrying out projects; and that the groups will have financial accountability.

(3) Fostering the reemergence or creation of NGOs and civil society opens up political space where citizens can begin to articulate their needs and address governance issues.

In **Bosnia**, OTI has attempted to encourage and support the development of over 100 local, regional, and national civic, advocacy organizations that focus on local political development needs. For example, OTI has helped to create and fund Gradjanski Gles -- a non-aligned, multi-ethnic, citizen group that focuses on democratic practices.

(4) By disseminating information/news and encouraging freedom of the press, propaganda and nationalistic voices can be annulled. Additionally, the media provide a platform for discussions of democratic processes and topics relevant to the implementation of peace and stability (e.g., conflict resolution).

In **Bosnia**, OTI has supported and encouraged alternative media outlets to provide timely, objective, and relevant information; has helped to establish an indigenous media monitoring system; has improved media program quality; and has helped to negate nationalist voices. Over 80% percent of the country has been reached by OTI-sponsored programming.

In **Rwanda**, daily radio broadcasts of the proceedings of the War Crimes Tribunal trials in Arusha have increased awareness within the country that the international community is attempting to address the injustice of the genocide.

2. Expected Progress through FY 1999 and Management Actions

By FY 1999, OTI will have further refined its approach to transition initiatives. In all likelihood, OTI will have exited from at least seven countries, and will have a wealth of experience from which it can draw lessons learned, success stories, and more refined

performance measurement. A wealth of knowledge and insight will have been gathered from various assessments and evaluations of OTI's operations and interventions. Thus, by FY 1999 OTI will be well on its way to institutionalizing transitional programs within USAID and will be a source of information and technical assistance to other organizations on political transitions in conflict-prone countries.

4. Performance Data Tables

The following tables summarize OTI's field operations in Angola, Bosnia, Haiti, and Rwanda. These four country programs have tested uniquely tailored implementation approaches to political transitions in conflict-prone countries. Each country program uses a different approach to accomplish OTI's Strategic Objectives, but all maintain the following operating assumptions:

- focus funding on tangible, targeted, and timely activities,
- design programs that allow instantaneous application of lessons learned -- build-in flexibility to modify the implementation plan,
- scale the program to fit absorptive capacity of situation, and
- ensure participation by citizens.

The targets, indicators, measures and other data included under the "results" column of each table were collected using reports from field staff, information collected for this R4 purpose from OTI's Washington staff, and from various other experts within OTI's operations. Information for the "IR" and "purpose" columns was collected from various reports, SOWs, and strategy documents. And the rest of the information came from budget reports. Additionally, information for the Table on Haiti was greatly augmented by the two external evaluations of OTI's programs.

The Bosnia Table has been shortened, in order to comply with the realities of OTI's program operations. In Bosnia, OTI uses a for-profit firm as its procurement agent and USPSCs in the field to manage the program. Thus, the best measurements of OTI's operations in Bosnia are the monthly status reports on the Political Transition Grants submitted by each field representative office. The latest of these reports from each of the three field offices in Bosnia have been added to the Performance Data Tables as they best exemplify the breadth and depth of OTI's programs in that country.

ANGOLA

Partner/Type	Funding/FY	IR#1: Security Activities	IR#2: Democratic Participation Activities	Purpose
CREA (C)	\$3.0 M (FY 94/95)	demobilization & reintegration		advance peace proc through TA to UN's demobilization and reintegration office; enhance personal security
CREA (C)	\$1.5 M (FY 94/95) \$1.0 M (FY 96)		community self-governance	promoting and supp community identified self-help activities
World Vision (G)	\$.553 M (FY 94/95)	mine awareness		re-open large areas the country (previou considered unsafe because of landmine commerce, agricultu and the return of refugees and displac persons
World Vision (G)	\$.088 M (FY 94/95)	civic training for demobilized fighters		re-open large areas the country (previou considered unsafe because of landmine commerce, agricultu and the return of refugees and displac persons
Save the Children (G)	\$1.5 M (FY 94/95) \$1.0 M (FY 96)	demining		re-open large areas the country (previou considered unsafe because of landmine commerce, agricultu and the return of refugees and displac persons

CARE (G)	\$2.1 M (FY 94/95)	demining		re-open large areas the country (previou considered unsafe because of landmine commerce, agricultu and the return of refugees and displac persons
Norwegian Peoples Aid (G)	\$.819 M (FY 94/95)	demining		re-open large areas the country (previou considered unsafe because of landmine commerce, agricultu and the return of refugees and displac persons
CRS (G)	\$.344 M (FY 94/95)	demining		re-open large areas the country (previou considered unsafe because of landmine commerce, agricultu and the return of refugees and displac persons
CRS (G)	\$.066 M (FY 94/95)	civic training for demobilized fighters		reintegrate ex-combatants back society
Africare (G)	\$.154 M (FY 94/95) \$.807 M (FY ?)	demining; civic training for demobilized fighters		reintegrate ex-combatants back society

