
RESULTS REVIEW AND RESOURCE REQUEST (R4) FY 2001

REGIONAL CENTER FOR SOUTHERN AFRICA

MARCH 1999



**Regional Integration Through
Partnership and Participation**

The attached results information is from the FY 2001 Results Review and Resource Request (R4) for the Regional Center for Southern Africa (RCSA) was assembled and analyzed jointly by RCSA Program Office and SO Teams. The R4 is a "pre-decisional" USAID document and does not reflect results stemming from formal USAID reviews. Additional information on the attached can be obtained from Sanath K. Reddy or Christopher Edwards, Program Office, RCSA. Related document information can be obtained from:

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March 26, 1999

Ms. Vivian Lowery Derryck
Assistant Administrator for Africa
U.S. Agency for International Development
Washington, D.C. 20523

Dear Vivian:

I am pleased to submit the Regional Center for Southern Africa's FY 2001 Results Review and Resource Request (R4) Report, my first since arriving ten months ago. As you of all people can appreciate, Southern Africa continues to be important to the United States, both in terms of foreign policy interests, such as natural resources, peace and political stability, and in terms of economic interests relating to current and potential trade and investment opportunities. The RCSA program, embodying as it does USAID's Initiative for Southern Africa, directly addresses these important U.S. interests.

This performance year represents a period of continued, strong progress across all of our Strategic Objectives. The Mission's flagship SO supports Southern African initiatives to achieve *regional market integration*. We work with SADC institutions and other regional bodies (a) to develop appropriate *regional* policies and standards and (b) to reform and harmonize *national* policies, laws and practices affecting *regional* trade, finance and investment, transport and telecommunications. The range of our successes run from the development and ratification of various protocols (sectoral cooperation agreements between SADC Member States) to development of model laws for the region, and their ultimate national adoption.

Similarly, our interventions in agricultural and natural resources management have resulted in increased production, incomes, and employment in target areas and empowerment of communities to manage and protect their natural resources. Our efforts in democracy and governance, despite severe funding constraints, have strengthened regional civil society institutions that are developing media, promoting democratic practices and elevating regional democratic norms.

Although the RCSA program is achieving significant results, even more rapid progress could be achieved if the constraints and recommendations highlighted below, which are with one exception internal to USAID, could be addressed.

1. Improved regional strategic and operational coordination within USAID: USAID has a Southern Africa regional strategy in the form of the Initiative for Southern Africa, which is now manifested in the RCSA's approved strategy for 1997 - 2003. Better results could be achieved in the region with improved coordination in the development of bilateral and regional strategies. Of more immediate impact would be a clearer mandate for closer collaboration between RCSA

and bilateral Missions in the implementation of activities where strategies currently overlap. Such collaboration is occurring now on a voluntary basis largely through RCSA's initiative. We have a variety of ongoing and planned approaches to improve collaboration with the bilateral Missions. But all the Missions are thinly-staffed, as are we, and understandably focused on national rather than regional development challenges. AFR Front Office support, and that of the new Agency leadership, for the strengthening of our coordination efforts would contribute greatly to the achievement of increased synergies in USAID's overall work in Southern Africa.

2. Improved interagency coordination: Over the last 2 years the U.S. government as a whole has rediscovered Southern Africa, and many agencies and departments not significantly engaged before have recently visited governments, NGOs and SADC entities in the region. Some, we understand, have also developed plans for ongoing involvement since the President's visit a year ago. Yet no machinery seems to have been put into place to better coordinate, if not manage, this potentially overwhelming onslaught. USAID and State (including RCSA and Embassy Gaborone) collaborate well enough. But when RCSA receives calls from a SADC coordinating unit we have ongoing activities with asking how to handle similar proposals by visiting U.S.G. officials, we all lose credibility in the eyes of our counterparts. (It is difficult enough trying to coordinate with other donors!) Matters could become either more complicated or could improve as a result of the upcoming U.S. - SADC Forum. We should encourage State at the highest feasible level to take the lead in coordinating USG activities in the SADC region. The institutional approvals and mechanisms are in place already, with the designation last year of the Secretary's Special Representative to SADC. The Ambassador should at a minimum be "info'd" on all country clearance requests by USG officials planning to visit SADC entities.

3. Inadequate staffing of RCSA's Contracts Office and related OE levels: Despite our best efforts, the staff shortage in our Contracts Office remains a major impediment to results achievement, causing serious delays in both the RCSA's and client posts' programs and increasing pipelines artificially by tens of millions of dollars. In order to eliminate this bottleneck, we proposed adding one USDH and one USPSC in last year's R4 and asked for the additional funds needed to support the two positions. In response to our request, we were given one new USDH Contracting Officer slot. However the \$100,000 in additional OE required for offsetting the OE costs associated with this position has not been allocated. Given the programmatic costs of the contracting bottleneck, this apparent omission should be corrected as soon as possible. We also need more AFR and M Bureau support to fill current and upcoming RCO vacancies with experienced officers.

4. Extremely limited funding for Democracy in the RCSA's portfolio: The 1997 - 2003 RCSA Strategy described a regional DG approach requiring \$3.0 Million annually to effectively implement the strategy, with \$ 2.0 million as the critical minimum. Approved and proposed levels are somewhat below the critical minimum required by the strategy. It is apparent now that with the good results seen from RCSA's civil society "regionalizing" efforts and the assistance still required to give civil society in this vast region the capacity to hold its own and keep democracy progressing, the level of current funding is grossly insufficient. Because most bilateral USAID democracy programs in the region also focus on civil society (albeit significantly different aspects), it would seem both necessary and expedient for AFR to foster more regional-bilateral collaboration in this area, while aggressively seeking increased funding for bilateral and

regional DG programs in Southern Africa.

5. **New SOs:** After several years of experience, RCSA has concluded that it needs to strengthen and refocus its natural resources management and agricultural development portfolio. Towards this end two modified SOs are proposed to replace a current SO and SpO: the natural resource management activities under the current SO3 and SpO-A will be consolidated into a new SO3, which will focus on NRM, including management of the transboundary natural resources of river basins and wildlife (Annex H); the new SO4, (Annex I), will focus on agriculture, especially the development of regional markets for agricultural trade to increase the demand for sustainable and profitable technologies. Final details for SO3 and SO4 will be submitted in May 1999 for an anticipated early July review by USAID/AFR.

6. **RCSA's role in assisting with HIV/AIDS control in the region:** Since 1997, when the RCSA's six year strategy was approved, the HIV/AIDS situation in Southern Africa has significantly worsened and is now projected to negatively impact on GDP growth in the region as well as on the results of USAID programs, including RCSA's. Pressures have grown for a revisitation of the RCSA's strategy, with a view to possibly adding an HIV/AIDS component. We are currently carefully reviewing what RCSA's appropriate role should be, consistent with its regional (i.e., cross-border/non-bilateral) mandate, beginning with an examination of whether or how RCSA could compliment existing bilateral HIV/AIDS programs with regional interventions, with a probable focus on the major transportation/transmission corridors. It must be noted, however, that any such activity would require a revised RCSA strategy, new personnel and additional resources. RCSA expects to complete its review and present its preliminary findings during the anticipated early July review of revised RCSA Strategic Objectives in Natural Resources Management and Agriculture.

The RCSA Mission looks forward to the Bureau's informal review of our R4 submission. We also look forward to receiving you at the RCSA during your visit to Botswana for the US-SADC Forum and the SA regional Mission Directors' conference.

Sincerely,

Edward J. Spriggs
USAID/RCSA Director

TABLE OF CONTENTS

Cover memorandum

Table of content i
Acronym list iv

PART I: OVERVIEW AND FACTORS AFFECTING PERFORMANCE 1

PART II: RESULTS REVIEW BY STRATEGIC OBJECTIVE 5

STRATEGIC OBJECTIVE ONE: *Increased Regional Capacity To Influence Democratic Performance* 5
 Purpose and Background of the Objective
 Summary of Performance
 Expected Performance Through 2001
 Results Framework Diagram
 Performance Data Tables

STRATEGIC OBJECTIVE TWO: *A More Integrated Regional Market* 13
 Purpose and Background of the Objective
 Summary of Performance
 Expected Performance Through 2001
 Results Framework Diagram
 Performance Data Tables

STRATEGIC OBJECTIVE THREE: *Accelerated Regional Adoption of Sustainable Agriculture and Natural Resource Management Approaches* 22
 Purpose and Background of the Objective
 Summary of Performance
 Expected Performance Through 2001
 Results Framework Diagram
 Performance Data Tables

SPECIAL OBJECTIVE A: *Increased Regional Capacity To Manage Transboundary Natural Resources* 29
 Purpose and Background of the Objective
 Summary of Performance
 Expected Performance Through 2001
 Results Framework Diagram
 Performance Data Tables

SPECIAL OBJECTIVE B: *Create Capacity* 36
for More Informed Regional Decision Making

Purpose and Background of the Objective
 Summary of Performance
 Expected Performance Through 2001
 Results Framework Diagram
 Performance Data Tables

PART III: RESOURCE REQUEST 43

- A. Rationale for Program Resource Levels and Strategic Objective Allocations
- B. Operating Expense and Staffing Requirements
- C. Global Field Support Table
- D. Workforce and Operating Expense

PART IV. SUPPLEMENTAL INFORMATION ANNEXES:

- ANNEX A. RCSA's Potential Role in Fighting the Storm: Regional HIV/AIDS Interventions for Southern Africa
- ANNEX B. Strategic Coordination in Implementing USAID's Regional Program: Challenges, Constraints -- RCSA's Accomplishments and Opportunities
- ANNEX C. USAID/RCSA's Experience in Conducting a Regional Assistance Program
- ANNEX D. Programmatic Linkages to the Mission Performance Plan (MPP)
- ANNEX E. RCSA Performance Monitoring Plan
- ANNEX F. Southern Africa Community Based Natural Resources Management (SA/CBNRM)
- ANNEX G. Southern African Enterprise Development Fund (SAEDF)
- ANNEX H. Proposed Design of Strategic Objective Three: "Improved Management of Shared Natural Resources"
- ANNEX I. Proposed Design of Strategic Objective Four: "Expanded Commercial Markets for Dryland Agricultural Technologies and Commodities on the SADC Region"
- ANNEX J. Special Objective B Analytical Agenda Illustrative Topics
- ANNEX K. Challenges of Developing a Regional Performance and Monitoring Plan
- ANNEX L. RCSA Environmental Compliance Statement

ACRONYMS LIST

AAS	American Association for the Advancement of Science
ADB	African Development Bank
AFRONET	Inter-African Network For Human Rights
Ag/NRM	Agriculture/Natural Resource Management
BLNS	Botswana, Lesotho, Namibia & Swaziland
BOCOBONET	Botswana Community Based Organization Network
CAMPFIRE	Communal Areas Management Programme for Indigenous Resources
CBNRM	Community-Based Natural Resource Management
CBO	Community Based Organization
CCN	Cooperating Country National
CORE	Cooperative for Research and Education
CSO	Civil Society Organization
DANIDA	Danish International Development Assistance
DG	Democratic Governance
DHRF	Democracy and Human Rights Fund
ECF	Electoral Commissioners' Forum
EG	Economic Growth
EISA	Electoral Institute of South Africa
EU	European Union
FISCU	Finance and Investment Sector Coordinating Unit
FDI	Foreign Direct Investment
FTE	Full Time Equivalent
GETNET	Gender and Training Network
GDP	Gross Domestic Product
GWP	Global Water Partnership
IARC	International Agriculture Research Center
ICRISAT	International Crops Research Institute for Semi-Arid Tropics
IDASA	Institute of Democracy in South Africa
IEC	Independent Electoral Commission
IMF	International Monetary Fund
IPS	Interpress Service
IR	Intermediate Result
IRI	International Republican Institute
ISA	Initiative for Southern Africa
IUCN	World Conservation Union
IUCN/ROSA	IUCN/Regional Office for Southern Africa
LSGA	Limited Scope Grant Agreement
M&E	Monitoring and Evaluation
MISA	Media Institute for Southern Africa
MISANET	Media Institute for Southern Africa Network
MPP	Mission Performance Plan
NACOBTA	Namibia Association of Community Based Tourism
NDI	National Democratic Institute
NETCAB	Networking and Capacity Building
NGO	Non-Governmental Organization

NRM	Natural Resource Management
NRMP	Natural Resource Management Project
NRMP/LIFE	Natural Resource Management Project/Living in a Finite Environment
ODA	Overseas Development Agency
OKACOM	Okavango River Basin Commission
PAAS	Policy Analysis Assistance
PACT	Private Agencies Collaborating Together
PSC	Personal Service Contract
NRM	Natural Resource Management
NXP	Non-Expendable
RAPID	Regional Activity to Promote Integration Through Dialogue and Policy Implementation
RCSA	Regional Center for Southern Africa
REDSO/ESA	Regional Economic Development Services Office/East and Southern Africa
RF	Results Framework
RSA	Republic of South Africa
RSIS	Rolling Stock Information System
RTRP	Regional Telecommunications Restructuring Project
SABA	Southern Africa Broadcasters' Association
SABANEWS	Southern Africa Broadcasters' Association News
SABONET	Southern African Botanical Network
SACCAR	Southern African Coordinating Commission for Agricultural Research
SACU	Southern African Customs Union
SADC	Southern African Development Community
SAEDF	Southern African Enterprise Development Fund
SAHRINGON	Southern Africa Human Rights NGO Network
SAPES	Southern African Political Economy Series
SARDF	Southern African Regional Democracy Fund
SARDC	Southern Africa Research and Document Center
SARP	Southern African Regional Program
SARIPS	Southern Africa Regional institute for Policy Studies
SARRNET	Southern Africa Root Crops Research Network
SATCC	Southern Africa Transport and Communications Commission
SITCD	SADC Industry and Trade Coordination Division
SME	Small and Medium Enterprise
SMIP	Sorghum and Millet Improvement Project
SOAG	Strategic Objective Agreement
STEP	SADC Transport Efficiency Project
STRENGTH	Strengthening Regional Economies Through NGOs
TBNR	Transboundary Natural Resources
TCN	Third Country National
TDT	Technology Development and Transfer
TNF	Telecommunications' Negotiating Forum
WILDAF	Women in Law and Development in Africa
WILSA	Women in Law in Southern Africa
WSCU	Water Sector Coordinating Unit
WTO	World Trade Organization

PART I: OVERVIEW AND FACTORS AFFECTING PERFORMANCE

OVERVIEW: Southern Africa, with its relatively well-developed infrastructure and diverse natural resource base, has the potential to lead the rest of the continent into a more prosperous 21 century. Southern Africa has a population of around 200 million and a Gross Domestic Product (GDP) of \$180 billion. The fourteen countries of the Southern African Development Community (SADC) have committed themselves to regional economic cooperation and integration. The goals of SADC are reflected in USAID's Initiative for Southern Africa (ISA) and in the RCSA's Strategic Plan (1997-2003), which seeks to promote "equitable sustainable economic growth in a democratic Southern Africa". The achievement of these objectives will contribute to a larger, more stable and democratic trading partner for the United States and eventually reduce the need for economic assistance to the region.

RCSA's success will encourage the region to continue with growth and market-oriented reforms, assist and complement USAID bilateral programs to expand economic and political cooperation, and support the integration of South Africa's significant industrial, financial and technical resources into the regional economy to stimulate mutually beneficial development. RCSA also complements and supports broader U.S. foreign policy initiatives such as the annual US-SADC Forum. In implementing the ISA, the RCSA collaborates on key regional issues with SADC, national governments, bilateral missions, other donors, non-governmental organizations and other civil society institutions.

THE DEVELOPMENT CHALLENGE: Although there is consensus among key donors and SADC member states on a broad regional development agenda, progress towards our shared goals has been uneven. The pace and scope of regional integration have been affected by macroeconomic and political instability, growing threats to peace and security in the region, the HIV/AIDS pandemic, and increasing tendencies towards authoritarian practices. From a RCSA management perspective, operating regionally presents many challenges, including: how best to engage SADC and its various institutions; and how to achieve a high degree of collaboration with USAID/Washington and bilateral missions as well as other donors.

FACTORS AFFECTING PROGRAM PERFORMANCE: Several bilateral USAID programs in the region seek to strengthen civil society's role in economic and political governance. However, the tendency towards executive branch domination and lack of transparency and accountability indicate how fragile new democracies are in the region and underline the importance of supporting the trend towards a stronger "regionalized" civil society. Effective and objective monitoring by various media, will become increasingly important during the period 1999-2000 as more countries in the region will have presidential elections.

Climatic events in 1998-99, including severe flooding in Mozambique, mitigated against successful agricultural production in the several countries in the region. Past trends are not encouraging — only a few countries have maintained agricultural GDP growth rates that exceed growing food security needs. However, harvests generally improved in 1998-99 in many parts of the region. Total regional cereal supplies amounted to 25.26 million MT for this marketing year (the actual requirements are 25.99 million MT), representing a 20% increase over last year. Continued accelerated adoption of key sustainable and profitable technologies and management approaches in this drought-prone region should help strengthen this trend.

Estimates for economic growth for SADC countries in 1998 were originally between 4-5% but actual performance was significantly less for most countries. Real GDP grew by only 0.1% in South Africa which accounts for 74% of regional GDP. In Zimbabwe, GDP growth declined to 1.5% and is expected to decline further this year. Zambia experienced a 2% decline in economic growth in 1998. With the exception of Botswana (8.3% growth in 1998) and Mozambique, forecasts indicate continued sluggish growth for most countries in the region. Inflationary pressures increased significantly in the region in 1998, partly due to declining values in currencies (e.g., Zimbabwe, Malawi, Zambia and South Africa during the first half of the year). Food prices substantially increased, in some cases caused by shortages. Inflation rates were high in Zimbabwe, Malawi and Zambia (ranging from 30.6% to 55%). Despite significant challenges posed by the generally lower economic growth and the human and economic costs associated with conflicts in Angola and the Democratic Republic of the Congo, SADC is maintaining its development focus and some of the countries are pursuing serious economic policy reforms. Supporting SADC in its endeavors to develop plans and mechanisms to mitigate against these destabilizing influences, is a significant RCSA challenge and opportunity.

Southern Africa holds the majority of the world's hardest-hit HIV/AIDS countries. See Annex A. The enormous cost of dealing with the epidemic has strained public sector resources. Governments are confronting the problem without neglecting other, equally compelling problems. The epidemic is decimating a limited pool of skilled workers and managers. With many economies in the region in flux, it is hard to determine what the impact of HIV/AIDS is on national economies as a whole. However, businesses are already feeling the impacts. In Zimbabwe, for instance, life insurance premiums quadrupled in just two years because of HIV/AIDS deaths. Several report that HIV/AIDS costs absorb as much as one-fifth of company earnings. In Tanzania and Zambia, large companies have reported that HIV/AIDS illness and death cost more than their total profits for the year, while in Botswana reportedly these costs will soar from under 1% of the wage bill now to 5% in six years' time. UNDP estimates that the countries with an adult HIV/AIDS prevalence of 10% or more in the region will experience a significant reduction in life expectancy.

Institutional weaknesses, at both the regional and national levels (including within SADC technical units located in corresponding Ministries in the countries), continue to affect the pace and scope of regional economic cooperation and integration. SADC, with RCSA support, is seeking ways to improve its operational efficiency and gain wider stakeholder involvement in the key areas of trade, transport and telecommunications, finance and investment, agriculture, and natural resources management as well as strengthening regional analytical capacity to address key Southern African issues. Similarly regional partners of the RCSA other than SADC -- the NGO and private sector associations-- are weak lacking in financial and technical capacities. Strengthening them through networking and training is critical, but does not lead to short term impacts.

The above problems facing the SA region should not obscure its great promise. USAID's regional strategy represents a constructive response to these problems and the challenges confronting the region as well as the progress the region is making in realizing its potential. The US policy interests of prosperity and peace in the region: liberalized trade and sustainable development benefit by the RCSA's development support to the region.

RCSA's performance was and continues to be affected by certain internal constraints. Overwhelming bilateral orientation of USAID's programs and lack of incentives to integrate regional and bilateral strategies affects strategic coordination. To ameliorate this constraint RCSA will be taking steps, in

consultation with bilateral USAID missions, to improve strategic coordination among overlapping strategic objectives of the RCSA and bilateral missions (see Annex B). Staffing constraints at the RCSA, especially in the area of contracting services, has led to extreme delays in the implementation of activities in SOs 2 and 3.

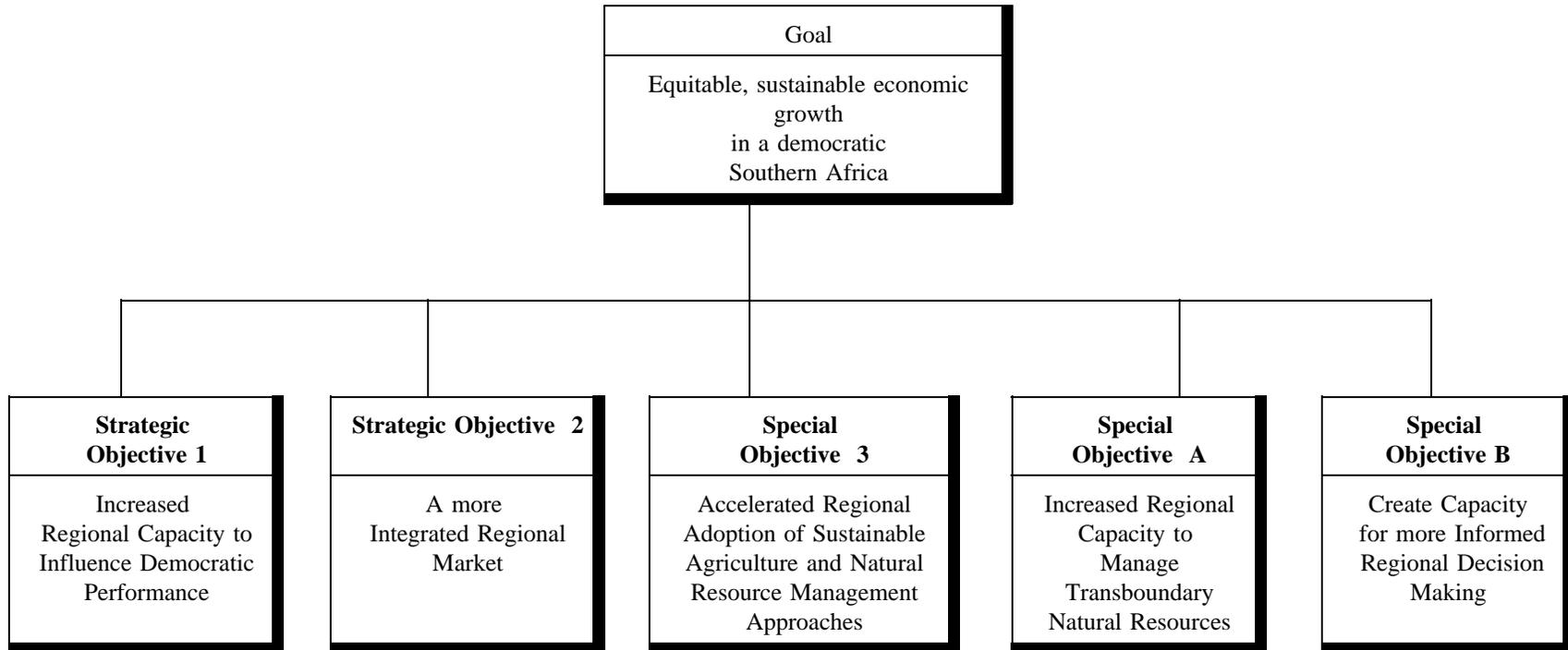
There are key constraints to "operating regionally". One major constraint, neither State nor USAID/W is organized, to provide consistently strong and focussed guidance on regional issues -- nor is there a U.S. State Department structure corresponding to the RCSA to provide broad policy guidance or context. Other constraints are: (1) the RCSA's core programmatic approach emphasizes programs implemented at and seeking to have impacts at the regional level, and generally excludes activities which could be conducted more effectively at the bilateral level. Although the benefits of the resulting "big picture" are great, gathering and processing data and information on a regional basis makes great demands on staff time and at considerable financial cost; (2) ideally, the RCSA and USAID bilateral programs in Southern Africa should all be guided by and serve a common strategy for the region, with programmatic responsibilities allocated to make best use of the comparative advantages of each USAID entity. At present no such strategy exists; (3) the overlapping responsibilities of national governments and regional institutions and the essentially subordinate status of the latter means that there is no real analog at the regional level to the normal bilateral "host government"; and, (4) few donors are structured to work regionally -- hence there is no forum for coordinating the activities of the few donors engaged in regional activities. A more detailed discussion of "operating regionally" appears in Annex C.

