

# **USAID/GUINEA BISSAU**

## **RESULTS REVIEW AND RESOURCE REQUEST (R4)**

**April 2001**

## **Information Annex Topic: Non-presence Countries – Guinea Bissau**

After free and fair elections in Guinea Bissau in December 1999 and January 2000, the U.S. Secretary of State lifted sanctions that had been imposed, per Section 508 of the Foreign Assistance Act, due to the overthrow of an elected government in 1998. The civil war which followed the overthrow almost completely destroyed the progress that Guinea Bissau had made since independence, leaving the country with an economy in ruins and a democracy more fragile than ever. The only thing that seems to hold the country together is the general knowledge that only stability and an open business environment will allow them to develop their modest, but significant natural resources.

The U.S. Government has been as responsive as possible under difficult budgetary and management constraints. The only remaining funds from a once significant and successful USAID program, were in the Trade and Investment Promotion Support (TIPS) project. Given the go-ahead by Washington, USAID visited Guinea Bissau in August 2000 to renew contact with the Government of Guinea Bissau (GOGB) and determine if a small micro-finance program could be started under the auspices of TIPS. With the GOGB's enthusiastic support, an amendment for the TIPS Project Agreement was drafted to extend the project until September 30, 2002, and signed in September 2000. An RFA was prepared inviting US PVOs to propose a microenterprise activity using the approximately \$1.6 million remaining in the TIPS project. Applications are in process of being reviewed. This program will allow USAID to have a small, but symbolically significant program in Guinea Bissau and keep the management burden to a minimum by using one or more US PVOs experienced in working in non-presence countries.

After the U.S. Ambassador to Senegal visited Bissau in December 2000, several other programs are being developed. The Embassy requested and obtained \$250,000 of ESF resources under the Countries-in-Transition program to support the National Assembly and the Rule of Law through technical assistance, training and supplies. This program will be managed by USAID through a Public International Organization Grant to the UNDP. The Embassy has requested a supplement of \$200,000 for follow-on work. The Embassy also plans on requesting DHRF and Self Help funds, but probably not until FY 2002, once they have a Foreign Service Officer at post dedicated to Guinea Bissau.

The WARP's conflict resolution special objective team has been contacted concerning the possibility of working in Guinea Bissau and possibly The Gambia to complement the work USAID/Senegal is doing in the Casamance region of Senegal which borders these two countries. They have agreed that the Casamance conflict affects the neighboring countries and vice-versa and are going to visit Senegal soon to determine what they might do in Guinea Bissau.

In general, the U.S. Mission in Senegal is making every effort to respond to the desperate needs of Guinea Bissau, with whatever resources are available and manageable and these modest efforts may bring other donors back. USAID is convinced that many people inside and outside government are dedicated to this purpose and are cautiously hopeful that with a minimum of assistance they can succeed.