

United States Agency for International Development

# Interim Strategic Plan For Sudan, 2004-2006



June 10, 2003

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## Executive Summary

The Sudan Interim Strategic Plan (ISP) integrates all USAID assistance programs in Sudan into a single strategy, and promotes integration of assistance programs managed by other U.S. Government agencies. The Sudan ISP thereby incorporates humanitarian, development, refugee, and political assistance programs implemented throughout all of Sudan.

The Sudan ISP was prepared by a joint team of U.S. Government officials based in Washington and the field<sup>1</sup>, through a process that involved much consultation with Sudanese stakeholders, implementing partners, and other donors. Several assessments and analyses were undertaken to inform the strategic planning process, including a gender analysis, an environmental threats and opportunities analysis, a conflict vulnerability assessment, a democracy/governance assessment, a health assessment, a food security analysis, and papers proposing opportunities for additional activities in northern Sudan.

Sudan is undergoing a period of dynamic change. The long-enduring civil war has reached a stalemate, and peace negotiations between the main combatants have made great progress in the last nine months. The United States has responded with the appointment of Andrew Natsios, Administrator of USAID, as the Special Humanitarian Coordinator for Sudan, and former Senator John Danforth as the President's Peace Envoy for Sudan. The United States has increased its support for the peace process, promoted opening up new areas of Sudan for access by humanitarian assistance, and launched major new development initiatives in basic education, agricultural revitalization, and peace programs.

The new Interim Strategic Plan for 2004-2006 calls for a continued commitment by the United States to assist Sudan through its humanitarian crises and onto the path of peace and recovery. The ISP Goal is "Foundation established for a just and durable peace with broad participation of the Sudanese people". Our programs in this strategic plan should contribute to achievement of the ISP Goal over the long-term – about 5 to 10 years. In the short-term, four strategic objectives and one special objective will be achieved by the end of the strategy period in 2006:

- Special Objective 4. Expanded Support to the Sudan Peace Process.
- Strategic Objective 5. More Responsive and Participatory Governance.
- Strategic Objective 6. Improved Equitable Access to Quality Education.
- Strategic Objective 7. Increased Use of Health, Water and Sanitation Services and Practices.
- Strategic Objective 8. Foundation Established for Economic Recovery.

This strategy sees political developments in Sudan as following three possible scenarios: continued stalemate in negotiations and on the battlefield; peace prevails when a peace agreement is signed and ratified; or peace fails and conflict intensifies. Scenario-based planning was used to design the Strategic Objectives and Special Objective so that all programs are flexible for changing scenarios, scalable for changing resources, and modular for changing geographic access. The ISP describes the performance monitoring system that will be used to measure achievement or failure of assistance programs. The first report under this new strategy will be prepared by USAID for its Annual Report at the end of 2003.

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<sup>1</sup> Offices participating in consultations, drafting, reviewing, and editing of this strategy include U.S. Embassies in Khartoum and Nairobi; USAID/Washington staff from Sudan Task Force, DCHA/DG, DCHA/OTI, DCHA/OFDA, DCHA/FFP, AFR/SD; USAID/Khartoum staff; USAID/REDSO/ESA staff with expertise in food security, gender, conflict mitigation and governance, food for peace, program development and analysis, population/health/nutrition, controller, procurement, and executive office; USAID/DCHA/OFDA staff in the Africa Regional Office, and the Regional Refugee Coordinators in Nairobi and Addis Ababa.

U.S. Government assistance programs implemented as part of this strategy will be managed by several U.S. Government agencies, from their headquarters in Washington and field offices in Khartoum and Nairobi. USAID is establishing a triangular management relationship, with one leg as the USAID Office in Khartoum responsible for programs in government-controlled areas, and another leg as a new Sudan Field Office in Nairobi responsible for programs in opposition-controlled areas, and both legs reporting to the apex in the Sudan Task Force in Washington.

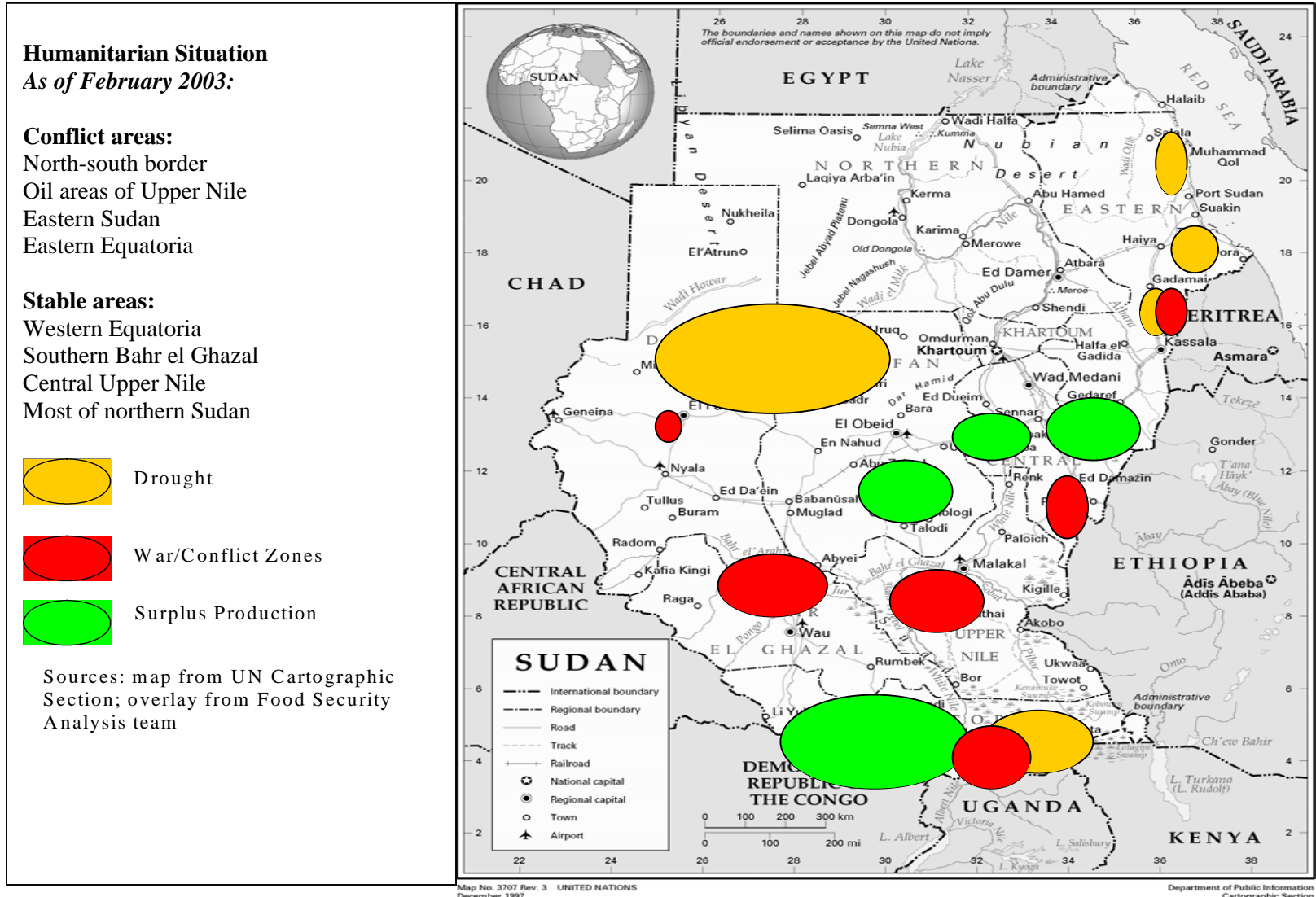
A high priority is placed on coordination with Sudanese stakeholders, other donors, and implementing partners.

Acronym List

ADS	USAID Automated Directives System
ANC	Ante-Natal Clinic
ARO	Africa Regional Office (USAID/DCHA/OFDA)
ASARECA	Association for Strengthening Agricultural Research in East and Central Africa
BYDA	Bahr el Ghazal Youth Development Association
CDC	County Development Committee
CPMT	Civilian Protection and Monitoring Team (IGAD)
DATT	Development Assistance Technical Team (SPLM)
DCHA	Democracy, Conflict and Humanitarian Assistance Pillar Bureau (USAID)
DFID	Department for International Development (UK)
DG	Office of Democracy and Governance (USAID/DCHA)
ECHO	European Community Humanitarian Office
ECREP	Economic Rehabilitation Program (STAR Component)
EDREP	Education Rehabilitation Program (SOAR Component)
EU	European Union
FS	Office of Food Security (REDSO/ESA)
GOS	Government of Sudan
HACC	Humanitarian Assistance Coordination Commission (GOS)
ICT	Information and Communication Technology Team (REDSO/ESA)
IDEAS	Institute of Development, Environment and Agricultural Studies (SPLM)
IDP	Internally Displaced Person
IGAD	Inter-Governmental Authority on Development
IPF	IGAD Partners Forum (Working Group)
IRC	International Rescue Committee
IOM	International Organization for Migration
JMC/JMM	Joint Military Commission/Joint Monitoring/Mission
LOGOS	Local Government Strengthening Program (USAID)
NDA	National Democratic Alliance
NGO	Non-Governmental Organization
NMPACT	Nuba Mountains Framework for Planning Assistance
NPC	Office of Non-Presence Country Programs (REDSO/ESA)
NRMUC	Natural Resources Management and Utilization Committee
NSCC	New Sudan Council of Churches
OCHA	Office for the Coordination of Humanitarian Affairs (UN)
OFDA	Office for Foreign Disaster Assistance (USAID/DCHA)
OLS	Operation Lifeline Sudan (Consortium Agreement)
OTI	Office of Transition Initiatives (USAID)
PACTA	Program for Coordination of Assistance to Abyei (Consortium)
PHCC	Primary Health Care Center
PHCU	Primary Health Care Unit
POL	Political Section (Embassy Nairobi)
PRM	Bureau for Population Refugees and Migration (State)
RCMG	Regional Conflict Mitigation and Governance Office (REDSO/ESA)
REDSO/ESA	USAID Regional Economic Development Services Office/East and Southern Africa
REFCOORD	Office of the Refugee Affairs Coordinator (Embassy Nairobi)
SBEP	Sudan Basic Education Program (USAID)
SDCN	Sudan Donor Coordination Nairobi
SFO	Sudan Field Office (SFO)

SNGO	Sudanese NGOs
SOAR	Social Organization and Administrative Rehabilitation (STAR Component)
SOE	Secretariat of Education (SPLM)
SOH	Secretariat of Health (SPLM)
SPLA	Sudanese Peoples Liberation Army
SPLM	Sudanese Peoples Liberation Movement
SPG	Sudan Programs Group (State)
SRRA	Sudan Relief and Rehabilitation Association
SRRC	Sudan Relief and Rehabilitation Commission
SSARP	Southern Sudan Agriculture Revitalization Program
STAR	Sudan Transitional Assistance for Rehabilitation
STF	Sudan Task Force (USAID)
SUPRAID	Sudan Production Aid
TCHA	Technical Committee on Humanitarian Assistance (OLS)
UN – Habitat	United Nations Human Settlements Programme
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children’s Fund
USAID	United States Agency for International Development
VMT	Verification Monitoring Team
WFP	United Nations World Food Program
WHO	World Health Organization

Maps



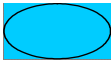


Maps

**Refugees and Internally Displaced As of February 2003:**

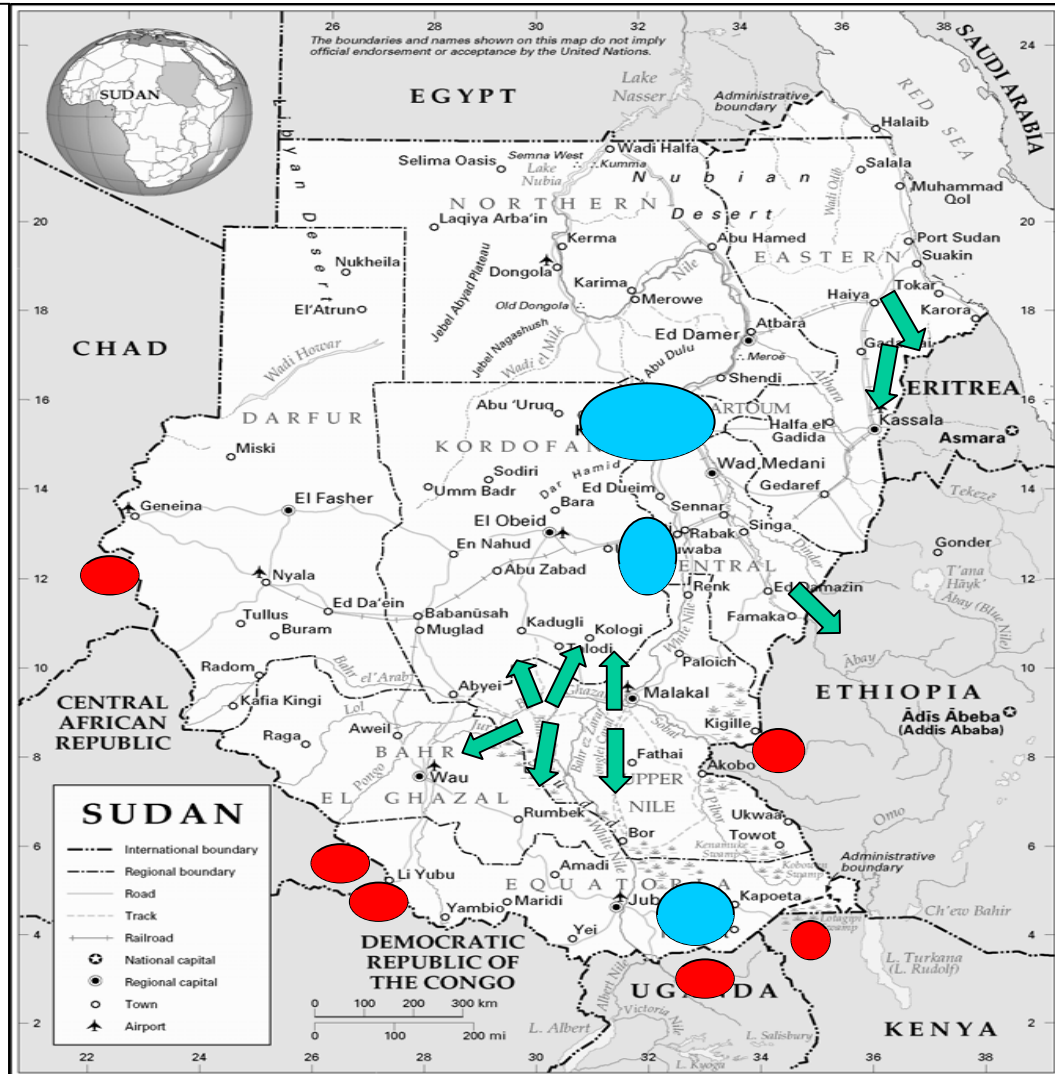
4 million Sudanese displaced

420,000 Sudanese refugees

150,000 Sudanese fled their homes between May-July 2002

-  IDP Concentrations
-  Refugee Camps
-  Recent Displacement

Sources: map from UN Cartographic Department; overlay by Food Security Analysis team



Map No. 3707 Rev. 3 UNITED NATIONS  
December 1997

Department of Public Information  
Cartographic Section



## **I. Introduction**

The Sudan Interim Strategic Plan (ISP) integrates all USAID assistance programs in Sudan into a single strategy, and promotes integration of assistance programs managed by other U.S. Government agencies. The Sudan ISP thereby incorporates humanitarian, development, refugee, and political assistance programs implemented throughout all of Sudan. The Sudan ISP was prepared by a joint team of U.S. Government officials based in Washington and the field, through a process that involved much consultation with Sudanese stakeholders, implementing partners, and other donors. Several assessments and analyses were undertaken to inform the strategic planning process.

Part II of the ISP describes the current dynamic situation in Sudan and the United States response, including the country context, a number of risks and opportunities for assistance programs in this context, the strategic principles that will define implementation of this strategy, and a number of scenarios for how the country context may change during the strategy period.

Part III of the ISP defines the Results Framework, which includes the strategic objectives and results that will be achieved by U.S. Government assistance programs during 2004-2006, and illustrative activities for achieving those results. Also described in this part is the performance monitoring system used to measure achievement or failure of assistance programs.

Part IV of the ISP describes the management and coordination plans for implementation of assistance programs in the next three years.