SUMMARY OF PROGRESS IN STRATEGY IMPLEMENTATION: In spite of the constraints discussed above, RCSA has made substantial progress in 1998 in accomplishing results under its SOs, as detailed in Part II. RCSA's flagship SO dealing with regional market integration has initiated a number of actions in support of: regional protocols relating to trade, finance and investment, transport, and telecommunications model laws; amelioration of cross border trade barriers; and facilitating efficient movement of goods and services between the countries. Similarly RCSA's interventions in agricultural and natural resources management have resulted in increased production, incomes and employment in target areas and communities. RCSA's interventions in democracy and governance, despite funding constraints, have made substantial headway in strengthening civil society institutions dealing with media, promoting democratic practices and regional norms.

Prospects for further progress in 1999 are very encouraging. Implementation of various activities under the SOs has accelerated, after overcoming delays in contracting via buy-ins into centrally funded technical assistance projects. Results and impacts of several activities initiated late in 1998 will be visible in the year ahead. RCSA's staff development activities and training of partners in managing for results undertaken in late 1998, are expected to contribute to improved management of programs and accomplishment of results.

The RCSA's strategic linkage to the U.S. Mission Performance Plans is outlined in Annex D.

RCSA Strategic Objectives



PART II: RESULTS REVIEW BY STRATEGIC OBJECTIVE**STRATEGIC OBJECTIVE 1 (SO1)
Increased Regional Capacity to Influence Democratic Performance.**

PURPOSE AND BACKGROUND TO THE STRATEGIC OBJECTIVE: SO1 expands capacity in the Region's civil society to encourage, even advocate for, improved democratic performance. Activities increase regional linkages among key organizations and institutions, helping to mould mutually supportive network to promote democratic values, norms and processes. The SO is structured to achieve three Intermediate Results: *Increased information sharing within the region (IR1); Increased advocacy bringing regional experiences to bear at national level (IR2) and, Regional norms defined by Southern Africans (IR3).* See Figure 1.

The RCSA implements activities under this SO through indigenous Southern African NGOs and other entities that work with U.S. or other international partners. USAID is the major donor providing support for regional democracy activities. Denmark and to a lesser extent, Canada and the Commonwealth Secretariat are the only other major donors who fund regional democracy and governance programs.

SUMMARY OF PERFORMANCE: The SO performance is on track. Progress is evident in the establishment of a regional human rights NGO network, its contribution to improved effectiveness of national member NGOs, and the outstanding contributions of MISA, a regional media freedom watchdog, to the protection of media freedom in the region. The development of regional common interest groups such as the SADC Parliamentary Forum, SADC Electoral Commissioners' Forum, SADC Council for NGOs, SADC Bar Association and SAHRINGON is a significant step towards regional collaboration around democracy issues. Progress is further evident in a growing recognition of the role of civil society in governance and the political processes. The 1998 Freedom House Index indicates improvements in civil liberties performance in three countries - Swaziland, Tanzania and Zimbabwe. RCSA support to WILDAF and other regional NGOs had enabled them to successfully lobby for the formation of a Gender Unit within SADC that now provides an institutional voice for women in the region.

STRENGTHENED CIVIL SOCIETY: "In the past 10 years or so civil society has not only continued its monitoring and development roles in individual countries in the region, but it has developed through a system of networking, a strong regional image which is beginning to be stronger than even the SADC 'official body' itself"
SADC/UNDP Regional Human Development Report, 1998.

Despite the difficulties in measuring performance at a regional level of SO1 and attributing results to specific interventions - the results of the survey of the effectiveness of regional organizations, the assessment of regional influence through focus groups, the key informant interviews, and the findings of the Freedom House Index provide strong evidence to support regional attribution. See SO1 Performance Data Tables 1-4 and Annex E.

Increased information-sharing within the region - RCSA activities focussed on establishing mechanisms to transfer DG information (and DG policy and tactical expertise) around the region and expand access to such regional information. Five DG umbrella organizations are now linked and effectively using modern electronic communication. Six more countries are in the process of joining the network.

Access to regional information has expanded through the Southern Africa Broadcasters' Association (SABA). As an independent network SABA ensures uncensored access to information. Seven stations are now linked electronically to the project's ready-to-read news service. Widespread use of SABANEWS bulletins by both the electronic and print media confirms that the service is well received and widely distributed.

CONNECTING THE REGION: An editor with Radio Tanzania said: "After selecting the local news, as an editor, the next piece of information I look for is news about our neighbors and then the rest of the world. SABANEWS is the only service that provides this information about our neighbors".
IPS Quarterly Report, 1998

Likewise, MISANET (an electronic exchange of news generated by MISA members themselves) has grown from 54 stories/week in 1995 to 450 per week during the period under review. RCSA support has enabled SARDC to produce fortnightly analytical features on regional issues which are widely distributed. A survey of beneficiaries of RCSA grantees confirmed high levels of satisfaction with the quality and relevance of information distributed through these RCSA supported activities (See SO1 Performance Data Table 3).

Increased advocacy bringing regional experience to bear at national level - The value of cross border advocacy initiatives was evident in the aftermath of the harassment of journalists in Zimbabwe and Zambia. MISA played an important role in mobilizing regional and international pressure on the respective governments to respect media freedom. Regionally, MISA chapters in Botswana, Namibia and Zambia organized protest marches and handed a petition to the Zimbabwean ambassadors in those countries. The promulgation of the media law in Botswana has likewise been put on hold following the MISA national chapter's intervention calling for more protection of media freedom in the proposed law.

Advocacy organizations are using a set of analytical case studies of advocacy strategies published this year by the Cooperative for Research and Education (CORE) to improve their efforts by sharing best practices. SARDF Project Committee members, half of whom are women, report a region-wide increase in advocacy activities at national level. Attribution to RCSA for the increase in advocacy support in general and regionally-referenced support in particular was high - 71 per cent in the former case; 94 per cent in the latter. (See SO1 Performance Data Table 4).

RCSA LEVERAGING FUNDS TO INCREASE REGIONAL CAPACITY: A SARDF grant to the Botswana Center for Human Rights resulted in the first Regional Southern African Human Rights NGO Network that draws together 72 member organizations. The effectiveness of the network is recognized by DANIDA in a follow-on grant of approximately US\$2 million.

Regional norms further defined by Southern Africans There is growing realization that existing norms need to be better articulated, expanded, strengthened and defined. CORE, a RCSA grantee, in anticipation of the 6 national elections scheduled for 1999, developed a training manual for civil society election monitors and trained 160 election monitors in four countries. The project will build on this success to develop strategic plans for advocacy campaigns at national and regional levels to lobby for the acceptance of the principles by electoral authorities thereby contributing to the convergence of opinion around norms for the conduct of elections. Likewise, there is interest in a roundtable on election norms by the Electoral Commissioners' Forum (ECF). The establishment of the ECF is expected to promote adherence to regional electoral norms once articulated.

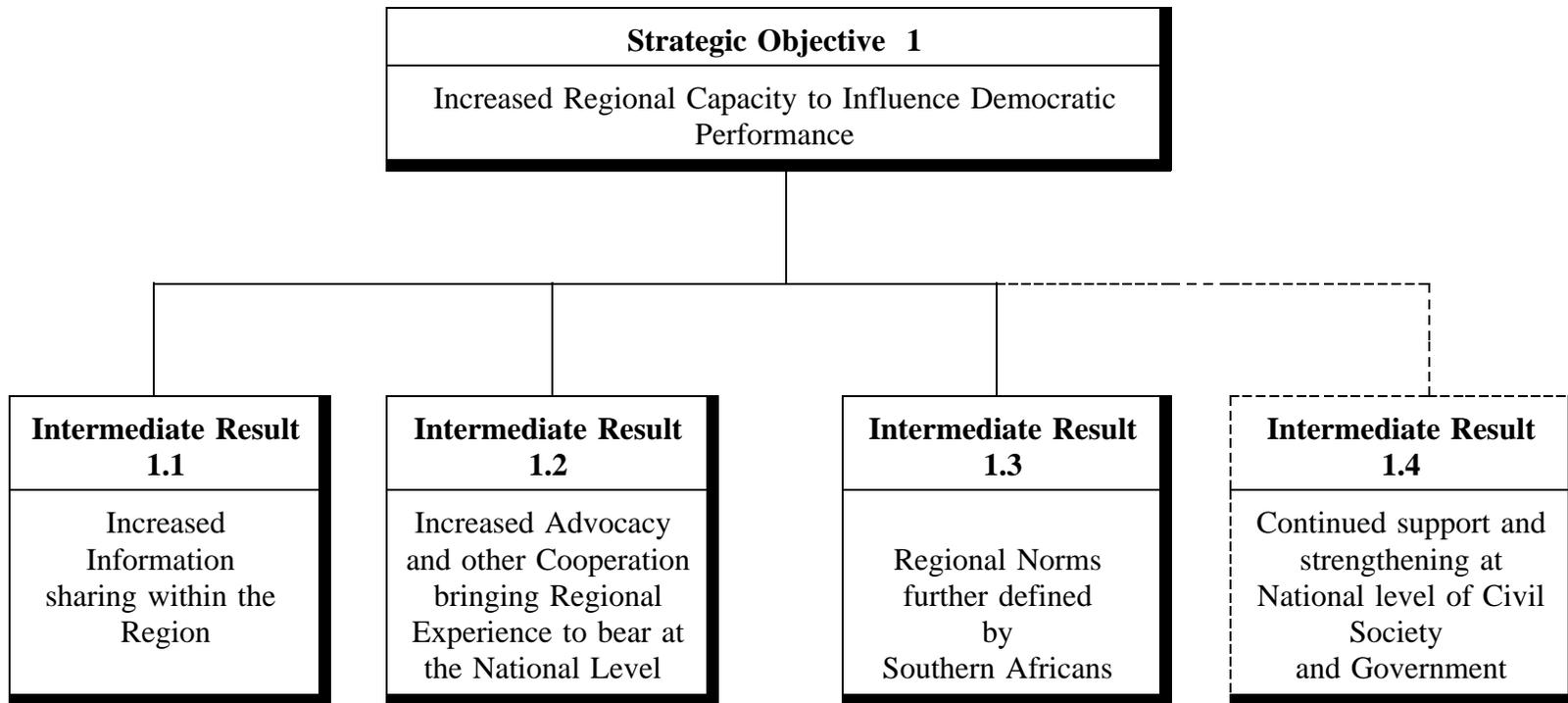
CIVIL SOCIETY ADVOCACY IMPACTS ON GOVERNMENT ACTIONS: MISA Zambia has recorded a dramatic decline in antagonistic Government action against journalists in that country. From a high of 51 Media Alerts in 1997 this has dropped to 25 in 1998. This is attributed to the support received from high-profile international press freedom organizations and substantial support from the region, facilitated by the MISANet service.

MISA, through its Legal Defense Fund, supported key precedent-setting cases involving the violation of press freedom, thereby defining acceptable standards for press freedom in the region. MISA provided financial support to journalists and independent newspapers in Lesotho, Tanzania and Zimbabwe during the review period.

EXPECTED PERFORMANCE THROUGH 2001: Analysis of longer term regional trends leads RCSA to conclude that the program has achieved its initial objectives of establishing regional DG networks and improving media coverage. However, the activities as currently constituted are too expansive to have meaningful impact on democratic development as the region moves into a phase of democratic consolidation. Higher impact is anticipated from more focused, longer-term engagement with fewer but established regional organizations. Regional common interest networks such as the SADC Parliamentary Forum, the Electoral Commissioners Forum, SADC Bar Association, SAHRINGON, will play an increasingly important role in mobilizing regional resources to contribute to the consolidation of a democratic culture in the region. As demands for accountability and transparency become a norm in market-driven economies of the region, democracy-related institutions such as Human Rights Commissions, Electoral Commissions, Ombudsman, Anti Corruption Commissions will have an increasingly important role to play. Increased information sharing will lead to more effective debate as well as improved quality of debate into national issues.

The performance monitoring framework for this SO has been revised to reduce the cost and burden of monitoring and make it more useful for management purposes. (See Annex E).

RCSA Strategic Objective 1



SO1 Table 1: Proportion of National-Level DG Events, Discourse Around Which is Discernibly Influenced by Regional Factors

STRATEGIC OBJECTIVE 1: Increased Regional Capacity to Influence Democratic Performance			
APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA			
RESULT NAME: Increased Regional Capacity to Influence Democratic Performance			
INDICATOR: Regional Influence on National DG Discourse			
<p>UNIT OF MEASURE: Proportion of national-level DG events, discourse around which is discernibly influenced by regional factors expressed as overall percentage of national DG events showing regional influence in all countries covered.</p> <p>SOURCE: Focus Group discussions representative of politically knowledgeable and politically active classes in each country.</p> <p>INDICATOR DESCRIPTION: SO1 aims at expanding the degree to which information, experience and advocacy from beyond each country's borders is brought to bear on debate over the key DG "events" each year. Indicator is intended to reflect perceptions of opinion-forming segment of population.</p> <p>COMMENTS: Methodology has been refined and this year's data cannot be exactly compared with last year's values. Moderate and High relevance categories have been combined to represent "discernable" influence. Consequently, this serves as a new baseline rather than actual values for this year, and new targets need to be defined. This indicator will however be discontinued because of the inconsistencies in the data and the cost of conducting focus groups in 11 countries. The indicator in table 2 will be used in future for monitoring progress. See annexes E & K for further discussion of the methodology for these indicators. On a scale of 1 - 3, the region overall scored 2 indicating a moderate amount of regional influence - national - level debate.</p>	YEAR	PLANNED	ACTUAL
	1997(B)		34.2%
	1998 (B)	37.6%	63.8%
	1999		
	2000		
	2001		
	2003(T)		

S01 Table 2: Average Organizational Effectiveness Score achieved by Regional Organizations

<p>STRATEGIC OBJECTIVE 1: Increased Regional Capacity to Influence Democratic Performance APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA</p>			
<p>RESULT NAME: Increased Regional Capacity to Influence Democratic Performance</p>			
<p>INDICATOR: Increased Effectiveness of Organizations seeking to achieve regional DG impacts.</p>			
<p>UNIT OF MEASURE: Overall average score achieved by 12 regional organizations on a 3-point rating scale of organizational effectiveness. (min is 1.0 and max is 3.0) SOURCE: Ratings done by 20-30 DG practitioners in the region. Respondents selected from Regional Directories of Human Rights Organizations & SOT knowledge. INDICATOR DESCRIPTION: SO1 aims at expanding the capacity within the region to share information, experiences & to collaborate so as to achieve positive changes in democratic performance. Indicator is intended to reflect perceptions of national-level DG Practitioners of the effectiveness of regionally-mandated organizations in achieving these impacts. Organizations include but are not limited to RCSA grantees; respondents exclude RCSA grantees. COMMENTS: Organizations assessed on 10 dimensions related to effectiveness in undertaking regional DG work - information dissemination, analytical ability, advocacy, use of regional experiences, lobbying of key decision making institutions, influence on debate, incorporation of gender, collaboration, appropriate institutional framework & influence on policy. Regionally-mandated organizations, including many that RCSA supports, were assessed in a survey of their effectiveness and were shown to be moderate effective in achieving DG impacts at the regional level. The average score achieved by all organizations combined on the three point scale of perceived organizational effectiveness was 1.8. Organizations rated as being the most effective are SABA, CORE and AFFRONET. Notably, SAHRINGTON, despite its short existence, achieved just below the mid-point and was especially commended for its appropriate national-level institutional structure. Acknowledged especially for their effectiveness in advocacy at a regional level are IDASA, WILSA and WILDAF while SARDC and SARIPS were seen to be achieving impact through their lobbying of key decision making institutions through-out the region. Gender has been effectively incorporated into the work of several regional level organizations (MISA, SARIPS and SABA) besides those whose sole mandate it is. These results are corroborated by in-depth interviews held with 7 Key Informants representing donor, academics and NGO leaders with wide regional knowledge. The interviews indicated that there is clearly increased institutional capacity among organizations seeking to achieve regional DG impacts. The organizations most commended were WILDAF, SARDC, SAPES, WILSA, GETNET and IPS. Key Informants pointed to the decline in donor funding and the corresponding impact that this has had on changing the focus of NGO work from grassroots projects to advocacy and policy oriented activities as they attempt to achieve greater impact with fewer resources. These skills are felt to be in short supply in the NGO sector, a situation that will be rectified by the STRENGTH activity. Key Informants also pointed to the dangers of diverting all resources to regional state bodies such as SADC because of the complementary relationship between state bodies and CSOs. The broad equivalence of results achieved by the survey of the effectiveness of regional organizations, the assessment of regional influence through focus groups, the key informant interviews and the findings of the Freedom House Index has increased the SO team's confidence in both its progress and the methodologies used for measuring such progress. List of organizations assessed will be maintained insofar as possible; selection of respondents performing assessments will be standardized & sample size enlarged to increase representativeness & generalizability of results.</p>	<p>YEAR</p>	<p>PLANNED</p>	<p>ACTUAL</p>
	1998 (B)		1.8
	1999	1.9	
	2000	2.0	
	2001	2.2	
	2003(T)	2.8	

S01 Table 3: Perception of Beneficiaries of SO1-Funded Information-Dissemination Efforts of Overall Value of Information Received

<p>STRATEGIC OBJECTIVE 1: Increased Regional Capacity to Influence Democratic Performance APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA</p>			
<p>RESULT NAME: Increased Information Sharing Within the Region</p>			
<p>INDICATOR: Perception of Beneficiaries of SO1-Funded Information-Dissemination Efforts of Overall Value of Information Received</p>			
<p>UNIT OF MEASURE: Percentages of recipients finding overall value of information satisfactory or better SOURCE: Random survey of recipients of information. Names sampled from lists provided by grantees INDICATOR DESCRIPTION: Purpose is to assess value of information disseminated as a result of RCSA SARDF grants. COMMENTS: Results obtained in 1997 were not comprehensive. Results reported here are from a survey conducted in October 1998 of 113 intermediate customers using a structured questionnaire with 5-point rating scales. Satisfaction Index composed of scale items measuring quality, relevance and completeness of information received. Survey conducted in 11 program countries and in relation to the information dissemination or related activities of 10 grantees. Results accurate to within approximately 5 per cent. Targets reflect possibility of sampling error and the revised objective of maintaining already high levels of customer satisfaction even as the universe of recipients expands & becomes more discerning in their information needs and in the assessment of what they get. 25% of respondents reported that significantly more DG type information was available than in 1997. 73% respondents made much more use of regionally oriented materials in their work than in 1997. 50% respondents attributed most of the increase in regionally oriented material to RCSA grantees..</p>	<p>YEAR</p>	<p>PLANNED</p>	<p>ACTUAL</p>
	1998(B)		97%
	1999	90-100%	
	2000	90-100%	
	2001	90-100%	
	2003(T)	90-100%	

S01 Table 4: Perception of Beneficiaries of SO1-Funded Advocacy Support Efforts of overall Value of Support Received

<p>STRATEGIC OBJECTIVE 1: Increased Regional Capacity to Influence Democratic Performance APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA</p>			
<p>RESULT NAME: Increased advocacy and other collaboration bringing regional experience to bear at national level</p>			
<p>INDICATOR: Perception of Beneficiaries of SO1-Funded Advocacy Support Efforts of Overall Value of Support Received</p>			
<p>UNIT OF MEASURE: Percent of recipients finding overall value of support satisfactory or better SOURCE: Random survey of recipients of support. Names taken from mailing lists provided by grantees INDICATOR DESCRIPTION: Purpose is to assess value of support supplied to advocacy efforts as a result of RCSA DG grants. COMMENTS: Results reported here are from a survey conducted in October 1998 of 40 intermediate customers (organizations that receive support) using a structured questionnaire with 5-point rating scales. Satisfaction Index composed of scale items measuring quality, relevance and completeness of advocacy support received. Survey conducted in 11 program countries and in relation to the advocacy support activities of 3 RCSA supported Grantees. Results accurate to within approximately 5 per cent. Targets reflect possibility of sample error & revised objective of maintaining already high levels of customer satisfaction even as the universe of recipients expands & becomes more discerning in their support needs and in the assessment of what they get. Data also showed that demand for the services of grantees is high -- only 35% respondents were having their advocacy support needs met by the grantees activities. 38% respondents reported making significantly more use of comparable regional experiences in their national level work pointing to the value of regional networking.</p>	<p>YEAR</p>	<p>PLANNED</p>	<p>ACTUAL</p>
	1998(B)		98%
	1999	90-100%	
	2000	90-100%	
	2001	90-100%	
	2003(T)	90-100%	

STRATEGIC OBJECTIVE 2 (SO2): More Integrated Regional Market

PURPOSE AND BACKGROUND OF THE OBJECTIVE: SO2 aims to support SADC's goal of integrating the economies of its member States into a larger integrated regional market. This will help Southern Africa position itself to attract substantial regional and foreign investment and create a market with a combined GDP of \$180 billion. Full achievement of a SADC free trade area with free movement of goods and capital, is expected to double economic growth over the regional average of the past ten years, creating jobs and raising the standard of living throughout the region.

To this end, RCSA interventions supports three Intermediate Results that will *reduce trade and investment barriers (IR1)* (including the improvement of credit access to support indigenous business development), *improve efficiency in the provision of transport and communications infrastructure (IR2)* and *increase advocacy for sustained regional integration (IR3)*. The structure of the SO is detailed more fully in Fig. 1 on Page 16.

Key U.S. implementing organizations include SAEDF, Chemonics, Nathan Associates, and Price Waterhouse Coopers. The International Telecommunication Union works with USAID in the telecommunications sector. Alongside USAID's numerous interventions the UK is particularly active in promoting public sector reform throughout the region. The Cross Border Initiative, funded by the World Bank, the IMF, the ADB, and the EU also contribute to dialogue and policy advice to reduce trade barriers in the region. The EU and the Nordic countries provide support to SADC. Alongside SAEDF's work with medium size enterprises, Norway, Denmark, Canada, Germany, the UK, the UNDP, and the EU have programs for small and medium-sized enterprises.

SUMMARY OF PERFORMANCE: The SO performance has exceeded expectations. Despite the overall poor economic performance and GDP growth of only 1-2%, the progress towards market integration is on track. Evidence of a more integrated market is seen in the increase in Intra-SADC trade, the reductions in tariff and non-tariff barriers, the formation of regional networks, the development of SADC protocols and the changed nature of the debate within SADC. Figure I. below and the SO2 Performance Data Tables (1-4), highlight trends that illustrate progress towards a more integrated market.

