

USAID Democratic Republic of the Congo

Integrated Strategic Plan FY 2004 – FY 2008

Concept Paper

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I. Overview

This concept paper proposes an approach for a new, scenario-based, integrated strategic framework for USAID's program in the Democratic Republic of the Congo (DRC). The proposed new strategy would be implemented from FY 2004 through FY 2008. This proposal has been discussed with the Embassy country team and is fully consistent with the Mission Performance Plan of the U.S. Mission to the DRC. The framework is designed to mesh with the plans of other donors, including the World Bank and International Monetary Fund, and takes into account plans prepared by the Government of the Democratic Republic of the Congo (GDRC), including the Emergency Multi-sector Rehabilitation and Reconstruction Program (EMRRP) and the Interim Poverty Reduction Strategy Paper (I-PRSP).

The previous strategic framework of one overarching strategic objective (SO) has been subdivided, recrafted, and realigned into a new structure of four strategic objectives in health, democracy and improved governance, rural livelihoods, and basic education. The paper also proposes a short-term, special objective (SpO) focused on the reintegration aspects of disarmament, demobilization, repatriation, resettlement, and reintegration (DDRRR). This special objective is fully consistent with the Congo-specific proposals for the World Bank's Multi-Country Demobilization and Reintegration Program (MDRP).

The World Bank recently noted that the DRC is "gradually emerging from a decade of political instability and conflict." The pace and other specifics of a transition leading to national elections remain uncertain. Therefore, the paper discusses the implications for USAID/DRC under three scenarios: Successful Transition, Hobbling Transition, and Protracted Transition. Furthermore, given the high level of uncertainty in the Congo, the program is designed to be as robust as possible under all likely scenarios, able to respond rapidly to special opportunities under an optimistic scenario and able to retrench while maintaining viable activities under a pessimistic scenario.

This paper does not contain a proposed SO for the environment. The Central Africa Regional Program for the Environment (CARPE) and other regionally-funded environmental activities, such as the program for gorillas in eastern Congo and its neighbors, are assumed to encompass the USAID-implemented environmental initiatives in the DRC during the period of this strategy.

This concept paper builds on the findings and recommendations of the USAID SWIFT Action Team, as reported in Kinshasa 411 dated February 15, 2002. In particular, the SWIFT Team found that: "Mission health activities are located throughout the country and provide a solid base for additional activities. ... Health interventions alone are insufficient because of the interconnected problems that cause malnutrition and poor health throughout the DRC." The Team therefore recommended "adding a basket of livelihood interventions to present Mission activities." The Team also recommended that the Mission focus on women, examine employment generation as a key to successful DDRRR, integrate and expand communications activities, respond opportunistically to new conditions, and enhance donor coordination. All these recommendations, approved by Assistant Administrator for Africa Constance Newman in a Decision Memo in April 24, 2002, are reflected in this paper.

Health interventions have been part of the Mission's portfolio since the Mission reopened during FY 1997. More than seventy percent of the Mission's FY 2002 portfolio of Development Assistance (DA) and Child Survival and Health (CSH) resources was devoted to CSH (*not* including substantial resources from the Displaced Children and Orphans Fund (DCOF)). Similar proportions characterize the Mission's staffing pattern. In addition, the Mission has benefited – twice on strategy development tasks – from extremely high quality teams assisting the already strong Mission-based staff working in the health sector.

As a result of these factors, the health section is the longest and most complete. It is substantially longer than what is required for a concept paper and reflects the deep experience and knowledge of the sector already embedded in USAID/DRC. Other sections of this paper are significantly shorter and hew more closely to what is normally provided in a concept paper.

II. Factors Supporting Development Assistance

A. Political Environment

The DRC is moving – albeit in a nonlinear fashion – towards a transition that would lead to reunification of the country, national elections, and the end of conflicts involving both external and internal parties. After thirty-two years of dictatorial rule under Mobutu Sese Seko, a war brought Laurent Desire Kabila to power in early 1997. His nearly four years of rule were chaotic, with a second war pitting President Kabila against his former key allies, Rwanda and Uganda, beginning in mid-1998. Despite a peace agreement signed in Lusaka during the second half of 1999, instability, large-scale human rights abuses, and multiple humanitarian emergencies continued into 2001 – and have not yet fully subsided.

The assassination of Laurent Kabila and his replacement by his son, Joseph, in early 2001 ushered in a more hopeful period of increased movement towards peace, greater stability, and improved economic management. Despite continuing humanitarian emergencies in eastern Congo, most of the country is peaceful. With the recent withdrawal of the Rwandan and other foreign armies, suspension of some senior government officials accused of engaging in large-scale corrupt practices, and continuing talks aimed at reuniting the country under a transitional government (which would incorporate, among others, members of Congolese groups which had been at war), the DRC continues to move in a positive direction. Once this transitional government is installed, perhaps in early 2003, a timetable leading to elections in 2005 is likely.

B. Economic Environment

Inflation is low, and for the first time in many years, economic growth is estimated to be positive for 2002. The World Bank and IMF have re-engaged and are supporting structural reforms of the Congolese economy and economic governance structures. By suspending a number of senior, allegedly corrupt government officials in mid-November, President Kabila signaled his interest in continued improvements in economic performance and management.

The World Bank argues that recent “developments give ground for a measured optimism on DRC's political and economic prospects” and has prepared with the government a \$1.7 billion

Emergency Multi-sector Rehabilitation and Reconstruction Program (EMRRP) to run from 2002-2005. The World Bank is providing \$454 million towards this program. Other donors also have deepened and expanded their engagement in the Congo since early 2001, with a number of donors renewing direct cooperation with the government. A just-completed study on donor activity in the DRC prepared for the Mission by a member of PPC staff concludes: "Donor activity in the DRC is in a state of dramatic transition ... (and) the upward trend is clear." This trend reflects, as the World Bank recently noted, that "a consensus (has) emerged within the international community around the importance of economic assistance for stabilization and recovery in DRC."

Economic growth in the DRC will be grounded in increases in agricultural production. Roughly two-thirds of the population remain rural and ensnared by desperate poverty. This poverty manifests itself in extremely low incomes and purchasing power, abysmal access to and availability of fundamental health services, and near total lack of basic education structures to give Congolese children the opportunity to become literate and numerate. The capital, Kinshasa, with an estimated eight million people, already is dangerously overcrowded, with most people lacking access to basic services. Over-attention to the capital risks the perverse effect of pulling ever-increasing numbers of people from impoverished rural areas and smaller cities to Kinshasa, creating an ungovernable megacity with many of its people destitute and desperate.

The IBRD and the IMF are engaged, evince cautious optimism, and are working with GDRC economic ministries to put in place needed economic management structures. Insufficient, albeit gradually rising, tax receipts remain a serious problem impeding sound fiscal and monetary policy, as do continuing off-budget expenditures. Another factor inhibiting growth via the long-term sequestration of capital is the massive unpaid internal debt. This also will need to be addressed to enable the return of robust economic growth

C. Country Need

The following social and economic indicators adumbrate the depth of poverty and the scale of need in the Congo:

- Population: 55 million (estimate; no census since the mid-1980s)
- Per capita Gross Domestic Product (GDP): \$107 (GDP per capita has shrunk by 72% since independence in 1960)
- UN Human Development Report 2002 rank: 155 (out of 173 countries)
- Infant mortality: 126/1,000 (101/1,000 in cities; 161/1,000 in rural areas)
- Under five mortality: 213/1,000
- Maternal Mortality: 1,289 per 100,000 live births (highest in Africa)
- Life expectancy: 51 for men, 47 for women
- HIV/AIDS prevalence rate: 5.1%
- Gross primary school enrollment rate: 55%
- Retention rate (number of students attending school completing at least five years of primary school): 25% (15% for rural girls)
- Access to safe water: 47% in 1999

D. U.S. National Interest and Foreign Policy (MPP)

The proposed strategy is fully consistent with the following strategic goals of the U.S., as articulated in the MPP of the U.S. Mission to the DRC:

- Promoting Democratic Systems and Practices
- Resolving Regional Conflicts
- Assisting Refugees and Victims
- Promoting Economic Growth in Developing and Transitional Economies
- Promoting International Health.

E. Legislative Restrictions

The DRC continues to be subject to legislative restrictions and prohibitions on assistance under Section 512 of the relevant year's Foreign Operations Appropriations Act (Brooke) and Section 620(q) of the Foreign Assistance Act (FAA). Both provisions prohibit assistance to countries in arrears on FAA assistance loans, either for a period in excess of one year (Brooke) or six months (620(q)), other than in legislatively excepted or waived situations. The Mission presently uses a variety of relevant exceptions and waivers for its activities. This paper proposes that these exceptions and waivers continue to be used until, under more optimistic scenarios, the DRC may no longer be subject to either Brooke or 620(q) provisions.