## **II. Sudan's Transition and the U.S. Response**

### **II.A. Country Context**

Civil war in Sudan has raged for 36 of the 47 years since independence. The war has been the central focus of political life throughout the country. It has caused the loss of 2 million lives, more than 4 million displaced, economic decline and severely hindered Sudan's capacity to develop as a nation. Repeated efforts to reach a solution among Sudanese have only resulted in a return to war. The main parties to the civil war are the Government of Sudan (GOS) and the Sudan People's Liberation Movement and Army (SPLM/A), but there are numerous other armed groups involved in the conflict, including northern and southern opposition movements and ethnic militias. The GOS controls many major towns in the south. The SPLM/A controls most of Equatoria, Bahr-el-Ghazal, Lakes, Upper Nile and Southern Blue Nile regions as well as part of the Nuba Mountains in Kordofan region. The National Democratic Alliance umbrella organization, which includes several northern and southern opposition groups, has formed a joint force that consists mostly of SPLA and Beja Congress troops and holds territories in the northeast. The Upper Nile region is contested by several groups, including the SPLA, South Sudan Independence Movement (SSIM/A), the South Sudan Defense Force (SSDF), and the South Sudan Liberation Movement. Several other ethnic militias – especially Nuer and Murle – are armed and willing to fight for either of the major combatants. The Equatoria Defense Force and ethnic militias are active in eastern Equatoria region. Equatoria is also plagued by the Lord's Resistance Army (LRA), a Ugandan rebel force which attacks from bases inside southern Sudan. Since 2002, the Ugandan army has been active inside Equatoria in an attempt to defeat the LRA.

The causes of these conflicts among southern Sudanese include the key issues in the north-south conflict – self-determination, inequitable development and religious freedom – as well as conflict over resources and the collapse of traditional inter-ethnic systems to resolve disputes. The stakes are high for Sudanese

and for the world. Sudan is located at the heart of the Horn of Africa, a key region in the war against terrorism and astride the religious, ethnic and cultural divides between North Africa and East Africa. Sudan borders nine countries and its conflicts affect all of East and Central Africa. Egypt remains keenly interested in Sudan issues due to its preoccupation with use of the Nile waters. Other Arab nations focus on the Islamic aspects of the Sudan conflict.

Sudan is the largest country in Africa, covering 250 million hectares – about the same area as the United States east of the Mississippi. Estimates of total population are approximately 30 million, though all data related to Sudan should be treated with caution. Rainfall ranges from desert areas in the north to humid and hyperhumid levels in the south on the border with Uganda and the Democratic Republic of Congo. Estimates of extensive oil resources in southern Sudan have attracted several multinational petroleum companies to undertake exploration and production, despite the on-going civil war. Other resources include the large-scale mechanized farming schemes in northern Sudan (including the largest areas under irrigation in Africa), forest and geological products in southern Sudan, and rainfed traditional production of crops and livestock throughout the South.

**The prospects have never been better for national peace and a transition to recovery and development.** Since the last assistance strategy for Sudan was designed in 1999, the context has changed dramatically. For the first time in decades, optimism exists that a peace process may be leading to a comprehensive national settlement to the twenty-year civil war. The peace talks sponsored by the Intergovernmental Authority on Development (IGAD) between the GOS and the SPLM/A, the main parties to the civil war, have already resulted in: 1) The parties signing a protocol for a peace framework in July 2002 and making landmark agreements on a six-month transitional “pre-interim period” followed by a six-year “interim period” of autonomy for a “southern entity” within the context of a national unity government; 2) A referendum in the South after the interim period, to choose union or secession; 3) Freedom of religion in southern Sudan; and 4) A cessation of hostilities and unimpeded humanitarian access during negotiations. Those peace talks are now turning to issues of power and wealth-sharing between northern and southern Sudan; processes for revising the constitution and holding elections; security arrangements; and determining the status of three areas in the transition zone – Abyei, Southern Blue Nile and the Nuba Mountains – which include SPLM/A held territory outside the 1956 boundaries of the South.

The successful cease-fire in the Nuba Mountains, signed in January 2002, has opened opportunities to deliver humanitarian assistance to this war-affected, long-isolated, and marginalized region. Southern Sudanese civilian administrations have continued to gain experience, though they are still weak and highly personalized. Economic recovery in stable areas of southern Sudan continues apace, and Western Equatoria has produced crop surpluses for four straight years. Donors to Sudan are planning together for post-peace programs, though that has not yet translated into coordinated programming. Tremendous opportunities exist for the Sudanese and the international community to transform Sudan through a peace that is viable and visible in people's lives.

**There are many challenges ahead.** The transition to peace, recovery, and development will be fraught with continuing problems if the Sudanese and the international community do not move quickly to address the fundamental challenges to maintaining a peace settlement. The long-term impact of the civil war and other local conflicts is profound and will not be resolved by a signed peace agreement. Slavery, denial of access for humanitarian assistance, repression of basic rights, and ethnic, regional, and religious divisions have created a climate of deep mistrust among Sudanese along ethnic lines and limited confidence in governments and authorities. The exclusion from the peace talks of political forces outside the GOS and SPLM means further reconciliation processes must be undertaken. The potential remains for political fragmentation in the North and the South. Regardless of any peace agreement, a wide variety

of actors in Sudan have vested interests in continued violence and predation. Regional actors, cross-border actors, militias, and those benefiting from the war economy could act as spoilers of peace. If the peace fails, combatants will likely return quickly to war against civilian targets, causing further death and displacement, and to committing war crimes with impunity. A peace agreement may offer an opportunity for increasing political space and transparency and moving towards democratic governance. The political challenge will be to “operationalize peacebuilding” at the grassroots level so that communities and civil society organizations throughout the country see the benefits of a peace agreement and seek ways to reinforce it.

The long duration of the civil war and the various resulting conflicts have dramatically affected gender roles. Estimates indicate that over 60% of the population in southern Sudan is female and women head the majority of households in some areas. This demographic reality must be a focus of planning for the Sudanese and the international community. Women are responsible for most production, processing, and marketing surpluses of food; constructing and maintaining houses; and caring for children and extended family. Women are also perceived as the guardians of traditional culture and responsible for the health and education of the household. These major roles for women in the traditional economy are in sharp contrast with the limited role for women in politics, governance, land and property ownership, and in formal education and professional life. Programming should also reflect that the majority of returning refugees in the event of a peace agreement would be women and children.

Sudan remains one of the poorest countries in the world, facing massive development challenges. Communities outside the northern riverine states remain marginalized from economic opportunity and from political decision-making. After 20 years of the current civil war, destruction, (especially in the South) and neglect (throughout the country) have left little physical and institutional infrastructure. In many war-affected areas, communities are beginning to restore education services by constructing basic schools, and the international community has started rebuilding the health care system. Outside of the northern cities, communities are largely dependent on nearby natural resources for food, fuel, and shelter. Some markets continued to exist throughout the war, and markets in stable areas of southern Sudan have begun to thrive as the wartime economy slowly recovers links to East Africa. But trade within much of Sudan remains limited by the lack of infrastructure; lack of financial systems for savings, investment, and credit; lack of economic law and policy in opposition areas or misplaced policy priorities in government areas; and an overall low level of business skills among entrepreneurs. The low skills level severely constrains access to and improvement of education, health care, water and sanitation services for Sudanese in isolated communities.

The cessation of hostilities and unimpeded access agreements signed by the GOS and SPLM – but not fully implemented – have given a taste of life under a peace agreement. Expectations will be high following a peace agreement, and large-scale movements of people returning to their home communities are possible, although it is not clear if these movements would be immediate or after a period of reassurance and confidence-building. Currently, more than 4 million people are displaced within Sudan, about half of whom live around Khartoum. Most others live with host communities in southern Sudan. Some 420,000 refugees reside in formal refugee camps in Uganda, Kenya, Ethiopia, Eritrea and the Democratic Republic of Congo.

**The United States Government’s Role.** The United States Government has been the largest donor of humanitarian assistance to Sudan over the last two decades, having provided \$1.4 billion in humanitarian and development assistance since 1990. The USG remains committed to helping Sudan through this transition. The relationship between the United States and the Government of Sudan changed considerably since the start of the U.S.-led war on terrorism, with the emergence of the United States as a

leading actor in the IGAD peace process, and the policy change in 2001 allowing assistance to drought-stricken northerners despite terrorism-related sanctions on the government in Khartoum.

Since President Bush's appointment in 2001 of USAID Administrator Andrew Natsios as Special Humanitarian Coordinator and of former Senator Jack Danforth as Special Envoy for Peace in Sudan, the USG role has significantly increased. The U.S. has led international efforts to increase humanitarian access, reinvigorate the Kenya-led IGAD negotiations, protect civilians, and establish and monitor the ceasefire and cessation of hostilities agreements. The U.S. approach has been to use humanitarian access to build trust between the Sudanese parties, leading to broader political agreements. This was successful in the Nuba Mountains, where the U.S. approach transformed an intense war and threat of famine in 2001 into a regional cease-fire with international monitors, vastly improved humanitarian access, freer movement of populations across political lines, and the beginnings of economic recovery. Heightened U.S. involvement in the peace process, led by the State Department, has been matched by major new development programs in opposition areas to prepare Sudan for peace.

U.S. Government policy towards Sudan rests on three pillars:

1. **The War on Terrorism.** The Government of Sudan (GOS) is a state sponsor of terrorism, but recently began a dialogue and increased cooperation with the U.S. Government following the September 11, 2001 terrorist attacks.
2. **Peace in Sudan.** The current peace process should lead to a durable, sustainable peace agreement that guarantees human rights, religious tolerance, development, and participatory governance. The U.S. generally takes the approach that a united Sudan is better for regional stability, and that a fair and just peace agreement will support Sudanese unity.
3. **Humanitarian Assistance To Those In Need.** All parties to the civil war must allow unimpeded access for delivery of humanitarian assistance to communities in Sudan.

These three policy pillars are inseparable and inviolate. Progress must be made in all three principles. The GOS cannot expect that cooperation in the war on terrorism alone will lead to less pressure on the peace process or to less insistence on humanitarian access, nor will progress on peace alone lead to a lifting of legislative prohibitions.

## **II.B. Opportunities and Risks**

This Interim Strategic Plan is being initiated at a time of unique opportunities for programming, but also includes some risks as outlined below.

### **Opportunities:**

**Time To Prepare:** If the IGAD Peace Process is successful, the sequence of the negotiations, agreement, ratification and a six-month pre-interim period will last into 2004. This provides USAID an opportunity to prepare for programming to support the peace process. Donors have shown their willingness to commit to post-war programs even before an agreement is reached.

**Flexibility And Scalability:** Conflict situations are fluid; programs should be prepared to accommodate unexpected changes in this dynamic environment and to accommodate changes in funding levels. Flexibility and scalability means using modular implementation mechanisms that can be scaled up or down based on a change of resources or accessible geographic areas.

**Improve Gender Equity:** Women represent approximately 60% of the population of southern Sudan, yet are restricted by cultural traditions and heavy workloads from playing a significant role outside their homes. A peace agreement will provide the opportunity to encourage women to play a larger role in civil society, economic activity, and local, regional, and national governance.

**Will To Harmonize And Coordinate:** Southern Sudanese officials and other donors are actively seeking to improve program coordination. The need for coordination is rarely supported by such an overt effort to make it work. This opportunity should be seized.

**Support To Southern Sudanese Governance Institutions:** U.S. Government policy has limited assistance to opposition governance structures to those below the "national-level", i.e. to the county level and below. The peace protocols would allow for southern autonomy, thereby permitting support to Southern Entity governance structures at all levels to ensure proper establishment during the transition.

**Expanded Assistance In Northern Sudan:** U.S. Government sanctions and the absence of a peace agreement have limited assistance in northern Sudan to food aid and humanitarian assistance for war and drought-affected communities. A peace agreement could present an opportunity for targeted development assistance in the North, particularly in democracy and governance.

**A Review Of Legislative Prohibitions:** Several layers of U.S. legislative prohibitions are currently imposed on the Government of Sudan, including the most visible sanctions for a state sponsor of terrorism. If there is a peace agreement, there should be a review of the underlying conditions of these prohibitions.

**Increased Assets Available to the South:** Peace would enable the South to take advantage of northern-controlled assets, such as garrison towns, with their relatively better developed infrastructure and institutions, oil production, and infrastructure linking the South to the North and the world beyond. These assets can reduce the costs and increase the effectiveness of Sudanese and international investment in the South, including assistance programs. USAID will be studying the potential of urban-rural linkages to make the most of these assets after a peace agreement. The diaspora and repatriating refugees are another asset that will come available to the South in the event of peace. Returning Sudanese will bring skills, financing, and new ideas and attitudes that could help boost Sudan's recovery. There are likely to be many skilled and capable refugees (often with previous professional backgrounds) who should be identified early on and their skills tapped as a "vanguard" for initial relief and rehabilitation programs leading to more sustained reintegration and development efforts.

### **Risks:**

**Absorptive Capacity:** Decades of conflict have weakened Sudanese institutions and destroyed much of the economy. Institutions and management capacity remain fragile in Sudan, particularly in opposition-held areas. In a near cash-free economy in the South, huge international funding increases could overwhelm Sudanese institutions. USAID must be careful that an influx of new resources does not cause economic shocks (such as unnatural increases and decreases in prices; disincentives for production; etc.) and overwhelm existing institutions and structures, particularly in opposition-held areas. Institutions and their management capacity remain fragile in Sudan; certain institutions may not be able to absorb these resources. Flexible programming and support to emerging new structures will be required.

**Corruption:** Sudan's environment is ripe for corruption given the shattered economy, lack of information, lack of transparency and accountability, and a tradition of loyalty and obedience to military commanders. Internal conflict eroded the capacity of civil society to perform the "watchdog" function

along with low levels of human capacity that enable less-than-transparent processes to flourish. A very real danger exists that increased levels of resources and emerging new structures will lead to mismanagement.

**Endemic Conflict:** The peace process is still tenuous, as the GOS continues to violate signed agreements with the SPLM, and it would be naïve to assume that a comprehensive national peace settlement (or a limited peace settlement between the largest parties to the civil war) will prevent the continuation or resurgence of local ethnic and resource conflicts or provocations by the opponents of peace. New conflicts could erupt as people attempt to return to pre-war patterns of life using traditional grazing areas and resuming farming on traditional lands. Returning diaspora can also spark such conflicts, especially if financial support from the international community leads to inequalities. At the same time, in many cases, returning refugees will have forgotten most of their traditional agro-pastoral skills and may be returning with other skills gained in camp-based job training programs that are more appropriate for earning livelihoods in an urban environment. Rapidly increasing levels of international assistance might lead to inequities. USAID must prepare for occasional setbacks, continue to be flexible, and support local conflict mitigation and governance institutions.

**HIV/AIDS:** The enhanced freedom of movement that would arise from a peace agreement will likely hasten the spread of HIV/AIDS in Sudan. This is further exacerbated by extremely limited knowledge among Sudanese about HIV/AIDS. The already weak civil society and health care systems would struggle further to adjust to this burden.

**Demobilization, Disarmament, Return, And Reintegration:** If a peace agreement is signed, the demobilization of soldiers will be necessary to sustain the peace. USAID is usually unable to assist demobilization and disarmament, but could support the return and reintegration of demobilized soldiers. This will be a difficult and delicate process that should not be ignored in our support to the peace process. It should also be noted that a proliferation of small arms has been a recurring problem in the region that may be exacerbated in the event of a major demobilization in Sudan.

**Risks To The Environment From Rapid Growth And Returning Populations:** A peace agreement will create incentives for displaced people to return home, sparking competition for scarce water, land, and wood, in recipient communities. It will also be important for USAID and State to work closely with UNHCR and other implementing partners on planning for reintegration programs for returning refugees and with other partners for the large numbers of returning IDPs. If peace is sustained, a rapid economic recovery in southern Sudan would have implications for the environment around the larger towns and cities.

**Limitations Of Our Implementing Partners:** Our international partners are capable relief implementers but work in limited geographic areas, and USAID experience with our development programs shows that they struggle with changing from a relief approach to a development outlook. To ensure flexibility and achieve results, USAID expects to use more contractors in our development programs, which will require time as they establish operations in Sudan.

**Limited Availability of Information And Analysis:** The U.S. Government manages its programs in Sudan from across the border in Kenya and from a small office in Khartoum, limiting timely information and analysis needed to guide implementation. Recent investments in utilizing southern Sudanese professionals to research aspects of agriculture and natural resources management are paying off. USAID will expand this approach in southern and northern Sudan. It should also be noted that long-distance management carries with it inherent risks, which can only be solved through more intensive monitoring of programs.