Figure I - Selected SO2 Indicators

Indicators	1996	1997	1998	change
Intra-SADC Exports* (Real: US \$ Million)	8,417	9,179	-	9%
Intra-SADC Share**	19%	20%	-	5%
Standard Deviation (Price Convergence)	-	7.5%	4.3%	43%
Import share w/tariffs > 10%***:	40% (1995)	28% (1997)	-	30%
Transport costs	-	2888	2709	6%
Telecommunication service providers	-	28	36	28%

Note: * 1996 data revised from US\$ 8,744 million in the last R4. ** Share of intra-SADC exports in total SADC exports to the world. *** 1997 data for import tariff share is a rough estimate based on offered tariff schedules. For prices, a lower standard deviation between wholesale prices in the region is used to represent greater price convergence.

Reduced Barriers to Broadened Participation in the Regional Market: Progress is evident in the

development of a legal and policy framework on finance and investment, which was adopted by the SADC ministers of Finance. This initiative, financed by the RCSA, allowed the region to focus on the development of a Finance and Investment Protocol which will complement the existing Trade Protocol. The proposed Protocol will provide a framework for harmonization of central bank policies and regulations, and of audit and accounting standards throughout the region.

SAEDF has broadened participation in the regional market by investing in indigenous enterprises which are disadvantaged by their inability to obtain long-term financing from existing commercial sources. See Annex F. SAEDF has invested US \$10 million in six Southern African countries and is currently negotiating another US \$17 million in investments across the region. SAEDF and its co-investors financed expansions or start-ups of seven indigenous businesses and created 950 jobs. More than half of the workers in these companies are women. In addition, women occupy nearly half the professional and managerial positions. Many clients acknowledge that SAEDF's demanding pre-investment reviews of their business operations resulted in important improvements in their management and financial systems, in some cases enabling them to obtain additional financing from other sources. SAEDF is also gaining recognition in the market for its "investment engineering"; several clients have indicated that it was able to structure investments to meet their needs in ways that could not be accommodated by alternative funding sources.

More Efficient Provision of Infrastructure: RCSA activities have focused on efficiency concerns, rather than on building physical road or rail infrastructure. Performance monitoring during the reporting period indicated decreases in the average transportation cost (for problematic routes such as the Durban-Ndola and Beira-Ndola routes), that could be tied to USAID investments in transport efficiency and management activities.

Availability of telecommunications also improved significantly in 1998, with the number of service providers growing by 28%. This sharp increase is explained in large by the changes in telecommunications legislation to allow for the introduction of cellular phone services in the region. USAID has led regional efforts to develop model laws that stress independent regulation and private sector participation in the provision of infrastructure services. The model telecommunications law is a notable success. It has been approved by the SADC Transport Committee and Communications Ministers. All SADC countries are required to bring their national telecommunications laws into conformity with the approved regional model. USAID also provided assistance to several member countries in revising their national telecommunications laws.

Interventions made to date have resulted in drafting simplified and harmonized customs clearance procedures, which are in the process of being adopted by member states. Further notable achievements in 1998/99 include:

- The SADC Transport and Communications Protocol which will improve efficiency and help reduce transport costs: RCSA was instrumental in its design and ratification and is currently assisting in its implementation;
- RCSA assistance in the establishment of independent telecommunications regulatory authorities and the development of model telecommunications legislation. This has created a positive environment for private investment in this sector;
- The establishment of a computerized rail car tracking system (an ongoing project) which will enable railroads in the region to operate as a single, integrated system.
- RCSA intervention concerning customs and transit charge problems on the Trans-Kalahari highway

has resulted in a tripartite dialogue being established between Botswana, Namibia and South African stakeholders, which is addressing the bottlenecks of this important transport corridor.

LOBBYING INCREASES CORRIDOR USE: In a recent phone call, the owner of Anderson Transport (one of the largest trucking firms in Namibia) reported that, thanks to RCSA efforts to bring Trans-Kalahari Highway issues to Botswana officials, many of the problems that truckers had experienced when using the Trans-Kalahari Highway had been resolved. As a result, both his firm and another large Namibian trucking firm, F.P. du Toit, have dramatically increased their usage of this important transport corridor. This has resulted in quicker deliveries and decreased transport costs between Namibia and South Africa.

Advocacy for Sustained Regional Integration Strengthened: A distinct shift in viewpoint is evident in the debate over whether regional integration should be pursued. The discussion now is when, in what sectors, and under what institutional arrangements should it occur. This is illustrated by the Mozambique debate: Whilst previously there was widespread, uninformed debate over whether or not Mozambique should ratify the protocol, there is now consensus for ratification and a commitment to bring an offer to the TNF. This is the direct result of an RCSA intervention to bring the public and private sectors together to discuss the Trade Protocol and point out the benefits of developing a SADC Free Trade area. RCSA is now funding technical support to help Mozambique develop its negotiating position. RCSA will also duplicate the Mozambique experience elsewhere, as the need is identified.

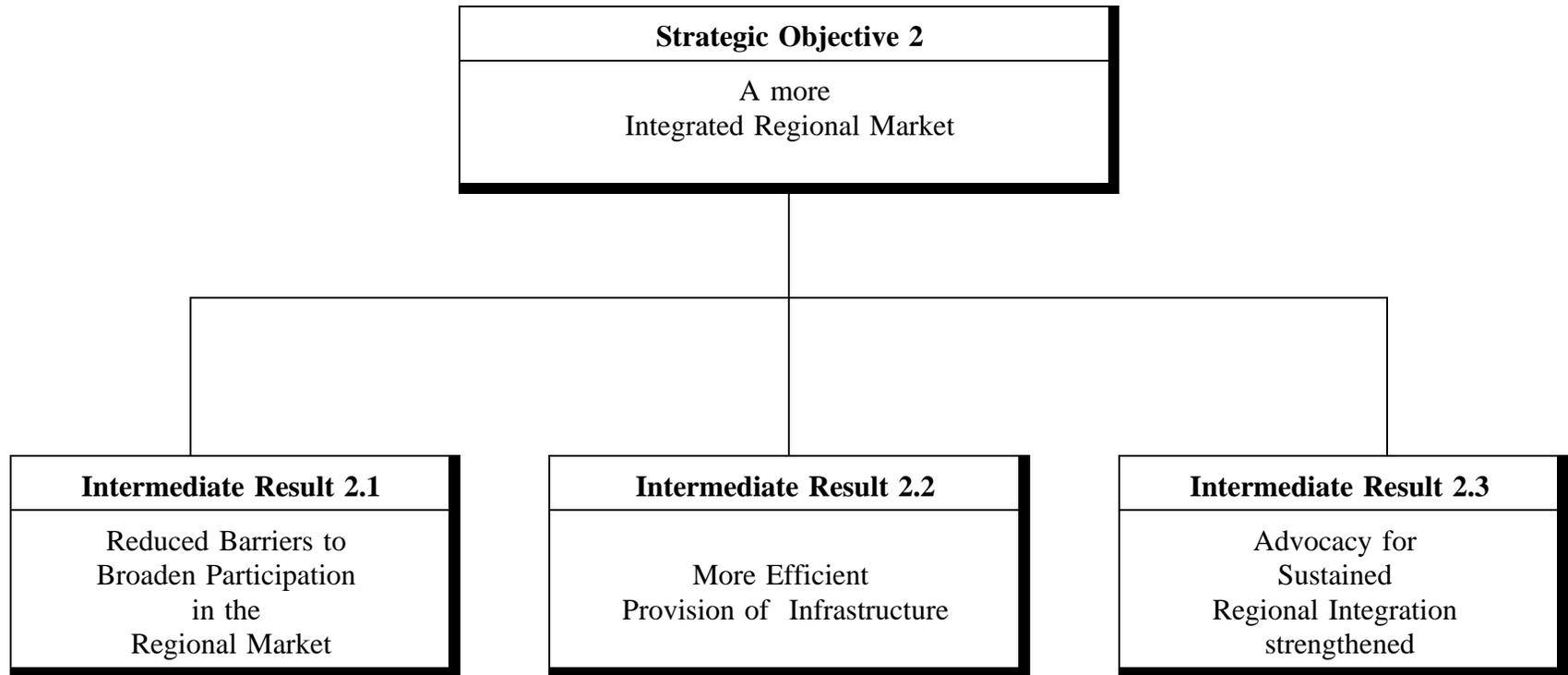
STRENGTHENED TRADE NEGOTIATION SKILLS: During a field trip to Zimbabwe, Ministry of Industry and Trade officials reported that they had noted that the Mozambique delegation to the TNF meetings was "unusually savvy" as a result of RCSA technical assistance. They requested that similar assistance be provided to Zimbabwe.

Notable success in advocacy and gender initiatives was achieved with the development of the Declaration of Women and Trade in SADC, which SADC women are now using as an advocacy tool in discussions with Government Ministers on trade issues.

EXPECTED PERFORMANCE THROUGH 2001: Despite concerns over the HIV/AIDS pandemic, conflict resolution and financial/currency management; the prospect for results in the SO remains positive. By 2001, RCSA support will have resulted in SADC developing plans and mechanisms to help mitigate these destabilizing influences. With RCSA support, the completion and ratification of the Trade and the Finance and Investment protocols is also expected before the end of 2001.

RCSA will have provided a "real-time" railroad equipment tracking system to the regional railroad systems. This would result in savings of more than \$10 million per year, in improved delivery schedules, and better utilization of railroad cars throughout the region. Member states will have adopted simplified and harmonized customs clearance procedures, which will result in reduced border clearance times. Advocacy for sustained regional integration will be further strengthened through eight networks in the region. These include such associations as freight forwarders, chambers of commerce, export associations, telecommunications regulatory authorities, trucker associations and central banks.

RCSA Strategic Objective 2



S02 Table 1: Value of Intra-SADC Trade

<p>STRATEGIC OBJECTIVE 2: A More Integrated Regional Market APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA</p>			
<p>RESULT NAME: A More Integrated Regional Market</p>			
<p>INDICATOR: Increased Value of Intra-SADC Trade</p>			
<p>UNIT OF MEASURE: U.S. \$million</p> <p>SOURCE: General sources are statistics offices, customs and revenue authorities, SADC sector and consultancy reports. 1997 data based on 1998 consultancy report by Imani Development (Pvt) Ltd and on own calculations. 1996 data submitted for last R4 compiled by a different consultant in 1997.</p> <hr/> <p>INDICATOR DESCRIPTION: Total exports (from each of the SADC countries to the other eleven). 1995 is the base year. Figures for 1996 and 1997 are adjusted for inflation - using GDP deflators.</p> <p>PROJECTIONS/TARGETS are guided by assumptions which regard real GDP growth and the beneficial impact of trade liberalization; and are given as a real increase of 2% per year through 1999 and 5% thereafter. These projections could still be refined further as more data becomes available.</p> <hr/> <p>COMMENTS : Since one SADC member's intra-regional exports are another member's intra-regional imports, it is sufficient to report on exports alone. Nevertheless, we do track total intra-SADC exports. Totals for intra-SADC import data compiled are close to those reported here for exports (\$9,127 million for intra-SADC imports in 1997). *1996 real intra-SADC trade value was revised downward from \$8,744 million in last R4 due to revisions in country data. Trade data has a one year a. 1997 data was available in 1998, 1998 data is not yet available.</p> <p>GDP growth is used as a basis for the trade expansion projections, because growth in GDP reflects growth in output which allows for increased exports. At the same time, GDP growth also reflects increased incomes which allow for growth in imports. In 1998 and 1999, the international financial crisis has slowed down global growth and therefore global demand for commodities exported by the region. In addition to this, the financial crisis had a direct adverse impact on South Africa, the largest economy in the region - so that even though the rest of the region may be able to manage average real growth in the region of 5% in 1998 and 1999, the slowdown in South Africa is likely to bring down the overall growth rate of the region to between 2% and 3%. From 2000 onwards, it is assumed however, that the region's growth will have reverted to about 5% or more, and that this growth will now be supported by the beneficial effects of trade liberalization which will have become more evident at that time.</p> <p>SO 2 progress indicators, such as <i>increased value of intra-SADC trade</i> (reflecting the expansion of South African exports in the region) and <i>convergence of wholesale prices</i> (reflecting increased price stability and the influence of increased trade) show the combined impact of USAID/RCSA, regional institutions and other donors' interventions.</p>	<p>YEAR</p>	<p>PLANNED</p>	<p>ACTUAL</p>
	1995(B)		9,044
	1996		8,417*
	1997	8,919	9,179
	1998	9,097	
	1999	9,279	
	2000	9,465	
	2001	9,938	
	2003(T)	10,957	

S02 Table 2: Proportion of Intra-SADC Imports Subject to Tariffs in Excess of 10%

<p>STRATEGIC OBJECTIVE 2: A More Integrated Regional Market APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA</p>			
<p>RESULT NAME: Reduced Barriers to Broadened Participation in the Regional Market</p>			
<p>INDICATOR: Decreased Proportion of Intra-SADC Imports Subject to Tariffs in Excess of 10%</p>			
<p>UNIT OF MEASURE: Percentage of total value of intra-SADC imports subject to tariffs in excess of 10%</p> <p>SOURCE: Baseline data derived from SADC briefing paper entitled, "‘Hard-Core’ Tariffs on Intra-SADC Trade, and their Elimination in the Context of the Implementation of the SADC Trade Protocol" (December 1997). RCSA engaged consultants to collect comparable data for 1997 and will do so again for 1999 and beyond. It should be noted that this is a complex exercise which cannot be carried out annually. It is proposed, therefore that it be done every two years.</p> <p>INDICATOR DESCRIPTION: Percentage of total intra-SADC imports subject to tariffs in excess of 10%, derived by weighing total value of intra-SADC imports into each country by the percentage of such imports subject to tariffs in excess of 10%. Note that the 1997 estimate is based on what is expected from tariff offers made by SADC countries. It does not report <i>actual</i> taxes paid at the boarder in 1997, for reasons explained above. Improvements in the indicator (lower values) reflect progress made in trade negotiations.</p> <p>COMMENTS: 1995 data for Angola not available, nor 1995 data on import shares by tariff range for Tanzania. Planned values for 1996-99 based on fact that only 3 countries had ratified SADC protocol at the end of 1997. Five countries have ratified it by the end of 1998. Only two more ratification are necessary for this protocol before it comes into force. Zimbabwe (among SADC members of COMESA) had published COMESA tariffs for 1996 at end of 1997.</p> <p>PLANNED VALUES starting from 1999 were based on assumption that protocol would be ratified and tariff schedule negotiated by the end of 1998, and that tariff reductions would be phased in over 6-8 years after ratification. Revised targets assume a 30% reduction between 1997 and 1999 and a total 50% reduction by 2001 and 60% reduction by 2003. These assumptions are guided by the magnitude of commitments being made under regional trade protocols. The assumptions, however, are more conservative than the commitments imply. Assumptions also take into account the expectation that RCSA's planned interventions to address implementation constraints will avert a slow down in the tariff reduction process.</p> <p>Note: *rough estimate-calculations using data gathered by Imani Development (Private) Limited</p>	<p>YEAR</p>	<p>PLANNED</p>	<p>ACTUAL</p>
	1995(B)		39.5
	1997	37.0	28.2*
	1999	25.9	
	2001	18.5	
	2003	15.0	

S02 Table 3: Cost of Transporting Imports

STRATEGIC OBJECTIVE 2: A More Integrated Regional Market				
APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA				
RESULT NAME: More Efficient Provision of Infrastructure				
INDICATOR: Reduced Transport Costs of Imports				
UNIT OF MEASURE: U.S. \$ at current prices	YEAR		PLANNED	ACTUAL
SOURCE: Quotations from railway and major road transporters	1997(B)	Durban to Ndola		3,100
		Beira to Ndola		2,676
	1998	Durban to Ndola	2,945	2,898*
		Beira to Ndola	2,542	2,520*
	1999	Durban to Ndola	2,798	
		Beira to Ndola	2,415	
	2000	Durban to Ndola	2,518	
		Beira to Ndola	2,174	
	2001	Durban to Ndola	2,266	
		Beira to Ndola	1,956	
	2003	Durban to Ndola	1,836	
		Beira to Ndola	1,584	
INDICATOR DESCRIPTION: Minimum cost (in US \$ by either road or rail) of transportation for an inbound full twelve-meter container. The least of the quotes is taken as the cost of transportation.				
COMMENTS: This indicator reflects the beneficial impact of RCSA's involvement with the transport and telecommunications protocols, and with adjustments to legislation.				
PLANNED VALUES indicate a reduction in transportation costs at the rate of 5% per year up to 1999 and then at 10% up to the year 2001 when costs are expected to stabilize with marginal reductions of 2% per year.				
<i>Note : * The data have been deflated using a rough 10% regional inflation estimate to give a preliminary real value, relative to 1997 values.</i>				

S02 Table 4: Licensed Telecommunications Service Providers

<p>STRATEGIC OBJECTIVE 2: A More Integrated Regional Market APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA</p>				
<p>RESULT NAME: More Efficient Provision of Infrastructure</p>				
<p>INDICATOR: Number of Licensed Telecommunications Service Providers</p>				
<p>UNIT OF MEASURE: Number of service providers</p> <hr/> <p>SOURCE: Surveys of telecommunication regulatory authorities/ministries</p> <hr/> <p>INDICATOR DESCRIPTION: Basic and cellular telephone services providers that have obtained licenses from SADC governments. Projections are based on a 10% annual growth rate in the number of service providers. This is based on the expected impact of more liberal telecommunications legislation.</p> <hr/> <p>COMMENTS: This indicator reflects the beneficial impact of RCSA's involvement with the transport and telecommunications protocols, and with adjustments to legislation.</p> <p>The number of telephone and cellular companies in the region serves as a proxy for the number of people who have access to telecommunications services. Planned figures show an increase of 10% p.a. based on projected impact of adjustments in telecommunications legislation to allow for cellular phone services.</p>	YEAR	# of Service Providers		
		Planned	Actual	
	1993 (B)		14	
	1997	27	28	
	1998	31	36	
	1999	34		
	2000	37		
	2001	41		
	2003	49		

**STRATEGIC OBJECTIVE 3:
Accelerated Regional Adoption of Sustainable Ag/NRM Approaches.**

PURPOSE AND BACKGROUND TO THE STRATEGIC OBJECTIVE: SO3 seeks to accelerate the adoption of sustainable crop production technologies and natural resource management (NRM) approaches in southern Africa, especially among small holders and rural communities. This is achieved by: 1) supporting the development and transfer of sustainable approaches for the management of the environment, particularly communal natural resources and to improve the productive capacity of small-holder agriculture; 2) influencing the adoption of national and regional policies that advance sustainable natural resource management and agricultural production; and, 3) supporting the development and expansion of networks that bring together policy makers, end-users of technologies and private sector groups for policy advocacy dialogue, conflict resolution and sharing of promising results.

The RCSA's strategy for SO3 focuses on achieving two major Intermediate Results: *Functioning systems for transferring Ag/NRM technologies and best practices across the region (IR1)*; and the *adoption of an Enabling Policy Framework (IR2)*. The structure of the SO is detailed more fully in Fig 1. Through this program USAID will build regional institutional capacities to develop and test new technologies and approaches, and improve data and analysis for developing market driven food and agricultural policies.

Two international agricultural research centers (ICRISAT and IITA) and the University of Florida are grantees working with the 12 SADC national agriculture research institutions. Other implementers include the IUCN's Regional Office for Southern Africa, SADC's wildlife unit, and several Southern African NGOs. USAID is the major donor supporting agricultural research and community-based natural resource management. Other donors include Canada, Germany, the UK, the EU, and the Nordic countries. To build on the success of Botswana NRMP, RCSA will coordinate with Netherlands aid agency, which is likely to support CBOs in Botswana following the closure of Botswana NRMP in 1999.

SUMMARY OF PERFORMANCE: The SO performance has exceeded expectation. In 1998 the total area under CBNRM in RCSA's regional NRM program in Botswana, Namibia, Zambia and Zimbabwe increased to 38.3 million hectares. This exceptionally high rate of adoption is the result of governments adopting policies conducive to CBNRM, effective regional networking, increased awareness at the community level, and a receptive environment for approaches which increased income and employment in rural communities. Program growth in Namibia alone was 1.6 million hectares after the first four "conservancies" were gazetted.

REGIONAL EXCHANGES INFLUENCE NATIONAL PRIORITIES: Following a CBNRM information exchange and sensitization visit organized last year for parliamentarians, CBNRM issues were raised in the Parliaments of Zambia, Mozambique and Namibia. Mozambique's Deputy Minister of Agriculture & Fisheries, brought CBNRM issues to the attention of President Chissano, who indicated his desire to establish two CBNRM sites in each province by 2000. SADC/NRMP will host similar visits for other countries.

To date, SO3 programs have resulted in the release of more than 30 improved sorghum and millet varieties and the selection of appropriate cassava and sweet potato lines for several agroecological zones. Adoption of these improved drought-tolerant sorghum and pearl millet varieties developed by

the USAID/ICRISAT sorghum and millet improvement program (SMIP) is proceeding on target (See SO3 Performance Data Table 1). The SMIP phase-III target set for sorghum and millet (10-20 % of farmers in target areas adopting improved varieties) has been achieved ahead of schedule. The popularity of the improved varieties is due largely to their drought-tolerant characteristics which increases food security in drought years as well as free seed given through drought and post-war resettlement programs (formerly in Mozambique and most recently in Angola).

Cassava and sweet potato varieties developed by the RCSA funded Southern Africa Root Crops Research Network (SARRNET) are becoming more popular as more countries promote drought mitigation strategies that involve crops other than maize. Total production of sweet potato for Angola, Mozambique, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe increased by 21 percent during the period 1992-1998. While production for cassava increased by 20 percent, increasing the food security of these countries -- thus demonstrating the impact of regional programs on bilateral economies.

Adoption of an Enabling Policy Framework. Progress is evident in increased policy dialogue and advocacy activities by southern Africans in agriculture and NRM. An enabling environment for CBRNM has been achieved through the adoption of new national laws, regulations and policies in Botswana, Malawi, Namibia, Zimbabwe and Zambia. In Zambia changes include a Wildlife Act which establishes and empowers Community Resource Boards to manage wildlife in Game Management Areas. In Botswana the proposed policy aims to expand beyond wildlife, and includes forest, veld and fisheries resources.

POLICY CHANGES IN NAMIBIA : RCSA's support for a natural resource accounting activity implemented by New York University and the Namibia Nature Foundation directly influenced natural resource policy in water conservation, marine fisheries and land degradation. Several modifications to Namibia's marine fisheries policy are now proposed - an increase in quota levies, changes in allocation of fishing rights and stricter monitoring of fisheries.

At regional level a draft of the SADC Wildlife Management Protocol has been prepared with support from RCSA and will be tabled for adoption at the next SADC Council of Ministers meeting in May/June 1999. With respect to agriculture, a growing number of SADC countries recognize the importance of producing drought-tolerant crops to improve food security. Tanzania, Malawi, Zambia and Zimbabwe--four principal beneficiaries of SMIP and SARRNET--made changes to their national agriculture research master plans to increase support to cassava, sorghum, millet and sweet potato. Interestingly, pictures of sorghum, cassava and millet now appear on the Zambian higher denomination currency notes.

Functioning systems in place for transferring Ag/NRM technologies and best practices in the region. RCSA support has strengthened the Southern Africa Center for Cooperation in Agricultural Research (SACCAR) in research coordination and impact assessment, and enabled three regional agricultural research networks (SMIP, SARRNET, and the Heartwater Livestock Disease Control Program) to facilitate regional research partnerships in nine SADC countries. These regional networks provide national agricultural research systems with high-yielding varieties for local testing and release; help build capacity within the national systems; and facilitate information exchanges among them. More than 100 research scientists, 200 technicians, and 800 staff and decision-makers in the national research

systems have to date been trained, resulting in improved research planning in management skills. Progress is evident in the SMIP research agenda and work plan (1998/99) that was jointly developed by network members. RCSA awaits the final outcome of the reorganization of SACCAR by a special Reference Group of distinguished African research scientists before continuing further support.