III. Proposed Program

A. Agency Objectives and Priorities

The proposed program direction outlined in this concept paper is consistent with USAID priorities:

- The proposed SO1 in health relates to the USAID Global Health Pillar and its five associated objectives;
- The proposed SO2 in democracy and governance relates to the USAID Democracy, Conflict, and Humanitarian Assistance pillar and its associated objectives to mitigate conflict, strengthen the rule of law and respect for human rights, encourage credible and competitive political processes, promote the development of politically active civil society, and encourage more transparent and accountable government institutions;
- The proposed SO3 in livelihoods relates to the USAID Economic Growth, Agriculture, and Trade Pillar and its objectives to encourage more rapid and enhanced agricultural development and food security and to expand and make more equitable access to economic opportunity for the rural and urban poor;
- The proposed SO4 in education relates to the USAID Economic Growth, Agriculture, and Trade Pillar and its objective to expand access to quality basic education for under-served populations, especially for girls and women;
- The proposed Special Objective (SpO) relates to the USAID Democracy, Conflict, and Humanitarian Assistance Pillar and its objective to mitigate conflict.

B. Proposed Strategic Objectives and Special Objective

1. Proposed Strategic Objective 1: Use of Key Health Services Both in USAID-Supported Health Zones and at the National Level Increased

Development Challenge

Problem Statement: The DRC's health indicators are among the worst in the world. Infant and under-five mortality rates are 126 and 213/1,000 live births respectively. According to the National Malaria Control Program, malaria accounts for 25-30% of under-five deaths, 30% of national hospital admissions, and an even greater percentage of outpatient visits (e.g., 69% of outpatients visits in Katana Health Zone, South Kivu Province, in 2000). Due to low vaccination coverage rates (e.g., 30% DPT3 coverage reported by the second Multiple Indicator Cluster Survey (MICS 2), a recently-completed health and health care practices survey of DRC), measles and neonatal tetanus are still major causes of under-five mortality. Although use of oral rehydration therapy (ORT) is high, only about 10% of children with diarrhea are provided extra fluids and normal meals. Deterioration of sanitation infrastructures and unhygienic behaviors significantly increase the incidence of water borne diseases. An estimated 10% of children were reported to have had diarrhea during the two weeks prior to the MICS 2 survey.

Malnutrition is both an important direct and underlying cause of under-five mortality. According to the MICS 2, a catastrophic 13% of children suffer from acute malnutrition (an increase from 4% reported in 1995) and 38% of children suffer from chronic malnutrition. UNICEF's 1998 National Vitamin A survey found 61% of children under three were vitamin A deficient (22% severe), among the highest rates in Africa.

Acute respiratory infections (ARI) in children under the age of five are frequent and poorly treated. The MICS 2 survey noted that 11% (3% in Bas Congo to 24% in South Kivu) of children had suffered from ARI within the two weeks preceding the survey and that only 36% were seen at a health facility or by a health worker.

The maternal mortality ratio is 1,289 deaths per 100,000 live births (MICS 2) due to a lack of access to emergency obstetric care, early childbearing, closely spaced births, high fertility, and low use of contraceptives. Female life expectancy is estimated at only 47 years.

A total fertility rate of 7.1 (MICS 2), one of the highest in Africa, has diminished little over time; modern contraceptive use is 4.0% (MICS 2). The DRC's population of about 55 million is expected to double in the next 20 years.

The DRC ranks twelfth in contributing to the world's tuberculosis burden (WHO). The National Tuberculosis Program (NTP) reports that only 46% of estimated cases are detected and only 58% of detected cases are cured. The DRC is prone to outbreaks of other infectious diseases as well. In the last five years, there have been outbreaks of measles, pertussis, cholera, hemorrhagic fevers, and meningococcal meningitis.

Although the overall reported HIV prevalence for DRC is 5.1% (UNAIDS 2002), data from a 1999 sentinel surveillance of a limited sample of pregnant women found rates of 6.7% in Kinshasa and 10% in Lubumbashi. Data from the 2002 UNAIDS report suggest that by the end of 2001, 1.3 million adults and children were infected with HIV.

Higher rates may exist in areas which until recently have been occupied by foreign troops from countries with high national prevalence rates (such as Zimbabwe (33.7%), Uganda, and Rwanda) and are characterized by the presence of internally displaced persons, conflict, violence, and increasing poverty. As the Congo conflict comes to an end and regional commerce returns, there will be an additional risk of elevated transmission from increased commercial traffic from Southern Africa (Zimbabwe 33.7%; Zambia 21.5%) and East Africa (Kenya 15%; Tanzania 7.8%), and the movement of displaced persons and army/militia “camp followers” to major cities and trade centers.

It is anticipated that early into the period of this strategy, DRC will be able to demonstrate its need and ability to be classified as an HIV/AIDS “Intensive Focus” country. Evidence of rapidly increasing HIV prevalence in high-risk populations and the unmet need for preventive services suggest strongly the need to scale up interventions.

The national health structure consists of the Central Ministry of Health, 11 Provincial Health Inspection Offices, 45 Regional Health Inspection Offices, and 306 health zones (soon to increase in number due to a repartition of zones). Each zone covers on average 150,000 people and consists of a central zonal office, a hospital, approximately 20 satellite health centers and community action groups. Many zones are co-managed by religious or other nongovernmental organizations.

The GDRC spends less than five percent of its total budget outlays on health care. Its support is limited to irregular and very low salary payments of state health workers (e.g., \$10 to \$20 per month) in areas controlled by the Kinshasa-based administration. Taxes charged on medications, other health and medical supplies, and salaries as well as the diversion and misuse of health materials are problems common to government and rebel-controlled areas. The population must bear the bulk and brunt of the costs of delivering health services, including much of the remuneration for health staff. Inefficiencies including overstaffing and over-prescribed drugs and lab tests exacerbate the burden on the consumer. This results in high cost recovery fees that restrict access to services, depress utilization of health facilities, and create a dysfunctional drug supply system. Many health workers lack motivation and perform poorly.

Outreach and community-based services are weak and only benefit persons who live in close proximity to health centers. Also, the infectious disease surveillance and routine data systems are inadequate, resulting in an inability to systematically detect and address disease outbreaks, establish reliable baseline data, and effectively measure the impact of interventions. This is especially problematic in determining the current geographic and demographic severity of the threat of HIV in the DRC.

Progress Can Be Achieved: Despite these problems and constraints, USAID/DRC believes for the following reasons that it can contribute to substantial progress in the health sector:

- ***Measurable progress during the past two years:*** Largely attributable to the USAID primary health program (implemented through NGO/PVOs), vaccination coverage increased from 20% to 40% and overall health service utilization rose from less than 15% to an average of 26% in 63 health zones. Furthermore, with USAID assistance, the February 2002 distribution of vitamin A (non-polio-related) exceeded 50% national coverage. Excellent progress has been achieved towards interruption of wild poliovirus transmission, a longstanding USAID priority in the DRC.
- ***DRC has a proven health strategy:*** In the 1980s, prior to the recent civil strife, USAID/Zaire (now DRC) and other donors successfully used a health zone-based program to achieve relatively high and stable vaccination and antenatal care coverage, and high health service utilization rates (over 60%) despite serious health system problems.
- ***Renewed donor confidence:*** Other donors, including the World Bank, UNICEF, and the EU are making new investments in the DRC and are adopting the same health zone-based approach. Over 70% of health zones receive some donor assistance.
- ***A base of knowledge and appropriate care seeking behaviors exist:*** The 2001 MICS 2 survey indicates that over 60% of pregnant women received some antenatal care and trained personnel attended 61% of births.

Current Program

In FY 2002, USAID, including USAID/DCHA/OFDA, obligated approximately \$27,825,000 in CSH and IDA funds in the health sector to support activities in 91 health zones and selected national initiatives. CSH resources were used to support 81 of these zones, with the principal focus of USAID interventions on improving drug supply systems, management, supervision, and provider performance. USAID/DCHA/OFDA with IDA resources supported 10 health zones. Insecurity and population displacement in these 10 zones had resulted in high levels of malnutrition and mortality requiring a focus on programs of therapeutic and supplemental feeding and/or basic primary health care. Emergency conditions will recede as the conflict ends; the transition of these “emergency” zones to “developmental” status will be a priority.

At the national level, support has been provided for routine immunization, polio eradication, and measles mortality reduction activities. To address the enormous malaria problem, help was provided to develop and begin implementation of a revised national malaria policy, including improvements in case management and intermittent preventive treatment and the introduction of insecticide treated materials (bed nets) in several pilot health zones.

HIV/AIDS activities include prevention efforts emphasizing behavior change and condom social marketing targeted at high-risk groups, such as commercial sex workers, military, police, and truckers. The military also is of special concern for HIV control; after consultations with the Regional Legal Advisor, the Mission was informed that the military could be engaged as one of several high-risk groups targeted. At the national and health zone levels, assistance is also

provided to the National Tuberculosis (TB) Program, family planning, nutrition policy development, and disease surveillance and response activities.

Proposed Framework for a New Strategy: Achieving Impact and Building Capacity

Objective and Approach: The proposed strategic objective is to increase the use of key health services both in USAID-supported health zones and at the national level.

- **Institution building:** Support the development of viable health zones that deliver integrated and cost effective health services
- **Strategic support for key health interventions nationwide:** Support nationwide the delivery of a limited number of cost-effective interventions expected to have the highest impact on health in DRC.

To achieve increased use of high impact services in the DRC, USAID will contribute towards achieving *four intermediate results*: 1) increased availability of key health services; 2) increased access to key health services; 3) improved quality of key health services; and 4) increased awareness of key health services.