Mines Advisory Group (G)	\$2.1 M (FY ?)	demining		re-open large areas the country (previously considered unsafe because of landmine commerce, agriculture and the return of refugees and displaced persons)
Search for Common Ground (G)	\$.058 M (FY 94/95)		conflict resolution	increase the flow of alternative information
Search for Common Ground (PO)	\$.014 M 4/96		conflict resolution video	increase the flow of alternative information
USIA/VOA (632(a))	\$1.4 M 11/95-9/96		dissemination of reliable information on Angola	increase the flow of alternative information freedom of the press advanced

BOSNIA				
Partner/Type	Funding/FY	IR#1: Security Activities	IR#2: Democratic Participation Activities	Purpose
IRC (Amendment)	\$.6M (11/94 -2/96)		Small grants program; political and economic assessment of the Bosniac - Croat Federation	Reinforce the March 1994 Federation Acc
RONCO	\$3.6M (4/96-10/97)		Political Transition Grants focused on alternative media, civil society, and community impact projects	Assist OTI in procurement

[Insert status reports on Political Transition Grants from OTI/Banja Luka, OTI/Tuzla, and OTI /Zenica approximately here. These reports, totaling 26 pages, are available only in hard form from Heather McHugh, BHR/OTI, or Bonita Jones, BHR/PPE.]

HAITI				
Partner/Type	Funding/FY	IR#1: Security Activities	IR#2: Democratic Participation Activities	Purpose
IOM (G)	\$21.4 M (FY 9/94 - 11/96) total IOM spending on O&E = \$21.3 M	<p>demobilization</p> <p>(Target group 6,250 soldiers)</p> <p>Short-term = 6 months (for voc. training)</p> <p>Each school was paid \$140 per month for each student, 4,867 students for 6 months = @ \$4 million</p> <p>total IOM spending = \$8.7 M</p> <p>cost/capita = \$1.34 for each of 6.5 M Haitians</p> <p>DRP cost = \$1,777 per demobilized soldier</p>		<p>A) to neutralize the short-term threat of t former FAd'H (in par help protect the PK B) to provide a longer-term breathin space from possible FAd'H disruption to transition to proceed C) lay the foundation eventual reintegration former FAd'H into H society</p> <p>Results:</p> <p>A) demob program "probably" helped pr US forces and contributed to maintenance of a se and stable environm B) the 2-year demo program probably contributed to lessen the threat of destabili other security, politic economic and social transition C) full reintegration i occurring because o national-level econo problems</p>

	(FY 9/94-12/96)		<p>communal governance</p> <p>total IOM spending = \$12.7 M</p>	<ul style="list-style-type: none"> - restore legitimate government at all lev - support decentrali authority and the empowerment of citi - move from a socie intimidation to one of popular participation - help elected officia develop conditions s that they could partic in community dialog - foster reemergenc Haitian NGOs - est. local credit associations - facilitate dissemin of public information - est. database of community needs, resources, priorities

RWANDA

Partner/Type	Funding/FY	IR#1: Security Activities	IR#2: Democratic Participation Activities	Purpose
UNDP/UNVP	\$1.8M, FY96, (11/94-1/97)	UN Human Rights Operations in Rwanda (HRFOR)		increase se personal se human right investigate h abuses
USAID/Kigali	\$1M (1/94-1/95)		Women in Transition (WIT)	give women and build ca a significant rebuilding s politics
PSC	\$.05M (1/94-1/95)		Support to Justice Sector activities (check on this)	Increased s personal se confidence i sector
US Dept. of Justice	\$.115M (10/95-12/95)	support war crimes tribunal	support war crimes tribunal	(same as ab
US Dept. of State	\$1M (1/96-9/96)	support war crimes tribunal	support war crimes tribunal	(same as ab
USAID/Kigali	\$.24M (FY 96)	support war crimes tribunal	support war crimes tribunal	(same as ab
USAID/Kigali	\$.139M (1/94-1/95)		support justice system	restore confi judicial sect
PSC	\$.037M (11/96-12/96)		support justice system	restore confi judicial sect

PSC	\$.025M (5/96)		support justice system	(same as ab
PSC	\$.114M (6/95-3/96)	support war crimes tribunal		increase se personal se confidence i sector
PSC	\$.012M (FY 94)		support justice system	restore confi judicial sect

PART III. STATUS OF MANAGEMENT CONTRACT

Throughout this R4, OTI has proposed some changes in the management contract for OTI's assistance. Although this contract was approved as recently as January 1997, OTI has already gathered significant new information and developed new experience that justify such changes.