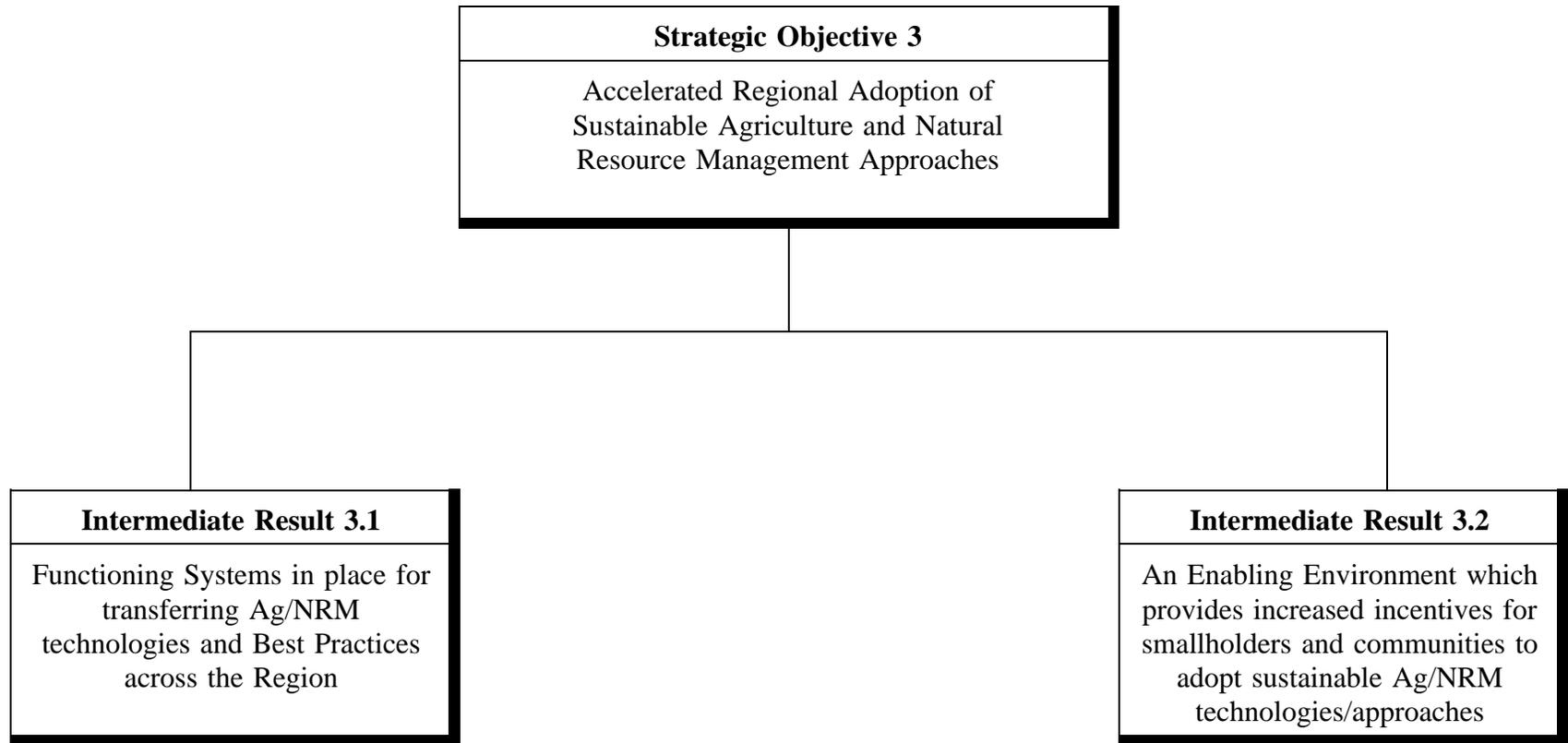
MILLIONS TO BE SAVED BY VACCINE DEVELOPED WITH RCSA SUPPORT: The RCSA-funded Heartwater Regional Research Project has been successful in the development of vaccines for the control this important tick-borne disease affecting the SA region. The world's largest veterinary pharmaceutical company has committed resources to the project to conduct a production scale-up in 1999. Heartwater costs the region more than \$80 million annually in livestock losses and pesticide purchases. The vaccine would benefit all sub-Saharan Africa livestock and wildlife. This is an example of regional efforts directly contributing to benefit flows at the national level.

Successful demonstrating of CBNRM approaches has led to a rapid increase in the rate of adoption. Increased private sector involvement with CBNRM groups in managing and marketing products and tourism is now clearly evident, with 31 community-private sector partnerships in Zimbabwe, Botswana and Namibia. National networks are emerging to link CBOs to legal, technical and business advice from local service providers. Increased attention to gender considerations has resulted in more women benefiting from the CBNRM activities. In Botswana, income from the harvest and marketing of veld products rose by 500 percent between 1996 and 1998 for 400 women in the Tswapong Hills area. In Namibia thatching grass sales and crafts produced by women's enterprises accounted for nearly 50 percent of the program's total income.

EXPECTED PERFORMANCE THROUGH 2001: Building on the accomplishments under the current SO3, RCSA's strategy in the agriculture and NRM area will focus on three major issues during 1999-2003: the management and sustainable use of natural resources that are shared between countries, e.g., water resources and wildlife; increasing access to regional markets to improve the demand for and supply of new technologies and practices; and, policies, laws and regulations to promote rational and sustainable development of the region. Linking national NRM CBO networks into a regional network for the purpose of increased policy advocacy will be a key activity to be undertaken in 1999.

The anticipated efficiency gains resulting from linking of Ag/NRM approaches under one SO has not materialized, prompting RCSA to propose two separate SOs, respectively focusing on agriculture and natural resources management in the region. RCSA is proposing to merge the natural resource management activities under the current SO3 and SpO-A into the new SO3 (NRM and Environment). The proposed new SO3 will focus on NRM, including the management of natural resources that extend across national boundaries (Annex H). The new SO4, (described in Annex I), for agriculture will focus on the development of regional markets for agricultural trade to increase the demand for sustainable and profitable technologies and products. Annex H and Annex I provide results frameworks (tentative) for SO3 and SO4. Final details for SO3 and SO4 for AID/AFR review and approval will be submitted in May 1999.

RCSA Strategic Objective 3



S03 Table 1: Area under Improved Agricultural or Natural Resources Management

STRATEGIC OBJECTIVE 3: Accelerated Regional Adoption of Sustainable Ag/NRM Approaches			
APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA			
RESULT NAME: Accelerated Regional Adoption of Sustainable Ag/NRM Approaches			
INDICATOR: Area Under Improved Agricultural or Natural resources Management			
<p>UNIT OF MEASURE: Thousands of hectares.</p> <hr/> <p>SOURCE: Mission and project reports</p> <hr/> <p>INDICATOR DESCRIPTION:</p> <p>Hectares under management apply for those areas in which USAID-funded efforts take place. In the case of Natural resource Management, it applies to those delimited areas in which NRMP is active. RCSA assumes zero baseline level (1989 for NRMP, 1984 for sorghum & millet)</p> <hr/> <p>COMMENTS:</p> <p>In 1998, the Steering Committees of the SMIP and SARRNET projects were reconstituted with private sector and NGO representation. Consequently, these agricultural research projects have broadened their customer base and have refocused research development and transfer activities towards a regional market This is expected to accelerate adoption by creating a bigger demand for the produce.</p> <p>As discussed earlier, the entire strategic objective result framework is under review and may result in two separate SOS. A complete set of indicators and corresponding targets for the new result framework will be developed during 1999, which will more accurately demonstrate the spread of improved varieties. If this indicator stays, then the targets for CBNRM will be revised as the 2003 target has already been over-shot.</p> <p>Although the target of 10-20% of farmers in target areas adopting improved sorgum and millet varieties has been achieved ahead of schedule, total area under these varieties in the region were negatively affected by free seed given through drought and post-war resettlement programs (formerly in Mozambique and most recently in Angola).</p>	YEAR	PLANNED	ACTUAL
	1984(B)		<p>CBNRM: Nil</p> <p>Millet: Nil</p> <p>Sorghum: Nil</p>
	1996		<p>CBNRM: 6,253</p> <p>Millet: 155</p> <p>Sorghum: 327</p>
	1997	<p>CBNRM: 6,878</p> <p>Millet: 171</p> <p>Sorghum: 360</p>	<p>CBNRM: 6,907</p> <p>Millet: 218</p> <p>Sorghum: 294</p>
	1998	<p>CBNRM: 7,566</p> <p>Millet: 188</p> <p>Sorghum: 396</p>	<p>CBNRM: 15,452</p> <p>Millet: 201</p> <p>Sorghum: 310</p>
	1999	<p>CBNRM: 8,322</p> <p>Millet: 206</p> <p>Sorghum: 435</p>	
	2000	<p>CBNRM: 9,155</p> <p>Millet: 227</p> <p>Sorghum: 479</p>	
	2001	<p>CBNRM: 10,071</p> <p>Millet: 250</p> <p>Sorghum: 527</p>	
	2003	<p>CBNRM: 12,185</p> <p>Millet: 302</p> <p>Sorghum: 637</p>	

S03 Table 2: Stage of Development and Adoption of Policy Framework

STRATEGIC OBJECTIVE 3: Accelerated Regional Adoption of Sustainable Erg/NRM Approaches			
APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA			
RESULT NAME: An Enabling Environment Which Provides Increased Incentives for Smallholders to Adopt Sustainable Ag/NRM Technologies and Approaches			
INDICATOR: Adoption of Policy Framework			
<p>UNIT OF MEASURE: Stage of Development and Adoption</p> <hr/> <p>SOURCE: USAID Mission Reports</p> <hr/> <p>INDICATOR DESCRIPTION:</p> <p>Policy frameworks for both agriculture and natural resources management will be developed. The stages are: 1) task force(s) constituted for reviewing policies that constrain Ag/NRM development; 2) draft policy framework prepared; 3) policy framework approved; 4) policy framework implemented.</p> <hr/> <p>COMMENTS:</p> <p>*Four Permanent Secretaries of Agriculture--RSA, Zimbabwe, Namibia and Malawi--are establishing a regional network to develop unified positions on agricultural trade; harmonization of national legislation to facilitate regional trade and investment; and, improve collaboration and information sharing between national governments and the private sector. RCSA plans to support their effort, beginning 1999.</p> <p>In NRM, Directors of Wildlife Departments meet periodically to discuss issues of concern. In November 1998, Permanent Secretaries of Environment Ministries were brought together to discuss policy implications of community/private sector linkages in the development of eco-tourism ventures. This group of senior policy makers will continue to facilitate policy dialogue across the region.</p>	YEAR	PLANNED	ACTUAL
	1997(B)		None
	1998	Task force constituted	Task forces constituted
	1999	Draft Policy Framework	
	2000	Policy Framework reviewed with relevant policy makers with participation from private sector and civil society	
	2001	Policy Framework approved	
	2003(T)	Policy Framework approved and implementation begun	

S03 Table 3: Regional Networks Established & Strengthened

<p>STRATEGIC OBJECTIVE 3: Accelerated Regional Adoption of Sustainable Agricultural & Natural Resource Management Approaches APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA</p>			
<p>RESULT NAME: Functioning Systems in place for transferring Ag/NRM technologies & Best Practices across the Region</p>			
<p>INDICATOR: Regional CBNRM and agriculture research networks established and strengthened</p>			
<p>UNIT OF MEASURE: Number of Networks that are established and strengthened in each of 4 developmental stages. SOURCE: USAID, Regional NGOs INDICATOR DESCRIPTION: # of networks at the four developmental stages defined by: a. Organized & functioning with partners b. Have operating plan to identify sufficient local resources to sustain the network c. Are implementing their plan with 50% local funds d. Are able to function without international support. COMMENTS: Networks at level >"a" are BOCOBONET, SADC CBNRM NETWORK CAMPFIRE ASSOCIATION, NACOBTA* CBNRM ASSOCIATION OF NAMIBIA Networks at level "b" are: SABONET, SARRNET, SMIP</p>	YEAR	PLANNED	ACTUAL
	1998(B)		a. 5 b. 3
	1999	a. 8 b. 5	
	2000	a. 5 b. 6 c. 3	
	2001	a. 3 b. 5 c. 6 d. 4	
2003	a. 3 b. 5 c. 6 d. 6		

* Namibian Community Based Tourism Association

SPECIAL OBJECTIVE A (SpO-A):
Increased Regional Capacity to Manage Transboundary Natural Resources.

PURPOSE AND BACKGROUND OF THE SPECIAL OBJECTIVE: The Special Objective addresses the need for an integrated regional approach to the management of transboundary natural resources (water and wildlife). Southern Africa is a region renowned for the richness of its natural resources, particularly wildlife, wetlands and river basins (e.g. Okavango Delta), and other unique natural areas (e.g. Victoria Falls), which are the basis for a growing tourism industry. Many of these resources are shared by several countries and virtually all of the region's river basins straddle or cross national boundaries. Wildlife migration across the national boundaries is a natural phenomena. Sustainable development and conflict management in Southern Africa hinge on effective management and coordination of transboundary natural resources.

Regional and national organizations have not been able to take full advantage of the potential of the region's unique wildlife and extensive network of protected areas due to lack of resources, limited capacity of regional institutions and lack of regional mechanisms (protocols, laws and regulations) governing the management of transboundary natural resources, especially migratory wildlife, particularly in parks along international borders and river basins.

SpO-A was developed in mid-1997 to explore and crystallize RCSA's role in TBNRM, as well as to address critical capacity constraints in regional and national institutions. Three Intermediate Results are identified as further detailed in Fig. 1: *Strengthened Regional Institutional Capacity (IR1)*, *Increased National Capacity in Key Areas (IR2)* and *Models for Improved TBNRM Developed (IR3)*.

Key partners implementing activities under the SpO-A are: the SADC WSCU based in Lesotho, the Peace Parks Foundation and other regional NGOs, and major donors. USAID is among the few donors supporting the development of an integrated Regional approach to the management of shared resources. Other principal donors supporting TBNRM are: Sweden supporting the Southern African Initiative for Support to Sustainable Management of Water Resources, the World Bank supporting transboundary park planning in the region and regional initiative in participatory water resource policy reform.

SUMMARY OF PERFORMANCE: The SpO-A's performance is on track. It has achieved success in its exploratory work to further define the RCSA's role and focus in TBNRM and in addressing immediate capacity needs. By building on a receptive environment, as evident by new transboundary conservation areas (Kalagadi, Kruger-Banhine and Lake Malawi), and new watershed management plans (Drakensburg-Maloti, Okavango, Zambezi), RCSA has successfully defined a strategic regional role.

At the objective level RCSA efforts have focused on understanding the dimensions of the problem and identifying opportunities for assistance. USAID funded a major assessment of the regional water sector in 1995, which has been the basis for considerable discussion among governments, donors and NGOs, and has helped identify new initiatives. On the policy front, the Protocol on shared Watercourse Systems (the "Water Protocol") has been ratified by SADC member countries ahead of schedule (SpO-A Performance Data Table 1). Legal and policy constraints to the implementation of the protocol have

been analyzed. A legal advisor provided by RCSA recommended amendments to the SADC Protocol to bring it into line with the United Nations Convention on Non-Navigable Uses of International Watercourses. This will facilitate ratification by all countries in the region.

RCSA is assisting SADC with the implementation of the regional water protocol, including training for legal experts and technicians, raising public awareness of the protocol, and providing technical assistance for preparing and implementing priority actions. A final work plan has been approved by the SADC Water Sector Ministers to develop guidelines for the management of international river basins and to articulate roles and responsibilities of the various institutions involved. A plan to map and reach agreement on the boundaries of the 15 shared river basins in the region, and consensus to harmonize national water legislation with the regional Protocol is expected to be concluded in May 1999. Despite civil war in Lesotho during much of last year, the SADC/WSCU with assistance from the RCSA has produced a brochure on the Water Protocol and water resources in three languages which is being distributed throughout the region. The Protocol represents the strong political will and consensus on the part of the region's governments to jointly manage their scarce water resources, and these activities are only the begin of the difficult process of converting political commitment into action.

The SADC Wildlife Protocol is in the final stages of development. An assessment of the ecological, economic, political and social feasibility of creating additional transfrontier conservation areas in Southern Africa, which seem to offer potential for both improved conservation and higher financial returns from eco-tourism, has been completed.

Strengthened Regional Institutional Capacity - Capacity-building grant proposals were reviewed for grants in early 1999. Building upon the synergy between SO3 and SpO-A, the RCSA's ongoing support to IUCN/ROSA under NETCAB (funded by SO3), is strengthening one of the region's key NGOs that is involved in TBNRM. Baseline information has been compiled through an assessment of the extent to which local NGOs are actively involved in TBNRM; 22 NGOs have been assessed (SpO-A Performance Data Table 2). This information will form the basis for the selection of implementing partners and identification of interventions to strengthen their ability to deal with regional issues.

Increased National Capacity in Key Areas - Training needs assessment has been completed for SADC and its partners. This has led to the design of an innovative program of advanced skills training for mid-level professionals in the areas of international water law, conflict management, water demand management and conservation, ecological aspects of river basin management and transboundary parks management. The strength of the program is, however, the linkage of regional and US-based expertise to ensure the long-term sustainability of the training effort.

Models for Improved TBNRM Developed - The RCSA has defined its role in the area of transboundary conservation areas and international river basin management (SpO-A Performance Data Table 3). Two studies, supported by RCSA, one on transboundary conservation areas and the other on the Water Sector made important contributions to the understanding of the scope and potential benefits to a transboundary management approach. The Transboundary Conservation Areas Study results helped countries learn from initial efforts at creating transboundary parks in the region and built consensus on the future direction and provided criteria for initial site selection for development of

model TBNRM approaches. The Greater Okavango-Capriivi Ecosystem has been tentatively targeted as the first area of intervention. The Water Sector study helped shape the SADC Roundtable on Integrated Water Resources Management and helped set regional priorities in this area. The two studies provided further impetus for a revised mission strategic objective focussing on NRM and TBNRM.

The Chief Planner of the Kwa Zulu Natal Nature Conservation Service in South Africa reported using concepts gleaned from the RCSA's TBCA report and workshops to develop a checklist of all the biophysical, social, economic, institutional and political issues that need to be addressed in establishing a new TBCA. This checklist has been successfully used in internal planning, funding proposals to donors and in discussions among roleplayers in establishing the first marine TBCA between South Africa and Mozambique.

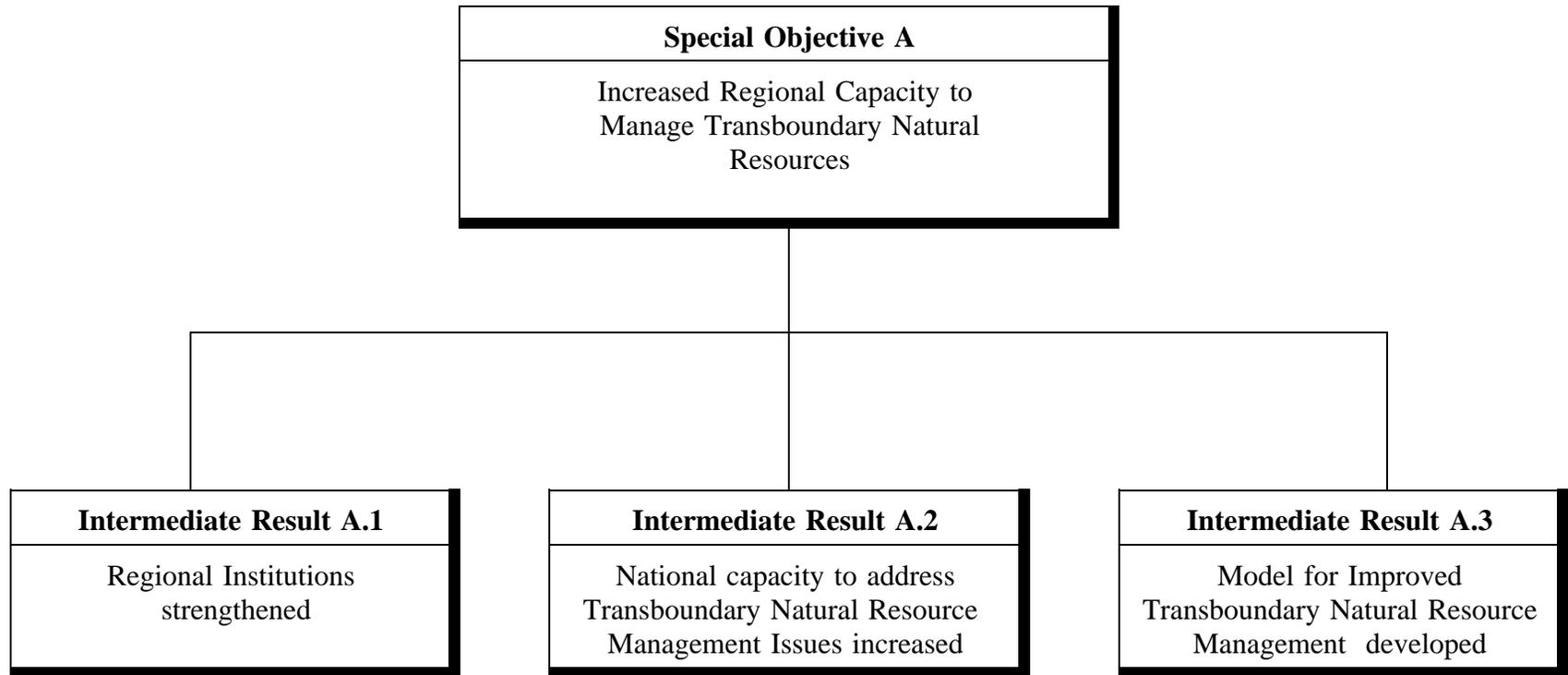
EXPECTED PERFORMANCE THROUGH 2001: The SpO-A addresses a vital area of regional development. The receptive environment for interventions at the regional level, and the early progress achieved by SpO-A has led RCSA to reassess the importance of this Objective as part of its overall Strategy. Managing this objective as a Special Objective could dilute its impact, and lead to management inefficiencies. Therefore RCSA plans to integrate the SpO-A with the natural resources component of the existing SO3 to improve coordination and develop a revised SO3. The results of studies and consultations have led to the consensus that the RCSA needs to devote significant effort to transboundary natural resource management, expanding present investigatory and capacity-building efforts. An illustrative Results Framework for SO3 is presented in Annex H.

The prospects for significant progress in an expanded program of TBNRM activities under the revised SO3 appear good. By 2001, the RCSA expects to further strengthen the regional policy environment for managing TBNRM by assisting SADC to translate the regional Water Protocol into appropriate national legislation and to ratify the protocol for wildlife management.

The Regional capacity for TBNRM will have been strengthened. Three or four regional NGOs will have developed capacity to play a more prominent role in advocacy, training, disseminating best practices, and monitoring the state of the environment. Regional training courses in water as well as transboundary Park management will be established. Training will have been provided to more than 200 mid-level water professionals as well as 25-30 transboundary park managers.

In addition to laying the policy and institutional foundations for improved management at the regional level, the RCSA will utilize at least two transboundary natural resource management areas (watersheds or conservation areas) to introduce sustainable management practices and implement the guidelines developed at a regional level.