USAID's manageable interest: Given the serious constraints described above, USAID's manageable interest lies in increasing the use of key health services. Although USAID will be working towards reductions in mortality and fertility, these will be considered higher-level goals unless measurable progress is achieved in addressing the structural constraints in the sector. During the period of this strategy, USAID will increase its engagement with the government and take concrete steps that will help the GDRC improve its support of the health sector. On a macro and policy level, USAID will work with other partners and the GDRC to increase and regularize the remuneration of public sector staff and increase the proportion of the budget spent on the health sector. After three years, the Mission will review progress towards addressing these constraints and determine if the focus and level of the SO should be modified towards achieving reductions in mortality and fertility.

HIV/AIDS is addressed throughout this document as an integrated component of the strategic objective. USAID will strengthen its support of HIV/AIDS activities within high-risk groups and at high-risk geographic sites as well as incorporate basic HIV prevention messages into the primary health care system. HIV/AIDS activities are further defined in a separate HIV/AIDS strategy that is being developed per USAID/Washington guidance.

Nutritional issues are addressed via interventions including the promotion of growth monitoring activities, exclusive breastfeeding, and continued feeding of children with diarrhea. Iron folate and vitamin A supplementation will be expanded. USAID's proposed livelihoods SO will emphasize a variety of food security and nutrition interventions within USAID-assisted health zones, including home gardening and improved seed multiplication activities.

Operating principles and selection criteria: In drafting this strategy, the Mission adhered to the following general principles:

- Interventions selected are those that have a direct impact on the major causes of mortality, are feasible, and constitute the optimal use of USAID resources;
- Support for national level interventions will extend across all operating environments (emergency, unstable but nonemergency, and stable);
- USAID support of health zones will aim to establish and strengthen partnerships between the public and private sectors;
- Emergency health assistance will be targeted to populations directly affected by the conflict which started in August 1998, show mortality or malnutrition rates that are high compared to the rest of the DRC, and are not adequately covered by any other international player.

Proposed Intermediate Result 1: Increased availability of key health services

Objective: USAID will strengthen and institutionalize key health services.

Consolidating and expanding USAID support of health zones: During the period of this strategy, USAID will consolidate its support to the present 91 health zones. By the end of the program period, USAID expects to be supporting 120 health zones (based upon the existing demarcation of zones), reaching a potential population of 20 million persons (8 million children under five and women of reproductive age) representing roughly one-third of the total population. Zones to be added will be those in regional capital cities supporting many USAID rural zones, former emergency areas that received USAID/DCHA/OFDA emergency assistance, and contiguous rural areas.

Minimum package of child and maternal health services – achieving a threshold of public health coverage in health zones: USAID will aim to achieve a threshold of public health coverage for a limited number of key interventions. The minimum package will consist of:

- Improved malaria case management, intermittent preventive treatment for malaria (IPT), and bed net coverage for pregnant women and children (60% coverage);
- TB control, enhanced blood safety, syndromic sexually transmitted infection (STI) treatment and HIV information, education and communications (IEC) support;
- Routine childhood vaccinations (70% DPT3 and measles coverage);
- Twice yearly vitamin A supplementation of children (70% coverage) and other micro nutrient supplementation;
- Diagnosis and treatment of acute respiratory infection in children;
- Essential obstetric care services, including availability of oxytocin and other drugs, an effective referral system; and family planning services;
- Post-abortion/emergency obstetric care for regional hospitals;
- Improved oral rehydration services, sanitation and diarrheal disease control, and growth monitoring and breastfeeding promotion programs;
- Polio eradication.

On a national level, increase availability of key high-impact health services through support to national initiatives. While the level of USAID support will vary among the selected interventions, USAID will concentrate upon those elements deemed critical to success and within USAID's comparative advantage to provide:

- **Immunizations:** Provide technical assistance and other support to the National Immunization Program for routine services, coordination with global health alliances and measles control;
- **Polio Eradication:** Complete the process of interrupting wild poliovirus transmission by the end of 2004 and certification of polio free status by 2007 through support of high quality supplementary immunization activities, enhanced surveillance, zonal-level planning, and communication and advocacy;
- **Vitamin A and other micronutrients:** Strengthen the MOH's capacity to implement its policy of semi-annual vitamin A supplementation activities;
- **Malaria:** Assist the National Malaria Control Program to increase availability of effective anti-malarial drugs, including through drug sensitivity testing; update diagnostic and treatment protocols and develop national guidelines and training materials for intermittent preventive treatment for pregnant women, severe and non severe case management; and increase access, availability and use of affordable insecticide-treated bed-nets;
- **HIV/AIDS:** Assist the National HIV/AIDS Control Program by supporting key elements of its strategy including behavior change targeting high risk groups and areas, voluntary counseling and testing (VCT) services, support for the treatment of STIs, prevention of mother to child transmission (PMTCT), and care and support for people living with AIDS (PLWA);
- **Family Planning/Reproductive Health:** Help the National Reproductive Health Program to improve donor coordination, advocate for policy changes that affect women's reproductive health, and to standardize the implementation of the GDRC's maternal mortality reduction plan;
- **Tuberculosis:** Assist the National TB Program to implement its expansion program and contribute to the achievement of an improved case detection rate (70%) and treatment rate (85%) for new cases and improved linkages with HIV/AIDS control activities;
- **Surveillance:** Help other donors and the MOH to develop an epidemic surveillance system that will build upon the existing health zonal structure and allow rapid detection and effective response to disease outbreaks.

Proposed Intermediate Result 2: Increased access to key health services

Objective: To promote improved health financing, increased livelihoods of local populations, and enhanced GDRC contributions to health services.

Health financing: USAID will promote stringent cost containment in all health zones, including reducing excess non-governmental hospital and health center personnel, further reducing the average number of drugs prescribed to patients (now over five), and reducing or eliminating unnecessary laboratory tests and procedures. Zones will be assisted to restructure their present cost recovery systems to improve cross-subsidization and reduce the roles of service providers in setting fees to eliminate existing conflicts of interest. USAID will experiment with performance contracts to encourage health zones to implement these and other measures (including mutual health insurance schemes) to improve the management and financing of health services. At the national level, USAID will target access by advocating the reduction of taxes and tariffs on imported bed nets and medications.

Increased livelihoods: Through a multi-sectoral effort described under proposed SO3, USAID will promote increased rural incomes and improved nutrition in USAID-assisted health zones.

Increased GDRC Contribution to Health Sector: USAID will continue to encourage the GDRC to provide more resources for health and allocate a higher percentage of its national budget to the health sector (estimated at below 5%). Improvements in this area will be in part dependant on economic growth.

Proposed Intermediate Result 3: Improved quality of key health services

Objective: Improve the quality of key health services through the introduction and support of improved supervision and training, enhanced management systems, effective policy development and implementation, and effective use of new global health alliances (e.g., Global Fund to Fight AIDS, Tuberculosis, and Malaria (Global Fund), the Global Alliance for Vaccines and Immunization (GAVI)).

Health Zone Level: Supervision and Training: USAID will enhance supervision through revision of guidelines, retraining of supervisors, helping to provide transport for supervision, updating training modules, developing technical job aides, and improving diagnostic and treatment practices.

Management Systems: Each USAID-assisted health zone will develop an annual plan reflecting both national level initiatives and the key management and health interventions (minimum package plus HIV/AIDS/STIs in high-risk populations and areas) detailed in this strategy. A financial management system will be installed in certain specific health districts to improve efficiency and lower costs, and improved drug management and health information systems will be supported.

Regional Level: USAID will provide technical assistance and training of regional supervisors and managers to improve planning and utilization of health information. In collaboration with other partners, it will provide transport, equipment, and logistical assistance to immunization depots supporting USAID-targeted health zones.

National Level: Technical assistance and other critical support will be provided to the central MOH, especially the primary health care and planning directorates, to:

- Improve the quality of the national routine immunization program; develop comprehensive measles control and micronutrient strategies, including the promotion of vitamin A, iron folate and de-worming; improve TB drug management, recording, reporting, and supervision; and improve HIV VCT, PMTCT and PLWA services;
- Perform operations research into the development of new models for ensuring the availability through the private sector of high quality and appropriate anti-malarials and oral and injectable contraceptives;
- Contribute to the design of protocols for family planning/reproductive health interventions;
- Revise diagnosis and treatment guidelines to reflect current practices in malaria, acute respiratory infections, and STIs, and update the essential drugs list;

- Work to develop an epidemic surveillance system that will build upon the existing health zone structure and allow rapid detection and effective response to disease outbreaks;
- Work to obtain maximum benefits from the Global Fund, GAVI, and the Global Drug Facility (for TB drugs);
- Work in collaboration with the Centers for Disease Control's Global Aids Program (GAP) to improve the availability and quality of HIV/AIDS statistics.

Proposed Intermediate Result 4: Increased awareness of key health services

Objective: Increase awareness of key health services among populations in targeted areas through the introduction and support of improved and expanded outreach, IEC, and social marketing.