## II.C. Strategic Principles

In collaboration with our stakeholders and partners, USAID developed the following mutually reinforcing principles to guide the implementation of the ISP.

**Sudanese participation and ownership.** Every effort will be made to incorporate Sudanese human and material resources into our programming and decision-making in order to maximize the participation of Sudanese and increase the capacity of Sudanese authorities, institutions, and individuals to take ownership.

**Equitable access to program resources and benefits.** A root cause of conflict in Sudan is unequal access to resources and opportunities. This is a complex issue, especially for assistance programs. USAID will coordinate with other donors to achieve an overall geographic, ethnic, and gender balance of international assistance to Sudan based on assessed needs, and seek to ensure that host communities, returning refugees, and returning IDPs receive equitable treatment in terms of access to resources, benefits, and services. Innovation should also be encouraged to find new methods of handling grievances and redressing perceived imbalances in the distribution of development resources.

**Open dialogue and transparency.** Successful implementation of assistance occurs in an environment of trust among beneficiaries, counterparts, partners, and donors. During decades of civil war, lack of access to information and political control of media contributed to suspicion and conflict. We can build that trust by maintaining honesty and transparency in our activities and by only making commitments that we can honor. USAID will also encourage transparency among Sudanese and international partners.

**Broad-based private sector-led development.** International assistance that supports individual entrepreneurship and a vigorous private sector will contribute to a recovery from war and towards development with the widest benefits. The ability of the public and private sectors to work together will be dependent upon mutual respect for the role and responsibilities of good governance and the benefits that can be gained from a growing private sector that is participatory, committed to development, and available equitably to all Sudanese citizens. It would be a step backwards to impose the weak Sudanese public sector on the non-profit and private sector service providers that have functioned during the war.

**Promote conflict transformation and “do no harm”.** Conflict in Sudan is complex, with many layers, including sub-national tension and conflict. Stopping hostilities at the national level will not automatically lead to peace in all areas. International assistance must support local and national reconciliation processes to address the root causes of conflict.

**Take and manage risks.** Sudan’s dynamic context demands quick action and flexible programs. USAID’s assistance will include programs that provide rapid and widespread benefits, but have a higher risk for being unsustainable. Taking risks and sometimes failing is acceptable, as long as we learn from mistakes.

**Integrated implementation.** Humanitarian, transitional, and development resources need to be integrated into programs meeting short and long-term needs. Particularly under the peace scenario, jump-starting development programs requires an initial humanitarian response that anticipates long-term development. For example, there will be a need to work closely with UNHCR, UNDP and others in the early planning stages to prepare for the return of the 420,000 refugees currently in camps in the region. Increasing and diverse resources require that the U.S. Government be flexible and integrate its programs

as much as possible, but funds will be programmed (or re-programmed) only for the purposes for which they were appropriated.

**Analytical foundation.** USG assistance decisions should be informed by a strong analytical foundation, drawing timely information from throughout the large and diverse country of Sudan. Adequate resources, both funding and staff, must support rapid data collection, analysis, assessment, and evaluation.

## **II.D. Scenario-Based Planning**

The highly variable Sudan country context requires flexibility and scalability in assistance programs. How the Sudanese resolve or pursue the civil war will be the greatest influence on U.S. diplomacy and assistance during the next three years. To guide program managers in adjusting results, resources, and programs, the USG field team, in consultation with Sudanese counterparts and implementing partners, devised three probable scenarios:

- Stalemate Continues
- Peace Prevails after a Peace Agreement
- Peace Fails and Conflict Intensifies

Each scenario is described in this section. Changes in programs under each scenario are described in Section III, Results Framework, under each Strategic Objective.

### **Scenario 1: Stalemate Continues**

This “base” scenario represents the current situation in Sudan. The main parties to the civil war have reached a stalemate on the battlefield. The IGAD-supported peace process has made considerable progress and caused an increase in optimism that a resolution may be imminent between the major parties to the civil war. Yet these same parties have been on the verge of agreements before. Other peace processes over the last twenty years have moved in fits and starts. The current negotiations have continued with occasional achievements and setbacks. The results framework in Section III is based on this stalemate scenario.

### **Scenario 2: Peace Prevails after a Peace Agreement**

This scenario considers the implications of a successful Sudan peace process. If a peace agreement is signed by the main parties to the civil war – the GOS and the SPLM – and ratified by their respective legislative assemblies, Sudan will undergo a momentous transformation.

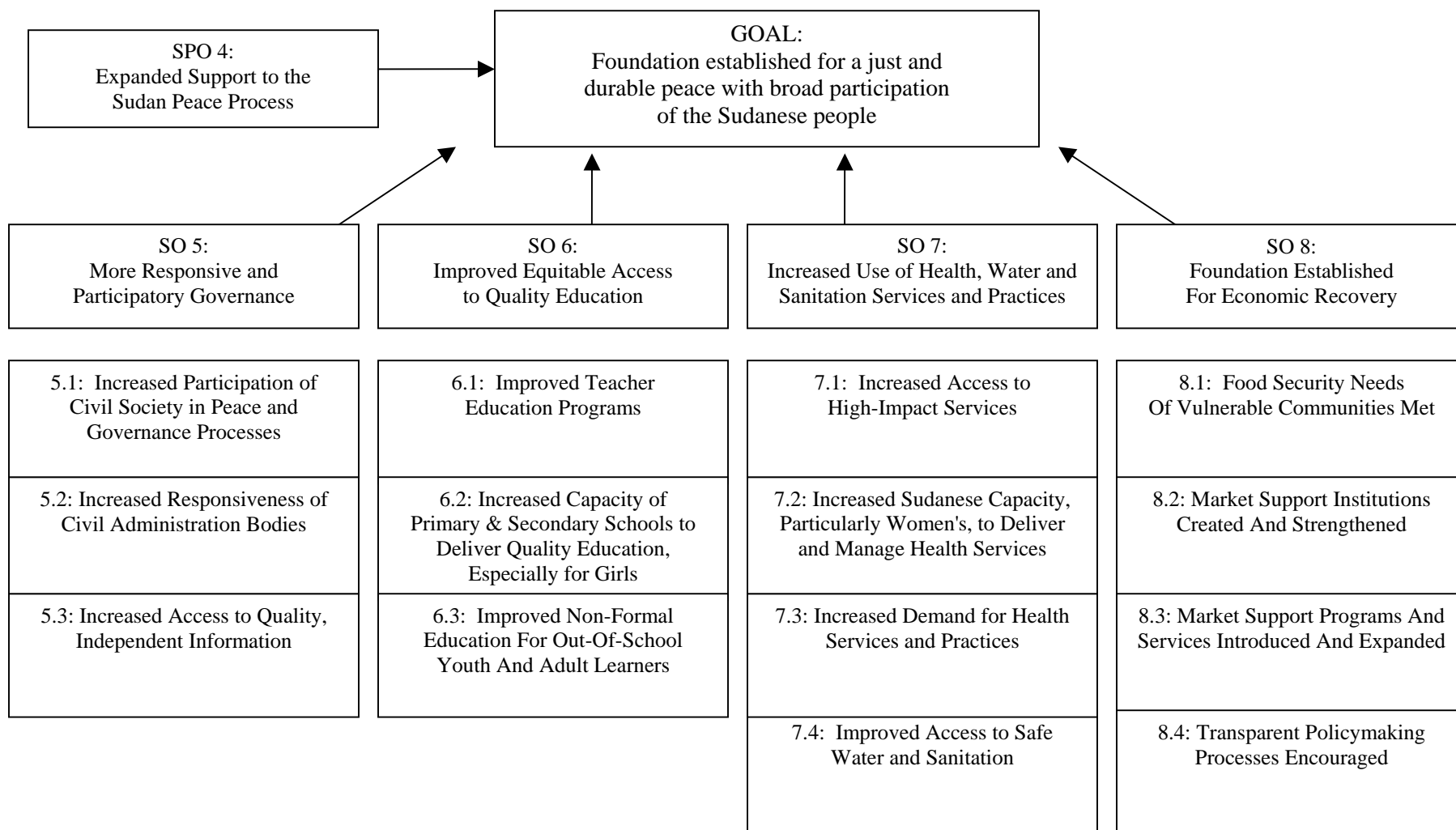
While the exact nature of a peace deal cannot be predicted, and many of the important elements are still under negotiation, it can be assumed that the Machakos Protocol of July 20, 2002 would form the basic framework of a peace agreement. After a six-month pre-interim period to prepare for the transition, an autonomous Southern Entity would be created to govern the South during a six-year interim period, followed by a referendum in southern Sudan on secession or unity. A peace agreement would contain arrangements for power-sharing in a national Unity government, and arrangements for wealth-sharing (i.e. distribution of revenues from natural resource exploitation like oil production) between the South and the North. Security arrangements would be made for disengagement of armies. Dispute resolution and verification mechanisms would be created.



Even under this positive scenario, the challenges to peace would be many. Security concerns will remain in areas with independent militias. Demilitarization of the war zones and garrison towns will require time and appropriate international monitoring. Inter-communal violence, both South-South and North-North, may be decreased as a result of a GOS-SPLM peace agreement, but will require separate reconciliation initiatives. Peace will lead to large-scale population movements. Populations returning to their rural home areas will have a tremendous impact on food stocks, social services, and the environment. Land mines will pose a threat, particularly with mass movements. Infrastructure will be a major program focus, with an emphasis on roads to promote economic growth and delivery of social services. The return of diaspora, IDPs and refugees will bring much-needed skills for development, but may raise social tensions. The Southern Entity will be under great pressure to establish new institutions, maintain security, oversee military arrangements, and create a foundation for the rule of law and for economic growth.

### **Scenario 3: Peace Fails and Conflict Intensifies**

This scenario would entail a progression of events over the course of the strategy period, leading to an intensification of the war. These events might occur before or after a peace agreement is signed, representing a distinct scenario. Both parties would pursue full-scale war, assuming that gained territory will be vital if peace talks begin again. In this scenario, emergency needs would escalate. In the expanded war zones, larger numbers of populations would be displaced and economic activities limited. The pace of return by displaced people, refugees, and diaspora would slow or cease altogether. As the transition from a war economy to a peacetime economy is reversed, Sudanese would be much less likely to invest, hastening economic collapse.



### **III. Results Framework**

#### **III.A. Goal**

The goal statement for the previous two Integrated Strategic Plans covering 1997 to 2003 – “A less vulnerable, more self-reliant population better prepared for a transition to peace” – is no longer appropriate for the changed Sudan context and the new directions recommended for the assistance program. The following new goal is proposed for the new strategy:

**“Foundation established for a just and durable peace  
with broad participation of the Sudanese people”**

This goal statement takes into account the fragility of a peace agreement and directs our assistance program to address fundamental challenges to maintaining the peace that may arise in the next three years. A special objective prepares for peace in Sudan and allows flexibility to respond to special opportunities to support peace. Programs in four strategic objectives – governance; education; health, water, and sanitation; and economic recovery – contribute to achieving this goal. With Sudan on the cusp of a major historic transition, it is appropriate for assistance programs to invest in each of these sectors. In the event of peace and recovery, the basic building blocks will be needed now for eventually achieving democratic governance, effective and accessible social services, and a recovering economy. At the same time, the challenges of Sudan are so overwhelming that humanitarian relief will clearly be required for several more years to come. Therefore each of these Strategic Objectives and the Special Objective for this interim strategy seek to achieve results that move in the direction of a recovery in Sudan but are something less than the typical impact required of sustainable development programs. Each of these Strategic Objectives and the Special Objective use a mix of all the different fund sources across the relief to development continuum.

#### **III.B. Strategic Objectives**

##### **Special Objective 4. Expanded Support to the Sudan Peace Process**

###### **a. Summary and Rationale**

A reading of the Country Context for this Interim Strategic Plan demonstrates the overwhelming importance of current political developments for the future of Sudan. Conflict is the major constraint to any development in Sudan, and all depends on the outcomes of peace processes, at the national or local levels. It is vitally important that the peace processes be supported visibly and firmly by the United States. Therefore this ISP includes a Special Objective to expand the U.S. Government support to peace in Sudan. The Special Objective combines flexible mechanisms for transition programs with on-going grassroots reconciliation activities. It also prepares the ground for quick impact projects in response to an eventual peace agreement. While investments in long-term development will be undertaken through the four Strategic Objectives, this Special Objective will jumpstart activities in the same sectors, especially governance, in coordination with development assistance implementors.

Despite obvious progress towards a signed peace agreement, obstacles to a just and durable peace remain significant. Decades of conflict, lack of development, human capacity, and anticipated mass movements of people will make any peace accord extremely fragile. Limited human and institutional resources, especially in the South, will make implementation of any peace agreement difficult. Moreover, Sudan has an estimated four million internally displaced persons, with several hundred thousand Sudanese living as

refugees abroad. After a peace agreement, many of these people are expected to return, further straining already overburdened local economies, resources, and social relations. Timely, balanced, and equitable peace dividends must be quickly provided for the people of Sudan to see the benefits of any agreement and to commit to its implementation at the local level. Assistance under this Special Objective will help the Sudanese to lay a foundation for a just and durable peace following an agreement.

While the advances in the IGAD peace process show promise in resolving the overarching North/South conflict, much of the fighting within Sudan has occurred within the highly fragmented South. The successes of grassroots people-to-people peace processes and an increasingly effective civil society point to a mounting desire of southern Sudanese to end the conflict in the South. Formerly split factions of the SPLM/A reunited in January 2002, reflecting a commitment by the South's political leadership to end the intra-South fighting. Regardless of the outcome of the national negotiations, support for such local peace and reconciliation efforts must continue and be expanded. A sustained commitment of resources to such efforts will increase momentum for greater stability and peace within the South, and strengthen any outcomes of a national settlement.

Also of significant importance is the area known as the Transition Zone, where North meets South. This area extends from South Darfur and northern Bahr el Ghazal in the western part of Sudan to the Southern Blue Nile region in eastern Sudan. Stability in this zone will enable the displaced to return home. Stability will also allow for North-South trade to occur. During the years of conflict, slave raiding and cattle rustling replaced trade. Part of the USG strategy under the Danforth initiative has been to stabilize the "transition zone" through negotiating a cease-fire and following up with programs that bring immediate benefits to populations on both sides of the line, which has worked in the Nuba Mountains and is beginning to take place in Abyei and Southern Blue Nile. Implementation of the transition zone strategy should not only stabilize and enhance food security but also lead to increased trade and income flows to populations along this huge swath of land.

Expanding USG support immediately in anticipation of an agreement will prepare the Sudanese people to work together and build a partnership with the international community to implement any peace agreement. These activities will also target and reinforce existing local efforts to consolidate recent gains in establishing South-South peace. USAID's current Sudan Peace Fund as well the SOAR component under the STAR program already support such efforts. In addition, USAID will need new, flexible mechanisms with adequate funding in place to support this Special Objective. Activities under the SPO are expected to accelerate progress towards negotiating a peace agreement; reinforce an agreement through the six-month "pre-interim period"; and accrue an immediate appreciation of the potential benefits of peace throughout Sudan.

The ADS Section 200.6 defines a Special Objective as "an objective that is difficult to define and measure or is not directly linked to a goal in the Agency Strategic Plan" or responds to an emergency or short-term post-crisis stabilization effort." Given the uncertain nature of the peace process, this SO clearly fits the criteria of an objective that is both difficult to measure and is linked to a post-crisis stabilization effort. Several activities under this Special Objective are closely linked with activities under the Improved Governance SO and may jumpstart longer-term development programming that will not be feasible until a formal peace is concluded and consolidated.

**b. Beneficiaries:** Direct beneficiaries of the programs to support the peace process include community-based groups, peace committees, women's organizations, citizens in communities receiving quick impact projects, Sudanese NGOs in the South and possibly in the North; southern civil administrations; the National Democratic Alliance; the SPLM Pre-Transition Task Forces; and political forces at both the national and sub-national level. Indirect beneficiaries include all Sudanese citizens. As

described in the Strategic Principles section above, equity is a major concern of U.S. assistance programs. In the case of the Special Objective, equity will be included among the criteria for quick impact programs, and political activities will emphasize equity along ethnic and geographic divisions.