RCSA Special Objective A



SpO A Table 1: Summary Status of SADC TBNR Protocols (Water and Wildlife)

<p>SPECIAL OBJECTIVE A: Increased Regional Capacity to Manage Transboundary Natural Resources APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA</p>			
<p>RESULT NAME: Increased Regional Capacity to Manage Transboundary Natural Resources</p>			
<p>INDICATOR: Steps Taken Towards Making TBNR Protocols Operational</p>			
<p>UNIT OF MEASURE: Stages of Protocol Development and Implementation SOURCE: SADC INDICATOR DESCRIPTION: There are at least two protocols, one for water and one for wildlife. The stages are: Protocol drafting, signing by member countries, ratification by at least two thirds of member states, policy and legal constraints identified and reformed, and implementation. COMMENTS: The SADC Protocol on Shared Watercourse Systems has now been ratified & the Water Sector Coordinating Unit has started working on projects that support the goals of the Protocol. RCSA is funding activities to smooth implementation of the Protocol - management training, harmonization of legislation & technical assistance. The SADC Protocol on Wildlife, has not been ratified but various activities are under way through the Wildlife Technical Coordinating Unit in Malawi. Targets for 2000 and 2001 adjusted to reflect actual experience to date.</p>	YEAR	PLANNED	ACTUAL
	1997(B)		Water protocol signed by all SADC countries except Angola, & ratified by 6 countries; wildlife in early draft
	1998	Water protocol ratified by two thirds. Wildlife protocol ready for signing.	Water protocol ratified by 10 countries making the required two-thirds. Wildlife Protocol in draft stage.
	1999	Water basin boundaries delineated. Legal and policy constraints identified. Wildlife protocol signed by 8 countries.	
	2000	Wildlife protocol ratified by two thirds. National policy and legal systems in harmony with water protocol in 4 countries.	
	2001	Requisite legislative changes made in countries. Preparations for establishment of management structures underway in 1 instance each of river basins and conservation areas	
2003(T)	Management arrangements in place for 3 water basins and/or 3 conservation areas.		

SpO A Table 2: NGOs Involved in TBNR Management

<p>SPECIAL OBJECTIVE A: Increased Regional Capacity to Manage Transboundary Natural Resources APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA</p>			
<p>RESULT NAME: Regional Institutions Strengthened</p>			
<p>INDICATOR: Number of Regional NGOs Actively Involved in TBNR Management</p>			
<p>UNIT OF MEASURE: Number of NGOs SOURCE: Survey of NGOs</p> <p>INDICATOR DESCRIPTION: The criteria for determining level of active involvement by an NGO are number & diversity of activities, budget & staff size, length of involvement in TBNRM.</p> <p>COMMENTS: A comprehensive list of possible candidates was developed from existing databases & expert opinion; 43 NGOs were visited of which 17 were currently involved in TBNRM activities and 6 in one/more of 4 planning stages only. An Index of Active Involvement was created by summing the standardized scores obtained by an NGO on 5 variables (proportion of budget dedicated to TBNRM work; proportion of staff dedicated to TBNRM work; number of TBNRM projects underway; diversity of TBNRM activities & number of project years spent on TBNRM). Those organizations falling above the 50th percentile of cases were defined as “actively involved”. Survey coverage estimated at 75%. Useful data also collected on those NGOs in planning stages of TBNRM involvement & organizational constraints to greater involvement which will inform decisions as to which NGOs to support & what capacity building activities to fund. Activities will aim not only to improve the number of actively NGOs but to the scores of those less actively involved. Targets adjusted in the light of failure to meet 1998 target & the stricter methodology used in the assessment.</p>	<p>YEAR</p>	<p>PLANNED</p>	<p>ACTUAL</p>
	1997(B)		7
	1998	10	8
	1999	9	
	2000	10	
	2001	11	
	2003(T)	12	

SpO A Table 3: Adoption of Selected TBNRM Best Practices

<p>SPECIAL OBJECTIVE A: Increased Regional Capacity to Manage Transboundary Natural Resources APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA</p>			
<p>RESULT NAME: Models for Improved TBNRM Developed</p>			
<p>INDICATOR: Adoption of Selected TBNRM Best Practices</p>			
<p>UNIT OF MEASURE: Stages of Development and Adoption SOURCE: USAID, SADC and Regional NGOs INDICATOR DESCRIPTION: TBNRM management is a new concept in the region and formal agreements and strategies are just now being developed. Best practices will be documented as they develop and adoption rates assessed. COMMENTS: A comprehensive assessment of TB Conservation Areas was carried out in 1998. Existing practices & models in the region and internationally were identified. Terms of Reference have been drafted for Developing Guidelines for Shared River basin Management have been drafted to include a world-wide assessment of river basin management experience.</p>	<p>YEAR</p>	<p>PLANNED</p>	<p>ACTUAL</p>
	1997(B)		None
	1999	Two best practices (River Basin Management and Transfrontier Conservation Management) identified.	TBCA best practices identified; no progress on identification of River Basin Management Practices
	2000	River Basin management & TBCA models identified and debated region wide	
	2001	Sites debated for demonstration of TBCA and River Basin management best practices. Work initiated.	
	2003(T)	At least 3 river basin and 3 transfrontier conservation adoptions of best practices.	

SPECIAL OBJECTIVE B (SpO-B):
Create Capacity for More Informed Regional Decision Making

PURPOSE AND BACKGROUND TO THE SPECIAL OBJECTIVE: SPO-B seeks, both within the mission and in the region, to develop a coherent and wide ranging basis for assessing "regional interests and impacts related to decisions made at both the regional and national levels". The RCSA's 1997-2003 Strategy details two phases of the approved SpO as:

Phase-I to provide the RCSA with the tools necessary to monitor, evaluate and assess the impact of its development programs, both to meet agency requirements and to enhance the management of USAID's portfolio for results; and

Phase-II (conditional), to explore ways to strengthen Southern African regional capacity for making more informed decisions relating to regional development and measure progress toward regional development goals. The exploratory phase has been completed during 1998 and implementation will begin in 1999.

SUMMARY OF PERFORMANCE: The performance of the SpO is on track.

Phase-I progress and accomplishments: This year the RCSA's efforts were focused on consolidating activities initiated in the last quarter of 1997 under phase-I, to provide the tools necessary to monitor, evaluate and assess the impact of its development programs and enhance the management of USAID's portfolio for results. This included defining results framework, identifying key data and information needs for four SOS, and strengthening synergy within the program. During this year the RCSA also focused on the development of methodologies for performance planning, monitoring, and evaluation, including assessing the impact of regional development programs. A customer service plan and performance monitoring framework were completed, which are both realistic and objectively verifiable and are within the RCSA's manageable interest. Constraints and delays relating to the fielding of long term technical assistance contract team to implement various activities under this SO were resolved. Complexities of identifying regional data sources, collecting and analyzing regional data, and assessing impacts of regional interventions were underestimated and involved significant deployment of personnel and financial resources. These constraints were largely overcome as can be seen from the impact information presented under various SOs in this report.

During this year the RCSA, in order to strengthen its capacity for assessing regional interests, policy, regulatory and development trends and impacts, has also identified an analytical agenda (internal) which involves analyses of policies and economic trends in the region and their long-term implications. The analytical agenda is now under implementation (see Annex J, Part 1 for topics). It focuses on strategic issues that go beyond the analyses undertaken in support of performance measurement of the SOs. These analyses will also complement the data and information available to the SO teams and their partners, facilitating better planning of interventions and appraisal of strategy results. There are also two other key beneficiaries of the analytical agenda's outputs: the U.S. government entities that either require or provide information about the region to the U.S. policy planners and decision makers in the Southern Africa.

Phase-II progress and accomplishments: Substantial progress was also achieved under phase-II, notwithstanding the focus this year on consolidating and improving activities initiated under phase-I. The RCSA has determined the approach to phase-II, its implementation in FY 1999 and the results framework. This was based on a series of consultations, both within and outside the mission. The insights and experience gained this year on the following elements was essential for defining the approach to phase-II and its activities. These elements were: the sources and availability of regional data, its quality and timeliness, the range of Southern African institutions collecting and analyzing regional level data, and their capacity to meet the information needs of decision makers.

At a workshop held at the RCSA in February 1999, a special session was held with potential grantee partners to explain and amplify the SpO-B, the Mission's analytical agenda and the approach to creating capacity for more informed regional decision making. The observations and conclusions of the participants are presented in Annex J, Part 2. The RCSA has also initiated consultations with sectoral decision makers in the region to assess their information needs especially in the policy area. For example, RCSA facilitated the meeting of permanent secretaries of agriculture in the region who identified information needs for coordinating and adjusting food and agricultural policies in the region.

Based on the above activities the following is proposed by the RCSA for phase-II.

1. Promoting a regional analytical agenda of strategic issues in the region which will be used by decision makers in the region. Analyses and information for policy making will be supplied by the existing and credible sources, some of which will be strengthened. The regional analytical agenda will be identified by the regional decision makers such as SADC, national governments and private sector associations. This will ensure that the analytical agenda and analyses undertaken will be demand driven and will eventually be paid for by the users -- key to sustainable capacity.
2. Facilitating linkages between decision makers (users of analyses in public and private sectors) and suppliers of data and analyses.
3. Strengthening the analytical capacity of 4-5 Southern African institutions, to provide information and analyses needed by decision makers in the region (e.g SADC and its technical units). This will lead to long term impact and eliminates the region's dependency on offshore expertise and reduces the overall cost of information and analyses, incurred by regional decision makers which is often funded by donors. More importantly this brings into focus Southern African perspectives and ownership. Work is in progress to determine the criteria for identifying the institutions. Existing and potential capacity as well as sustainability will be among the key selection criteria. Information is also being collected on other donors current or planned activities of this nature. The European Union, the United Kingdom, and Canada have expressed strong interest in collaborating with USAID and SADC on this activity
4. Assisting selected institutions in developing long term partnerships with the state-of-art U.S. institutions (Think Tanks) well known for their strategic analytical capacity.

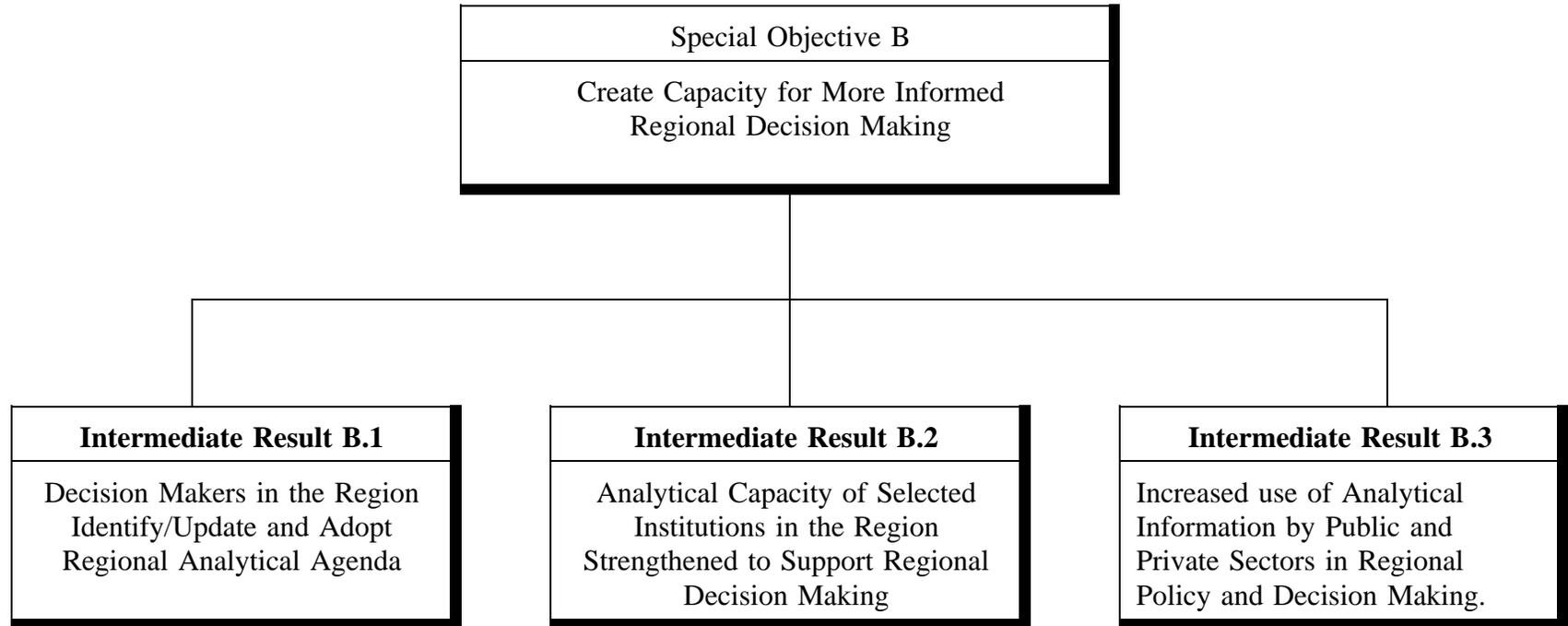
Results Framework: A Results Framework to guide implementation of Phase II has been developed and is presented in Figure 1. Three intermediate results (IRs) are identified. They are: *Decision Makers in the region identify/update and adopt regional analytical agenda* (IR1); *Analytical capacity of*

selected institutions in the region strengthened to support regional decision making (IR2); and Increased use of analytical information by public and private sectors in regional planning (IR3).

EXPECTED PERFORMANCE THROUGH 2001: Under phase-I the RCSA's results monitoring, impact assessment and analytical agenda implementation will continue. Four activities are planned under phase-II.

1. The RCSA will review the results framework and adjust it as needed;
2. Regional analytical agenda will be identified by the regional decision makers. The RCSA will facilitate linkages between the decision makers and institutions capable of supplying and/or having potential to supply required analyses. Initially this could take the form of a Southern African Decision-Makers' Round Table which will identify key regional integration themes that they collectively perceive as most urgent, complex and regionally pertinent, as well as provide input on institutions they are already using to assist them in policy analysis, and other institutions with potential;
- 3.a) Selection of institutions for analytical capacity strengthening based on objective criteria such as: current capacity of key private and public sector institutions in the region for policy analysis results dissemination, resources--both human and financial, cost recovery policies and sustainability and
b) Activities for increasing the capacity of institutions selected in 3.a in progress.
4. Facilitating partnerships between the regional institutions selected for capacity strengthening and U.S. based think tanks.

RCSA Special Objective B



Illustrative Indicators:

1. Progress made in the process of identifying and adopting a regional analytical agenda by decision makers in the SADC region

1. Extent of use of training skills gained from RCSA funded training programs
 2. Extent to which products developed from RCSA funded training programs are adopted
 3. Demand for the products

1. Extent to which policy makers have used analysis done in the region (qualitative)
 2. # of visits to selected analytical information websites supported by RCSA

SpO B Table 1: Extent to which demand for analytical information is being met

SPECIAL OBJECTIVE B: Create Capacity for More Informed Regional Decision Making			
APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA			
RESULT NAME: Create Capacity for More Informed Regional Decision Making			
INDICATOR: Extent to which demand for analytical information is being met			
UNIT OF MEASURE: Percent	YEAR	PLANNED	ACTUAL
SOURCE: Survey of key regional decision makers	1999(B)		TBD
INDICATOR DESCRIPTION: All users on the mailing lists of selected institutions will be asked to assess the extent to which regional analytical information need has been met by the reports and publications from supplies. The average score for all needs identified in the analytical agenda will be used to monitor progress of achievements in this special objectives.	2000	50%	
	2001	60%	
	2003	70%	
COMMENTS: Annual targets will be refined after the baseline is established. A 70% level is however expected at end of 2003.			

SpO B Table 2: Progress in the identification, prioritization and adoption of annual regional analytical agenda.

SPECIAL OBJECTIVE B: Create Capacity for More Informed Regional Decision Making			
APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA			
RESULT NAME: Decision Makers in the Region Identify and Adopt Regional Analytical Agenda (IR1)			
INDICATOR: Priority regional analytical agenda identified and adopted by users and suppliers annually			
<p>UNIT OF MEASURE: Progress in the identification, prioritization and adoption of annual regional analytical agenda process.</p> <hr/> <p>SOURCE: Mission reports</p> <hr/> <p>INDICATOR DESCRIPTION: RCSA will facilitate the process of identification, prioritization and adoption of regional analytical needs. This need will be revised/updated on an annual basis. Progress will be assessed semi-annually.</p> <p>The bench marks are:</p> <p>a) Draft list developed c) Feasible (time funding and skills) analysis selected from priority list</p> <p>b) Priority list developed d) Analytical agenda adopted</p> <hr/> <p>COMMENTS: Plans are in place to hold an African Round Table in May 1999. This will achieve level (a) of the indicator</p>	YEAR	PLANNED	ACTUAL
	1998 (B)		Process not started
	1999	Initial regional analytical agenda will be identified, prioritized and adopted by regional decision makers	
	2000	Revised/updated priority regional analytical agenda adopted	
	2001	Revised/updated priority regional analytical agenda adopted	
	2003	Revised/updated priority regional analytical agenda adopted	

SpO B Table 3: Quality of partnership between selected regional organizations and US centers of excellence

SPECIAL OBJECTIVE B: Create Capacity for More Informed Regional Decision Making			
APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA			
RESULT NAME: Analytical capacity of selected institutions in the region strengthened to support regional decision making (IR2)			
INDICATOR: Partnership between selected regional organizations and US centers of excellence			
UNIT OF MEASURE: # of partnerships	YEAR	PLANNED	ACTUAL
SOURCE: Mission records	1998(B)		0
INDICATOR DESCRIPTION: A partnership will be said to be established if the organizations are jointly implementing a program/research/analysis	1999	1	
	2000	1	
	2001	2	
	2003	3	
COMMENTS:			

SpO B Table 4: Proportion of decision makers reporting increased use of analysis (and quoting examples) for regional policy and decision making

SPECIAL OBJECTIVE B: Create Capacity for More Informed Regional Decision Making			
APPROVED: 15/AUG/1997 COUNTRY/ORGANIZATION: USAID/RCSA			
RESULT NAME: Increased use of analytical information by public and private sectors in regional policy and decision making			
INDICATOR: Proportion of decision makers reporting increased use of analysis (and quoting examples) for regional policy and decision making (IR3)			
UNIT OF MEASURE: Percent	YEAR	PLANNED	ACTUAL
SOURCE: Survey of users of regional analysis	1999(B)		0%
INDICATOR DESCRIPTION: A survey of users of regional analysis will be carried out every year. Private, public and NGO organizations will be included in the sample. COMMENTS: Survey will be carried out in November 1999 which will be around two months after the first release of analysis. Baseline in zero since the indicator in measuring "increased" use. Targets will be adjusted after the first survey results.	2000	40%	
	2001	55%	
	2002	65%	
	2003	70%	

PART III: RESOURCE REQUEST

A. Rationale and Summary Financial Plan: The RCSA requests an OYB of \$ 32.5 million in FY 2000 and an OYB of \$35.0 million in FY 2001. Tables 3.1-3.4 outline FY 1999 final control levels, FY 2000 Preferred Control Levels, and FY 2000 and FY 2001 Preferred Control Levels by strategic objective. These funding levels are based on an on-going assessment by Mission management of the funding levels requested in the Mission's 1997-2003 Strategy and the current and future status of portfolio implementation and expected results. Since the submission of the FY 2000 Congressional Presentation in February 1999, certain significant changes to our program strategy have emerged. Chief among those are: firstly, the RCSA has determined the critical need to establish two separate Strategic Objectives for natural resources management and agriculture. Africa Bureau review is scheduled for July 1999. Secondly, a Special Objective is also being approved by the Bureau to support the US-SADC Forum and the activities that RCSA will undertake in support of the decisions coming out of the Forum. Requested funding levels do not include current discussion about possible interventions in HIV/AIDS regional activity, which are still under consideration.

B. Program Performance and Pipeline Analysis: During this year all the SOs in the RCSA strategy met or exceeded expectations. The activities across the SOs have intensified with the filling of positions under various technical assistance contracts and internally at the RCSA for project monitoring and design. Actions in process for fully staffing RCSA's regional contracts office will increase procurement capacity and shrink the pipeline during the rest of FY 1999 and FY 2000. Hence, revising upwards the OYB levels indicated in the FY 2000 Congressional Presentation is both appropriate and critical for accomplishing results in this vast region of United States strategic interests in Africa.

Strategic Objective One: Increased Regional Capacity To Influence Democratic Performance. The mission has repeatedly expressed its concern with the low level of DG funding for this SO. A funding level for \$3.0 million for FY 2000 and \$3.5 million for FY 2001 is requested, which is consistent with the funding levels contained in the Strategy. The estimated September 30, 1999 pipeline of \$5.174 million is within the forward funding guide lines. Planned intensification of activities during FY 2000 under this SO justifies our request. The recent hiring of a two year USPSC and the move from several small grants to large umbrella grants to implementing partners will shortly lead to rapid reductions in the pipeline.

Strategic Objective Two: A More Integrated Regional Market. A funding level for \$14.0 million in FY 2000 and \$15.0 million in FY 2001 is required in order to fully support SADC efforts to complete and ratify the Trade and the Finance and Investment protocols, to continue ongoing activities described in this R4 report,, to support emerging activities related to creating regional energy market, and to fund much needed long-term technical assistance to SADC. The estimated September 30, 1999 pipeline of \$110,375,000 in this SO is in excess of the forward funding guidelines. Three important mitigating considerations should be understood. First is the shortage of both USDH and support personnel in the contracts office for over 2 years, which adversely affected our ability to award major contracts planned under this SO (e.g., RAPID project, LOP \$40.0 million); the RFA for which has been in the Contracts Office for over eight months. A third RCO position was recently approved , and this increased contracting capacity will help reduce the pipeline. Second, over fifty percent of the pipeline is attributed to SAEDF, and these funds are managed by an independent, Presidentially approved Board, outside of

RCSA's direct control. Nevertheless, loan approval and processing by SADEF has picked up steam this year and \$ 37.525 million were approved as loans, with another \$18.5 million in pending loan transactions. Third, intensified activities under this SO via contracting through G/Bureau IQCs and the recent filling of TCN-PSC position is expected to reduce the pipe line in the remainder of FY1999 and FY 2000.

Strategic Objective 3 (proposed): Improved Management of Shared Natural Resources. A funding level \$7.0 million for FY 2000 and \$7.5 million for FY 2001 is required in order to build on significant accomplishments under the RCSA's strategy. Although the pipeline of \$20.0 million (under the NRM component of current SO3) is somewhat in excess of the forward funding guidelines, new activities now being designed are expected to increase disbursements under this SO.

Strategic Objective 4 (proposed): Expanded Commercial Markets for Dryland Agricultural Technologies and Commodities in the SADC Region. A funding level of \$4.0 million for FY 2000 and \$4.5 million for FY 2001 is requested in order for the Mission to achieve the objective of increasing the supply of and adoption rates of improved technologies developed to date; support policy reform efforts of SADC and support the development of input-output marketing systems. Activities under this new SO are being designed and procurement of goods and services will start with the approval of this new SO in July, 1999. The requested funding levels are essential for this SO under the current plans. The September 30, 1999 pipeline of \$10 million (agriculture component under the current SO3) is within the forward funding guidelines. A Cooperative Agreement to be awarded during the 3rd quarter for Phase II of SARRNET will further contribute to the draw down of pipeline in FY1999.

Special Objective B: Create Capacity for More Informed Regional Decision Making. Funding levels of \$2.5 million each for FY 2000 and FY 2001 will be required in order for the RCSA to continue with the implementation of activities related to results monitoring, impact assessment and strengthening regional capacity for improved decision making. Developing partnerships between a few selected regional institutions and U.S. centers of excellence will require the reasonable level of funding requested. The estimated pipeline for September 30, 1999 of \$2.0 million is well within the forward funding guidelines. Disbursements are expected to increase significantly, as the long term TA contractor has filled three full time positions since the beginning of FY 1999 and the design and implementation of activities under Phase II of this SO are being undertaken.