Increasing awareness through improved outreach: USAID will help each health zone deliver more effective outreach services by:

- Organizing the diverse cadres of community agents into one group and training them to deliver a small package of key health services (e.g., social marketing of condoms, oral contraceptives, ORS, and possibly anti-malarial drugs), to promote key messages and information on hand-washing, exclusive breastfeeding, cleanup of latrines, and to expand population coverage of low-cost spring capping;
- Strengthening HIV/AIDS education and referral services in health centers within a 50-kilometer range of major urban areas with high prevalence rates;
- Implementing behavior change for high-risk individuals for HIV/AIDS and their partners through VCT, peer education, social marketing and mass media campaigns;
- Improving household-level understanding of disease prevention, life-threatening illnesses, home care and hygienic behaviors;
- Encouraging more effective community involvement in the management of health services and the design and delivery of behavior change strategies and messages;
- Supporting health providers in promoting and implementing client-centered services;
- Researching and designing a communication strategy appropriate for health zones including identifying key messages, target populations, and communication channels.

Crosscutting Issues

Promoting livelihoods, nutrition, and food security: USAID will actively promote the integration and synergy of its strategic objectives and programs by progressively implementing key livelihood, nutrition, and food security interventions in USAID assisted health zones. Activities could include: integrating health messages into schools through the development of health education materials and lessons for primary school teachers on nutrition, sanitation and HIV/AIDS prevention; home-gardening to improve the supply of micronutrients at the household level; and micro-credit, micro-savings, and micro-enterprise projects for women to generate income. A special committee (with members of the food security, basic education, democracy and government and health teams) will plan, select target health zones, and monitor impact.

HIV/AIDS: There are important economic and social issues associated with high HIV and infectious disease burdens. A recent report by the National Intelligence Council notes that a 5%

prevalence rate may be a “tipping point,” as the HIV prevalence rate in other African countries “soared into double digits” shortly after reaching the 5% mark. Increased HIV rates will aggravate the competition for scarce resources among the political and military elite, hamper the development of civil society, destabilize the extended family structure, and increase economic misery. HIV and other infectious diseases directly reduce annual GDP growth and, at the family level, require households to spend resources for treatment that might otherwise be used for other forms of consumption more beneficial to the economy. USAID will continue to refine existing HIV/AIDS/STI interventions with a view to establishing a firm platform that will allow a strategic scaling up of activities to interrupt a rapid increase in prevalence.

Transition from Emergency to Development: USAID’s health program aims to have national level impact, including in emergency areas. This will be accomplished by implementing most of the key national health programs described in IR2 across all operational environments of DRC, including emergency areas; identifying key health zones for transition from emergency assistance to development funding; disseminating updated technical guidelines and protocols to USAID/DCHA/OFDA grantees; and including USAID/DCHA/OFDA staff in the planning and review of Mission health activities.

The transition from emergency to development zones may continue to be fluid. Zones that fall within the development category (or pass into that category) may still face emergency health *situations* during the life of the plan. Under more optimistic scenarios, OFDA’s assistance to the health sector would decrease, since rates of malnutrition and mortality due to displacement caused by violence would decrease, and since responding to the needs of “directly war-affected” populations, an important criterion for much of OFDA’s involvement in the DRC, would no longer apply. Under a more pessimistic scenario, OFDA would continue to address emergency health needs, with a continued requirement for substantial levels of funding.

Analytical Agenda

From September 29-October 13, 2002 a health team from USAID/W visited the DRC to work with USAID/DRC to design the health component of the new Integrated Strategic Plan (ISP) and draft an HIV/AIDS country strategy. This section of the concept paper represents their findings and recommendations. No further sector-wide analyses in health are anticipated, although issue-specific work will continue.

2. Proposed Strategic Objective 2: A Successful Democratic Transition Promoted

Development Challenge

Problem Statement: President Joseph Kabila assumed office in early 2001; his nearly two years in power have moved the DRC much closer to a transition leading to elections. The Inter-Congolese Dialogue, one of the elements of the Lusaka Cease-fire Agreement signed in 1999, took place early in 2002. While the talks ended inconclusively, the holding of the Dialogue in South Africa led to a much greater engagement on the part of the South African Government, including South African President Thabo Mbeki. As of late November, talks aimed at forming a

transitional government continue in South Africa, under the aegis of President Mbeki and UN negotiator Moustapha Niassa. Once agreement is reached and a transitional government is installed, perhaps towards the end of 2002 or sometime in early 2003, a timetable leading to elections in 2005 is likely.

The transition will be complex and difficult. Impediments include:

- Lack of an electoral tradition. The only election held in the DRC considered to be reasonably free and fair occurred immediately prior to independence in 1960. No one in the DRC, except a small number of people over 60 years of age, has voted in a free and fair election. Neither is there any experience with an electoral commission, voter registration, or any of the many other steps required to prepare an election.
- Extremely poor governance. Academics coined the neologism “kleptocracy” and the phrase “the predatory state” as their attempt to describe the corruption and bad governance which have characterized the DRC for thirty years. This term and concept captures the attitude of many in government service: the purpose of their position is to extract resources from others less powerfully placed. Corruption permeates society at all levels. Despite some highly-publicized efforts to attack corruption, Congolese, particularly those in official positions, still too often live by the infamous words of President Mobutu Sese Seko: “When you steal, steal wisely.” In other words, corruption is generally tolerated, although in specific cases individuals rapidly change from corrupt heroes one day into corrupt, imprisoned goats the next.
- Low status of women. Women and girls represent the most deprived segments of society. This is both unjust and a waste of a tremendous human resource, as women's roles in economic life, the health and well being of the family, and governance has been well documented. It is estimated that outside of Kinshasa fewer than 15% of girls remain in school until grade five; female illiteracy is estimated at well over 65%. Women have nearly no leadership roles in the DRC.
- Lack of transport infrastructure. This enormous country – as big as the United States east of the Mississippi, from Maine to Florida and Maryland to Missouri, has a mere 1,700 miles of paved roads – the equivalent of a single road between Miami, Florida and Des Moines, Iowa. Of the main network of roads, paved and unpaved, only about 15 percent is considered to be in “satisfactory” condition. The present conflict has closed down much of the country’s other major transport route, the nearly 10,000 miles of navigable rivers. For example, the Congo River remains nearly entirely closed between Kisangani and Kinshasa.
- Poor communication infrastructure. Despite the progress made by the national radio station (Radio Okapi) run by the UN and partially funded by USAID/DCHA/OTI, introduction of the Internet to various sites throughout the country, and increasing cellular phone use in Kinshasa and a handful of cities, large segments of the DRC remain nearly entirely isolated. Most towns, including dozens of provincial and district capitals

have almost no way to communicate with the world outside: no telephone lines, no internet, impassable roads, few radios.

The strength of Congolese civil society is an important factor in promoting a successful transition. USAID has worked closely with civil society over the past five years, strengthening its capacity to play a positive role in a transition, through engagement in processes such as the Inter-Congolese Dialogue (ICD). Congolese civil society, led by churches and a small group of strong, outspoken private citizens, has often demonstrated leadership, courage, and vision. However, large numbers of NGOs in the DRC remain creations of economic necessity (led by unemployed university graduates looking for an income), rather than genuine representatives of important segments of civil society.

Progress Can Be Achieved: Prospects for peace and stability in the DRC are better than they have been in years. Most foreign forces have pulled out of the DRC and a comprehensive political settlement between the warring Congolese parties is likely. Although generally an extremely negative phenomenon, thirty years of government neglect has strengthened the Congolese people's self-reliance. Church and community organizations throughout the rural areas have provided a critical level of support to communities despite a lack of resources.

Joseph Kabila has provided steady, rational leadership; the Congolese warring factions, civil society, and political party representatives already have agreed that he will lead the transition. Congolese civil society has had some positive experience in preparing for democracy, including the recent Inter-Congolese Dialogue and the "Sovereign National Conference" of the early 1990s. Credible draft constitutions and election laws already have been drafted.

Current Program

Since 1997, USAID has been a major external force supporting political dialogue, reconciliation, and good governance. Besides contributing \$1.5 million to support the Inter-Congolese Dialogue itself, USAID partners such as the International Foundation for Election Systems (IFES), the International Human Rights Law Group (IHRLG) and the National Democratic Institute for International Affairs (NDI) were critical in preparing civil society and political parties to play a positive role at the ICD. Today, IFES, IHRLG, NDI, and Search for Common Ground (SFCG) are working to strengthen civil society, promote human rights, increase understanding of democracy, and promote conflict resolution. USAID also has led the effort to promote communications throughout the DRC. USAID is promoting improved governance at the local level by targeting low-level corruption which inhibits local trade. USAID/DCHA/OTI helps increase civil society's participation in the transition through support to Radio Okapi and implementation of a small grants program focused on promoting linkages and enhancing communications.

Proposed Framework for a New Strategy: Towards Satisfactory Governance Through Participation.

Objective and Approach: The proposed strategic objective is to promote a successful democratic transition in the DRC.

- **Elections:** Support the development of viable structures, such as a national electoral commission, and those civil society and other private structures that are central to successful preparations for an effective election.
- **Strategic support for key governance and anti-corruption interventions in specific regions:** Opportunistically support “nodes of good governance” as they emerge by strengthening provincial and/or local public and private organizations.