**c. Illustrative Program Areas and Activities**

**Program Focus Area 1: Expanded support to Sudanese peace building and maintenance capacities**

Upon approval of this ISP, USAID and the State Department will immediately increase support to peace building activities designed to prepare the Sudanese people for a negotiated peace. Illustrative activities include:

- **Preparing for a peace agreement:** Activities will enhance the capacity of the emerging governance bodies to deal with a post-conflict society. This includes funding SPLM technical teams to prepare sector strategies and investment plans for the six-year interim period, continued support for the various monitoring teams (U.S. State Department funding for CPMT/VMT, JMC/JMM), and continuing the active U.S. State Department role at the IGAD peace talks.
- **Transition zone activities.** There will be a new focus on the transition zone where North meets South (southern Darfur, southern and western Kordofan, northern Bahr el Ghazal, northern Upper Nile, southern Blue Nile). This is a zone of conflict and also where most slavery and abductions of civilians occurs. Programs will be parallel in both North and South, and include some cross-line activities. Programs will focus on basic human needs (health services, water and sanitation), livestock (water, animal health) and markets. USAID is developing an inclusive programming and funding approach that has a multiplicity of implementing partners, and also remains faithful to the crossline initiative and spirit of the people in these communities who are the true progenitors of this set of activities. It is critical that the community leaders themselves identify their needs and define priorities.
- **Dissemination of timely information regarding the peace process:** Dissemination of information about the IGAD peace process and other national and local peace initiatives will expand citizen participation in the peace process and foster support for a final agreement. Distribution of such information will be via radio, public meetings, conferences, and possibly newspapers, relying on media outlets established by USAID in FY 2003 under IR 5.4. Radio distribution will cover almost all of both northern and southern Sudan. Other activities might be more confined to the South.
- **Expanded support to grassroots people-to-people peace processes:** People-to-people peace processes (Nuer-Dinka, Nuer-Nuer, Dinka-Equatorian, etc.) need greater assistance, particularly in the implementation of agreements (such as Wunlit). Similar peacebuilding initiatives that foster consensus on resource utilization and management will be promoted in the conflict zones (Upper Nile, Eastern Equatoria) and the transitional zones (Abyei, Nuba, and Southern Blue Nile). There may also be opportunities to expand peace building/conflict resolution work into refugee camps ahead of a final, durable peace. In camps in western Ethiopia, for example, fierce Nuer-Aniak animosities that have erupted in bloodshed bode ill for attempts at reconciliation in the event of a post-Machakos refugee repatriation operation. Funding peace-building and conflict resolution programs in refugee camps for targeted populations should be considered to provide a head start on reconciliation.
- **Jumpstarting improvements in governance.** While governance programs are being designed and launched under SO 5, flexible transition initiatives funds will be used to jumpstart governance

improvements that are vital to support the peace process. This may include capacity-building and technical assistance to civil society organizations (CSOs) involved in peace building institutions. While CSOs, including various church groups, have become more involved in grassroots peace building initiatives, they remain weak institutionally and need capacity building. Programs will work with CSOs and provide training to improve their capacity for managing resources and implementing programs. Jumpstart activities may also seek to promote increased inclusion of opposition political forces in peace and governance processes. In both northern and southern Sudan, political forces other than the GOS and the SPLM have been excluded from peace and governance processes. This exclusion significantly threatens a durable peace, as these parties do not have a stake in the current peace process. The very real possibility of militias acting as spoiler to the peace process was one of the primary concerns raised during our meetings with stakeholders. Activities will focus on opening a dialogue among these various forces, including other southern political parties, the political arms of GOS-aligned southern militias, and northern opposition political parties. A modest program in support of northern civil society organizations – especially those working towards improved human rights and democratic governance – will be launched in FY 2003.

### **Program Focus Area 2: Timely support to peace dividends and confidence building measures**

Following a signed peace agreement, USAID will support a range of quick impact programs based on a multi-donor, six-month action plan. Immediate funding to several highly-visible activities will reinforce an agreement by demonstrating the tangible benefits of peace. Confidence building efforts will focus on generating trust between communities in formerly contested areas. Illustrative activities include:

- **Quick impact projects.** For its quick impact projects, USAID will apply criteria of visibility, gender and ethnic equity, and direct benefit to communities. Interventions will include community-identified small-scale infrastructure projects such as schools, clinics, and water points. Many of these projects will target communities receiving returning IDPs and refugees to lessen conflict over resources. Quick impact projects will be distinct from the programs seeking long-term objectives under each of the other Strategic Objectives, in that a premium will be placed on visibility and quick delivery over sustainability and working through local institutions. But implementation will be done in tandem with the implementing partners of programs under the Strategic Objectives. If resources are available, REDSO/ESA will authorize a Quick Impact Program within a few months of the approval of this ISP that can be launched immediately after a peace agreement. If resources are not available, then other options must be considered, including revising on-going programs to include a quick impact component. IDA resources may also be available.
- **Confidence building measures:** To support an agreement, USAID will strive to increase confidence in peace among citizens and former combatants. Specific programming will include cross-line deliveries of humanitarian assistance; the establishment of peace markets to promote commerce in formerly contested areas; and re-establishing peacefully negotiated grazing rights agreements in pastoral areas. Shared water points and rehabilitated roads can also build confidence near former front line communities. The provision of humanitarian assistance to newly accessible areas will further demonstrate the value of peace. Programming will also foster support for recent intra-South peace efforts. Most programs will be implemented in the South, but an attempt will be made to implement similar efforts in the North while taking into consideration the need for such activities and legal restrictions. Confidence building activities can be supported by food for work.

**Program Focus Area 3: Support the reintegration of IDPs and refugees in targeted communities.**

Once a peace agreement is signed, some immediate spontaneous return of IDPs and refugees to their home areas is likely. Supporting the reintegration of IDPs and refugees will require significant levels of donor support and planning could be hampered by a lack of data about IDPs and refugees, although UNHCR is apparently compiling a database on Sudanese refugees in the region. If funds are available, USAID will support return and reintegration programs for the many internally displaced persons and refugees. Illustrative activities include:

- **Return and reintegration:** UNHCR has begun logistics planning for the return of Sudanese refugees, and the International Organization for Migration and UN/OCHA are developing reintegration programs. USAID will work closely with State/PRM to develop appropriate programs to promote the reintegration of returning IDPs and refugees, emphasizing support to communities of return, including food aid to those communities and the returnees. While USAID does not usually support demobilization, USAID may provide reintegration assistance to demobilized soldiers in order to ensure that they do not return to fighting and destabilize a peace agreement. Also, military populations are known to have high rates of HIV/AIDS infection, and this must be addressed before troops are demobilized. Areas of needed assistance include: data, analyses, transport of returnees, information and training, provision of basic goods and services, and conflict management activities. Rehabilitation of infrastructure (schools, health posts, water points) will be required in areas of return. Quick impact projects for jump starting the economy will also be necessary to support returns. Illustrative activities to prevent the spread of HIV/AIDS upon refugee, IDP, and demobilized soldiers' return include: dialogue with political leaders and civil society during the peacekeeping process to discuss the overall health infrastructure and the dangers of an exploding epidemic; links to speakers and resources in AID/Washington who can help to provide targeted briefings for leaders and civil society; and intensive peer education and provision of effective and adequate information, education, and communication on HIV/AIDS in tandem with condom provision, particularly for high risk groups. AID/W has an emergency condom fund that could be tapped for distribution to high risk groups.

**d. Scenarios:**

Stalemate Continues scenario: The SPO described above will be achieved in the stalemate continues scenario. Targets include:

- Extensive dissemination of news and information about peace processes, via media outlets established under SO 5, IR 5.3.
- Expanded support to people-to-people peace processes including sponsorship of 15 grass-roots peace-building initiatives, such as conferences, town-hall meetings and dialogues.
- Increased programming to the transition zones, including establishment of health service, water and sanitation and HIV education program established.
- 15 CSOs in southern Sudan receive capacity-building training and technical assistance.
- CSOs in the North receive assistance, number to be determined.
- Small-scale return and reintegration programs initiated for displaced populations.
- Completion of 30 confidence building measures, including boreholes, road rehabilitations and clinics as determined by local communities.

Peace Prevails scenario: If a peace agreement is signed and embraced by the Sudanese people, we anticipate even greater results from programming under this objective. In a peaceful Sudan, communities

of return would receive significant assistance in developing the infrastructure and services to successfully re-integrate former residents. USAID would launch its Quick Impact Programs (or quick impact components of on-going programs). Information and news would be able to reach the widest possible audience within Sudan, and an indigenous, independent media sector will be assisted. The stability provided by a sustained peace agreement will allow programming to extend into geographic and political areas previously inaccessible to this type of assistance. Cross-line humanitarian assistance could begin in this scenario, improving the lives of the Sudanese. At the national level, confidence building measures between former combatants will lead to greater economic development as markets and trade grow. Macro-level peace will further strengthen local efforts to deal with conflict and push institutions to develop strong mechanisms to mitigate conflict and govern effectively. The modest program in support of civil society in northern Sudan could be expanded to support northern Sudanese NGOs working in delivery of social services. Each of these changes involves an increase in resources programmed to the SPO, and demonstrates the scalability of the planned activities.

Peace Fails scenario: Should peace fail to take hold, and full-scale conflict resumes, activities to bolster peace building will necessarily be scaled back. Expected results under this SPO will be fewer than under the status quo or peace prevails scenarios. Yet, regardless of the status of the national-level peace process, limited support to the grass-roots reconciliation efforts will continue. We expect that Sudanese institutions and civil society will have an expanded capacity to manage and mitigate conflict with a greater diversity of local governance and civil society actors. There will be an enhanced flow of independent media to south Sudan, but fewer indigenous, local media outlets could be supported in an atmosphere of open fighting. There will be limited opportunities to provide cross-line humanitarian assistance or encourage the growth of economic trade between front-line populations. Fewer results will be possible in assisting communities of return with the reintegration of displaced populations, since the lack of stability will prohibit many from returning. Each of these changes involves a decrease in resources programmed to the SPO, and demonstrates the scalability of the planned activities.

## **Strategic Objective 5. More Responsive and Participatory Governance**

### **a. Summary and Rationale**

A unique opportunity exists for USAID to improve governance in southern Sudan. After several years of USAID investments in local governance in southern Sudan, especially in strengthening civil society and civil authority partnerships, administrative skills of civil administration, peace-building (resource-based and political), and access to justice, a limited consensus has emerged among southern and eastern Sudanese on the problems of governance. Thus, further USAID investments to promote national dialogue through access to independent information, strengthening political, administrative and financial management skills for men and women, and a transition from military conflict to competitive political processes will establish more responsive and participatory governance.

The emergence of a just and durable peace will require governance institutions and participatory processes that are inclusive of and responsive to all Sudanese citizens. But populations driven by war, decades of inequitable access to resources, politicization of the military, poverty and erosion of public institutions by corruption will require capability and willpower to develop a civil administration and a free press. Integral to these processes will be an open debate about whether Sudan should remain unified and, if so, what the relationship should be between the North, the South, and transition areas. Should an agreement be reached, the establishment of both National Unity and Southern Entity governance institutions will provide an important framework. However the development of constitutional and legal frameworks will likely emerge in parallel with the peace process. In the absence of an agreement, the SPLM is moving forward on establishing institutions to govern opposition-held territory, but there are



other southern opposition voices not included in SPLM political structures whose participation in transition institutions will be critical to preventing hard-line spoilers from causing “backsliding” in the peace process or exacerbating endemic conflict.

A fundamental source of conflict is access to and control over resources. These conflicts are likely to increase if large numbers of IDPs return to their home areas. Therefore, this Strategic Objective will be working to develop local capacities for brokering issues of natural resource conflict and land tenure rights, while work under Strategic Objective 8 promotes natural resources policy-making capacities. Both formal and informal conflict resolution mechanisms will be encouraged.

In order to provide citizens with the information and capacity to come to a consensus on and establish new governance institutions if a peace agreement is achieved, programs under this Strategic Objective will support the establishment of an environment that supports peace and inclusive governance institutions. This will be done through achievement of three Intermediate Results:

IR 5.1: Increased participation of civil society in peace and governance processes.

IR 5.2: Increased responsiveness of civil administration bodies.

IR 5.3: Increased access to quality, independent information.

This program will encourage participatory processes and institutions that lessen the possibility of a return to conflict, building on the inclusion of opposition forces into the peace process that will be achieved through USAID’s special objective. By helping generate greater consensus on governance frameworks (especially for national elections likely to be held during the six-year transition), the program’s pre-election support, including a national census, will be more likely to achieve results.

#### **b. Results of Assistance to Date**

From 2000 – 2002, the USAID governance programs achieved significant results in opposition areas of southern Sudan. USAID’s training program improved financial administration of local courts and Sudanese judges’ supervisory efforts. However, the weak capacity of Sudanese counterpart institutions hampered USAID’s programs in conflict prevention; U.S. Government licensing processes slowed implementation; and, ironically, greater than expected progress by the national peace process distracted southern Sudanese peace workers from resolving local people-to-people grassroots conflicts. Local governance capacities to address local priorities has gradually expanded: twelve County Development Committees (CDC) have continued to increase capacities to work collaboratively in prioritizing local rehabilitation goals and in managing loan reflows from sub-projects. Increased capacity of Sudanese women’s organizations led to the beginning of policy statements about women’s participation and rights achieving a real impact on the status of women. Drafting and vetting a new legal framework for opposition-areas of southern Sudan has progressed since activities began in 2001, but stronger partners capable of undertaking technical preparation during a pre-transition period to new systems of governance are needed.

#### **c. Beneficiaries**

Beneficiaries of the programs to improve governance include: Southern civil administrations, including executive and judicial institutions at all levels and a national legislative body; National Democratic Alliance/Social Services Administration; SPLM Pre-Transition Task Force for Governance; Non-SPLM southern-oriented political organizations, community-based organizations and peace committees; County Development Committees; women’s groups; southern Sudanese NGOs; and northern Sudanese NGOs. As described in the Strategic Principles section above, equity is a major concern of U.S. assistance

programs. In the case of Strategic Objective 5, governance programs will emphasize equity along gender, ethnic and geographic divisions and seek to remove inequities by promoting inclusiveness in peace and governance processes.

**d. Intermediate Results and Illustrative Activities**

**IR 5.1: Increased participation of civil society in peace and governance processes**

Civil society participation in the establishment of governance frameworks and institutions is critical to ensuring that such institutions are both inclusive and responsive. The history of exclusion from government decision-making in Sudan enabled government promotion of particular cultural and religious customs over others and inequitable investment of development resources. USAID will increase civil society participation in peace and governance processes, by achieving the following sub-IRs:

- Inclusive consultations with peace agreement signatories on governance frameworks take place
- Civic education informs citizens about issues and outcomes of the peace process, democratic governance, and human rights
- Increased national dialogue aimed at defining and building consensus on a just peace
- Women's political participation enabled
- Foundation established for legal protection of civil society advocacy
- Civil society networks operational
- Coalitions for peace and democratic governance established in northern Sudan
- Increased quality of population data as a foundation for free and fair elections

USAID's programs under this IR will build on past and current Sudanese initiatives to expand civil society's influence on government decision-makers at all levels in the on-going peace processes and in the establishment of new governance institutions. An illustrative list of key peace & governance processes would include: constitution development and review; electoral legal framework development and implementation; local government/decentralization legal framework and implementation; law review; truth and reconciliation processes; establishment of a permanent national deliberative body; management of foreign assistance.

On-going programs seek to open up consultations on the future of governance in Sudan to civil society. Increased national dialogue will help to lay the groundwork for promoting inclusive and responsive governance. If dialogue also takes place between political elites and public opinion makers, it will encourage reconciliation and political coalition-building rather than armed conflict. USAID will increase the number and quality of opportunities for groups to communicate with political leadership and support fora for the political leadership in Sudan to discuss options for peace and to resolve issues that may threaten the peace agreement. A special emphasis will be placed on drawing women into civil society and governance throughout the country. Programs will improve the capacities of women's advocacy groups to strengthen their role in political processes.

By promoting a sound legal foundation that protects advocacy, USAID programs will help to increase political space for civil society activism on broad range of governance issues, including corruption, elections, budget allocations, etc., and on the peace process. Programs will promote operational networks of Sudanese NGOs and community-based organizations as a means to improving their functional capacity. USAID will also continue to support inclusion of civil society in local development planning and coordination. A new Democracy Program will be launched with a civil society component that supports northern Sudanese NGOs advocating for changes in GOS policies and improved human rights,

as well as government inclusion and responsiveness. USAID programs will also include technical preparation of a credible national census on which to base pre-election planning (the actual census will be funded by other donors).