Special Objective C: US-SADC Forum (new). A funding level for \$ 2.0 million in ESF is requested for each of the fiscal years -- FY 2000 and FY 2001. This new SO is being approved as of this writing and planned activities are under discussion. The annual Forum will bring together, senior USG officials with senior level policy makers from SADC member countries. The funding requested, will provide the US Special Representative to SADC necessary resources to respond to the demands of an expanding U.S-SADC relationship. Specific activities of RCSA's under this SO will be based on the outcomes of the U.S-SAC Forum (April 14-5, 1999). Illustrative activities are: coordinating the efforts of other U.S departments in providing expertise to advance regional integration efforts; facilitating broader dialogue among SAC states on security-related matters; supporting an American/SAC Business Council; coordinating regional investment promotion strategies; special studies and analyses, inputs relating to Forum organization etc. No pipeline exists.

B. WORKFORCE AND OPERATING EXPENSE (OE): The RCSA is now well established as a Regional Center, except for two vacant positions in the contracts office, with the capacity to effectively implement the Initiative for Southern Africa and provide client USAID missions with legal, accounting and contracting services. A number of key positions were filled during the last year, including a Deputy EXO, and two Program Managers. Increased resources were also devoted to staff development and training, drawing on in-house, TDY and formal training programs offered by the Agency. However, one major problem is the inadequate staffing of RCSA's Contracts Office. We reported the "lack of adequately trained staff" in our Internal Control Assessment of October of 1998, primarily because of the staff shortage in the Contracts Office. Despite their best efforts, the Contracts Office remains an implementation bottleneck, causing serious delays in both the RCSA's and client posts' programs, and artificially increasing the pipelines in the region by tens of millions of dollars. In response to our request in the last years R4 we were given one new USDH Contracting Officer slot. Our "preliminary FY 1999 OE level " was increased by \$100,000 to offset the OE costs associated with the new USDH position. However, we did not receive the promised \$100,000. Mission management also authorized the hiring of a second US or TCN PSCs for a two year period. The PSC will help clear the existing backlog of pending contracting actions, catch-up on contract administration and train the local staff. The position will be funded through a combination of curtailment of NXP purchases, reduced travel, and conversion of local hire U.S.PSC and TCN positions to FSN positions. Thus, the RCSA is prepared to absorb some of the costs associated with increased regional contracting capacity. However, there are limits to such adjustments, which could come only at the expense of program implementation by the regional office serving a vast area.

Per R4 guidance, we straight-lined our target OE levels through FY 2001 at \$3,080,000, which was roughly our FY 1998 level. At the requested levels for FY 2000 and FY 2001, we asked for an increase of \$100,000, from \$3,080,000 to \$3,180,000, equaling the preliminary OE level for 1999. Without access to this \$100,000 our efforts to implement the regional program will be further frustrated.

C: Field Support:: In FY 1999, the RCSA will transfer \$400,000 for technical assistance to the Global Bureau's Center for Environment, under the Sub-Saharan Africa Power activity. The RCSA is also continuing the AAAS Fellow in order to assist with the development of transboundary natural resources management activities under the new SO3. In FYs 2000 and 2001 field support will also provide critical technical assistance in the areas of biodiversity and natural resources management in the region.

Table 3.1 FY 1999 -- Final Control Levels

Strategic Objective	ESF	Economic Growth	Agriculture	Environment	Democracy/Governance	Total
SO1					\$1,000	\$1,000
SO2		\$17,800				\$17,800
SO3			\$1,900	\$6,100		\$8,000
SpOA				\$2,000		\$2,000
SpOB		\$1,700				\$1,700
SpOC	\$2,000					\$2,000
<u>Total</u>	<u>\$2,000</u>	<u>\$19,500</u>	<u>\$1,900</u>	<u>\$8,100</u>	<u>\$1,000</u>	<u>\$32,500</u>

Table 3.2 FY 2000 -- Preliminary Control Levels

Strategic Objective	ESF	Economic Growth	Agriculture	Environment	Democracy/Governance	Total
SO1					\$1,900	\$1,900
SO2		\$10,415				\$10,415
SO3				\$6,400		\$6,400
SO4			\$3,100			\$3,100
SpOB		\$2,000				\$2,000
SpOC	\$2,000					\$2,000
<u>Total</u>	<u>\$2,000</u>	<u>\$12,415</u>	<u>\$3,100</u>	<u>\$6,400</u>	<u>1,900</u>	<u>\$25,815</u>

Table 3.3 FY 2000 -- Preferred Control Levels

Strategic Objective	ESF	Economic Growth	Agriculture	Environment	Democracy/ Governance	Total
SO1					\$3,000	\$3,000
SO2		\$14,000				\$14,000
SO3				\$7,000		\$7,000
SO4			\$4,000			\$4,000
SpOB		\$2,500				\$2,500
SpOC	\$2,000					\$2,000
<u>Total</u>	<u>\$2,000</u>	<u>\$16,500</u>	<u>\$4,000</u>	<u>\$7,000</u>	<u>\$3,000</u>	<u>\$32,500</u>

Table 3.4 FY 2001 -- Preferred Control Levels

Strategic Objective	ESF	Economic Growth	Agriculture	Environment	Democracy Governance	/Total
SO1					\$3,500	\$3,500
SO2		\$15,000				\$15,000
SO3				\$7,500		\$7,500
SO4			\$4,500			\$4,500
SpOB		\$2,500				\$2,500
SpOC	\$2,000					\$2,000
<u>Total</u>	<u>\$2,000</u>	<u>\$17,500</u>	<u>\$4,500</u>	<u>\$7,500</u>	<u>\$3,500</u>	<u>\$35,000</u>

FY 1999 Budget Request by Program/Country

Program/Country:

USAID/RCSA

15-Apr-99

01:03 PM

Approp Acct: DA
Scenario

S.O. # , Title		FY 1999 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY 99	
		Bilateral/ Field Spt	Total	Micro-Enterprise	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Other Health	Environ			D/G
SO 1:																	
	Bilateral	1,000												1,000		4,006	5,174
	Field Spt	0															
		1,000	0	0	0	0	0	0	0	0	0	0	0	1,000		4,006	5,174
SO 2:																	
	Bilateral	17,400			17,400											14,783	110,375
	Field Spt	400			400												
		17,800	0	0	17,800	0	0	0	0	0	0	0	0	0	14,783	110,375	
SO 3:																	
	Bilateral	8,000		1,900									6,100		13,551	30,084	
	Field Spt	0															
		8,000	0	1,900	0	0	0	0	0	0	0	0	6,100	0	13,551	30,084	
Sp.O 1																	
	Bilateral	1,828											1,828		1,045	2,423	
	Field Spt	172											172				
		2,000	0	0	0	0	0	0	0	0	0	0	2,000	0	1,045	2,423	
Sp.O 2																	
	Bilateral	1,700			1,700										2,622	2,106	
	Field Spt	0															
		1,700	0	0	1,700	0	0	0	0	0	0	0	0	0	2,622	2,106	
Sp.O 3																	
	Bilateral																
	Field Spt	0															
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SO 7:																	
	Bilateral	0															
	Field Spt	0															
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SO 8:																	
	Bilateral	0															
	Field Spt	0															
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Bilateral		29,928	0	1,900	19,100	0	0	0	0	0	0	0	7,928	1,000	36,007	150,162	
Total Field Support		572	0	0	400	0	0	0	0	0	0	0	172	0	0	0	
TOTAL PROGRAM		30,500	0	1,900	19,500	0	0	0	0	0	0	8,100	1,000	36,007	150,162		

FY 99 Request Agency Goal Totals	
Econ Growth	21,400
Democracy	1,000
HCD	0
PHN	0
Environment	8,100
Program ICASS	0
GCC (from all Goals)	0

FY 99 Account Distribution (DA only)	
Dev. Assist Program	30,500
Dev. Assist ICASS	
Dev. Assist Total:	30,500
CSD Program	0
CSD ICASS	
CSD Total:	0

Prepare one set of tables for each appropriation Account
 Tables for DA and CSD may be combined on one table.
 For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account

FY 2000 Budget Request by Program/Country

15-Apr-99
01:03 PM

Program/Country:

USAID/RCSA

Approp Acct: SS
Scenario

S.O. # , Title		FY 2000 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY 00	
		Bilateral/Field Spt	Total	Micro-Enterprise	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Other Health	Environ			D/G
SO 1:															Year of Final Oblig:		
Bilateral	1,900														1,900	3,000	4,074
Field Spt	0																
	1,900	0	0	0	0	0	0	0	0	0	0	0	0	0	1,900	3,000	4,074
SO 2:															Year of Final Oblig:		
Bilateral	10,515				10,515											45,000	76,290
Field Spt	400				400												
	10,915	0	0	0	10,915	0	0	0	0	0	0	0	0	0	45,000	76,290	
SO 3:															Year of Final Oblig:		
Bilateral	6,260		3,010										3,250		20,000	16,584	
Field Spt	240		90										150				
	6,500	0	3,100	0	0	0	0	0	0	0	0	0	3,400	0	20,000	16,584	
Sp.O 1															Year of Final Oblig:		
Bilateral	2,850												2,850		2,500	2,923	
Field Spt	150												150				
	3,000	0	0	0	0	0	0	0	0	0	0	0	3,000	0	2,500	2,923	
Sp.O 2															Year of Final Oblig:		
Bilateral	1,500				1,500										2,000	1,606	
Field Spt	0				0												
	1,500	0	0	0	1,500	0	0	0	0	0	0	0	0	0	2,000	1,606	
Sp.O 3															Year of Final Oblig:		
Bilateral	0														0	0	
Field Spt	0				0												
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SO 7:															Year of Final Oblig:		
Bilateral	0														0	0	
Field Spt	0				0												
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SO 8:															Year of Final Oblig:		
Bilateral	0														0	0	
Field Spt	0				0												
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Bilateral	23,025	0	3,010	12,015	0	0	0	0	0	0	0	0	6,100	1,900	72,500	101,477	
Total Field Support	790	0	90	400	0	0	0	0	0	0	0	0	300	0	0	0	
TOTAL PROGRAM	23,815	0	3,100	12,415	0	0	0	0	0	0	0	0	6,400	1,900	72,500	101,477	

FY 00 Request Agency Goal Totals	
Econ Growth	15,515
Democracy	1,900
HCD	0
PHN	0
Environment	6,400
Program ICASS	0
GCC (from all Goals)	0

FY 00 Account Distribution (DA only)	
Dev. Assist Program	23,815
Dev. Assist ICASS	
Dev. Assist Total:	23,815
CSD Program	0
CSD ICASS	
CSD Total:	0

Prepare one set of tables for each appropriation Account
 Tables for DA and CSD may be combined on one table.
 For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account

FY 2001 Budget Request by Program/Country

15-Apr-99

Program/Country:

USAID/RCSA

01:03 PM

Approp Acct: DA
Scenario

S.O. # , Title		FY 20001 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY 01	Future Cost (POST-2001)
Bilateral/Field Spt	Total	Micro-Enterprise	Agri-culture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Other Health	Environ	D/G				
SO 1:															Year of Final Oblig:		
Bilateral	3,500													3,500	3,500	4,074	0
Field Spt	0																
	3,500	0	0	0	0	0	0	0	0	0	0	0	0	3,500	3,500	4,074	0
SO 2:															Year of Final Oblig:		
Bilateral	14,700			14,700											50,000	41,290	26,826
Field Spt	300			300													
	15,000	0	0	15,000	0	0	0	0	0	0	0	0	0	50,000	41,290	26,826	
SO 3:															Year of Final Oblig:		
Bilateral	7,380											7,380		15,000	9,084	0	
Field Spt	120											120					
	7,500	0	0	0	0	0	0	0	0	0	0	7,500	0	15,000	9,084	0	
SO 4:															Year of Final Oblig:		
Bilateral	4,350		4,350											3,500	3,923	0	
Field Spt	150		150														
	4,500	0	4,500	0	0	0	0	0	0	0	0	0	0	3,500	3,923	0	
Sp.O 2															Year of Final Oblig:		
Bilateral	2,500			2,500										2,500	1,606	0	
Field Spt	0																
	2,500	0	0	2,500	0	0	0	0	0	0	0	0	0	2,500	1,606	0	
Sp.O 3															Year of Final Oblig:		
Bilateral	0													0	0	0	
Field Spt	0													0	0	0	
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SO 7:															Year of Final Oblig:		
Bilateral	0													0	0	0	
Field Spt	0													0	0	0	
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SO 8:															Year of Final Oblig:		
Bilateral	0													0	0	0	
Field Spt	0													0	0	0	
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Bilateral	32,430	0	4,350	17,200	0	0	0	0	0	0	0	7,380	3,500	74,500	59,977	26,826	
Total Field Support	570	0	150	300	0	0	0	0	0	0	0	120	0	0	0	0	
TOTAL PROGRAM	33,000	0	4,500	17,500	0	0	0	0	0	0	0	7,500	3,500	74,500	59,977	26,826	

Econ Growth	22,000
Democracy	3,500
HCD	0
PHN	0
Environment	7,500
Program ICASS	0
GCC (from all Goals)	0

Dev. Assist Program	33,000
Dev. Assist ICASS	
Dev. Assist Total:	33,000
CSD Program	0
CSD ICASS	
CSD Total:	0

Prepare one set of tables for each appropriation Account
Tables for DA and CSD may be combined on one table.
For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account

FY 1999 Budget Request by Program/Country

Program/Country:

USAID/RCSA

Approp Acct: ESF
Scenario

S.O. # , Title		FY 1999 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY 99		
		Bilateral/ Field Spt	Total	Micro-Enterprise	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Other Health	Environ			D/G	
Sp.O 3																		
	Bilateral	2,000			2,000												2,000	0
	Field Spt	0																
		2,000	0	0	2,000	0	0	0	0	0	0	0	0	0	0	0	2,000	0
SO 2:																		
	Bilateral	0																
	Field Spt	0																
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 3:																		
	Bilateral	0																
	Field Spt	0																
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 4:																		
	Bilateral	0																
	Field Spt	0																
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 5:																		
	Bilateral	0																
	Field Spt	0																
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 6:																		
	Bilateral	0																
	Field Spt	0																
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 7:																		
	Bilateral	0																
	Field Spt	0																
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 8:																		
	Bilateral	0																
	Field Spt	0																
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Bilateral		2,000	0	0	2,000	0	0	0	0	0	0	0	0	0	0	0	2,000	0
Total Field Support		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL PROGRAM		2,000	0	0	2,000	0	0	0	0	0	0	0	0	0	0	0	2,000	0

FY 99 Request Agency Goal Totals	
Econ Growth	2,000
Democracy	0
HCD	0
PHN	0
Environment	0
Program ICASS	0
GCC (from all Goals)	0

FY 99 Account Distribution (DA only)	
Dev. Assist Program	2,000
Dev. Assist ICASS	0
Dev. Assist Total:	2,000
CSD Program	0
CSD ICASS	0
CSD Total:	0

Prepare one set of tables for each appropriation Account
Tables for DA and CSD may be combined on one table.
For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account

FY 2000 Budget Request by Program/Country

Program/Country:

S.O. # , Title

Approp Acct: ESF
Scenario

S.O. # , Title																
FY 2000 Request																
	Bilateral/ Field Spt	Total	Micro- Enterprise	Agri- culture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Other Health	Environ	D/G	Est. S.O. Expendi- tures	(*) Pipeline End of FY 00
Sp.O 3																
	Bilateral	2,000			2,000										2,000	0
	Field Spt	0													0	0
		2,000	0	0	2,000	0	0	0	0	0	0	0	0	0	2,000	0
SO 2:																
	Bilateral	0														
	Field Spt	0													0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 3:																
	Bilateral	0														
	Field Spt	0													0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 4:																
	Bilateral	0														
	Field Spt	0													0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 5:																
	Bilateral	0														
	Field Spt	0													0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 6:																
	Bilateral	0														
	Field Spt	0													0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 7:																
	Bilateral	0														
	Field Spt	0													0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 8:																
	Bilateral	0														
	Field Spt	0													0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Bilateral		2,000	0	0	2,000	0	0	0	0	0	0	0	0	0	2,000	0
Total Field Support		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL PROGRAM		2,000	0	0	2,000	0	0	0	0	0	0	0	0	0	2,000	0

FY 00 Request Agency Goal Totals	
Econ Growth	2,000
Democracy	0
HCD	0
PHN	0
Environment	0
Program ICASS	0
GCC (from all Goals)	0

FY 00 Account Distribution (DA only)	
Dev. Assist Program	2,000
Dev. Assist ICASS	
Dev. Assist Total:	2,000
CSD Program	0
CSD ICASS	
CSD Total:	0

Prepare one set of tables for each appropriation Account
Tables for DA and CSD may be combined on one table.
For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account

FY 2001 Budget Request by Program/Country

Program/Country:

USAID/RCSA

Approp Acct: ESF
Scenario

S.O. # , Title		FY 2001 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY 01		
	Bilateral/Field Spt	Total	Micro-Enterprise	Agri-culture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Other Health	Environ	D/G				
Sp.O 3															Year of Final Oblig:			
	Bilateral	2,000			2,000												2,000	0
	Field Spt	0															0	0
		2,000	0	0	2,000	0	0	0	0	0	0	0	0	0	0	0	2,000	0
SO 2:															Year of Final Oblig:			
	Bilateral	0															0	0
	Field Spt	0															0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 3:															Year of Final Oblig:			
	Bilateral	0															0	0
	Field Spt	0															0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 4:															Year of Final Oblig:			
	Bilateral	0															0	0
	Field Spt	0															0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 5:															Year of Final Oblig:			
	Bilateral	0															0	0
	Field Spt	0															0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 6:															Year of Final Oblig:			
	Bilateral	0															0	0
	Field Spt	0															0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 7:															Year of Final Oblig:			
	Bilateral	0															0	0
	Field Spt	0															0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 8:															Year of Final Oblig:			
	Bilateral	0															0	0
	Field Spt	0															0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Bilateral		2,000	0	0	2,000	0	0	0	0	0	0	0	0	0	0	0	2,000	0
Total Field Support		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL PROGRAM		2,000	0	0	2,000	0	0	0	0	0	0	0	0	0	0	0	2,000	0

FY 01 Request Agency Goal Totals	
Econ Growth	2,000
Democracy	0
HCD	0
PHN	0
Environment	0
Program ICASS	0
GCC (from all Goals)	0

FY 01 Account Distribution (DA only)	
Dev. Assist Program	2,000
Dev. Assist ICASS	0
Dev. Assist Total:	2,000
CSD Program	0
CSD ICASS	0
CSD Total:	0

Prepare one set of tables for each appropriation Account
Tables for DA and CSD may be combined on one table.
For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account

Workforce Tables

Org USAID/RCSA								Total	Org.	Fin.	Admin.	Con-	All	Total	Total		
End of year On-Board								SO/SpO	Mgmt.	Mgmt	Mgmt	tract	Legal	Other	Mgmt.	Staff	
FY 1999 Estimate	SO 1	SO 2	SO 3	SO 4	SO 5	SpOA	SpOB										
OE Funded: 1/																	
U.S. Direct Hire	0	1	2.5			0.5		4	2	2	1	2	2	3	12	16	
Other U.S. Citizens								0	1	1	2	2			6	6	
FSN/TCN Direct Hire								0		2					2	2	
Other FSN/TCN		1	2					3	1	9	30	6	1	4	51	54	
Subtotal	0	2	4.5	0	0	0.5	0	7	4	14	33	10	3	7	71	78	
Program Funded 1/																	
U.S. Citizens	1	1	1					3							0	3	
FSNs/TCNs	2	5	2.5			0.5	1	11						2	2	13	
Subtotal	3	6	3.5	0	0	0.5	1	14	0	0	0	0	0	2	2	16	
Total Direct Workforce	3	8	8	0	0	1	1	21	4	14	33	10	3	9	73	94	
TAACS								0								0	0
Fellows								1								0	1
IDIs								0								0	0
Subtotal	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	1	
TOTAL WORKFORCE	3	8	8	0	0	2	1	22	4	14	33	10	3	9	73	95	

1/ Excludes TAACS, Fellows, and IDIs

Workforce Tables

Org USAID/RCSA	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2	Total SO/SpO	Org. Mgmt.	Fin. Mgmt.	Admin. Mgmt.	Contract	Legal	All Other	Total Mgmt.	Total Staff
FY 2000 Target																
OE Funded: 1/																
U.S. Direct Hire	0	1	2.5			0.5		4	2	2	1	3	2	3	13	17
Other U.S. Citizens								0	1	1	2	1			5	5
FSN/TCN Direct Hire								0		2					2	2
Other FSN/TCN		1	2					3	1	9	30	6	1	4	51	54
Subtotal	0	2	4.5	0	0	0.5	0	7	4	14	33	10	3	7	71	78
Program Funded 1/																
U.S. Citizens	1	1	1					3							0	3
FSNs/TCNs	2	5	2.5			0.5	1	11						2	2	13
Subtotal	3	6	3.5	0	0	0.5	1	14	0	0	0	0	0	2	2	16
Total Direct Workforce	3	8	8	0	0	1	1	21	4	14	33	10	3	9	73	94
TAACS								0							0	0
Fellows						1		1							0	1
IDIs								0							0	0
Subtotal	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	1
TOTAL WORKFORCE	3	8	8	0	0	2	1	22	4	14	33	10	3	9	73	95

FY 2000 Request																
OE Funded: 1/																
U.S. Direct Hire	0	1	2.5			0.5		4	2	2	1	3	2	3	13	17
Other U.S. Citizens								0	1	1	2	1			5	5
FSN/TCN Direct Hire								0		2					2	2
Other FSN/TCN		1	2					3	1	9	30	6	1	4	51	54
Subtotal	0	2	4.5	0	0	0.5	0	7	4	14	33	10	3	7	71	78
Program Funded 1/																
U.S. Citizens	1	1	1					3							0	3
FSNs/TCNs	2	5	2.5			0.5	1	11						2	2	13
Subtotal	3	6	3.5	0	0	0.5	1	14	0	0	0	0	0	2	2	16
Total Direct Workforce	3	8	8	0	0	1	1	21	4	14	33	10	3	9	73	94
TAACS								0							0	0
Fellows						1		1							0	1
IDIs								0							0	0
Subtotal	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	1
TOTAL WORKFORCE	3	8	8	0	0	2	1	22	4	14	33	10	3	9	73	95

1/ Excludes TAACS, Fellows, and IDIs

Workforce Tables

Org USAID/RCSA								Total SO/SpO Staff	Org. Mgmt.	Fin. Mgmt.	Admin. Mgmt.	Contract	Legal	All Other	Total Mgmt.	Total Staff
End of year On-Board	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2									
FY 2001 Target																
OE Funded: 1/																
U.S. Direct Hire	0	1	2.5			0.5		4	2	2	1	3	2	3	13	17
Other U.S. Citizens								0	1	1	2	1			5	5
FSN/TCN Direct Hire								0		2					2	2
Other FSN/TCN		1	2					3	1	9	30	5	1	4	50	53
Subtotal	0	2	4.5	0	0	0.5	0	7	4	14	33	9	3	7	70	77
Program Funded 1/																
U.S. Citizens	1	1	1					3							0	3
FSNs/TCNs	2	5	2.5			0.5	1	11						2	2	13
Subtotal	3	6	3.5	0	0	0.5	1	14	0	0	0	0	0	2	2	16
Total Direct Workforce	3	8	8	0	0	1	1	21	4	14	33	9	3	9	72	93
TAACS								0							0	0
Fellows							1	1							0	1
IDIs								0							0	0
Subtotal	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	1
TOTAL WORKFORCE	3	8	8	0	0	2	1	22	4	14	33	9	3	9	72	94