Promoting a successful democratic transition means both the preparations for and holding of credible elections as well as support to governmental and nongovernmental groups – nationally, regionally, locally – to build a solid base for democratic, participatory governance.

As in the health sector, USAID's approach will focus on targeted activities at the national and provincial/local levels. Support to prepare for elections (e.g., to a national electoral commission) and to strengthen civil society and political parties will occur in the capital city and provinces. In addition, USAID will support efforts to improve governance in areas where two criteria are met:

- A critical mass of committed actors – governmental and/or nongovernmental – are present to support reform towards good governance;
- Other principal USAID activities in the health, livelihoods, and/or education sectors already are under way in the area.

The program also will have two crosscutting themes:

- Improving and increasing the use of communications media (in concert with OTI);
- Empowering women for leadership roles.

Operating principles and selection criteria: USAID, through the programs of IFES and NDI, is positioned to play a catalytic role in ensuring that resources are efficiently used in election preparation. IFES has already begun implementing a small grant to begin preparations for an electoral commission and general education activities on elections. NDI is working with political parties. Other partners, such as IHRLG and SFCG, as well as new partners, may also play important roles in aspects related to election preparation, such as promoting the role of independent media and the need to respect people's rights, such as the right to assembly, during an elections process.

USAID is prepared to help improve governance, strengthen civil society, and reduce corruption at the provincial/local level through strong partners like IFES, IHRLG, SFCG, IFESH, NDI, and IRM. These organizations are active outside of the capital city; many already have provincial offices. The focus of the governance/anti-corruption program will be primarily at the regional/local level, and will take advantage of synergies with other USAID programs.

Analytical Agenda

The conflict vulnerability and gender analyses to be completed early in calendar 2003 are essential to guide development of the Missions' entire program, and particularly this strategic objective. A great deal of Congo-specific analytical work was undertaken in the course of previous attempts to move towards democratic elections. The "Sovereign National Conference" process in the 1990s produced volumes of papers, some of which remain germane. IFES, IRI, and NDI prepared a report dated September/October 1996 entitled *Zaire: Joint Pre-Election Assessment Mission* that contains much Congo-specific information regarding election preparation.

3. Proposed Strategic Objective 3: Rural Incomes Increased in Targeted Areas

Development Challenge

Problem Statement: The lack of income is the most fundamental problem impeding development in the DRC. Poverty in Congo is chronic. The vast majority of Congolese have a mind-numbingly low standard of living characterized by low or almost zero income. An estimated 70% live on less than one dollar per day. Daily average calorie intake represents 79% of the recommended minimum of 2,300 kilocalories.

The World Bank states: "The DRC's economy, once one of the most prosperous in Africa, is currently based on subsistence agriculture in rural areas, small-scale informal and barter activities in the cities, and the continued exploitation of natural resources (including some illegal exploitation and predatory activities)." The March 2002 Interim Poverty Reduction Strategy Paper says the following about poverty in the Congo:

The available statistics point to generalized impoverishment. ... The country has thus plunged into absolute, increasingly generalized poverty. ... The statistical information currently available does not permit an accurate assessment of the disparity between urban and rural poverty. Given that rural incomes are generally lower than urban incomes, it is fair to assume that the incidence of poverty in rural areas is far higher. ... Thus, GDP per capita is \$322.90 in Kinshasa but \$25.30 (!) in the Equateur Province. Women are harder hit than men.

At this level of income, most Congolese cannot access the most basic health services. The vast majority of workers – in health clinics, schools, and courtrooms – are either underpaid or not paid at all, so they often resort to extortion and other forms of corruption to feed their families – at the expense of others even less well off than they.

To cope with this extreme deprivation, Congolese have developed coping mechanisms that put high pressure on the country's rich natural resource endowment. This has resulted in poor land use, deforestation, poor soil fertility, and erosion.

The DRC is first and foremost an agricultural country: two-thirds of the population lives in rural areas, 70 percent of the DRC's labor force engages in agriculture, 30 percent or more of the GDP comes from agriculture, and roughly 60 percent of all agricultural production comes from traditional smallholders. An estimated one-third of all Congolese are food insecure.

The Mission has repeatedly examined and discussed this issue in the course of this year; all analyses have led to the same conclusion: a lack of income threatens the success of all other USAID-funded interventions in the DRC. Key constraints to improved livelihoods and reduced poverty are food insecurity, low agricultural productivity, degradation of natural resources assets, and a weak enabling environment. The spread of HIV/AIDS, if not checked, also could develop into a devastating constraint over time.

Insecurity, corruption, and abysmal roads dramatically impede the free movement of people and goods. As a consequence, areas of high agricultural productivity have been isolated from their traditional markets, forcing farmers into subsistence agriculture and creating food shortages and insecurity in urban centers. For instance, southern Equateur Province is particularly food insecure, even though food surpluses exist in neighboring, rebel-held northern Equateur. Staple foods such as rice, cassava and peanuts have drastically decreased in availability. Furthermore, seeds currently under cultivation have degenerated or are imported from Europe and are unfit for tropical production. Tools are worn and even those exist in insufficient quantities.

Current Program

The Mission supports a project focused on community-based cassava multiplication and distribution in Bas-Congo and Bandundu Provinces. A total of 42 hectares of multiplication plots have been established and have produced over two million meters of healthy cuttings.

Agro-forestry activities have been targeted to private companies and farmers' associations in the same regions. Palm oil seedlings are sold to farmers at production cost to help local community growers. In-kind credit (bicycles) has been provided to women's associations to help haul foodstuffs to market in Bandundu and Bas-Congo. Lines of credit were established for 39 rural credit unions, and other microfinance programs have been supported.

Proposed Framework for a New Strategy: Improving Livelihoods by Raising Rural Incomes

Objective and Approach: The proposed strategic objective is to increase rural incomes in targeted areas.

- Increase crop production and productivity, particularly for the domestic market;
- Improve rural financial services for production, storage, processing, and marketing activities by small and medium-sized farm firms and entrepreneurs;
- Focus on enhancing the role of women in all aspects of agricultural production and marketing and rural entrepreneurial activities.

The aim of these activities is to help create a favorable enabling environment for small-scale private sector-led growth in targeted rural areas. Critical food needs will be met by increasing agricultural production, expanding private sector markets, and supporting human capacity development. Seeds and tools will be provided, as will access to finance. Anti-corruption activities mentioned in the previous section will interact synergistically by removing bottlenecks in marketing and distribution networks for agricultural production.

Operating principles and selection criteria: The scope for intervention in this sector is wide: enhancing agricultural productivity, improving access to markets, and increasing access to microfinance services. This assistance will help affected populations by diversifying agricultural inputs, expanding human capacity development, and supporting broad micro-finance programs. These activities will be targeted to increase the income of farmers and farmers' cooperatives in targeted areas and will involve the local private sector and suppliers. Locations will be selected in rural and possibly peri-urban areas around secondary cities following the network of USAID-assisted health zones.

The types of interventions will vary depending on the specific needs of targeted populations and on whether the situation in the targeted area is in the midst of an emergency, unstable but nonemergency, or stable and appropriate for development activities. In emergency areas, USAID/DCHA/OFDA will take the lead; in unstable, nonemergency, targeted areas, USAID/DRC will look for the most appropriate blend of (International Disaster Assistance) IDA and DA funding; in stable areas, DA funding will be the major resource.

Mission research to date underscores that these activities, to be successful, must look for complementarities with other USAID interventions and with other donors. The Mission already has developed a close working relationship with some key donors in this sector, such as the FAO. Activities in this sector will also be complemented by activities undertaken under the proposed Special Objective on DDRRR.

Analytical Agenda

Given the complexity of interventions and the Mission's limited experience to date in this sector, intensive analyses will need to be completed in the course of 2003 as part of strategy development. This is arguably the most important and least studied activity area proposed in this paper. The Mission proposes to draw on assistance from REDSO and EGAT to sharpen the strategic focus under the SO. A livelihoods assessment, with multidisciplinary staff from the Mission, REDSO, and, AID/W, will be undertaken in March 2003. In addition, the Mission will intensify consultations with FAO, the World Bank, and other key donors in the course of strategy development.

4. Proposed Strategic Objective 4: Improving Basic Education, Especially for Girls, in Targeted Areas in the DRC

Development Challenge

Problem Statement: The DRC's education indicators are among the worst in Africa. The collapse of the education system and the alarming and steadily declining children's enrollment rate (estimated at 55%), and, in particular, a rate of 49% rate for girls, is catastrophic. Classrooms are severely overcrowded, with often 80 or more children in a primary school classroom. Dropout rates are extremely high: in primary school, considerably fewer than 25 % of students entering school in September remain through the school year. Schools lack the most basic materials – not just textbooks and benches for students, but often even a roof that fully covers the classroom, so the school day is regularly truncated or canceled during the rainy season. At less than 1% of the budget, government investment in education is one of the lowest in the world.

The DRC had practically attained universal primary education nearly thirty years ago in 1974, with a 94% gross enrollment rate. This went down to 60% in 1997-1998, and 55% in 2001-2002. Retention rates are too low for literacy to be achieved, especially for girls. While 25% of primary school children attained 5th grade in 2001-2002, by 1995 in rural areas girls' retention rates at the 5th grade level were already as low as 15%. The state of the education system undermines efforts to create viable, longer-term structures so that Congolese enjoy better health, nutrition, sanitation, and higher incomes.