Illustrative activities under this IR include: targeted support for forums and mechanisms to bring local peace committees and civilian administrations together; technical support and financing for civic education on peace and governance processes; support for regional conferences and public debates; support for fora to ensure increasingly equitable distribution of peace dividends; technical assistance and sub-grants to women's advocacy groups to strengthen the role of women and marginalized groups in civil administration; access to advocacy skills training and organizational development for civil society organizations; increased organizational capacity for current and new networks of Sudanese civil society organizations; support to increase technical and management capacities of civil society-civil authority partnerships for development; pre-election support, including the preparation of a credible national census on which to base election planning.

### **IR 5.2: Increased responsiveness of civil administration bodies**

As demonstrated by USAID's experience in training civilian administrators in opposition-controlled areas, capacities are minimal and resources are meager in local, regional and sub-national governments. With recent progress in the peace process, there is a growing sense of urgency by civil administration officials and civil society groups in southern Sudan to establish more capable, representative institutions and build consensus on new constitutional and legal frameworks that overcome historical, exclusionary tendencies. USAID will increase responsiveness of civil administration bodies, by achieving the following sub-IRs:

- Enhanced processes for considering alternative governance frameworks and institutions
- Improved capacity of transition institutions to engage in political processes
- Key legal and judicial frameworks and institutions established
- Increased public management capacities of local and regional governance institutions
- Establishment of broad-based, multi-ethnic assemblies

USAID programs under this IR will include strengthening the institutional and human capacity of transition governance institutions. USAID will make investments that support inclusive, responsive processes for developing governance frameworks, especially legal and constitutional, and will support the activation of deliberative and legislative bodies, such as regional assemblies and potentially a National Assembly; the establishment of selected transition institutions; increased preparedness of civil administration to incorporate beneficiaries in planning and implementing large-scale population resettlement programs; support for legal and constitutional development; training for judicial officers and magistrates and rehabilitation of courthouses; and cross-sectoral programming that begins to meet the almost limitless need for capacity-building for civil administration officials, especially in key sectors like education, health and natural resources management. Programming will be informed by a multi-donor assessment of capacity-building needs in Sudan, and Sudanese will be in the lead as much as possible in program designs.

Illustrative activities under this IR include: direct technical assistance and logistical support to transition governance institutions; direct technical assistance, training and logistical support for southern civilian administrations at the local, regional and sub-national levels, including the Southern Entity; technical and logistical support for a new National Assembly; cross-sectoral support (under other strategic objectives) to the relevant technical bodies of southern civilian administrations; technical assistance to judicial

institutions; physical rehabilitation of courthouses and executive offices of transitional institutions of the Southern Entity; and exchange programs with local government institutions in the region.

### **IR 5.3: Increased access to quality, independent information**

The scarcity of quality, independent information in Sudan constitutes a severe impediment to broader participation in peace and governance processes, as well as to economic and social development. The situation is most acute in southern Sudan, which has no independent radio stations and no newspapers. Without quality, independent information sources, Sudanese cannot participate fully as citizens nor receive important information related to the peace process, agriculture, health, environment, and education. Access to information on local peace plans and developments can broaden the inclusion and facilitate the higher-level elite reconciliation. USAID will increase access to quality, independent information by achieving the following sub-IRs:

- Independent radio station to serve southern Sudan established
- Cheap effective radios distributed in southern Sudan
- Appropriate information and communication technologies promoted
- Independent media outlets in northern Sudan supported

USAID programs under this IR will support various media outlets and technologies to improve access to information by southern Sudanese citizens. This includes establishing an independent radio station to serve southern Sudan, developing radio programming, establishing internet access in various population centers, and supporting independent media outlets in the North, among others. It will be vital for this activity to support a mechanism that makes quality radio receivers more available so that the number of listeners in southern Sudan can be increased in tandem with the increase in supply of programming.

Illustrative activities include: OTI grant to establish an independent radio station producing programs targeted to southern Sudan, using three-four local languages and English; introduce quality, low-cost radio receivers in southern Sudan markets and distribute them where there are no markets; creation of new media outlets like newspapers in southern Sudanese towns; support to independent northern Sudanese media outlets; small grants to link towns to the internet.

#### **e. Illustrative Indicators:**

Indicators to measure achievement of this Strategic Objective and Intermediate Results will be developed in the Performance Monitoring Plan.

At the Strategic Objective level, indicators would capture instances of government decision-making in which due consideration was given to civil society (non-government) concerns; public perceptions of their ability to influence government decision-making; public perception of degree to which government decision-making promotes the public interest.

For IR 5.1, indicators would capture the degree/quantity and quality of civil society participation. For example, degree or quantity would be measure by numbers of groups, diversity of groups/types of groups (e.g. women, ethnic groups, geographic, political affiliation), number of issues, number of civil administration bodies. Quality would be measured by the quality of analytical preparation, proposal of policy alternatives, quality of supporting arguments/data, timeliness, targeting appropriate civil administration body. Some type of advocacy index may be considered.

For IR 5.2, indicators would capture degree to which civil administration bodies provide opportunities for public input: are there established mechanisms for public input? are these mechanisms predictable and transparent? are they formalized? do civil administration bodies give due regard and consideration to public input received?

For IR 5.3, indicators would capture quantity and quality of information available on key peace & governance processes, for example: the number of sources of independent information available; the degree of coverage devoted to peace and governance processes; the proportion of population that accesses information provided; and the quality of information provided- balanced news coverage, completeness, accuracy, diversity of views presented.

**f. Scenarios:**

Stalemate Continues scenario: The strategic objective and intermediate results described above will be achieved in the Stalemate Continues scenario. Targets include:

- Civil society networks operational in southern Sudan and in northern Sudan.
- National dialogue on peace and governance processes underway.
- Foundation established for legal protection of civil society advocacy in southern Sudan.
- National census planning underway.
- Local and regional governance structures in southern Sudan supported; technical assistance and training provided to 200 persons, across 10 counties, including 25% women.
- At least 20 county-level civil society-civil authority partnerships operational.
- At least 20 county governments hold public budget hearings.
- Establishment of 2-3 independent media outlets including an indigenous language radio service targeting southern Sudan.

Peace prevails scenario: USAID will establish an integrated package of institutional development. Pre-election and census planning and support in the North and South will also be increased.

Peace fails scenario: If the situation deteriorates into all-out war, governance activities would be scaled back. More emphasis would be placed on preventing human rights abuses by the GOS, SPLA, or militias. The rationale for a new civil society program in northern Sudan may be transformed from a broad-based program to a more narrow program to strengthen the NDA. Support to local-level opposition civilian administrations would be much harder if there were an increase in abuses by SPLA forces. A fragmentation of the SPLM, especially along ethnic lines, would also make it harder to support governance institutions, as any activities in one or a few regions of the South would be interpreted as ethnic bias. USAID will expand assistance for radio program development and broadcasting, and target windows of opportunity in areas accessible to implementing partners.

## **Strategic Objective 6. Increased Equitable Access To Quality Education**

**a. Summary and Rationale**

The Sudan Basic Education Program (SBEP) will improve equitable access to quality primary, secondary, adult, girls, and non-formal education in southern Sudan. USAID will specifically address the issue of equitable access, particularly for girls and women through scholarships and by implementing program activities across ethnic and geographic regions. This will be done through achievement of three Intermediate Results:

IR 6.1: Improved teacher education programs

IR 6.2: Increased capacity of primary and secondary schools to deliver quality education, especially for girls

IR 6.3: Improved non-formal education for out-of-school youth and adult learners

SBEP program accomplishment by 2006 will include: establishment and rehabilitation of four teacher training institutions to certify teachers, with a focus on women teachers; increase in girl's enrollment and retention in school; provision of accelerated learning courses and teacher training scholarships to women teachers; rehabilitation of at least 200 primary and nine secondary schools (during this three-year strategy period) throughout southern Sudan with a focus on village schools for girls; and delivery of distance education programming to adults and out-of-school youth in cattle camps and fishing camps. In addition, SBEP will strengthen local education institutional capacity to the county level. The geographic area for the Sudan Basic Education Program activities includes Upper Nile, Bahr el Ghazal, and Eastern and Western Equatoria. Additional activities are being explored to expand education programming into the Nuba Mountains and Southern Blue Nile.

Years of conflict and a lack of resources left a weak education system that failed to provide an education to a majority of children. According to the School Baseline Assessment conducted by UNICEF and Africa Educational Trust, only 20-30% of school-age children in southern Sudan are enrolled in school. The drop out rate of 88% after Grade 4 is very high, but the drop out rate for girls is particularly dire with only 5 out of 100 completing Grade 5.

The inequity of girls' access to education is illustrated by a 60% literacy rate for men while it is only 30% for women. Girl's access to education is hindered by traditional cultural attitudes that place less importance on girls attending school; early marriage and concerns about a girl's dowry; lack of women role models; and a division of labor that unfairly burdens women and girls. Women's lack of education, particularly due to an overburdened workload, is a serious concern. Women's responsibilities include food production and processing such as planting, weeding, harvesting, and pounding grain; household construction and maintenance; tending to the animals; and taking care of the children, sick, disabled, and elderly. Women do not have free time to attend school while young girls frequently cannot attend school because they are needed at home to assist women with work and care of younger children. Improving women and girls' access to education will draw a large under-utilized portion of the population into economic activity, governance processes, social services, and other activities that would bolster Sudan's economic, political, and social growth and welfare. These women's burdens feed into the greater burden borne by communities. Communities are strained by having to maintain and manage themselves while supporting health workers, animal health workers, the military, local governance structures, and agricultural extension workers. The limitations of community resources will influence our development of education services systems that will need community support.

Assistance to the education sector must start at a very basic level. There is a serious shortage of school administrators and teachers, and teachers work primarily on a voluntary basis. Schools are in desperate need of physical rehabilitation and a standardized curriculum. Conflict resolution, recovery, and prevention are incorporated into each of the education components and will work in tandem with the Special Objective to support the peace process. HIV/AIDS education will be mainstreamed through all education activities since it is vital to reach high-risk populations, to target youth and those who influence them, to sensitize key leaders, to increase general awareness, and to support social norms that reduce risky sexual behavior. For sustainability of the USAID education program, support to the Southern Entity Ministry of Education will be essential, not only for management of the education system but also for coordinating donor assistance. There may be good opportunities to tap into the pool of educated refugees

to lend assistance in the education sector as rehabilitation and reintegration programs are implemented (both teachers trained in the camps and the students who have graduated from primary schools and, in a few cases, secondary and post-secondary graduates).

**b. Results of Assistance to Date**

Prior to the start of SBEP, USAID began a small girls' education program in southern Sudan in FY 2001, the Education Rehabilitation Program. This program sought to rehabilitate 12 girls' schools over three years but is progressing slowly as equitable and transparent selection of beneficiary schools is difficult. After one year, three schools were selected and rehabilitation is in progress. This program provides important lessons for the SBEP to make selection processes public, transparent, and participatory at the grassroots-level. Other donors, international NGOs and religious charities provide funding for relief-oriented education programs in about 400 schools in southern Sudan. In most cases, these programs help communities by short-term training of teachers, paying their salaries while donor funding is available, and supplying textbooks and school supplies. These programs have some positive impact on increasing enrollment in the beneficiary schools, but are dependent on external funding and deliveries of supplies from external sources and do not have institutional strengthening mechanisms.

**c. Beneficiaries**

Beneficiaries of the Sudan Basic Education Program include (1) pupils and parents, as well as other community members including traditional leaders, religious leaders, and women's associations; (2) education offices at the county and payam level, and education officials including school inspectors and girls education supervisors; (3) school and community organizations such as boards of governors and parent-teacher associations; (4) Sudanese civil society organizations working in the formal, non-formal, and vocational education sectors. As described in the Strategic Principles section above, equity is a major concern of U.S. assistance programs. In the case of Strategic Objective 6, education programs will emphasize equity along gender, ethnic and geographic divisions and seek to remove inequities by promoting girls' education, training of women teachers, and ensuring that education investments are made in all regions of southern Sudan.

**d. Intermediate Results and Illustrative Activities**

**IR 6.1: Improved teacher education programs**

This Intermediate Result will improve the quality and quantity of teachers, especially women teachers, by achieving the following sub-IRs:

- Rehabilitation and development of regional teacher training institutes and teacher training centers
- Identification, development and expansion of effective in-service training programs
- Establishment of local teacher support systems
- and Establishment of a competency-based teacher certification and development program

One crucial area of this Strategic Objective is teacher support, a necessity for improving enrollment and retention rates of teachers, especially women teachers. A fundamental flaw in southern Sudan's education system is the inability to attract and keep teachers because most of them work on a voluntary basis. Women teachers are particularly scarce because of cultural bias against women working outside the home, their workload and/or inadequate facilities to care for their children. Without some form of

financial support for teachers, especially women teachers, retaining teachers will be a real challenge to the education program. USAID will assess options for this issue.

Illustrative activities under this IR include: Develop a framework and manual for pre-service/in-service teachers and training of trainers; administer a scholarship program focused on women teachers; design and conduct accelerated learning programs, especially for youth and women; establish multiple entrance/exit teacher certification schemes; establish local teacher support systems through income generation projects and strengthening county level finance management; mobilize community support to tie performance to teacher incentives; provide technical assistance for the development of a standard curriculum; support development of HIV/AIDS curriculum in teacher training; provide food for education programs to support rehabilitation of RTTIs and teacher retention.

### **IR 6.2: Increased capacity of primary and secondary schools to deliver quality education, especially for girls**

Both primary and secondary schools suffer from a lack of capacity to deliver quality education as a result of poor management, lack of resources, and poor physical infrastructure. This intermediate result will be achieved through the following sub-IRs:

- Rehabilitation of primary and secondary schools
- Increased availability of appropriate instructional materials
- Strengthened school, local and county administration and financial systems
- Strategies developed to improve girls access, retention and learning in primary and secondary schools
- Institutional capacity of local education NGOs improved

Illustrative activities under this IR include: conduct training in supervision, management, and financial systems; increase availability of appropriate instructional and learning materials; rehabilitate community-based primary and secondary schools; develop local school financing schemes; create and implement strategies and programs to improve girls' retention; construct training centers; assess textbook development, production and distribution strategies; strengthen institutional capacity for policy development and good governance; develop monitoring and evaluation tools; introduce HIV/AIDS education in classrooms. Income-generating activities under this IR will be focused on increasing community incomes for their school and the reduction of women's workload in order to free women for participation in PTAs and technical assistance activities, and consequently, allow girl children to attend school. Activities such as nursery schools, pre-schools and work saving projects will be explored. These programs will obtain a greater impact when coordinated with economic recovery activities as well as food-for-work activities, since increasing community incomes and assets are necessary to increase capacity to support schools, and with school feeding programs, which can increase enrollment if tied to educational goals rather than food delivery targets.

### **IR 6.3: Improved non-formal education for out-of-school youth and adult learners**

This Intermediate Result will accommodate the numerous youth and adults bypassed by the education system or who want to build upon their skills, by achieving the following sub-IRs:

- Community-based literacy and vocational skills programs developed
- Community-based girls' schools established
- Low-cost appropriate technologies to support non-formal education programs utilized



Illustrative activities under this IR include: Teacher training for non-formal education; develop and utilize appropriate instructional technologies, such as radio education; generate peace-building campaigns to be taught in schools; create distance education materials; develop curriculum of basic health, life skills and HIV/AIDS education and social/psychological support to vulnerable groups, particularly girls, out-of-school youth, and orphans; development of school outreach education/behavior change; educate community and leaders on HIV/AIDS prevention and care; mobilize communities on the value of education.

**e. Illustrative Indicators**

Illustrative indicators (disaggregated by gender) include: gross net enrollment by grade in targeted schools; percentage of Grade 3 pupils mastering a set of defined basic learning competencies; percentage of primary school teachers with the required professional qualifications; number of teachers who graduate from southern Sudan Regional Teacher Training Institutes and enter the teaching profession; effectiveness of income generation schemes; number of schools rehabilitated; number of schools with functional parent-teacher associations or school management committees; number of schools with school improvement plans; number of teacher training institutions or NGOs providing HIV/AIDS prevention and skills-building training to protect teacher trainees; number and percentage of teacher training institutions or NGOs preparing teacher trainees to teach family skills course; number of communities and school districts in selected areas teaching a basic educational curriculum in school; and number of communities and school districts in selected areas teaching a basic educational curriculum to out-of-school youth.