FY 2001 Request																
OE Funded: 1/																
U.S. Direct Hire	0	1	2.5			0.5		4	2	2	1	3	2	3	13	17
Other U.S. Citizens								0	1	1	2	1			5	5
FSN/TCN Direct Hire								0		2					2	2
Other FSN/TCN		1	2					3	1	9	30	5	1	4	50	53
Subtotal	0	2	4.5	0	0	0.5	0	7	4	14	33	9	3	7	70	77
Program Funded 1/																
U.S. Citizens	1	1	1					3							0	3
FSNs/TCNs	2	5	2.5			0.5	1	11						2	2	13
Subtotal	3	6	3.5	0	0	0.5	1	14	0	0	0	0	0	2	2	16
Total Direct Workforce	3	8	8	0	0	1	1	21	4	14	33	9	3	9	72	93
TAACS								0							0	0
Fellows							1	1							0	1
IDIs								0							0	0
Subtotal	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	1
TOTAL WORKFORCE	3	8	8	0	0	2	1	22	4	14	33	9	3	9	72	94

1/ Excludes TAACS, Fellows, and IDIs

Workforce

MISSION :

USAID/RCSA, GABORONE, BOTSWANA

USDH STAFFING REQUIREMENTS BY SKILL CODE

BACKSTOP (BS)	NO. OF USDH EMPLOYEES IN BACKSTOP FY 1999	NO. OF USDH EMPLOYEES IN BACKSTOP FY 2000	NO. OF USDH EMPLOYEES IN BACKSTOP FY 2001	NO. OF USDH EMPLOYEES IN BACKSTOP FY 2002
01 SMG	2	2	2	2
02 Program Officer	2	2	2	2
03 EXO	1	1	1	1
04 Controller	2	2	2	2
05/06/07 Secretary				
10 Agriculture	1	1	1	1
11 Economics				
12 GDO				
12 Democracy				
14 Rural Development				
15 Food for Peace				
21 Private Enterprise	1	1	1	1
25 Engineering				
40 Environment	1	1	1	1
50 Health/Pop.				
60 Education				
75 Physical Sciences				
85 Legal	2	2	2	2
92 Commodity Mgt				
93 Contract Mgt	2 **	3	3	3
94 PDO	2	2	2	2
95 IDI				
Other*				
TOTAL	16	17	17	17

*please list occupations covered by other if there are any
 ** Third RCO Position expected to fill in FY 2000

Operating Expenses

Org. Title: RCSA		Overseas Mission Budgets														
Org. No:	690	FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request		
		Dollars	TF	Total	Dollars	TF	Total									
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1	Base Pay & pymt. for annual leave balances - FNDH			46.1			47.5			47.5			48.9			48.9
	Subtotal OC 11.1	0	0	46.1	0	0	47.5	0	0	47.5	0	0	48.9	0	0	48.9
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3	Base Pay & pymt. for annual leave balances - FNDH			0			0			0			0			0
	Subtotal OC 11.3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5	USDH			0			0			0			0			0
11.5	FNDH			1			1			1			1			1
	Subtotal OC 11.5	0	0	1	0	0	1	0	0	1	0	0	1	0	0	1
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8	USPSC Salaries			337			305.6			305.6			286.3			286.3
11.8	FN PSC Salaries			740			821.4			821.4			821.2			821.2
11.8	IPA/Details-In/PASAs/RSSAs Salaries			0			0			0			0			0
	Subtotal OC 11.8	0	0	1077	0	0	1127	0	0	1127	0	0	1107.5	0	0	1107.5
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Educational Allowances			48.7			71.2			71.2			68.8			68.8
12.1	Cost of Living Allowances			0			0			0			0			0
12.1	Home Service Transfer Allowances			1			1			1			1			1
12.1	Quarters Allowances			0			0			0			0			0
12.1	Other Misc. USDH Benefits			2.5			2.5			2.5			2.5			2.5
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to FSN Voluntary Separation Fund - FNDH			0			0			0			0			0
12.1	Other FNDH Benefits			4.1			4.2			4.2			4.3			4.3
12.1	US PSC Benefits			56			33.8			33.8			44			44
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to the FSN Voluntary Separation Fund - FN PSC			0			0			0			0			0
12.1	Other FN PSC Benefits			69.2			55.6			55.6			72			72
12.1	IPA/Detail-In/PASA/RSSA Benefits			0			0			0			0			0
	Subtotal OC 12.1	0	0	181.5	0	0	168.3	0	0	168.3	0	0	192.6	0	0	192.6
13.0	Benefits for former personnel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	FNDH	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	Severance Payments for FNDH			0			0			0			0			0
13.0	Other Benefits for Former Personnel - FNDH			0			0			0			0			0
13.0	FN PSCs	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	Severance Payments for FN PSCs			0			0			0			0			0
13.0	Other Benefits for Former Personnel - FN PSCs			0			0			0			0			0
	Subtotal OC 13.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21.0	Travel and transportation of persons	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		

Operating Expenses

Org. Title: RCSA		Overseas Mission Budgets														
Org. No:	690	FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request		
		Dollars	TF	Total												
21.0	Training Travel			41			52			67.9			28.7			42.2
21.0	Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Post Assignment Travel - to field			20			23.8			23.8			7			7
21.0	Assignment to Washington Travel			5.6			2.2			2.2			4.4			4.4
21.0	Home Leave Travel			32			36.8			36.8			64			64
21.0	R & R Travel			30.6			45.7			45.7			42			42
21.0	Education Travel			0			0			0			0			0
21.0	Evacuation Travel			0			0			0			0			0
21.0	Retirement Travel			0			4.3			4.3			4.5			4.5
21.0	Pre-Employment Invitational Travel			3.6			2.5			2.5			2.5			2.5
21.0	Other Mandatory/Statutory Travel			10			10.3			10.3			10.6			11
21.0	Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Site Visits - Headquarters Personnel			38			27.8			32.9			22.3			28
21.0	Site Visits - Mission Personnel			195			213.1			213.2			220			220
21.0	Conferences/Seminars/Meetings/Retreats			40			15.5			41.2			16			42
21.0	Assessment Travel			0			0			0			0			0
21.0	Impact Evaluation Travel			0			0			0			0			0
21.0	Disaster Travel (to respond to specific disasters)			0			0			0			0			0
21.0	Recruitment Travel			0			0			0			0			0
21.0	Other Operational Travel			15			13.9			15.4			14.3			16
	Subtotal OC 21.0	0	0	430.8	0	0	447.9	0	0	496.2	0	0	436.3	0	0	483.6
22.0	Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
22.0	Post assignment freight			100			72.1			72.1			16			16
22.0	Home Leave Freight			12			18.5			18.5			19.1			19.1
22.0	Retirement Freight			0			15.4			15.4			16			16
22.0	Transportation/Freight for Office Furniture/Equip.			15			10			10			10			10
22.0	Transportation/Freight for Res. Furniture/Equip.			15			15			15			15			15
	Subtotal OC 22.0	0	0	142	0	0	131	0	0	131	0	0	76.1	0	0	76.1
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.2	Rental Payments to Others - Office Space			158			158			158			158			158
23.2	Rental Payments to Others - Warehouse Space			29.7			29.7			29.7			32			32
23.2	Rental Payments to Others - Residences			156.2			167.1			167.1			182			182
	Subtotal OC 23.2	0	0	343.9	0	0	354.8	0	0	354.8	0	0	372	0	0	372
23.3	Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.3	Office Utilities			37			38.1			38.1			39			39
23.3	Residential Utilities			59			63.5			63.5			65			65
23.3	Telephone Costs			80			82.4			82.4			85			85
23.3	ADP Software Leases			0			0			0			0			0
23.3	ADP Hardware Lease			0			0			0			0			0
23.3	Commercial Time Sharing			0			0			0			0			0
23.3	Postal Fees (Other than APO Mail)			0.5			0.5			0.5			0.5			0.5
23.3	Other Mail Service Costs			0			0			0			0			0
23.3	Courier Services			10			10.3			10.3			11			11
	Subtotal OC 23.3	0	0	186.5	0	0	194.8	0	0	194.8	0	0	200.5	0	0	200.5

Operating Expenses

Org. Title: RCSA		Overseas Mission Budgets														
Org. No:	690	FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request		
		Dollars	TF	Total												
24.0	Printing and Reproduction			0			0			0			0			0
	Subtotal OC 24.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.1	Studies, Analyses, & Evaluations			0			0			0			0			0
25.1	Management & Professional Support Services			5			31			31			32			32
25.1	Engineering & Technical Services			0			0			0			0			0
	Subtotal OC 25.1	0	0	5	0	0	31	0	0	31	0	0	32	0	0	32
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.2	Office Security Guards			25			26.3			26.3			27.1			27.1
25.2	Residential Security Guard Services			12			12.5			12.5			13			13
25.2	Official Residential Expenses			0			0			0			0			0
25.2	Representation Allowances			2.5			2.5			2.5			2.5			2.5
25.2	Non-Federal Audits			0			0			0			0			0
25.2	Grievances/Investigations			0			0			0			0			0
25.2	Insurance and Vehicle Registration Fees			1.7			1.7			1.7			1.8			1.8
25.2	Vehicle Rental			0			0			0			0			0
25.2	Manpower Contracts			30			31			31			31.5			31.5
25.2	Records Declassification & Other Records Services			0			0			0			0			0
25.2	Recruiting activities			0			0			0			0			0
25.2	Penalty Interest Payments			0			0			0			0			0
25.2	Other Miscellaneous Services			20			20.6			20.6			21.2			21.2
25.2	Staff training contracts			75			50			50			50			50
25.2	ADP related contracts			0			0			0			0			0
	Subtotal OC 25.2	0	0	166.2	0	0	144.6	0	0	144.6	0	0	147.1	0	0	147.1
25.3	Purchase of goods and services from Government accounts	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.3	ICASS			80			82.4			82.4			84.8			84.8
25.3	All Other Services from Other Gov't. accounts			0			0			0			0			0
	Subtotal OC 25.3	0	0	80	0	0	82.4	0	0	82.4	0	0	84.8	0	0	84.8
25.4	Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.4	Office building Maintenance			25			25.7			26			26.4			26.4
25.4	Residential Building Maintenance			70			72.1			72.1			74.2			74.2
	Subtotal OC 25.4	0	0	95	0	0	97.8	0	0	98.1	0	0	100.6	0	0	100.6
25.6	Medical Care			5			5.1			5			5.3			5.3
	Subtotal OC 25.6	0	0	5	0	0	5.1	0	0	5	0	0	5.3	0	0	5.3
25.7	Operation/maintenance of equipment & storage of goods	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.7	ADP and telephone operation and maintenance costs			2			2			2			2.1			2.1
25.7	Storage Services			0			0			0			0			0
25.7	Office Furniture/Equip. Repair and Maintenance			25			26			26			26.4			26.4
25.7	Vehicle Repair and Maintenance			15			15.4			15.4			16			16
25.7	Residential Furniture/Equip. Repair and Maintenance			15			15.4			15.4			16			16

Operating Expenses

Org. Title: RCSA		Overseas Mission Budgets														
Org. No: 690 OC	FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request			
	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	
Subtotal OC 25.7	0	0	57	0	0	58.8	0	0	58.8	0	0	60.5	0	0	60.5	
25.8 Substance & spt. of persons (by contract or Gov't.)			0			0			0			0			0	
Subtotal OC 25.8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
26.0 Supplies and materials			103			103			103			104.8			106	
Subtotal OC 26.0	0	0	103	0	0	103	0	0	103	0	0	104.8	0	0	106	
31.0 Equipment	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
31.0 Purchase of Residential Furniture/Equip.			60			30			60			30			60	
31.0 Purchase of Office Furniture/Equip.			30			15			16.5			15			16.5	
31.0 Purchase of Vehicles			20			0			20			0			20	
31.0 Purchase of Printing/Graphics Equipment			0			0			0			0			0	
31.0 ADP Hardware purchases			30			20			20			45			45	
31.0 ADP Software purchases			20			20			20			20			20	
Subtotal OC 31.0	0	0	160	0	0	85	0	0	136.5	0	0	110	0	0	161.5	
32.0 Lands and structures	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
32.0 Purchase of Land & Buildings (& bldg. construction)			0			0			0			0			0	
32.0 Purchase of fixed equipment for buildings			0			0			0			0			0	
32.0 Building Renovations/Alterations - Office			0			0			0			0			0	
32.0 Building Renovations/Alterations - Residential			0			0			0			0			0	
Subtotal OC 32.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
42.0 Claims and indemnities			0			0			0			0			0	
Subtotal OC 42.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL BUDGET	0	0	3080	0	0	3080	0	0	3180	0	0	3080	0	0	3180	
Additional Mandatory Information																
Dollars Used for Local Currency Purchases	<u>2000</u>			<u>2000</u>			<u>2020</u>			<u>2000</u>			<u>2020</u>			
Exchange Rate Used in Computations	4.64 _____			4.64 _____			4.64 _____			4.64 _____			4.64 _____			
Workyears of Effort 1																
FNDH	2		2	2		2	2		2	2		2	2		2	
FN PSCs	54		54	54		54	54		54	53		53	53		53	
IPAs/Details-In	0		0	0		0	0		0	0		0	0		0	
Manpower Contracts	11		11	11		11	11		11	11		11	11		11	
Total Workyears	67	0	67	67	0	67	67	0	67	66	0	66	66	0	66	

One workyear of effort is equal to 2080 hours worked

Organization: RCSA

Foreign National Voluntary Separation Account									
Action	FY 1999			FY 2000			FY 2001		
	OE	Program	Total	OE	Program	Total	OE	Program	Total
Deposits			0.0			0.0			0.0
Withdrawals			0.0			0.0			0.0

Local Currency Trust Funds - Regular			
	FY 1999	FY 2000	FY 2001
Balance Start of Year			
Obligations			
Deposits			
Balance End of Year	0.0	0.0	0.0

Exchange Rate _____

Local Currency Trust Funds - Real Property			
	FY 1999	FY 2000	FY 2001
Balance Start of Year			
Obligations			
Deposits			
Balance End of Year	0.0	0.0	0.0

Exchange Rate _____

Table 3.5

Accessing Global Bureau Services Through Field Support and Buy-Ins

MISSION/OPERATING UNIT:

USAID/RCSA

Objective Name	Field Support and Buy-Ins: Activity Title & Number	Priority *	Duration	Estimated Funding (\$000)			
				FY 2000		FY 2001	
				Obligated by:		Obligated by:	
				Operating Unit	Global Bureau	Operating Unit	Global Bureau
SO2-A More Integrated Regional Market	TBD	Medium	9 months		400		300
SO3: Accelerated Regional Adoption of Sustainable Agriculture and Natural Resources Management Approaches *	TBD	Medium	6 months		90		120
Sp.O1: TBNRM**	TBD	Medium	1 year		150		150
* Current SO3 as of 3/31/99							
** Current Sp.O 1 as of 3/31/99							
GRAND TOTAL.....				0	640	0	570

* For Priorities use high, medium-high, medium, medium-low, low

IV. SUPPLEMENT INFORMATION ANNEXES:

A. RCSA'S POTENTIAL ROLE IN FIGHTING THE STORM: REGIONAL HIV/AIDS INTERVENTIONS FOR SOUTHERN AFRICA

Revising the Critical Assumption: When RCSA's Strategic Plan for 1997-2003 was presented in August, 1997 one of its critical assumptions was that there will be "continued progress in addressing HIV/AIDS....although HIV/AIDS-related mortality may significantly affect individual enterprises within certain sectors its effect on macro-economic growth will be limited." Since that time, the Agency's awareness of the extremely serious nature of the HIV/AIDS epidemic in Southern Africa has increased, in part due to the release of the 1998 UNAIDS Report, which warned that Southern Africa was facing an unprecedented emergency as the numbers of people becoming infected with HIV continued to climb at alarming rates in many countries in the region.

The Present Situation: In the four worst-affected countries of the region -- Botswana, Namibia, Swaziland and Zimbabwe -- between 20% and 26% of adults were living with HIV or AIDS. Zimbabwe had been especially hard-hit. In 23 HIV surveillance sites out of a total of 25, between 25 and 50% of all pregnant women were found to be infected with HIV. At least a third were likely to pass the infection on to their babies. Having started from a lower rate of infection, South Africa is fast catching up with its neighbors: one in seven new infections in the region are in that country. Dr. Piot, head of UNAIDS stated in November, 1998, that "we now know that despite these already very high levels of HIV infection, the worst is still to come in Southern Africa. The region is facing human disaster on a scale it has never seen before."

The Agency's Response: USAID has responded to the crisis with a number of consultations and activities to determine what the Agency's strategy and activities should be to ameliorate this situation at both the national and the regional levels. Harare Cable 07072, "Storm Warning: USAID Staff Review Southern Africa's Response to the HIV/AIDS Crisis," reported on discussions and recommendations by four USAID missions in October, 1998. Following up the cable, thirty-seven USAID staff, cooperating partners, donor agencies, and private sector representatives met in January, 1999 in Pretoria, South Africa to develop specific actionable HIV/AIDS interventions for the Southern African Region. Four areas were identified for regional support:

- 1) Corridors of Risk: Corridors of Hope -- This program would focus on high transmission groups in a coordinated regional program across three countries.
- 2) Coming out of the Closet and taking Action -- This regional program would support efforts to revise current HIV/AIDS policies or develop new ones and to translate policies into action.
- 3) Knowing Where We Are Going -- This program would address the disjointed and fragmented HIV/AIDS surveillance in the region by strengthening African capacity to provide surveillance standards, training, and quality control.
- 4) Keeping Everyone in the Loop -- Recognizing that regional information

sharing was key to individual country success, activities in this area would facilitate fact-to-face meetings, sharing project information between countries, documenting lessons learned, and transferring regional experience between countries. Since then, AFR/SD has allocated "an initial \$750,000...to complement country efforts and accelerate progress in the fight against the raging HIV/AIDS storm in Southern Africa" (Pretoria 02873). The role that RCSA is to play under the AFR/SD initiative has not yet been specified.

Perceived Impact on Achievement of RCSA's Strategic Objectives' Results:

Based on discussions within RCSA during the R4 results review process, the Mission has concluded that the rapid spread of HIV/AIDS is having, or will have, a deleterious impact on results under at least two SOs -- SO2 (regional market integration) and SO3 (accelerated regional adoption of sustainable agriculture and natural resource management approaches), and on SpO-A, (regional capacity to manage transboundary natural resources). Results under SO1 (increased regional capacity to influence democratic performance), may also be compromised as civil and human rights abuses are exacerbated at the country level or regionally, due to the stigma associated with seropositive status. On the positive side, however, it is likely that achievement of some results under SO1 may help to strengthen results in area 4 increasing HIV/AIDS regional information sharing between countries. RCSA is currently conducting an assessment of possible appropriate regional interventions that could complement and support country, other donor, bilateral mission and AFR/SD activities and programs.

Preliminary discussions with CDC/Botswana -- a key stakeholder -- indicate that RCSA could be an important partner in the regional fight against HIV/AIDS and associated illnesses, such as TB. Since another unit in AID has already agreed to fund a CDC person to be based in Harare and work on strengthening regional surveillance, RCSA's comparative advantage may lie in the other three areas -- especially in "strengthening HIV/AIDS policy and political advocacy in the region" by working with SADC organs, including the Heads of State, to develop a Protocol on HIV/AIDS for the region. This is an area on which there is to be a panel discussion at the April 1999 US-SADC Forum.

Next Steps: RCSA can already begin to implement some activities under its existing SOs and SpOs such as the proposed assessment of the Center's comparative advantage in addressing HIV/AIDS as a *regional* problem, rather than as a problem *in the region*. Based on the results of the panel at the US-SADC Forum, policy questions and responses for SADC can be further elaborated at the forthcoming African Round Table to be sponsored under SpO-B in May or June.

If additional funding becomes available, further steps could be taken quickly, such as increasing HIV/AIDS-relevant media and other communication activities under existing SO1 grants to partners, and reviewing impacts on trade and the movement of the labor force among countries under SO2. Under the proposed new SO3 (see Annex H), activities could be designed to mitigate

the negative impact on women who are the ones who have the highest dependency ratios as a result of HIV/AIDS related illnesses, are most likely to become seropositive, and at the same time, are the main customers for community based natural resources management activities. Women are also affected directly and indirectly in transboundary natural resources management planning and implementation. Similar steps could be taken under the proposed new SO4 (Annex I).

ANNEX B: STRATEGIC COORDINATION IN IMPLEMENTING USAID'S REGIONAL PROGRAM: CHALLENGES AND CONSTRAINTS -- RCSA'S ACCOMPLISHMENTS AND OPPORTUNITIES

Background: In implementing a regional program the need for strategic collaboration and coordination cannot be overstated and its benefits are well known. However, one must be aware of the complexity of "operating regionally" -- a large number of diverse stakeholders; specific interests and priorities may not always mesh with USAID strategies or the fact that Southern Africans' U.S. foreign policy interests in the region; limited USAID resources and USAID's comparative advantage. These key stakeholders are: (1) sovereign countries and their regional institutions; (2) a large number of donors whose development agendas are often driven by their foreign policy interests; (3) a wide range of public and private sector stakeholders in the region; and, (4) USAID's bilateral programs (and the autonomy the USAIDs enjoy in designing and implementing them) focussing on bilateral needs and U.S. foreign policy considerations specific to the country.

The factors noted above pose a major challenge to collaboration and coordination. Yet, diminishing donor resources relative to the complexity of development problems, the presence of large number of donors, and regional and sub-regional governmental organizations, as well as responsive private sector organizations offer a unique opportunity to develop effective collaboration and coordinating mechanisms to generate programmatic synergies and impacts.

RCSA program implementation strategies include specific means of collaborating and coordinating with regional governmental and private sector organizations and working with other donors and USAID bilateral missions in the region. These need to be reviewed regularly and fine tuned to meet emerging needs.

In implementing USAID's regional program in Southern Africa (SA), the RCSA works in partnership with the regional governmental institutions (SADC and five of its technical coordinating units and SACU), eight bilateral USAID missions in the region, the U.S. Embassies in four non-presence countries, half a dozen major donors to the region and a large number of private sector associations and NGOs.

Critical Constraints to Strategic Coordination:

1. Southern African state regional institutions (e.g., SADC, with its sectoral technical units widely dispersed throughout the SADC member countries). These institutions have weak financial and human resources capacity to deal with complex regional problems.
2. The time lag of several months to a year or more between the development of protocols, their approval by the SADC council of ministers and ultimately, by the SADC Heads of State, leading to significant delays in ratification of protocols by the majority of member states.
3. A wide range of private sector stakeholders in the region, including NGOs with overlapping interests and supported by multiple donors.

4. The lack of a comprehensive regional strategy among key donors and in their regional presence. Several major donors do not have regional mandates and presence, although they have bi-lateral programs in sectors that overlap with RCSA's program activities. A few donors have special initiatives such as Sweden (in transboundary water resources) and the World Bank ((a) the Spatial Development Initiative and (b) transboundary conservation areas). Similarly, USAID bilateral program strategies have activities in sectors that are also targeted by RCSA's strategy.

5. USAID structural constraints: (a) The absence of Agency guidance and structure for coordinated regional programming that effectively links regional and bilateral programs, coupled with the lack of USG's overall regional strategy for the SA region (akin to Kissinger Initiative for Central America), to which all agencies contribute. A USG regional strategy is essential to bring about a shared common regional vision among the US Agencies working in the region; (b) the lack of clear guidance from the Agency on coordinated planning of USAID regional and bilateral strategies in the region; and (c) bilateral missions do not have sufficient staff to dedicate to regional interfacing and coordination either with the RCSA or other regional donors, especially in sectors that are not integral to their respective USAID bilateral strategies. The RCSA's support to the development of certain "cutting edge" sectors in the region (energy, railways and telecommunication) which are crucial to regional market integration, often require close coordination with USAID Missions and Embassies in the region. "Sensitive sectors, especially, require not only some on the ground technical understanding but time and staff to know the terrain and Embassy input."