Putting some of these statistics together results in the shocking realization that perhaps ***fewer than 10% of all girls complete five years of primary education.*** No country, and certainly not the DRC, can move towards economic growth and democratic governance while generation after generation of its children do not learn to read, write, or add.

In 1991, after the Government failed to pay teachers, the schools subsequently closed. Most schools reopened in 1992, under "convention" agreements, which placed 80% of the schools under the control of the three major religious denominations – Catholic, Protestant and Kimbanguist (although the GDRC still is, in theory, responsible for paying teachers' salaries). This system is still operational today. Whether public or church-run, the decline in the number of children enrolled and retained in school becomes more acute every year.

There are three major constraints to improving basic education in the DRC:

- Lack of financial resources. While the churches have taken over management responsibility for about 80% of the nation's schools, it is the parents who keep the schools running by paying fees. Although the GDRC retains the responsibility for paying salaries, it pays schoolteachers between \$2 and \$5 per month. Usually these payments are many months in arrears. Communities (i.e., parents) are responsible for 80-95% of the costs of operating schools, compared to an average of 30-50% elsewhere in Africa. Parents simply cannot afford these costs (see above section on proposed SO3). This complete economic collapse is at the core of the problems in the DRC's social sectors.

- Unqualified teachers. The Congo's primary school teachers can be roughly divided into two types: 1) older men and women who received formal training in normal schools or "colleges" more than twenty years ago – and have never received in-service training; and 2) very young men and women with little or no formal training. Poorly paid and working under miserable conditions, teachers have very low levels of motivation. The quality of instruction is extremely low.
- Absence of learning materials. There are almost no materials in the DRC's classrooms. Except in the few elite schools in major and secondary cities, there are no teaching aids, few textbooks, and often not even notebooks for students. In most rural schools there may be one textbook per class, which the teacher uses. Students often work from over-used small slate boards rather than notebooks.

Progress can be achieved: Two positive factors help point a way out of the current state of the Congolese education system. First is the demand for education. Despite their poverty, Congolese parents and children value education. Students are enrolled in tremendous numbers at the beginning of every school year, only to drop out or be expelled when their parents lose the struggle to come up with school fees. Overwhelmingly, vulnerable children such as child soldiers, street children, and child prostitutes cite getting into school as their greatest goal and best chance for a decent life.

The second, related, strength is the self-sufficiency and resiliency of the Congolese people. Parents make great economic sacrifices to maintain their children in school. Communities, particularly in rural areas and secondary and tertiary cities, take an active interest in their schools. PTAs exist for many Congolese schools; a surprisingly large number of them are active. There are strong links between the churches, religious communities, and the schools.

There is yet another strength, growing out of a weakness: because the system is so badly broken, government and private sectors alike are willing to try innovative approaches to improve it. USAID believes these factors constitute a foundation that can lead to substantial progress for relatively small investments of material and technical assistance.

Current Program

Through the EDDI Ambassador's Girls Scholarship Program over 1,300 girls from the poorest areas in Kinshasa remain in school. EDDI pays their school fees and supplies them with uniforms, school bags, and a minimal but adequate amount of supplies. As a further incentive, EDDI funds prizes for achievement and some items for the school itself. This fiscal year, EDDI has made grants for deaf education, a school-to-school program (with the Kasai foundation), and plans to expand the Girls Scholarship program to three additional provinces.

Based upon the recommendation of an assessment team, USAID, with \$2 million in FY 2002 basic education funds, is beginning model programs using technology and a community-centered approach to promote quality basic education. The learning center will use computers and the Internet to provide low cost instructional materials for primary school teachers (and eventually

their students), conduct teacher training and management training for school directors, and support various health and communications activities for the surrounding community.

Proposed Framework for a New Strategy: Enhanced Educational Impact Through Innovation and Increased Community Participation

Objective and Approach: The proposed strategic objective is to improve basic education, especially for girls, in targeted areas in the DRC

In order to achieve this objective USAID will use the strengths of the system – high demand for education, community self-reliance, and willingness to innovate.

USAID has four working hypotheses:

- the activity focus must be on the private sector, particularly the community;
- focus should be on the development of models, including those using modern technologies, to help the DRC "leap-frog" into a 21st century learning system;
- these activities must leverage and support other USAID activities in livelihoods, governance, and health in common geographic areas to ensure there is a source for income and health support for basic education activities;
- USAID and its partners must engage in continuous dialogue with other donors and the GDRC.

Operating principles and selection criteria: The proposed approach follows that of the *Africa Bureau's Basic Education Strategy* and consists of the following elements:

- Improve community capacity to organize successfully for school management and quality of life (e.g., literacy, health, civic participation);
- Improve the teaching and learning capacity at the school level (e.g., cluster training for teachers and principals, introducing life skills);
- Improve community capacity, especially among women, to raise and manage resources (e.g., income generation activities, savings programs);
- Provide packages of quality inputs such as the use of information technology for curriculum and teacher training, gender-sensitive texts, interactive radio;
- Partner with community organizations and networks such as churches, associations, and local governments.

Given the serious constraints described above, USAID's manageable interest lies in supporting innovative, high impact programs to improve educational quality at relatively low cost, and to ensure continuous synergy with other USAID sector programs. Collaboration should be possible with major donors such as the World Bank.

USAID will also maintain a close and collegial dialogue with the GDRC on all levels with the expectation that as models are developed, tested, and found viable they will be introduced elsewhere (again, in close proximity to other USAID and other donor activities).

USAID/DRC has participated in the Education for Development and Democracy Initiative (EDDI), and is prepared to participate in the **Africa Education Initiative**. The Mission

recommends that the DRC continue to participate as a focus country through the period of the strategy.

Proposed Intermediate Result 1: Improved quality of basic education, particularly for girls, through innovative, community-based programs

Objective: USAID will improve the *quality* of basic education in targeted areas by:

1. focusing on strengthening the community inputs necessary for durable change (e.g., management capacity, income, and quality of life); and
2. using new technological advances to provide cost-effective programs for teacher training and life-skills acquisition.

Selected activities include development of technology-based community learning centers, interactive radio programs for teaching and teacher training, and other programs geared to improving basic schooling in post-conflict situations.

Proposed Intermediate Result 2: Increased financial capacity for basic education

Objective: USAID will help increase the resources available to communities to finance basic education.

During the period of this strategy, communities will continue to be confronted with a heavy financial burden for their children's education. The focus of the program will be to help communities increase their incomes through capacity building and income generation and savings programs. Other activities, such as those under proposed SO3, will be closely coordinated with education programs.

Proposed Intermediate Result 3: Increased access, retention, and achievement among girls

Objective: In targeted areas, USAID will not only increase the **quality** of basic education for girls but also their **entry** into school and **retention**.

DRC girls face special problems and in order to improve their abysmal access and retention rates, special programs will be designed. We will seek programs to ensure that more girls enroll and stay in school. These programs could include variations of the EDDI girls scholarship program, which has proven effective; income generation programs for parents (especially mothers) of schoolgirls; and programs to make schools more girl-friendly (e.g., separate latrines for girls, more female teachers, families allowing their female children the time and place to study, etc.).

Analytical Agenda

An overall education sector assessment is not being recommended. A detailed report guiding activities in this sector was prepared for USAID/DRC during the first half of calendar 2002. Sufficient additional information is available to obtain an adequate picture of the lack of structure, systems and outputs in the education sector. Among the documents available are the

UNICEF/GDRC Statistical Report (*Annuaire Statistique, 2001*) and country education profile by UNICEF (2000).

5. Proposed Special Objective: A Comprehensive DDRRR Program Functional and Operational in the DRC

Development Challenge

Problem Statement: As the internal political power-sharing agreements are implemented within the DRC, and as the Pretoria and Luanda agreements are implemented by the DRC and its eastern neighbors Rwanda and Uganda, foreign, irregular rebels need to depart the DRC in an orderly way, and irregular DRC fighters need to be incorporated into the DRC Army or to return to civilian life. The DRC Army will need to be right-sized, by reducing the number of men presently in the Congolese Army and the two major Congolese rebel groups. There are in all probability over 115,000 armed foreign or Congolese troops and militia members in the DRC.

Congolese ex-combatants will largely be returning to communities which practice subsistence agriculture. Most rural infrastructure has either been destroyed over time by lack of maintenance or recently by war. Without significant reintegration assistance, these communities will not be able to re-absorb returning combatants, and the ex-combatants and their families will not be able to lead productive lives. If the reintegration process is not adequately managed, the economy will lose thousands of potentially productive adults and continuing insecurity will result. It is imperative that the international community assist to reintegrate ex-combatants and their dependents who will be re-entering civilian life and create conditions of security in the communities to which they will return.

DDRRR in the DRC involves disarming, demobilizing and repatriating foreign armed groups (i.e., ex-FAR/Interhamwe to Rwanda and Burundians and Ugandan rebels to their home countries), and disarming, demobilizing, resettling, and reintegrating Congolese regular and irregular troops. It also includes the resettlement and reintegration of certain Congolese armed groups currently outside the DRC. It does not include support to the withdrawal of foreign regular armed forces such as the Zimbabwean, Rwandan or Angolan armies.