**f. Scenarios**

Stalemate Continues scenario: The strategic objective and intermediate results described above will be achieved in the Stalemate Continues scenario. Targets include:

- Four Regional Teacher Training Institutes (owned and managed by Sudanese) rehabilitated.
- Up to 2,000 women teachers trained, using accelerated learning and scholarships.
- Technical and administrative partnerships fostered between Sudanese teacher training institutes and teacher training institutions in East Africa and the United States.
- Up to 200 primary schools and 9 secondary schools sustainably rehabilitated.
- Supply of school materials provided by the Sudanese private sector measurably increased.
- Non-formal education and distance learning promoted for up to 16,000 out-of-school youth and adult learners.

Peace Prevails scenario: Education activities will increase geographic coverage into areas marginalized during conflict as well as the Nuba Mountains and Southern Blue Nile. A school feeding program might begin in the North. If additional funds become available under the Peace Prevails scenario, activities that can be scaled up are: the number of primary and secondary schools rehabilitated and constructed; the number of teacher training institutes expanded by region; number of teachers trained; enrollment of primary and secondary students, youth and adults; the use of distance education technologies; and, capacity building activities to strengthen local, regional, and national education institutions. An improvement in access to and quality of education in Sudan will be necessary to encourage the return of refugees from camps where in many cases they already receive a better education than they would in Sudan. Quick impact projects, such as, building community schools, bore holes, and grinding mills could enhance and facilitate education activities.

Peace Fails scenario: Education activities would be reduced. Activities will only take place in areas of security and stability. Equitable access will not be achieved and numbers of teachers trained will be reduced with an impact on teacher retention as well as student enrollment numbers.

## **Strategic Objective 7 - Increased Use Of Health, Water, and Sanitation Services and Practices**

### **a. Summary and Rationale**

After many years of providing extensive health, water and sanitation relief for the most vulnerable war- and drought-affected communities in Sudan, USAID is now undertaking a major development investment in health transformation in southern Sudan while continuing relief activities in northern Sudan. Child survival health funds will complement health inputs from OFDA to promote the transition from relief to development. USAID's primary health care program will help strengthen the local health authorities' policies which prioritize community-based health care and financing; child health and nutrition; maternal nutrition; HIV/AIDS and tuberculosis; promoting the private sector involvement in the health sector; strengthening training for primary health care workers; and utilizing proven interventions to reduce mortality / morbidity (e.g. malaria, HIV/AIDS). Governance structures will be encouraged to take the lead in promoting and managing preventive practices. At the same time, OFDA programs to meet the emergency health needs of vulnerable populations will continue as needed. Food for Work programs could be used for HIV/AIDS feeding, rehabilitating clinics, and water and sanitation projects. Women will be supported through training and child spacing education. Utilizing DA and IDA funds, USAID's programs in health, water and sanitation will achieve four Intermediate Results:

IR 7.1: Improved access to high-impact services

IR 7.2: Increased Sudanese capacity, particularly women's, to deliver and manage health services

IR 7.3: Increased demand for health services and practices

IR 7.4 : Improved access to safe water and sanitation

Sudan's health status is among the worst in the world. According to UNICEF, under-five mortality rates are 65-170 per 1000 live births, and maternal mortality ratios in southern Sudan are estimated at 560 - 865 per 100,000 live births (WHO). Poor nutritional status and droughts exacerbate the primary causes of under-five mortality: malaria, diarrhea disease, and respiratory infections. The North's poor health status is worse in areas exacerbated by the drought, and most northern women are affected by the harmful practice of female genital mutilation. Women's health status in both the North and South is particularly poor due to lack of access to health services and increased workload hinders them from seeking necessary primary care. This dire health status is caused by problems stemming from more than twenty years of war and conflict. The southern Secretariat of Health lacks a budget, drug systems are dependent on non-governmental organizations, qualified health care workers are limited, and insufficient training capacity exists. The private sector is extremely limited. At the same time, there is a lack of policies, supervision and control, and little oversight by customs officials over the entry of goods and medicines.

Improving access to quality water and sanitation, as well as public hygiene education, will help mitigate the prevalence of gastroenteritis and skin diseases. The number of clean water sources falls drastically short of international standards, especially in the South and other historically marginalized areas. Only an estimated 30% of the population in southern areas uses water from a protected source, and 80% reported not having received any hygiene/sanitation awareness or health education messages. Women are particularly burdened by the lack of access to clean water because they are responsible for retrieving water. In addition to clear links with health, water among the pastoralist communities of southern Sudan is historically a major source of tension and conflict. Water interventions therefore play an important role

in managing conflict and the drilling of boreholes has been used effectively to reinforce community harmonization and inter-tribal peace initiatives.

HIV/AIDS affects health care by creating a greater number of patients that need medicines and care. Currently, HIV/AIDS rates are low with less than 3% of the population estimated to be infected with the virus, but population movements, a lowering age of sexual debut, infectious/parasitic diseases, and cultural practices place Sudan at risk of an HIV/AIDS epidemic. Significantly, the return of refugees, IDPs, and demobilized soldiers in the case of a peace agreement are expected to cause the HIV/AIDS rates to skyrocket.

#### **b. Results Of Assistance To Date**

USAID has supported health programs in Sudan through OFDA funding and a limited development assistance program. OFDA implements significant health programs such as supporting primary health care, training of health care workers, rehabilitation of health care clinics, guinea worm initiatives, and emergency feeding programs; providing basic water and sanitation services; and piloting a HIV/AIDS prevention activity. Development assistance funds have supported polio eradication efforts and a pilot program in 62 communities to test methods of introducing cost sharing. OFDA also focuses on areas affected by IDPs and/or conflict and has supported water and sanitation interventions in Sudan for many years. Efforts to provide new water sources to rural communities and improve sanitation in the North made significant progress, but have been hampered by the conflict. Security concerns around the vulnerability of large drilling equipment, coupled with poor infrastructure, restricted establishing new water points in areas such as the Nuba Mountains, Upper Nile, and Southern Blue Nile.

#### **c. Beneficiaries**

Health program beneficiaries will include approximately 800,000 persons in stable areas in the South and an additional 1.5 million persons supported by OFDA programs in unstable and/or transitional areas. Additionally, the staff of the Southern Entity Health Department, County Health Departments, and health care staff working in primary health care units and primary health care centers, will benefit directly from this program. Water and sanitation programs will benefit accessible southern populations as well as IDPs and drought-affected populations in the North. Special focus will remain on increasing water sources in rural areas of southern Sudan; rehabilitation of traditional water management systems in chronically drought-affected areas of the North; and improving sanitation in the IDP settlements of greater Khartoum, southern towns, and transition zones. As described in the Strategic Principles section above, equity is a major concern of U.S. assistance programs. In the case of Strategic Objective 7, health, water and sanitation programs will emphasize equity along gender, ethnic and geographic divisions and seek to remove inequities by promoting use of services in the most underserved areas.

#### **d. Intermediate Results And Illustrative Activities**

##### **IR 7.1: Increased access to high-impact services**

The primary health care system in southern Sudan is underutilized with fewer than 0.3 visits per capita per year, usually due to the lack of accessibility to health facilities. USAID's programs will increase primary health care coverage in areas supported by USAID from 30% to 60% through achievement of the following sub-IRs:

- Primary health care centers equipped and coverage improved

- Essential drugs made available
- Increased range of services available

There will be improved population coverage of primary health care in underserved areas, and utilization of existing facilities, through community construction of PHC units and USAID support for training, equipment, staffing, supervision, start-up drugs, and outreach services. Programs will also improve the availability of existing essential drugs. Programs will increase the range of services available through programs for behavior change; routine immunizations; use of appropriate and effective antimalarial medications and the use of insecticide-treated nets; vitamin A supplementation; HIV/AIDS prevention and antenatal care which includes intermittent presumptive treatment for malaria, skilled attendance at birth, child spacing, and infant and child feeding programs in selected areas. Programs will seek to tap into the skills of refugees that have been trained by NGOs, UNHCR and other implementing partners in health and health-related skills, including water/sanitation managers, community health workers, and TBAs.

Illustrative activities will include: promotion of community construction of primary health care centers; institutionalizing routine vaccinations; direct support to community-based health care, focusing on child survival interventions, maternal and child health, nutrition, malaria control, HIV/AIDS, and the implementation of endemic diseases programs such as onchocerciasis and guinea worm in concerned areas. Food for work will also support this IR, especially for rehabilitation of clinics.

### **IR 7.2: Increased Sudanese capacity, particularly women's, to deliver and manage health services**

In order to reform the current system in southern Sudan of relying on international non-governmental organizations to provide health care, USAID's programs will focus on improving Sudanese ability to sustain their health programs, through achievement of the following sub-IRs:

- Community health worker training institutes will be created or rehabilitated
- Community health workers trained, with incentives to encourage participation of women
- Basic public health systems established for county health departments
- Key health policies in place
- HIV/AIDS sentinel surveillance established

Community health worker training institutes will be created in southern Sudan and existing structures rehabilitated. USAID assistance will help revise the curriculum of community health worker training schools so that it is more competency-based and includes HIV/AIDS content; improve the skills of tutors/instructors; distribute training materials to schools. At least twenty percent of community health workers trained will be women. To encourage women's participation, incentives/enablers such as child care provision, or accelerated training to improve literacy and basic skills, will be needed. Partners will be encouraged to address the cultural sensitivities that prevent women from attending current CHW training programs, and to develop alternative programs specifically designed to meet the needs of Sudanese women.

Basic public health systems will be established for County Health Departments (CHDs) in southern Sudan. The CHDs will have annual plans; improved supervision; and a functioning information, disease surveillance, and response system. They will be capable of administering and supervising major public health initiatives such as polio and guinea worm eradication. They will also take the lead role in managing key preventive services such as immunization and vitamin A supplementation. The Southern Entity Health Department will establish a health budget and begin paying some salaries at the County

Health Department level by the end of the strategy period. A critical issue for the sustainability of the health care system is the need for compensation for health care workers. Community contributions will need to better compensate PHC workers, and cost sharing initiatives will be explored to help generate some percentage of drug and operating costs of PHC structures. Community health committees will receive support to effectively co-manage and expand co-financing of PHC structures and their drug stores. Local Sudanese NGOs will be strengthened and engaged to help implement services and programs. Support will also be given to registered private drug sellers to increase the quality of care for urban dwellers with cash.

Key health policies will be in place. The Southern Entity Health Department and key stakeholders will have designed and adopted key policies affecting tuberculosis, malaria, HIV/AIDS, and reproductive health, and will have further developed cost-sharing policy modules for primary health care unit management.

An HIV/AIDS sero-surveillance system will be established.

Illustrative activities include: sub-grants and technical assistance to training centers for rehabilitation, curriculum development, and training programs; direct technical and logistical support to the Southern Entity Health Department and County Health Departments to develop critical health and communicable diseases policies (e.g. malaria control and treatment, tuberculosis control) and functional annual work plans; improve supervision and monitoring, and establish a functioning information and disease surveillance and response system, including an HIV/AIDS sero-surveillance system of high risk groups.

### **IR 7.3: Increased demand for health services and practices**

Many child and maternal deaths are preventable, and are the result of people not seeking early and appropriate medical care and/or not receiving basic health education on preventive practices. USAID's programs will increase the demand for health services and practices among target populations through achievement of the following sub-IRs:

- Voluntary counseling and testing centers introduced for HIV/AIDS and STI diagnosis and treatment
- Information, education, and communication programs developed and disseminated
- Increased use of insecticide-treated nets
- Increased knowledge of health practices

These programs will focus on increasing knowledge and demand for proven primary health care interventions and promote and support healthy behaviors in households. This component will develop and disseminate appropriate information, education, and communication messages through working with village health committees and women's groups to encourage healthy behaviors; designing health education programs so that parents can identify warning signs for severe illness in children; and distribution of appropriate health education messages and materials through radio and primary schools. Outreach to women, information about women-specific health problems, and working with drug sellers, women's networks, village development and peace committees to incorporate public health messages into their programs and support primary health care centers will be an important focus of these programs. Voluntary counseling and testing (VCT) centers will be established to enhance prevention, track, and provide an entry point for care of HIV/AIDS in selected areas. Programs will also increase the use of insecticide-treated nets, particularly by women and children.

Illustrative activities include: direct technical assistance to the Southern Entity Health Department; development of IEC programs for radio; sub-grants and sub-contracts for implementation of communications campaigns; sub-grants to NGOs to establish VCT centers.

#### **IR 7.4 : Improved access to safe water and sanitation**

USAID programs will increase access to safe water points through achievement of the following sub-IRs:

- Water points increased
- Public hygiene education promoted
- Latrines constructed
- Technical support provided for water and sanitation maintenance

These programs will target the most vulnerable communities throughout Sudan and will be supported primarily with IDA funds. Programs will include a mix of interventions including drilling and rehabilitation of boreholes, hand pump maintenance, and the development of traditional hand-dug shallow wells and protected water catchments (haffirs). Technical support will be provided for community-based management and financing of water and sanitation resources, combined with rehabilitation of boreholes, shallow wells, and water catchment systems and latrines. To improve sanitation, USAID supports the construction of latrines and promotes hygiene education programs that teach the positive impact of clean water and personal hygiene on public health. Programs may be able to tap the resources of refugees who have served on water/sanitation committees and have managed water resources in the camps. Food for Work could support water and sanitation activities where necessary if there is a lack of markets or cash. Attention will also need to be directed to the potential requirements for extended water treatment and delivery points, as well as environmental sanitation facilities for new urban populations.

Illustrative activities include: grants to international NGOs, Sudanese NGOs, and UN agencies to implement water and sanitation programs; and food for work rehabilitation programs in targeted areas.

#### **f. Illustrative Indicators**

Illustrative indicators to measure the achievement of this Strategic Objective include: percentage increase of primary health care coverage of the population in USAID-supported areas; percentage increase in DPT3 immunization rates; new malaria policy developed which identifies the most appropriate drug, endorses the use of insecticide-treated nets, and provides intermittent presumptive treatment for pregnant women; percentage of the population under five years of age to receive semi-annual vitamin A supplementation; percentage of at risk-persons using condoms during last sex act of non-regular partners; number of visits per capita to health care centers; number of beneficiaries of rehabilitated water-points and sanitation projects; and number of functioning water points six months after rehabilitation.

#### **g. Scenarios**

Stalemate Continues scenario: The strategic objective and intermediate results described above will be achieved in the stalemate continues scenario. Targets include:

- PHC coverage expanded from 30% to 60% in USAID focus areas.
- Four CHW Training Institutes rehabilitated.
- Up to 2000 CHWs trained, with 40% of them women.
- Basic public health systems established in 20 County Health Departments.

- Immunization coverage increased from less than 10% DPT3 to 40% DPT3.
- Provision of 300,000 insecticide treated nets (ITNs), targeted for pregnant women and children under five.
- Completion of HIV/AIDS sentinel seroprevalence surveys of ANC attendees, STI patients, soldiers and CSWs.
- Distribution of 2 million free or highly subsidized condoms through public health facilities, the military and other outlets.

Peace Prevails scenario: Health and water activities would expand in scale and into all accessible areas, including northern Sudan and the garrison towns in the South. Some of the assets of the health system in southern garrison towns may come available to the Southern Entity, though it is very unclear whether health workers would stay in such a scenario and how the Southern Entity would handle the transition. Health activities in the South would likely be scaled up to include expanding primary health care coverage including EPI; providing essential drugs to primary health care centers (PHCC) changing from a kit delivery system to an inventory system based on individual PHCC's needs; expanding the nascent Health Information System/Early Warning and Response; strengthening health trainings; HIV/AIDS prevention programs; and strengthening the tuberculosis program if drugs can be assured by other donors. If supplemental funds are forthcoming to the health program, a Global Development Alliance could be established to control/eradicate guinea worm, onchocerciasis, and sleeping sickness. Water and sanitation activities would expand to increase potable water supply, particularly to show peace dividends. With a sustained peace agreement, water activity will focus on increasing services to historically underserved areas.

Peace Fails scenario: If the situation deteriorates into war, system-wide health results would no longer be possible; rather, improved health indicators would be sought for targeted, accessible populations. Health programs would be confined to current OFDA commitments and provide additional assistance for newly-displaced persons. Water and sanitation programs and humanitarian programs would only be provided in accessible areas in the South, and humanitarian assistance would be provided in accessible areas of the North.