Changes to OTI's Management Contract:

SO#1: OTI proposes the reformulation of Strategic Objective #1 as shown below:

Original: Political transitions successfully advanced in priority, post conflict countries.

Proposed Revision: Political Transitions successfully advanced in priority, conflict-prone countries.

The original SO provided for transitional activities in post-conflict countries without addressing the concepts of either continued violence in the post-war context or prevention. When OTI was established it was recognized that the programmatic focus would be on post-war countries. After three years of experience, OTI has found that some level of conflict is inherent in all societies, and that the term "post conflict" is inadequate. Moreover, OTI's mandate includes the notion of crisis prevention -- and this is an area the Office is beginning to explore.

IR#1: OTI proposes the reformulation of Intermediate Result #1 as shown below:

Original: Enhanced citizen security and tolerance.

Proposed Revision: Enhance citizen security.

The original IR#1 included the concept of tolerance, which can also be viewed as a component of IR#2. Additionally, tolerance is typically extremely difficult to measure, and the process to measure tolerance is extremely expensive. Consequently, we have deleted the concept as a part of IR#1 and expect to capture its importance as a process of IR#2.

IR#2: OTI proposes the reformulation of Intermediate Result #2 as shown below:

Original: Opportunities for democratic political participation initiated, re-established or expanded. And IR #2.1: Local basic infrastructure revitalized through community participation.

Proposed Revision: Democratic political processes initiated, re-established, or expanded through a local participatory decision-making process.

The original IR #2 addressed the initiation of democratic political participation processes, without making it clear how those processes would be encouraged. Furthermore, the addition of IR #2.1 seemed to focus the local democratic process on reconstruction activities. The proposed IR #2 effectively combines these concepts into one IR -- and couples them together more closely.

Other Issues:

In order to maximize OTI's effectiveness and relevance, it is paramount to maintain flexibility in performance measurement -- as well as program implementation -- throughout OTI's programs. The nature of transitional societies demands such flexibility, which is mirrored by the need for flexibility in OTI's operations and mandate. Thus, the indicators, measurements, and even the intermediate results mentioned in this R4 are subject to change as OTI explores new opportunities and learns from its experience.

In particular, OTI is expecting to begin to explore prevention and mitigation opportunities in conflict-prone countries. This means that OTI is investigating the possibility of funding activities that will attempt to defuse ongoing violent conflicts, as well as scouting the potential for preventing the outbreak of full-scale civil war. This means that -- once again -- OTI will be breaking new ground in measuring and implementing innovative transition strategies.

OTI is also investigating the relevance of new monitoring systems -- for (a) initiating new country programs, (b) monitoring intervention opportunities for relevant countries, and (c) assessing the impact of its interventions.

(a) OTI's New Country Selection Strategy: in order to develop relevant and responsive strategies for intervening in new countries, OTI has found that it needed to develop a country selection framework. This framework establishes four main stages for new country initiatives:

- 1) identify vulnerable countries (by collecting the predictions and opinions of experts including NSC, CIA, DOD, DOS, other donors, academics, the UN, journalists, and more) and countries already in crisis (by collecting information on countries already receiving humanitarian assistance from the UN, ICRC, NGOs, BHR, and more).

- (2) conduct Washington-based assessments of potential countries as identified in step 1, and determine whether the countries meet OTI's country selection criteria. OTI's country selection criteria seek to answer

the following questions: is the country significant to US national interests?; is this the right place?; if this is the right place, is this the right time?; and can OTI make a difference?

(3) field assessments are then conducted for those countries that make it through stages 1 and 2. If then Select most relevant countries and conduct field assessments to verify the relevance of potential OTI interventions in the country, broaden OTI's understanding of the current situations, and explore specific intervention opportunities.

(4) initiate new OTI country programs.

(b) Real-time monitoring system for countries that meet almost all of the selection criteria. In some cases (there should be only a few), the situation in a specific country meets all the criteria for OTI intervention, except for the timing of the intervention. In this case, OTI may want to explore the concept of real-time monitoring of these countries in order to judge when the window of opportunity for intervention has opened. Real-time monitoring is a system that keeps track of news reports, cable traffic, and reports by experts on the current situation in a country -- on a daily (or sometimes weekly) basis. These systems are often mechanized, and require little investment of staff time and resources. Thus, the monitoring system can warn OTI when a critical threshold or event has occurred, which could trigger an OTI intervention. OTI has been exploring the opportunities offered by a variety of academic (Harvard, Kansas, MIT) and donor organizations (the UNHHA, the Dutch, the Swedes) that have already established such systems.