MONUC (United Nations Mission to the Congo) has responsibility for the disarmament, demobilization, and repatriation of Rwandan rebel groups. It has also agreed to take on the voluntary disarmament of Congolese armed groups. The World Bank Board has approved a Multi-Country Demobilization and Reintegration Program (MDRP) for the region, funded with \$150 million of IDA credits and an MDRP Trust Fund authorized at \$350 million. This facility is fully funded with IDA credits for national programs. Pledges to date total \$172 million for the Trust Fund for national, transnational, and special projects.

There is currently no body, structure, or process for coordinating DDRRR activities in the DRC. A number of different GDRC bodies claim responsibility for DDRRR. The UN system also suffers fragmentation, although this is improving. The GDRC is in the process of finalizing its "National DDRRR Program" and is close to issuing a decree that will establish a Steering

Committee and a “General Commission” for DDRRR, and naming officials to key positions. The functional equivalent of a Joint DDRRR Commission involving the GDRC, the main rebel groups, the UN System, MONUC, major donors, NGOs, and Congolese civil society is needed.

The GDRC is developing a National Plan for DDRRR; this is a World Bank MDRP requirement, without which no support would be provided to the national program. MONUC has its DDRRR plan, as does the UN system. The World Bank will be the main funding agency, and has its own operating procedures. To date, these plans have not been integrated into a comprehensive plan. Such a plan needs to be developed with the various stakeholders referred to in the previous paragraph, tested, and continuously revalidated and updated.

Both the GDRC and Congolese combatants have unrealistic expectations concerning level and type of assistance to be provided. Current combatants are expecting and lobbying for large cash demobilization bonuses. The GDRC is actively lobbying for donor funding to pay military pensions and disability payments.

Foreign and Congolese combatants have low confidence in the integrity of any demobilization, repatriation, or resettlement process, including what they will find upon their return to civilian life. Concerns range from disbelief that good intentions are involved, to fears that the process will be mismanaged, to fears of hostile reception upon their return home.

The GDRC has put in place strict expenditure controls, and is unlikely to contribute anything more than token amounts to the cost of DDRRR in the DRC. The World Bank program (including the MDRP Trust Fund) will finance large-scale activities – between \$1 million and \$15 million. The Bank program cannot disburse in government-controlled areas until the GDRC plan is approved by the MDRP.

Current Program

In FY 2002, USAID obligated \$1 million of Economic Support Funds (ESF) to extend its current contract with Development Alternatives, Inc. (DAI) to support resettlement and reintegration of Congolese ex-combatants. USAID intends to obligate an additional \$500,000 in ESF into this contract in early FY 2003. OTI has funded important radio production capacity at the MONUC Radio Station – Okapi – for DDRRR sensitization activities. Components of OTI’s small grants program will support local, regional and national level initiatives designed to ensure enhanced civil society involvement in the DDRRR phases of the peace process. OFDA-funded seed and tool distribution activities could provide support when ex-combatants return to civilian occupations. USAID participates actively in the various DDRRR policy, planning, and coordinating meetings in the DRC with the GDRC, MONUC, the World Bank, UNDP and other donors.

Proposed Framework for a New Strategy: A Comprehensive DDRRR Program Functional and Operational in the DRC

Approach. The approach proposed is to participate in the creation and implementation of structures and activities for the reintegration of ex-combatants into targeted rural areas.

The timing of the various DDRRR processes cannot be accurately predicted, as they in large part depend on the political/military processes underway. It is anticipated that this strategy will be approved and be in effect during FY 2004. Certain activities described in this section may have been fully implemented or be nearing completion by that time. This SpO will expire on December 31, 2005, in conformity with the donor consensus that DDRRR in the DRC will be a three-year process. Proposed activities will include:

- Development, negotiation, revalidation, and continued updating of the comprehensive DDRRR plan for the DRC. USAID will play an active role in policy and priority setting in the various coordinating structures established.
- Reintegration programs at the community level, through international NGOs, to provide temporary civil works employment and income generating activities for communities receiving demobilized ex-combatants. These programs will include, as needed, conflict resolution, training and psycho-social reintegration assistance.
- Media sensitization of Congolese armed groups on the nature and benefits of DDRRR programs. USAID/DCHA/OTI will continue to fund media campaigns to reinforce demobilization and reintegration initiatives.

At the end of the SpO, ex-combatants will be considered as a category for assistance from income generating activities under the Livelihoods SO.

Operating principles and selection criteria:

- USAID will fund activities that respond to the security needs of the country;
- USAID will fund activities that will create conditions for larger donor flows from the World Bank and into the Multi-Donor Trust Fund;
- USAID will fund discrete activities as needed to advance processes as they evolve;
- The needs of dependents of ex-combatants (e.g., accompanying wives and children) will be considered;
- USAID/DRC will adhere to legal requirements as to which activities can be funded.

Analytical Agenda

No formal study of the sector is planned to complement the detailed studies already undertaken by the World Bank, UN Agencies, and others. USAID/DRC proposes to do the necessary research to fully develop and justify this SpO. USAID/DRC will draw on USAID past experiences and lessons learned from supporting DDRRR activities in other countries, such as Mozambique and Angola.

IV. Scenarios

All observers of the DRC agree that the Congo is in transition. Many date the start of the “longest wave” of this process to President Mobutu’s initial opening of political space in 1990. The first phase of this transition included efforts at democratization through the “Sovereign National Conference” and a move in the mid-1990s towards national elections. The 1996-1997

war that brought an end to the Mobutu era and Laurent Kabila to power marked the beginning of another “wave” in this transition process. This phase was extremely complex and violent, with another war beginning in 1998, followed by the signature of the Lusaka Cease-fire Agreement in 1999, and ending with the assassination of Laurent Kabila in early 2001. The present phase started when Joseph Kabila assumed the Presidency and has been characterized by renewed efforts to definitively end the war and move to a new transitional government via processes of internal and external dialogue.

From the “long wave” perspective, the Congo is shifting from the 32 years of corruption and dictatorship of the Mobutu period towards some type of new political order. In the short to medium term, the country under Joseph Kabila is moving towards a transitional government and the holding of elections, perhaps during 2005.

U.S. policy focuses on promoting a successful democratic transition as the outcome of the “long wave” transition process under way in the DRC. Nevertheless, this process is expected to be uneven and difficult. Neither its length nor its precise shape is foreordained.

Therefore, given the ongoing “long wave” transition, this paper discusses three likely scenarios: Successful Transition, Hobbling Transition, and Protracted Transition.

Scenario: Successful Transition

Under the “Successful Transition” scenario, a government of national unity takes office in early 2003, with national elections held during 2005. All uninvited foreign forces remain out of the Congo, the country is reunited politically, and the number and severity of humanitarian emergencies decreases. Armed men and boys are successfully demobilized, reintegrated or repatriated. The transition period prior to elections is relatively calm, with increasing opportunities to implement development programs throughout the country. The HIPC decision point is reached in 2003. While the habits acquired during the long Mobutu period are hard to break, substantial progress is made in reducing corruption, improving governance, and promoting private sector-led economic growth. Following successful elections in 2005, the country embarks on a period of relative stability, with large aid programs from the World Bank, EC, and other key donors. The formal private sector, which had nearly disappeared, begins to come back. Growth levels are high, at the 5-10 percent per year level during the period of this strategy.

USAID/DRC at present does not obligate under Strategic Objective Agreements (SOAG) with the GDRC. It is proposed that obligating via direct agreements with implementers be continued until successful national elections are held and a new government takes power. At that time, USAID should consider authorizing the Mission to negotiate agreements that would permit obligation via SOAG.

Scenario: Hobbling Transition

The middle scenario, “Hobbling Transition,” posits that a transitional government takes office sometime in 2003, but that the transition is much less stable than under the “Successful Transition” scenario. Elections are held in 2005, but are difficult, and not seen as particularly credible. The new government that assumes power retains some of the unsavory habits of the

Mobutu period, including extremely high levels of corruption, thus braking growth and private sector activity. The HIPC decision point is reached. Demobilization, reintegration, and repatriation efforts are only partly successful. Donors continue to re-engage, but more cautiously and with fewer resources. The country is relatively stable, and humanitarian emergencies decline as in scenario one above.

Scenario: Protracted Transition

The low scenario, "Protracted Transition," is the most pessimistic, with efforts to create a transitional government marked by uncertainty, broken agreements, unkept promises, and continuing deep divisions within Congolese society. Perhaps a transitional government takes office in 2003, with elections scheduled for 2005 or 2006, but the transition is marked by massive corruption, almost no re-engagement by the international private sector, and, if elections are held during this period, the international community does not consider them credible. Instability and insecurity continue, particularly in eastern Congo, and perhaps uninvited foreign forces from Rwanda and/or Uganda (or other countries) enter parts of the Congo close to their borders from time to time. Donor re-engagement remains roughly as it is now, although the World Bank is forced to scale back its planned activities due to continued poor governance and instability. Humanitarian emergencies do not abate and continue to require substantial commitments of time, personnel, and funds from USAID/DCHA/OFDA, ECHO, and other donors.