## **Strategic Objective 8. Foundation Established for Economic Recovery**

### **a. Summary and Rationale**

Economic recovery will underpin Sudan's ability to recuperate from civil war and establish a foundation for a just and durable peace. Economic recovery is essential in a country where marginalization of rural areas has fed a nexus of poverty, conflict, and degradation of natural resources. Economic recovery will reduce hunger and malnutrition, increase productivity and education outcomes, and lessen conflicts centered on use of resources. Because of the central role of women in production, processing, and small-scale marketing of food, economic recovery that is centered on agricultural and livestock production and marketing will empower households and communities to dedicate less time and labor to acquiring food and more time to improvement of livelihoods.

This Strategic Objective represents a step beyond past objectives of USG food security programs. The country context has changed in the last three years – especially in southern Sudan, where the nascent recovery of markets, the four continuous years of surplus crop production in western Equatoria, the survival of producers' and marketers' associations and other institutions in the difficult wartime environment, and the growth of a southern Sudanese capacity for research and policy analysis, have all given hope that a rapid recovery is achievable in the event of peace. However, the Strategic Objective

statement is limited to establishing a foundation for recovery, rather than a sustainable broad-based improvement in incomes or livelihoods, because (i) Sudan's economic difficulties are so profound that three years is too short a period of time to demonstrate broad-based impact on household incomes; (ii) the scale of Sudan is too large for an assistance program to attempt to address the national macroeconomic constraints affecting income and economic growth and (iii) the impact of new policy frameworks in southern Sudan will be limited to a few markets and communities in the short three years of the strategy period.

This Strategic Objective seeks to assist Sudanese in establishing the foundation for an eventual economic recovery by creating now the basic building blocks of a rural economy driven by agriculture and livestock production and marketing. This will be done through achievement of four Intermediate Results:

IR 8.1: Food security needs of vulnerable communities met

IR 8.2: Market support institutions created and strengthened

IR 8.3: Market support programs and services introduced and expanded

IR 8.4: Transparent policymaking processes encouraged

Sudan's enormous potential for production and marketing of food and non-food commodities means that economic recovery is a real possibility, and a long-term vision of southern Sudan as an export-oriented economy can be realized. Sudan has abundant natural resources and a broad diversity of ecology and climate, giving it the potential to be a net exporter of food. Its agricultural land under irrigation – 4.4 million acres – is the largest in Africa. Sudan has a great diversity of subsistence and cash crops, and was referred to as the potential bread-basket for the Arabian Gulf in the 1980s. The stable parts of southern Sudan – Western Equatoria and parts of southern Bahr el Ghazal – produced agricultural surpluses even during the civil war with few inputs, roads or markets. The livestock sector is a major part of the economy in both the arid north and swampy south. Sudan's substantial natural resource base has major economic potential if managed sustainably, but legislation is needed first to determine property rights over these resources. These natural resources include forests (both plantations and native species), grassland, an extensive system of rivers and swamps (estimated at 7 million acres), fish, wildlife, and minerals (petroleum, gold, copper, iron, talc). Apart from petroleum, these resources are used far below their economic potential.

The Food Security Analysis (Annex K) prepared for this Interim Strategic Plan makes clear that Sudan is capable of economic recovery if a number of major constraints are removed. The biggest constraint on economic recovery is the on-going civil war and low-level conflicts, which cause displacement of communities, destruction and deterioration of productive assets, and a decline in confidence of Sudanese that investments and business ventures are worthwhile in food markets that are distant and dangerous. Sudan has experienced three famines and several near famines that killed hundreds of thousands of people over the past fifteen years, largely due to the civil war and low-level conflict. The most visible result is the isolation, displacement, and economic fragility of communities that have continually faced war or drought and seen their assets reduced and their vulnerability to shocks increased. These communities frequently face food shortages beyond normal seasonal changes and beyond the limits of traditional coping mechanisms. These households have little access to markets and low purchasing power as they operate in a subsistence economy. The low level of cash in markets raises transaction costs and stunts economic recovery. While the international assistance program attempts to provide relief, malnutrition rates have increased over the last four years in assisted areas in southern, eastern, and western Sudan.

An end to the civil war removes the first of these constraints in opening the path for an economic recovery in Sudan. If there is peace, then other constraints to improving food security will become apparent, as identified by the Food Security Analysis and by Sudanese stakeholders and implementing



partners who participated in preparing this strategy. Southern Sudan is missing the vibrant market support institutions and services that normally foster economic recovery and growth by providing credit and financial intermediation; training institutions that meet the skills constraints of entrepreneurs; and think tanks that provide research and data analysis to recommend appropriate economic policies. Economic recovery is also constrained by poor physical infrastructure throughout Sudan, especially in marginalized areas of the south and the north. This constraint hits especially hard on the rural economy of southern Sudan, where the costs and risks of marketing food, or exchanging other goods for food, are raised by lack of roads and transport for timely shipment and by lack of communication infrastructure for reliable market information. Southern Sudan also suffers from a lack of a known legal and policy framework regarding enterprises (such as contracts law, standardized tax codes and collection, etc.) and from a lack of transparent processes for creating a legal and policy framework. These are constraints on the fundamental building blocks of a largely rural economy. HIV/AIDS will also have to be taken into consideration given that market areas are well-known meeting-points, and increased access routes and cross-border traffic will increase the chances to spread HIV/AIDS.

#### **b. Results of Assistance to Date**

For more than a decade, USAID's humanitarian assistance has helped to meet essential food needs of Sudan's most vulnerable populations – those affected by war and drought. Most food assistance has been for war-affected populations, utilizing the World Food Program as the main partner and, currently, four international NGOs. For the last several years, USAID provided approximately 75% of WFP's total Sudan program resources. USAID humanitarian assistance for food security has also enabled war-affected populations to recover from stress by supporting agricultural production, animal health and links to markets. USAID's assistance was a major factor in the growth in the zone of stability and economic recovery in southern Sudan from part of Western Equatoria in 1994 to most of Western Equatoria and southern Bahr el Ghazal today. Although one famine occurred in 1998 in southern Sudan, USAID's timely response averted several looming famines. In 2001 when opposition areas of the Nuba Mountains were facing famine caused by long-standing conflict (which stopped all trade links to the area), lack of humanitarian access, and drought, USAID intervened with the combatants to agree to a military stand-down for one bilateral relief flight in August that built trust and led to a one-month WFP food drop of 2,000 tons in November that averted the famine. In stable areas of southern Sudan, USAID provided development assistance to improve Sudanese capacities to meet their own food needs by restoring and augmenting traditional food production, increasing market demand and access for local sources of food, and providing access to start-up capital, thereby increasing economic growth and incomes. USAID assistance to associations of farmers and traders helped to increase confidence in markets undergoing recovery, but did not achieve a sustainable impact on incomes. Women's groups and women members of mixed groups received an equitable share of benefits from the program, but few of the women's groups reported increases in revenues. Commodity networks in southern Sudan received training and technical assistance from USAID in order to improve trading capacities and quality standards. USAID improved local capacities by financing research in agriculture and natural resources by teams of southern Sudanese professionals, thereby laying the groundwork for appropriate policies.

#### **c. Beneficiaries**

Programs in this Strategic Objective will be largely directed towards southern Sudan. Humanitarian assistance programs under IR 8.1 will be targeted to vulnerable groups throughout the country who face food insecurity, including IDPs and communities affected by disasters (mainly drought and floods). Development assistance and humanitarian assistance programs under IRs 8.2, 8.3 and 8.4 will be focused on opposition-administered areas, mainly in southern Sudan. Beneficiaries will include microentrepreneurs (especially women), agriculture training institutions, a microfinance institution,

commodity networks of producers and traders, and public sector institutions involved in creating the legal and policy framework for economic recovery. As described in the Strategic Principles section above, equity is a major concern of U.S. assistance programs. In the case of Strategic Objective 8, economic recovery programs will emphasize equity along gender, ethnic and geographic divisions by providing 50% of microfinance loans to women, ensuring that 50% of trainees at the agribusiness training centers are women; and ensuring that the all of the training centers, no matter their location, are open to entrepreneurs throughout the program area, which includes Upper Nile, Equatoria, Bahr el Ghazal, Southern Blue Nile, and Nuba Mountains.

#### **d. Intermediate Results and Illustrative Activities**

##### **IR 8.1: Food security needs of vulnerable communities met**

After twenty years of the current civil war, Sudanese households require an extended safety net to lessen their vulnerability to further disasters. This Intermediate Result will be achieved through accomplishment of several sub-IRs, namely:

- Food aid provided
- Agriculture and livestock production inputs delivered
- Basic needs of disaster-stricken communities met

Illustrative activities under this IR include: Provision of emergency relief and food aid to (i) newly accessed populations requiring immediate food and non-food assistance; (ii) communities whose human and material assets are vulnerable due to the rapid influx of returning internally displaced persons; and (iii) communities whose vulnerability stems from long-term displacement or chronic, drought-related poverty. Examples include targeted food aid distributions in areas of greatest vulnerability; supplementary feeding of malnourished children; distributions of free seeds and tools to newly displaced communities; accessing improved seed varieties (from several sources, including through ASARECA networks) and establishing community food stores and/or seed banks to support a host community's ability to manage the return of internally displaced persons; emergency rehabilitation of roads to increase access to markets and basic services (possibly through food-for-work programs if other options are not feasible); programs to protect seeds and to encourage change in crop choices and cultivation techniques (possibly including "food-for-insurance"); and training of agricultural extension workers and community animal health workers operating in food insecure areas. In the North, humanitarian programs will continue to target marginalized populations chronically affected by drought, with increased focus on establishing and protecting individual and community assets in an attempt to address the chronic poverty rendering these communities dangerously vulnerable to famine. Disaster early warning systems will continue to be supported during this strategy period.

##### **IR 8.2 Market support institutions created and strengthened**

The keystone to economic recovery is the system of market support institutions that provide credit and financial intermediation; provide training in needed skills for producers and marketers; provide research and analysis of economic data for appropriate economic policymaking; and provide the exchange of skills and market information that are vital to successful trade and enterprise growth. Through this intermediate Result, these market support institutions will be created and strengthened, by achieving the following sub-IRs:

- Microfinance institution and system operational

- Agribusiness training centers operational
- Sudanese think-tanks operational
- Commodity networks functioning

The focus under this IR will be the organizational development of these new institutions. Considering the difficult context of southern Sudan, the IR statement and the sub-IR statements are deliberately limited to making these institutions operational. A new southern Sudanese microfinance institution that is operationally self-sustaining after 5 years will be established. It will most likely be an autonomous non-profit company limited by guarantee, managed by a trained staff reporting to a board of trustees. It will operate on a business plan and financial model based on data from a market survey of major towns in the stable areas.

Agribusiness training centers will be established to provide business skills training and agricultural specialty training to entrepreneurs from Upper Nile, Equatoria, Bahr el Ghazal, Nuba Mountains, and Southern Blue Nile regions. Current plans call for seven training centers offering a core curriculum of business skills and specializing in Food Crops, Agriculture Technology, Livestock (2 centers), Forestry, Fisheries, and Wildlife. Because the centers' clients will be active entrepreneurs, most training will be provided through mobile units that reach communities. These training centers will operate based on business plans based on data from a market opportunities study and a training needs assessment which will target existing entrepreneurs in the sectors with the most potential.

An autonomous southern Sudanese think tank will be established to offer policy analysis and advice, undertake specialized studies, and offer technical support to statistical needs of other southern Sudanese institutions. USAID will also continue support for commodity networks linking producers and exporters of honey products, shea oil, and hides and skins.

Illustrative activities under this IR include: technical assistance, training, sub-grants, workshops, equipment, commodities, links to regional and U.S. universities and networks; and physical rehabilitation of buildings provided through the Southern Sudan Agriculture Revitalization Program.

### **IR 8.3 Market support programs and services introduced and expanded**

Even as market support institutions are struggling to establish operations, southern Sudanese enterprises and rural households need market support services like credit, training, new technologies, and market information. IR 8.2 focused on establishing the necessary market support institutions. The focus under IR 8.3 will be the programs and services offered to entrepreneurs, enterprises and households by the newly established market support institutions. This Intermediate Result will be achieved through accomplishment of several sub-IRs, namely:

- Increased access to microfinance
- Improved skills, technologies and practices available
- Infrastructure improved
- Improved access to HIV/AIDS information

A few key programs and services will be the focus of this IR. Access to credit will be increased through the newly established southern Sudanese microfinance institution, which will receive a \$3 million loan fund from USAID if performance on repayment rates is maintained. USAID requires that a minimum of 50% of these loans will go to women, but can expect a higher percentage since women are predominant in

microenterprises in southern Sudan. The microfinance institution will grow from 1-2 original branches to as many as 6 branches operating in stable areas.

Business skills and improved technologies and practices in food crop production and marketing, agricultural technology, fisheries, livestock, forest products and wildlife will be made available through the agribusiness skills training centers and through the commodity networks. The training centers will access the new technologies and best practices through links with U.S. and regional universities, networks and research centers, including REDSO/ESA's partner ASARECA, and through the private sector. Appropriate technologies will also be introduced to new areas of southern Sudan through an expanded market recovery program, starting in FY 2005 after the end of USAID's STAR Program. The new program will assess market conditions in each population center, then work with local development officials and authorities to reach agreement on the most appropriate technologies and practices to be introduced to spark the recovery of vital sectors in the local economy. Improvements to infrastructure are a vitally necessary service in southern Sudan, given the vast distances between communities, the lack of existing infrastructure in most areas and the deterioration or destruction of prior investments, and the resulting high transport and communications costs for any household or enterprise seeking to take goods to market or to learn market information. Unfortunately, there are few southern Sudanese institutions capable of maintaining infrastructure and none capable of major investments. Therefore infrastructure rehabilitation will be made by donors in tandem with technical assistance to local governments (usually counties) and communities willing to finance the maintenance. Road rehabilitation activities will be reviewed for environmental impacts and will target crucial producer-to-consumer links, as well as essential links to the East African regional road network. Communications infrastructure activities will focus on linking towns with appropriate ICT technologies and have a positive impact on access to timely market information for producers, traders, and consumers.

HIV/AIDS programs and services will be a necessary market support services in the next few years of the economic recovery, given that market areas are well-known meeting-points, and increased access routes and cross-border traffic will increase the chances to spread HIV/AIDS. Linkages will need to be established with health authorities and secular and religious organizations, communities, farmers associations/groups, widowed land owners etc. in target market areas so that various prevention/care/support services could be made available to them. Programs such as mobile voluntary counseling and testing services, nutrition education for PLWHAs, outreach clinics, and mobilization of communities and people gathering in market areas to undertake HIV/AIDS mitigation and prevention measures will be undertaken.

Illustrative activities under this IR include: technical assistance, training, sub-grants, workshops, equipment, commodities, links to regional and U.S. universities and networks; and physical rehabilitation of buildings provided through the Southern Sudan Agriculture Revitalization Program; physical rehabilitation of key infrastructure for transport and communications; provision of a loan fund (in progressive tranches) to the new southern Sudanese microfinance institution; and technical assistance and sub-grants to local NGOs for HIV/AIDS programs and services.

#### **IR 8.4 Transparent policymaking processes encouraged**

The lack of a legal, policy and regulatory environment in southern Sudan acts as a constraint on economic recovery by discouraging households from taking goods to market, preventing enterprises from expanding, and allowing a few well-placed individuals to exploit natural resources unsustainably. This is particularly the case with draft environmental legislation, which would benefit from being informed by new trends in natural resource management and tenure rights, such as provisions for community management regimes. Policies in northern Sudan emphasize the irrigated and mechanized production at the expense of the broad-based traditional sector. Appropriate laws and policies can promote enterprise

creation, increased enterprise revenues, job creation, and lower transaction costs – all of which adds up to increased incomes for households. This Intermediate Result will encourage transparent policymaking processes through achievement of several sub-IRs, namely:

- Analytical and policy generation capacity improved
- Dialogue between stakeholders encouraged
- Policy options openly discussed
- Selected policy reforms achieved

In southern Sudan, the processes for creating a legal and policy framework are neither rapid nor transparent, which is also discouraging to entrepreneurs. This Intermediate Result will focus on the policymaking processes in southern Sudan, rather than attempting to promise quality policies in the three short years of this ISP. Likely focus areas include policies, regulations and law affecting ownership and utilization of natural resources, agricultural production and marketing, enterprise creation and profitability, macroeconomic policy (especially with regard to currency and public sector banks), tax policy, and trade policy.

Illustrative activities under this IR include: continued funding and technical assistance to research and analysis by southern Sudanese experts in economic and natural resources policy; new direct financial and logistical support and direct technical assistance to Southern Entity institutions to ensure transparent policymaking in areas of enterprise creation, macroeconomic, agriculture, natural resource management, land tenure and trade policy.