(c) Real-time monitoring may enable OTI to establish baseline data for crisis countries, in order to improve measurement of results for those countries where it initiates interventions. The potential here is that performance measurement indicators could be developed from the indicators that are tracked by early warning systems. Early warning systems strive to track the relevant indicators for initiating violent conflict and/or those indicators that monitor the process of peace negotiations. Such indicators -- of war and peace -- may be relevant to OTI's efforts to monitor its impact in country programs. For example, if constitutional treatment of an "official language" is a key trigger for violent conflict, OTI may want to direct its democracy program towards constitutional reform as well as continue to monitor the language issue as an indicator of success or failure.

Throughout our future endeavors, OTI will continue to review its SO, and its IRs, indicators, and measurements. Similar to the model of "rolling" evaluation, OTI will constantly be seeking to initiate unique and ground-breaking program interventions, monitor its effectiveness and impact, and modify its programs in order to maximize its results. We anticipate that our mandate, which "assumes

instability" means that our performance measurement and Results Framework will continue to be "works in progress."

PART IV. RESOURCE REQUEST

1. Financial Plan

As a result of OTI's new country selection process, OTI is monitoring events in 32 countries around the world. These countries represent places where OTI believes that windows of opportunities may exist in the future for OTI initiatives. Currently, OTI is in the process of conducting desk-studies of these countries in order to determine which ones best meet the criteria for OTI intervention. Most of the experts contacted by OTI suggest that while the overall numbers of complex emergencies will probably not increase over the next 5-10 years, the intensity of the political disasters may well increase. Likewise, as some countries move out of transition and others move in, it is possible that large transitional programs will be needed if the situation warrants for certain countries (eg, China, Ethiopia, Mexico, Afghanistan).

In addition, OTI is beginning to explore opportunities to both mitigate ongoing violent conflict and prevent the outbreak of civil war. Moreover, OTI is also learning that the transition process may involve multiple transitions (or stages of transition) that fundamentally change the current circumstance, and require OTI to continue funding programs beyond the two-year target. Therefore, OTI anticipates the need to maintain its current funding request, and may need to expand its resource request in order to respond to new opportunities.

OTI BUDGET SUMMARY (actual and requested)

	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999 (low)	FY 1999 (high)
TOTAL	\$21.3 M	\$22.6 M	\$25 M	\$30 M	\$35 M	\$65 M

The low request for FY 1999 assumes the following:

OTI intends to concentrate on 7 to 10 countries in transition

OTI will be engaged in 3-4 large transitional programs (at approximately \$7 Million each)

OTI will be engaged in 1-2 medium transitional program (at approximately \$3-6 Million each)

OTI will be engaged in 3-4 small transitional programs (at approximately \$2-3 Million each)

OTI will be providing increasing amounts of technical assistance to USAID Missions and other donors. This TA will leverage non-OTI resources to operate non-OTI activities.

OTI will fund small pilot projects focused on real-time monitoring (see Part III).

The total estimate for the low request for FY 1999 comes to approximately \$30 Million (taking the low numbers for all of the above) for just the country programs. The high request for FY 1999 assumes the following:

all of the above, plus

OTI will be engaged in 1 immense transitional programs (at approximately \$10 Million)

OTI will fund larger projects focused on real-time monitoring (see Part III)

OTI will have to hire significantly more staff (FS, GS, or PSC) in order to manage these significant interventions

The total estimate for the high request for FY 1999 comes to approximately \$62 Million (taking the high numbers for all of the above).

Moreover, OTI has been depending on non-IDA funding for many of its transitional programming (in FY 1995 OTI received \$3.8 Million from the Department of Defense, in FY 1997 OTI received \$1 Million DA funds and \$.8 Million ESF funds. Because of the uncertain nature of funding for USAID, OTI can not depend on these other funds for future resources. Thus, it is possible that OTI will need additional IDA funding in order to implement its transitional programs in FY 1999.

2. Prioritization of Objectives

As OTI has one Strategic Objective, we will continue to rank this one as our priority.

3. Workforce and OE

FY Program Budget*		FTEs (USDH)	Other personnel		OE Travel Budget
			Not PSCs	PSCs	
FY1995	\$20 M	6	none	1	\$92,600
FY1996	\$25 M	5	Interns	5	\$42,700
FY1997	\$25 M	7	Interns, PMIs, WID fellows, Admin support from OFDA	10	YTD \$35,800
FY1998	\$30 M	7		10	\$86,000
FY1999	\$35 M-low	8		12	\$98,000
	\$65 M-high	10		15	\$120,000

* This includes funding from IDA, ESF, DFA, DoD and other sources