Both the high and middle scenarios have an obvious trigger, the holding of successful elections. The low scenario is the most complicated, with potential downside triggers, such as violent overthrow of the government, which would lead to a re-evaluation of activities.

V. Synergies Among USAID's Development, Transition, and Emergency Activities

Both USAID/DCHA/OFDA and USAID/DCHA/OTI have offices in the Congo. For OFDA, the Congo is the only country in the world with two Emergency Disaster Relief Coordinators based in-country. OTI, which worked in the Congo from 1997-2000, has returned, re-establishing its presence in 2002. No FFP staff are presently based at USAID/DRC. The Mission fully integrates the work of DCHA into overall activities. Most DCHA activities occur in the eastern portion of the DRC.

In FY 2002, OFDA provided more than \$26 million in support of projects in the DRC, including emergency market infrastructure rehabilitation and agricultural programs for war-affected, vulnerable, and internally displaced persons. Activities funded by OFDA include support for seed multiplication and agricultural tools and fishing distribution in Equateur and northern Katanga provinces as well as nutritional programs countrywide. In eastern Congo, OFDA provides funding for small-scale infrastructure rehabilitation, especially feeder road and bridge rehabilitation. OFDA aims to support programs that provide immediate assistance to the most vulnerable as well as projects that build local capacity. An important component of USAID/OFDA assistance is the funding of AirServ International to operate three humanitarian aircraft in areas outside of government control.

OTI's objectives in the DRC are to increase the availability of and nationwide access to balanced information, to increase public participation in informed dialogue on issues of national importance, and to provide resources to a broad range of civil society groups to expand their outreach and increase their capacity to advocate for peace. OTI provided \$3.5 million of assistance in FY 2002.

USAID's Office of Food For Peace (USAID/FFP) provided 19,510 MT of P.L. 480 Title II Emergency Food Assistance through the World Food Program (WFP) in FY 2002, valued at approximately \$16.6 million. During FY 2002, WFP's Protracted Relief and Recovery Operation (PRRO) in the DRC assisted more than 800,000 food insecure internally displaced persons, refugees, and other vulnerable populations. Activities ranged from direct distribution of food in critical emergency situations and support to supplemental and therapeutic feeding centers to food for work (FFW) activities in support of agricultural infrastructure rehabilitation and food for training.

For the purposes of the strategic period, FY 2004 – FY 2008, each of the three scenarios has different implications for DCHA. Under the positive and middle scenarios, "Successful Transition" and "Hobbling Transition," OFDA activities would decline, with activities funded through DA and CSH replacing OFDA-funded projects as appropriate. OTI would continue its activities under both scenarios, working with the Mission and colleagues in DCHA to reduce conflict and ensure that USAID responds effectively to key events in a democratic transition in the DRC, such as elections.

Under the pessimistic scenario of a "Protracted Transition," OFDA would in all likelihood maintain high levels of engagement in the DRC. With a stagnating transition, OTI would likely depart the DRC, perhaps early in the strategy period. OTI would hand over its activities per the draft OTI strategy.

VI. Alliances

In FY 2002, the Mission requested and received \$558,000 to begin an alliance with Unilever and Conservation International (CI). The purpose of this ambitious alliance is to link environmental protection with appropriate economic activities in the Congo Basin. In early September, the Mission organized and participated in a scoping mission with Unilever and CI staff. The team visited two sites along the Congo River, one in Equateur Province and another in Orientale Province. Conservation International's trip report recommended that CI and Unilever staff meet "to further explore opportunities to support biodiversity conservation..."

In addition to continuing activities under this alliance, CARPE and the Congo Basin Forest Partnership constitute a significant area for new public-private/multi-donor partnerships. The Mission considers the HIV/AIDS area to be propitious for alliance formation, and will actively pursue this and other health-related opportunities.

VII. Other Donor Activities

Donor activity in the DRC is in a state of transition as many agencies review their programs in light of political developments. Official data reveals an increase in the DRC's net Official Development Assistance (ODA) receipts from \$132 million to \$184 million between 1999 and 2000; the recent return of large donors such as the World Bank, and other reported increases suggest an acceleration of this trend. With the exception of large infrastructure projects (normally funded by the World Bank and the European Commission (EC)), the sectors in which other donors are engaged roughly mirror USAID's current portfolio: health, democracy and governance, agriculture/livelihoods, environment, and education. Several donors are attempting to integrate gender into their programs.

Health is one of the largest sectors, with activities ranging from basic support to health zones, to vaccinations, HIV/AIDS, tuberculosis, malaria, and family planning programs. The largest actors are the EC, Belgium, the World Bank, Canada, Italy, Germany, UNICEF; other bilateral donors and UN agencies also have programs.

Democracy and governance activities fall into two categories: government capacity building (EC, World Bank, France, and Canada) and support to civil society (Belgium, Canada, Sweden, and the UK). Programs directed at income generation are often linked to agriculture/food security; this is a field of engagement for many donors, including the Food and Agricultural Organization (FAO), Belgium, Canada, the EC, France, and Germany.

A limited number of donors (including France, the EC, Germany, and the United Nations Educational, Science, and Cultural Organization (UNESCO)) are involved in work related to the environment, including development of government capacity and direct protection of natural resources.

The World Bank, UNICEF, and Belgium are working in education. The World Bank is embarking on a \$20 million school construction program designed for income generation as well as educational enhancement purposes. The Belgians are working with UNICEF and the GDRC to develop a basic textbook for primary grades 1-3, and UNICEF is developing a pilot life-skills program for selected primary schools (fewer than 200 throughout the country). There is a consensus among donors that for the education sector the correct approach is to develop focused model programs that build on lessons learned, have high impact, and scale up at the appropriate time. The Mission is already working closely with the World Bank and other donors for synergy and possible leveraging of other donor funds in the future. Leveraging World Bank funds in the health and education sectors may be a real possibility when the DRC becomes a HIPC-designated country and large amounts of funding become available for the social sectors.

VIII. Program Management and Resource Requirements

A. Resources

The resource request to support the four strategic objectives and one special objective proposed in this concept paper is based on each of the Scenarios:

- “Successful Transition” – for FY 2004
 - Proposed SO1, Health \$25 million
 - Proposed SO2, Democracy and Governance 9 million*
 - Proposed SO3, Livelihoods 12 million
 - Proposed SO4, Education 5 million
 - Proposed Special Objective, DDRRR 4 million*
 - TOTAL \$55 million**

Under this scenario, it is recommended that additional resources be provided in years 2-5 of the strategy.

- “Hobbling Transition” – for FY 2004
 - Proposed SO1, Health \$24 million
 - Proposed SO2, Democracy and Governance 5 million*
 - Proposed SO3, Livelihoods 10 million
 - Proposed SO4, Education 4 million
 - Proposed Special Objective, DDRRR 2 million*
 - TOTAL \$45 million**

Under this scenario, additional resources could be provided in years 2-5 of the strategy depending on the degree of “hobbling.”

- “Protracted Transition” – for FY 2004
 - Proposed SO1, Health \$22 million
 - Proposed SO2, Democracy and Governance 3 million*
 - Proposed SO3, Livelihoods 10 million
 - Proposed SO4, Education 4 million
 - Proposed Special Objective, DDRRR 1 million*
 - TOTAL \$40 million**

Under this scenario, additional resources would not be required in years 2-5 of the strategy.

* = Funding could be provided using Economic Support Funds (ESF).

B. Staffing and Operating Expenses

USAID/DRC presently is authorized to have five U.S. Direct Hires (USDH; Mission Director, Supervisory Program Officer, General Development Officer, Democracy and Governance Officer, Controller). In addition, one PASA manages the health portfolio and a U.S. PSC will be

hired to manage education/vulnerable children activities. Implementing the proposed program under any of the above scenarios will require additional staff assigned to the Mission. The Mission requires an additional two USDH positions in order to adequately staff the large health portfolio and reduce vulnerabilities. The number of USDH required would continue to rise under the "Successful" and "Hobbling Transition" scenarios, ultimately reaching nine. The number of USDH could stabilize at seven in the "Protracted Transition" scenario. Numbers of FSNs and PSCs would rise concomitantly depending on the scenario.

Beginning in FY 2004, the needed operating expenses (OE) level would rise with seven USDHs to approximately \$3.2 million/year. With nine USDHs, OE requirements would increase to approximately \$3.4 million/year.

IX. Timeframe for Key Analyses and Strategy Completion

After review of the concept paper on December 18, the parameters cable will be sent to the Mission in January 2003. The Mission intends to hold a stakeholders retreat with staff and key partners in February 2003.

A PPC-supported analysis of other donor activity was completed in November 2002. The Mission will complete conflict vulnerability and gender analyses in February/March 2003, drawing on assistance from USAID/W, REDSO/ESA, and perhaps additional sources. The biodiversity and tropical forest analysis will be done in-house drawing on existing analyses and documents (much of which were produced under CARPE). A technical analysis of the livelihoods sector will be completed in March 2003, drawing on outside assistance.

The Mission will submit the proposed Integrated Strategic Plan (ISP) for Washington review by the final quarter of FY 2003. Washington review of the ISP would occur during fall 2003, followed by any adjustments resulting from the Washington review. Final approval of the ISP would take place during fall 2003.