#### **e. Illustrative Indicators**

The challenge for measuring impact under this Strategic Objective will be finding indicators with solid available data in a specific set of markets throughout the country, or getting at proxies. Some potential indicators of the strategic objective include: volume and value of internal and external trade; cost of shipping one ton of grain from western Equatoria to Bahr el Ghazal; number of Sudanese market support institutions that are established and operational; issuance of an agriculture and natural resources policy for southern areas that is based on data produced by Sudanese institutions, analytical work by Sudanese researchers, and public discussion and revision by Sudanese stakeholders.

#### **f. Scenarios:**

Stalemate Continues scenario: The strategic objective and intermediate results described above will be achieved in the stalemate continues scenario. Targets include:

- Food aid distributions meet 50% of needs stated in the OLS Annual Needs Assessment on average.
- Sudanese microfinance institution operational, with at least \$1,000,000 in loans outstanding, 50% of loans to women.
- Three Sudanese agribusiness training centers operational and carrying out business skills training for entrepreneurs; at least 50% of trained entrepreneurs are women.
- At least 600 miles of roads rehabilitated in southern Sudan.
- One southern Sudanese agriculture policy and one natural resources management policy drafted based on Sudanese analytical work, vetted with appropriate stakeholders, and adopted by authorities.

Peace Prevails scenario: Development assistance will increase in the South, and there will be an expected initial increase in the need for humanitarian food assistance in newly-accessible areas. There might be the

need to provide food support to returning and resettling populations. Market linkages will be expected to open up slowly due to lingering mistrust, but will eventually lead to an increase in the demand for goods and infrastructure. All intermediate results will be achieved, in an expanded geographic area.

Peace Fails scenario: Economic recovery results would be diminished. Food aid needs would likely increase, especially in active conflict zones and decrease for returning IDPs and refugees. Large-scale infrastructure programs would be impossible, limited to relief-oriented road rehabilitation to reduce the costs of delivering humanitarian assistance. Institutions would be increasingly challenged to survive the difficult conditions of an intensified conflict. Only IR 8.1 will be fully achieved. IR 8.2 would be cancelled or scaled-down to a minimum; IR 8.3 would be limited to the remaining stable areas (if any); and IR 8.4 would be refocused on building capacity of southern Sudanese outside of the country in the event of a return to peace.

### **III.C. Performance Monitoring System**

The USAID/Washington Sudan Task Force, the USAID Office in Khartoum, the USAID Sudan Field Office in Nairobi, and the Regional Refugee Coordinator in Nairobi are responsible for monitoring performance of the assistance program in Sudan towards achieving the strategic objectives and special objective in this Integrated Strategic Plan. Typical measurement and reporting systems are not yet possible in Sudan, but increasing amounts of development assistance demands that USAID take the lead to help rectify this problem and ensure that data systems are established. All development assistance programs designed since FY 2000 have included strengthening of Sudanese institutions to collect data and monitor program impact.

Upon approval of the ISP, these four offices will work together to generate a set of potential indicators for measuring achievement of the approved objectives and intermediate results. Where direct or quantitative indicators are not possible, proxy (indirect) or qualitative measures will be substituted. USAID will then meet with implementing partners to select viable indicators based on appropriateness and reliability of data sources; determine responsibility for collecting data and timely reporting; and schedule independent data quality assessments. Data and reporting will be gender-disaggregated, as appropriate, including within humanitarian assistance programs. All procurement instruments will be modified to include a requirement that the contractor, recipient or grantee will collect and report data for USAID's Annual Report by October 31 of each year.

With the agreement of implementing partners, USAID will draft a Performance Monitoring Plan in time for approval before the end of FY 2003, subject to security issues in Kenya and East Africa. The first Annual Report against the new strategy and the new set of indicators will be made in December 2003-January 2004. Several on-going programs will deliver evaluations in the second and third years of the ISP, including SBEP, SSARP, and the Sudan Peace Fund.

Progress monitoring will be handled by field staff in the Sudan Field Office in Nairobi and the USAID Office in Khartoum. Collection and analysis of information from various parts of Sudan, especially opposition-controlled areas, will continue to pose a challenge for the USG because of limited access and the sheer number and variety of data sources involved. In order to improve data quality and the timeliness of reporting, the USG will facilitate stakeholder and partner involvement in feeding timely information and analysis from local, county and national levels in each sector: security, conflict-democracy activities, food security, education, health and infrastructure. As recommended in the Conflict Vulnerability Assessment, USAID will explore an opportunity for real-time information sharing with the CPMT/VMT international peace monitors. The tools for improved performance management are available and partner/stakeholder commitments will be clearly defined through the development of the

monitoring plans contained in activity workplans. All implementing partners are required to provide excellent quarterly progress and financial reports. For development assistance programs, these reports are jointly reviewed with our Sudanese technical counterparts. The Sudan Field Office will also establish a bi-annual performance review system – modeled on the current REDSO/ESA system – to review program impact and implementation progress for all programs in the portfolio. Program funds will finance all performance monitoring and reporting, including the independent data quality assessments.

#### **IV. Management, Coordination and Financial Plan**

##### **IV.A. U.S. Government Management of the Assistance Program**

Several USG offices are involved in management of the assistance program in Sudan.

###### **1. Washington Headquarters**

The National Security Council (NSC), the State Department's Bureau for Africa, the State Department Sudan Programs Group, and USAID's Sudan Task Force provide policy leadership. They elaborate the substance and content of Executive Branch policy which sets the parameters of the Sudan assistance program, and they coordinate with other donor capitals.

The State Department Sudan Programs Group provides support for the President's Special Peace Envoy on Sudan and is led by an Ambassador who reports to the Assistant Secretary for Africa. Also within the State Department, the Bureau for Population, Refugees, and Migration manages grants to UN agencies and NGOs in support of international refugees and refugee returnee reintegration programs.

A senior official who reports to the Assistant Administrators for Africa and for Democracy, Conflict and Humanitarian Assistance leads the USAID Sudan Task Force. They in turn report to the USAID Administrator, who is the Presidentially-appointed U.S. Humanitarian Coordinator for Sudan. Also within USAID, the DCHA Bureau is responsible for managing grants for disaster relief programs (OFDA), food aid programs (FFP), and transition programs (OTI). The Africa Bureau is responsible for program policy, budget, and strategies for development assistance and delegates program management to the field. Technical offices in Washington (including the Africa Bureau Sustainable Development Office; the Global Health Bureau; the Economic Growth, Agriculture and Trade Bureau; the DCHA Democracy Governance Office; and the DCHA Conflict Mitigation Office) provide technical support, guidance, and quality standards for development assistance programs.

The U.S. Department of Agriculture is the implementing agency for the Technical Support Component of the Southern Sudan Agriculture Revitalization Program and for the Strategic Analysis and Capacity Building Component of the STAR Program. USDA headquarters handles administration of these PASA and RSSA agreements with the Africa Bureau Sustainable Development Office. The Centers for Disease Control is one of the implementing agencies in the HIV/AIDS Awareness Pilot Program.

###### **2. In the Field**

The U.S. Embassy in Khartoum is responsible for monitoring and reporting on the political and economic situation in Sudan and maintaining diplomatic contact with the Government of Sudan. It is headed by a Charge d'Affaires who reports to the Sudan Programs Group in Washington.

The USAID Office in Khartoum monitors progress of humanitarian and transitional assistance in government-controlled areas of Sudan. This office is managed by a DCHA-funded Senior Humanitarian

Advisor who reports to the head of the Sudan Task Force and staffed by four FSN professionals, two FSN support staff, and one USPSC. The office is jointly funded by the DCHA and AFR Bureaus. USAID also owns office space in Juba that is currently leased to a NGO but will revert to USAID on demand. In order to manage the modest Northern Civil Society program under the SPO, USAID/Khartoum will need to add a USPSC governance officer and perhaps a FSNPSC governance program specialist.

U.S. Embassy Nairobi provides an administrative support office for the U.S. Embassy Khartoum and assigns a "Sudan Watcher" from the Political Section to monitor opposition-controlled areas of Sudan. The State Department PRM Bureau divides responsibility for monitoring and reporting on refugee programs among the Regional Refugee Coordinators resident in the countries hosting refugees – Nairobi for camps in Kenya; Addis Ababa for camps in the Horn of Africa; Cairo for refugees in Egypt; and Kampala for refugees in Uganda and the Democratic Republic of the Congo.

Beginning in 2003, USAID will establish a new Sudan Field Office (SFO) in Nairobi to manage and monitor assistance programs in opposition-administered areas of Sudan, in order to better reflect the dynamic changes occurring within Sudan (See Annex B). The SFO will be directed by a senior foreign service officer who reports directly to the head of the USAID Sudan Task Force in Washington. All USAID staff working full-time on the southern sector – including OFDA, OTI, FFP and AFR – will be part of this office and report to its director, who will determine the timing and size of the USAID Sudan team in consultation with AFR, DCHA and the Sudan Task Force (STF). USAID bureaus will keep their existing management authorities (i.e., DCHA's management authorities will remain in Washington, AFR's will remain in Nairobi). The Sudan Field Office will be supported by new and existing staff (technical, legal, contracting, financial, administrative) in the Regional Economic Development Services Office (REDSO/ESA) and the DCHA/OFDA Africa Regional Office in Nairobi. In 2003, USAID will take advantage of several private sector owned and operated field camps in stable opposition-administered areas in order to reduce costs and increase access for monitoring program implementation. Beginning in 2003, the U.S. Department of Agriculture will open a small logistical and support office in Kampala to manage programs in southern Sudan.

### **3. Operating Scenarios**

Under the Stalemate Continues scenario, the current organizational structure for program management and planned office locations would continue, including the plan to open a new Sudan Field Office. More links and contact between the Sudan Field Office and the USAID Office in Khartoum will be encouraged. Under the Peace Prevails scenario, USAID would begin to move more management operations inside southern Sudan. The Sudan Field Office based in Nairobi would set up field camps or offices in the South, including the capital of the southern entity. The USAID Office in Khartoum would expand modestly in relation to new initiatives in the north. The overall staffing mix would remain the same throughout the strategy period because all funding sources would be high. Under the Peace Fails scenario, USAID would likely begin to scale back the scope of the planned Sudan Field Office based in Nairobi, or in the event of all-out war, increase the number of staff managing relief programs. Plans to move offices into southern Sudan would be abandoned, and any staff located inside Sudan may, depending on the scope of the conflict, be moved across international borders. Development assistance program managers would receive specialized training in program close-out. The USAID Office in Khartoum would remain at the same size without expansion.

### **IV.B. Coordination with Stakeholders, Donors, and Partners**

In implementing this Interim Strategic Plan, the U.S. Government will place a premium on high-quality coordination among Sudanese stakeholders, other donors, and implementing partners.



## **1. Sudanese Stakeholders**

Because of political-military divisions among stakeholders fueled by decades of civil war and regional tensions, efforts to equitably address humanitarian and development goals of each subset of stakeholders have been limited. The SPLM areas have been the most stable areas of the South and therefore have enjoyed disproportionate benefits of international assistance and local resources, although SPLM-SPDF political reconciliation achieved in 2001 - 2002 has improved USG access to stakeholder groups. In opposition-administered areas, the primary stakeholders are the merged SPLM; its development coordinator, the Development Assistance Technical Team; its relief wing, the Sudan Relief and Rehabilitation Commission (SRRC); and the National Democratic Alliance's (NDA) Civil Administration in Eastern Sudan. USAID's agriculture revitalization and basic education programs are coordinated through two-level structures, with one technical level including USAID, implementing partners and Sudanese technical counterparts, and a separate program steering level including USAID and Sudanese political counterparts. Increasingly important stakeholders in the opposition-administered areas are Sudanese non-governmental Organizations (SNGOs), faith-based organizations, and peace committees. In Government of Sudan (GOS) controlled areas, our primary counterpart is the GOS's Humanitarian Affairs Commission.

## **2. Other Donors**

Bilateral and multilateral donors work through the IGAD Partners Forum Working Group (IGAD IPF-WG), Donor Coordination Khartoum, and the Sudan Donor Coordination Nairobi (SDCN) to improve strategic coordination and integrate humanitarian assistance levels. The IGAD Forum Working Group includes a number of European countries, Canada, and the United States. The SDCN includes the Australian, British, and Canadian High Commissions; Embassies of Denmark, Finland, France, Germany, Italy, Japan, Netherlands, Norway, Sweden, Switzerland, and the United States; USAID; and ECHO.

The United States is currently the only donor providing funds for development in opposition-administered areas. Donor planning is underway for post-war assistance to Sudan, when development assistance is expected to increase. It can be expected that major post-war donors in Sudan will be the United States, the European Union, the Arab League, DFID, the Netherlands and Norway. The World Bank and the International Monetary Fund may play a major role if debt arrears can be resolved.

Coordination of assistance after a peace agreement is currently under negotiation. Based on several meetings of donors and Sudanese in Norway, the Netherlands, Nairobi and Washington, the parties to the IGAD peace process have agreed to establish a Joint Planning Mechanism for assistance programs after a peace agreement. The Joint Planning Mechanism will include a small secretariat dedicated to ascertaining community-level priorities for assistance programs in the 6-month pre-interim period and the 6-year interim period envisioned in the Machakos Protocol. These priorities would then be met by Sudanese and donor investments.

The UN established an informal role in donor coordination and contingency planning in August 2002 with representation from DPA, DPKO, OCHA, UNDP, EFP, and UNICEF. With a new Resident Representative in Khartoum, the UN hopes to strengthen coordination among all UN agencies and among donors for the entire country.

## **3. Implementing Partners**

International, regional, and Sudanese organizations with substantial operational experience in Sudan implement most USG assistance programs. Most donors channel assistance through UN agencies, Operation Lifeline Sudan (OLS), and non-OLS non-governmental groups. Various UN agencies provide core funds in addition to administering other donors' humanitarian efforts including: Humanitarian Coordination Unit (OCHA); World Food Program; UN Children's Fund (UNICEF); Food and Agriculture Organization; UN Development Programme (UNDP); UN Population Fund; UN High Commissioner for Refugees; and the World Health Organization. The OLS is a consortium of UN organizations and international and local NGOs that operates in conflict areas of Sudan under a tripartite agreement among GOS, SPLM, and the UN that provides negotiated access to populations in need of assistance. Many organizations outside the OLS consortium ("non-OLS") have gained access to areas where the GOS blocked UN access. USAID will draw more heavily on firms and organizations with more experience in development work because experience has shown that some of our traditional partners who focus on humanitarian assistance have difficulties obtaining the different sets of skills necessary for development work.

#### **IV.C. Implementation Methods and Procurement Modalities**

Implementation methods and procurement modalities are different for each different funding account in the Sudan assistance program. USAID implements its programs through methods that limit USAID's financial vulnerability, including use of umbrella grants and contracts under grants, and audits carried out by the USAID inspector general.

All development assistance programs are implemented through "umbrella" contracts or grants with international contractors, NGOs or international organizations, which in turn make subcontracts or subgrants with Sudanese firms or non-profit organizations. Development assistance procurement officers are located in Nairobi, and program managers hold Cognizant Technical Officer authorities and responsibilities. A limited number of sub-grants are made to local government entities in Sudan – for example to county health departments in the SOAR Program and to county education departments in the Sudan Basic Education Program. There are no government-to-government grants (e.g. Strategic Objective agreements) in the current program, although that may change during the life of this ISP.

Disaster assistance programs are implemented through grants to international NGOs or international organizations, some of which then subgrant to a Sudanese partner organization or obligated into purchase orders for short-term consultants. Similarly, food aid programs are implemented through grants to the World Food Program or international NGOs. Transition Initiatives assistance is implemented through a mix of direct grants to international organizations or by tapping into existing quick-response contracts. All disaster assistance, food aid, and transition initiatives awards are made from OP/Washington, and program managers in Washington hold Cognizant Technical Officer authorities and responsibilities.

The State Department's Africa Bureau administrative office selects contractors to implement the State Department's political programs. State Department refugee programs are implemented through general annual contributions to the UNHCR and several international NGOs, as well as specific grants for programs in refugee camps. All State Department grants and contracts are managed in Washington.

#### **Annexes:**

USAID completed several analyses while preparing this Interim Strategic Plan. The following analyses are available on request from the Sudan Field Office in Nairobi, Kenya:

Gender Analysis  
Environmental Threats and Opportunities Analysis  
Health Assessment  
Food Security Analysis