Improving USAID regional-bilateral synergies: The RCSA regional strategy focuses its resources in three areas: regional integration, agriculture and natural resources and democracy and governance. These areas are also covered by the SOs of several bilateral missions (as noted elsewhere in this section) from their respective country perspectives. Therefore, there is significant scope and opportunity for improving synergies, while contributing to more effective deployment of resources and mutual reinforcement activities, leading to better results. In each of these areas there are issues/constraints that can be addressed best from a regional platform, adding value to the bilateral programs, because individual countries are not islands unto themselves and there is great interdependence among the region's countries. This is evident not only in member country adherence to SADC and SACU agreements, but also in several bilateral agreements between the countries in the region (South Africa - Mozambique, South Africa - Malawi, South Africa - Zimbabwe).

The RCSA and seven USAID missions in the region have DG SOs that deal with strengthening civil society and broader participation in democratic processes. RCSA's comparative advantage in strengthening regional-level NGOs working in media, human rights and democracy creates a region-wide environment and advocacy that directly contributes to the USAID's objectives in the DG sector. Recent events dealing with the arrest of a news paper editor in Zimbabwe, and subsequent release under pressure from local groups supported by the regional media institution, have demonstrated the impact of regional level inputs on country-level problems.

In the area of regional integration (including especially policy/regulatory reforms, access to finance, trade and private sector development) RCSA's SO2 complements broadly similar SOs/activities in the five USAID missions. Adherence by the SA countries, to the coordinated

policy and regulatory changes endorsed and accepted by the SADC member states will have a direct bearing on the private sector and policy reform interventions attempted by bilateral missions in their respective host countries. RCSA's role in facilitating the participation of local private sector groups in regional trade policy reform dialogue (e.g., Mozambique) has a direct impact on the support extended by the private sector to policy reform in their home countries. Similarly, telecommunications regulatory reform spearheaded RCSA's regional integration efforts has increased the electronic connectivity of SA countries and access then to regional and world markets, generating income and employment across the region. Similarly increased efficiencies to be realized soon among the railway systems of the Southern African countries, resulting from better tracking of goods and rolling stock (RCSA's -- RSIS activity) will benefit both producers and consumers of goods produced and imported into the region.

In the area of agriculture and natural resources (especially transboundary natural resources, water and wildlife) RCSA's agricultural and natural resources SO complements eight SOs in six USAID missions. Recent evidence clearly shows that the food security constraints dealt with by some of the missions in their own program portfolios are benefitting from the regional investments made by the RCSA's agricultural strategy. An example is the adoption of improved varieties of sorghum, millet, sweet potato and cassava).

Finally, the economic and employment benefits derived by rural communities in Botswana and Zimbabwe under the regional NRM project are significant. These model approaches are replicable across the region and hold great potential for sustainable management of natural resources.

C. Strategic coordination: RCSA's accomplishments and plans: RCSA attaches a very high priority to the improvement of strategic coordination with bilateral USAID missions to balance its program resource allocations, and to improve strategic cohesion and synergies with their respective strategic objectives.

Accomplishments:

1. The RCSA's Director has been in frequent contact with other USAID Mission Directors in the region and has taken several steps to improve strategic coordination. Mission Directors are briefed in detail on RCSA's strategy and activities in their countries and several plan to visit RCSA during the course of the year for further discussions. One such visit took place in February 1999, and resulted in a very high appreciation of RCSA's role in the region and direct programmatic linkages with the concerned Mission.
2. Strategic coordination as the key theme of the Southern African Regional USAID Mission Directors conference: The proposed meeting in February 1999 did not take place due to security concerns. but the theme has been maintained for the upcoming conference after US-SADC Forum in April 1999.
3. The RCSA staff regularly brief mission personnel at the conclusion of their visits to monitor regional activities. This will be further strengthened and systematized.

4. Bilateral USAID staff in the DG sector serve as members of Southern African Regional Democracy Fund Committee which screens all grants to NGOs that implement regional DG activities. Similarly USAID's recommendations are sought in identifying partners for RCSA funded program activities.

5. RCSA has been sharing the quarterly progress reports prepared by each SO team with the bilateral missions. However, the need, if any, to improve the content to make it more useful will be discussed in the near future.

Plans for strengthened strategic coordination:

1. The RCSA will soon finalize and implement its Outreach and Communication Strategy as a management tool.

2. The RCSA will increase the existing flow of information to the bilaterals on regional activities being planned and on-going.

3. Early in the design of the new environment and transboundary natural resources objective, (SO3) and agricultural development objective (SO4), bilateral missions' inputs will be sought and RCSA interventions will be coordinated to enhance complementarities with relevant mission portfolios in those sectors. RCSA will also seek to incorporate the expertise of other mission staff during the design/redesign of its SO level activities.

4. The RCSA will improve and systematize mission debriefings conducted by RCSA staff on TDY visits to mission host countries. Mission senior management will be encouraged to participation in the debriefings. Specific guidance will be provided to RCSA personnel in this regard.

5. USAIDs will be requested to nominate mission level contact persons in areas where the mission does not have bilateral activities (sensitive sectors -- e.g., railways, energy, telecommunications, etc.), where the RCSA regional interventions impact on USAID policies and U.S. national interests in the country.

6. The RCSA will review IR level indicators and data collected on relevant SOs by the USAID missions in their countries and examine to what extent indicator selection and data collection could be coordinated and shared.

7. The RCSA will convene a meeting of USAID Program Officers from the region to discuss ways and means of (a) improving programmatic linkages and synergies, (b) improving coordination, (c) reviewing the RCSA's R4 and discuss how the RCSA and bilateral missions can improve managing for results in the region in those areas where the RCSA and mission programs overlap, and (d) review RCSA-Mission protocols and recommend improvements and changes as required for effective coordination.

8. The RCSA realizes the need for increased communication with the US Embassies in the non-presence countries, where activities are implemented by RCSA partners (e.g. Lesotho, SADC

Water Sector Unit). Steps will be taken to systematize information exchange with these Embassies. This will also demonstrate RCSA's continued support to the smaller non-presence countries of the region.

9. The RCSA will examine with bilateral missions the possibility of developing joint activities targeting the kind of skills, attitudes and institutions the private sector in those countries will need to participate effectively in the region's growth process in the future. These activities should be such that they are supportive of the objectives of relevant SOs of the RCSA.

10. RCSA will further develop the Trade and Investment Framework (T&I Framework) to coordinate the needs of RCSA and bilateral missions in this area. Similarly RCSA plans to coordinate with bilateral missions on the "FRAME" analysis (NRM and environment areas). The objective of these efforts will be to improve programmatic synergies between RCSA and bilateral missions.

ANNEX C: USAID/RCSA's EXPERIENCE IN CONDUCTING A REGIONAL ASSISTANCE PROGRAM

The full potential of U.S. support to SADC member countries can only be reached by building a truly regional vision. In order for the ISA to be fully successful, there needs to be improved regional focus and coordination among the various USG entities involved in Southern Africa. The RCSA involvement in regional program cooperation and coordination complements other USG efforts in each of the countries in the sub-region. Policy reforms by individual countries and actions undertaken at the regional level are mutually reinforcing. Likewise, many of the potential gains from regional cooperation would not be realized without complementary national-level policy and institutional reforms implemented in the countries. In turn, actions at the sub-regional level such as improvements in the transport network or the harmonization of trade reforms across the region would enhance the benefits from the reform programs of individual countries. Working regionally rather than solely at national level offers a number of important advantages and opportunities:

- **Broader perspective, larger scope.** Approaching issues from a regional perspective permits a more holistic view of both constraints to and possibilities for development. In addition, the globalization of the economy and increased international information flows have sharply and significantly increased the degree to which development efforts must take into account factors operating at the supra-national level.
- Support for and **interaction with regional entities and initiatives** is difficult or impossible to provide through bilateral offices, from bilateral platforms or with bilateral methods, and establishment of explicitly "regional" programs and offices is necessary in order to do so. The ISA responds to Southern Africans' own recognition that their development problems cannot effectively be addressed solely at national level, particularly in developing a range of inter-governmental and non-governmental institutions with an explicitly regional perspective and mandate.
- **Nature and expense of intervention.** Regional activities more often focus heavily on policy change, coordination, analysis and information flow than on the grassroots activities more characteristic of bilateral programs. These activities have the potential of providing more "bang for the buck" by focussing less on provision of new resources than on the more efficient use of existing recipient and other-donor resources; conducting them may well be less expensive, *relative to their potential impact*, than more traditional programs.
- **Managing for results.** Working regionally provides a wider perspective, permitting identification of the highest-impact opportunities over a far larger area without regard to national boundaries. Because a regional program is tied neither to the agenda of a host government nor to structures limiting assistance to a single country, allocation of resources to more productive opportunities is often easier

than for a bilateral mission.

- **U.S. comparative advantage.** USAID may be particularly well placed to conduct regional programs insofar as these programs focus on areas such as information technology, or on non-governmental actors, in which the United States has a clear comparative advantage over other donors.

The RCSA has extensive experience with regional support within SADC. The Mission is in a unique position to articulate a regional United States vision and to share the Agency's wealth of regional development experience to promote U.S. foreign policy objectives. Since its establishment in 1995, the RCSA has accumulated considerable experience in simultaneously (i) running a region wide program, (ii) providing REDSO-like services to bilateral missions and (iii) managing (residual) bilateral programs from the regional center.

There are several key "lessons" which have emerged from this experience:

1. Regional Strategies Need to be Developed with Other USG Entities: To reach the full potential of regional programs, the USG has to fully exploit potential synergies. Bilateral and regional strategies both within USAID and State cannot be developed in the field and reviewed in Washington largely independently of each other. Staff structures have to be devoted and empowered to assure strong coordination between regional and bilateral programs. An important step would be to adopt a regional strategic plan, to which both bilateral and regional office strategic plans are subordinate in cases where it has been decided a regional program should be conducted. However, neither State nor AID/W is organized, oriented or staffed to provide consistently strong and focussed guidance on regional issues, nor is there a "regional" Embassy or USIS structure corresponding to the RCSA to provide broad policy guidance or context. (This may to a degree change if State's recent nameing of a Special Representative to SADC is implemented.)

2. Clarification and definition of "operating regionally: The structure, budget and staffing of any regional mission will be quite different if the purpose is programmatic (e.g., to permit engagement on regionwide issues) or management (e.g., to save money or other resources by consolidating administration of bilateral programs). It should be clear up front whether the regional mandate is motivated by management objectives or by programmatic ones. Different approaches to working regionally are appropriate in different environments. Selecting among them requires addressing a number of issues. Some of these issues simply require thoughtful decisions among existing options; basic changes in USAID policies may be required to resolve others. A "regional" program can be approached in a variety of ways. The RCSA's core programmatic approach emphasizes programs implemented at, and seeking to have impacts at the supra-national level, and generally excludes activities which could be conducted more effectively at the bilateral level. A variant approach is also to include activities offering significant economies of scale (e.g., through regionwide training programs) or other benefits (e.g., as in CBNRM, careful structuring and comparison of several differing national "experiments") which would be lost at the bilateral level. A third approach is to conduct several traditional bilateral programs through regional staff based at a single administrative hub; this approach maintains a measure of local presence while reducing costs, and may permit more efficient use of technical personnel. A final concept is that which defines the REDSOs: providing regional technical and

other services from a central support office, in support of bilateral missions. The choice of approach may be based on either programmatic or management concerns; since each has different characteristics and demands, however, failure to make a clear choice may introduce unnecessary inefficiencies and delays in launching the regional work.

3. Clarification of Responsibilities with Bilateral Relationships: Coordination and implementation of regional and bilateral programs is a major burden on both a regional mission and, even more so on a bilateral mission. Responsibilities, therefore, must be explicitly allocated and resources (e.g., OE for travel to regional meetings, staff to assist in reporting of results with regional impact) provided to permit missions to carry out these additional tasks.

4. Lack of Regional Information and Analysis: The benefits of the resulting "big picture" are great, but gathering and processing information on a regional basis (in 12 countries) makes great demands on staff time. This daunting task is compounded by the fact that staff lack ready and consistent access to many information sources -- local media, "home embassy" knowledge, FSNs and other easily-accessible local contacts -- available to bilateral staff.

5. Success is Predicated on Partnerships with Other Regional Partners: The USAID relationship with a sovereign host government provides a broad, relatively clear and coherent policy context for conducting a bilateral program. Regional institutions have more limited and derivative mandates, and are rarely in a position to impose a common policy approach on their members. In addition, cooperating entities may bear no institutional relationship to each other whatsoever. At best, few inter-governmental and non-governmental regional partners exist. Institutional development is accordingly both a significant goal and major consumer of time for the RCSA.

6. Regional Thinking, Regional Implementation: "Thinking regionally" does not simply equate to regional programs. Ideally, for example, the RCSA and bilateral programs in Southern Africa (as well as relevant G Bureau programs) should all be guided by and serve a common strategy for the region, with programmatic responsibilities allocated to make best use of the comparative advantages of each USAID entity. Unlike the bilateral situation, the definition of what constitutes the scope of the program for a regional mission itself requires conscious definition. The scope may be defined geographically, or in terms of one or more regional organizations; it may remain fluid, or differ for different program elements. Even after USAID has developed a clear definition for its own programming purposes, it may be asked to revise that definition in response to developments which are extraneous to USAID's own development goals, analysis and priorities. The 1993 Initiative for Southern Africa, for example, included only the eleven then-members of SADC. However, SADC's acceptance of applications from three additional members presents larger programmatic issues.

7. Realistic Benchmarks and Goals: Longstanding as well as reengineered Agency procedures often assume a bilateral context, and must be manipulated or worked around to meet the needs of a regional program. As a result, it simply takes longer to set up a regional operation and begin to achieve results than would be the case in a bilateral situation.

8. Donor Coordination: Few donors think and structure themselves to work regionally. There

is no forum or standard operating procedure for coordinating the activities of the few donors engaged in regional activities. Because other donors' programs are less accessible, coordination of activities to share burdens and build on different donors' comparative advantages is a far more staff-intensive undertaking than would be the case in single-country contexts. The growing number of donors working regionally in Southern Africa -- most recently including the World Bank -- should, however, facilitate development of such networks.

9. Hiring: The CCN/TCN structure does not envisage the hiring of regional staff, nor does the Agency's compensation system address the problems of structuring appropriate compensation packages for regionally-hired staff.

10. Staffing: Travel requirements are greater than for bilateral missions, and absences are lengthier; as a result, greater depth of staffing and teamwork has to be maintained and staff must be more versatile and more widely familiar with others' portfolios to permit them to fill in gaps associated with expanded travel obligations.

11. Staff Costs: It is very important for breadth of knowledge and experience that a regional office's local professional staff be drawn from throughout the region. While the RCSA has been fortunate in the degree to which its host government has understood and accepted this imperative, it still frequently encounters resistance to providing work permits for "regional" staff when the host government believes local citizens could do the work. A separate issue is that "regional"-hire professional staff cannot for budgetary purposes, simply be equated to a bilateral mission's CCNs: they are more expensive due to the need to provide housing, relocation, home-leave and other benefits. Even where there is a pre-existing bilateral mission, staffing knowledge bases and habits must change significantly to reflect a situation that will likely be even more different from what they have previously experienced than is at first recognized.

12. Communications, Meetings and Travel: E-mail and improved telecommunications in much of the region have made it possible to conduct a "real-time" regional program in a way that might not have been possible even five years ago. Communication is still very time-consuming and difficult, however. This is partly because so many more partners (particularly Embassies/USAIDs) must constantly be kept current and involved than would be the case in a bilateral program -- and in writing rather than orally -- but also because almost all communication is at long distance. To minimize the consequences of communications failure, several backup systems must be employed, and delays must be built in to accommodate the slowest or least reliable communication system. Similarly, stakeholder or other meetings conducted on a regional basis require not only substantial increased cost and administrative support, but the attendant lead time is far greater, with associated costs in terms of flexibility and rapid response. Meetings, therefore, must have fuller agendas which in turn require additional advance planning.

13. Obligations: Because there is no regional equivalent to a host government with which to sign a Project Agreement or Strategic Objective Agreement, the single most salient challenge faced in conducting the regional program has been that of obligating funds. The RCSA has signed LSGAs with SADC, and recently its first SOAG. SADC normally derives little if any direct benefit from these obligations, raising concerns about its readiness to continue to sign

them. This is particularly true in the politically sensitive area of democracy and governance where **no** obligating Agreements with SADC have yet been signed.. The principal alternative mechanism is obligation through contracts or grants. Grants with individual partners leave funds hostage to the institutional foibles and limitations of generally weak regional and national institutions which reduces the RCSA's ability to shift funds without subjecting ourselves to the unpredictable deobligation/reobligation process in the event that a contract must be terminated. While the RCSA is exploring such alternatives as obligating through other donor entities, no method yet identified fully meets the regional program's unique requirements.

14. Little Operating Expense Savings: Implementing a regional program offers greater impact and other programmatic efficiencies, but this is unlikely to permit significant operating expense savings with respect to assistance delivered, e.g., the "efficiency measure" used by Agency management analysts to guide staffing and OE budget levels.

15. Support Offices: Combining a regional program with a regional support function is an unstable mix in an environment of chronic staffing shortages. The RCSA has legal, contracting and financial regional service responsibilities. With the link between budget and performance creating a powerful incentive to deliver program results, mechanisms for sharing sacrifices in program performance (associated with staff shortages) equitably will be needed.

ANNEX D: PROGRAMMATIC LINKAGES TO THE MISSION PERFORMANCE PLAN (MPP)

The RCSA is a regional center and a "Mission Performance Plan" for Southern Africa region does not exist. RCSA has, therefore, reviewed the MPP goals from Southern African countries as reported by the USAID bilateral program R4s for FY 2000 and assessed those goals that consistently recur in the reports as the U.S. Mission goals for the region.

By supporting regional players who influence national democracy and governance issues, RCSA's SO1 supports the effort of U.S. missions in the region to strengthen the pillars of democracy through creation of independent and professional media; an independent judiciary; a strong legislature and active civic organizations. This is a priority objective of the democracy goal in most of the country MPPs. An equally important objective in the U.S. national interest economic growth goal area is the creation of an economic environment that supports increase and expansion of U.S. trade and investment in the region. Strategic Objective 2, "A More Integrated Regional Market," will promote integration and opening of the regional market by strengthening policy analysis and reform through technical assistance and increased advocacy and policy dialogue. As the region restructures over the next few years some of this restructuring will involve significant tariff reductions, so economies in the region will be looking for new markets, both to source goods and to sell. The region will also be looking for opportunities to protect itself or compensate for the negative repercussions of losses under the new (European) Lome Agreement. an expected impact of an effort is increased sales of U.S. products and U.S. investment in the region.

Strengthening cooperation among Southern African states on issues that have potential for conflict in a region as important to the United States as this one, is a priority goal. Interventions under Special Objective A, "Increased Regional Capacity To Manage Transboundary Natural Resources," will help the region to increase its capacity to manage transborder natural resources while SO2 will advocate infrastructural collaboration and interdependence in areas of transportation and telecommunications. By increasing capacity in the region for policy planning and management, RCSA will contribute to consolidation and increased sustainability of all these gains. Through Special Objective B, "Create Capacity for More Informed Regional Decision Making," RCSA will encourage SADC to improve internal management and coordination and set realistic and meaningful goals, making it a more effective operational and policy unit and improving government's articulation and promotion of policy initiatives. This SpO will also emphasize sustainable strengthening of other policy-related institutional capacity in both the private and public sectors of the region.

ANNEX E: THE RCSA PERFORMANCE MONITORING PLAN

The RCSA program mandate is to address regional problems and constraints to the efforts of regional bodies (such as SADC) towards integration, sustainable economic growth and democracy and good governance. To do this, RCSA contributes to the ISA goal through its delivery on three strategic objectives (SOs) and two special objectives (SpOs). The first objective, SO1, seeks the *increased regional capacity to influence democratic performance* needed for a democratic Southern Africa. The second objective, SO2, seeks *a more integrated regional market*, which will create more openness at the national level and enable new trade and investment that is needed to promote growth. The third objective, SO3, seeks the *increased regional adoption of sustainable agriculture and natural resource management practices* needed to improve the incomes of the less advantaged and so support a wider, more equitable distribution of national income. The special objectives A and B, which aim to increase regional capacity to manage trans-boundary natural resources and to create capacity for more informed regional decision making, respectively, are designed to help sustain growth, equity and democracy through more efficient resource management and good governance that is strengthened by a deepened network, regional civil society.

RCSA implements activities that complement the effort's of bilateral missions and also other development agencies in the region. The unique role of the regional program is to address those issues for which there is a comparative advantage when treated from a regional perspective. Several changes were made to the illustrative indicators which were proposed in the RCSA's strategy, approved in August 1997, in order to collect data that was appropriate to assess the results and impact of the regional program. Furthermore, for some intermediate results in the SO results framework, activities were not developed or did not commence until recently. This Annex discusses the difficulties encountered in defining indicators that can show regional "value added" impact, as well as RCSA's response.

The logic followed under the *regional market integration* program is that as the regional market becomes more integrated; (a) a higher level of intra-SADC trade, and (b) less divergence between the prices of goods in different countries will occur. At the same time, it should be borne in mind that the integration objective is dependent on continued growth in output (goods and services) which can then be traded in the region, as well as on reductions in trade and investment barriers. To track overall progress in the strategic objective, therefore, growth trends were observed and two SO-level indicators were monitored: (1) Increases in the value of intra-SADC trade, and (2) Convergence of wholesale prices. At the SO level, indicators (1) and (2) are influenced by both RCSA interventions, via the intermediate results (IRs) pursued, and by the independent contributions of policy changes made by governments and other donor interventions in the regional integration arena.

At the Intermediate Result (IR) level, RCSA interventions were designed to reduce trade and investment barriers, and to facilitate trade. Performance was assessed by comparing actual outcomes measured by indicators with targeted or expected trends. Three main IRs were established: the first IR, *reduction of barriers to broadened participation in the regional market*. Assessing this result required information on (a) reduction in tariff barriers; (b) a reduction in non-tariff barriers; (c) a reduction in barriers to investment, and (d) a reduction in constraints

such as access to finance and financial services.

Various interventions (activities) for IR1 were implemented through partners such as the SADC Secretariat, the SADC trade and industry coordinating division, the SADC trade negotiating forum, the community of Eastern and Southern African states (COMESA), the SADC finance and investment sector coordinating unit FISCU, and the SADC border posts operations working group. The outcome was then monitored using indicators which proxy the IR. Examples of IR 1 indicators are: (1) reduction in the proportion of intra-SADC imports subject to tariffs in excess of 10% (addressing tariff barriers); (2) average clearance time at border posts (addressing non-tariff barriers); (3) Southern African Enterprise Development Fund (SAEDF) performance (addressing credit access and indigenous investment).

The second intermediate result, (IR2) *more efficient provision of infrastructure*. Assessing this result required information on: (a) more efficient provision of road transport for traded goods (reliable and affordable road transport); (b) more efficient provision of rail transport for traded goods (reliable and affordable rail transport); (c) more efficient provision of telecommunications services. The SO2 team intervened through its work with relevant partners including various projects, SATCC task forces and working groups such as the transport efficiency project (STEP/PAAS), the road network management and financing task force, the road user charges task force, the railways tracking system project (RSIS) and the regional telecommunications restructuring program. All of these are aimed at enabling the more efficient provision of infrastructure. IR2 indicators were then used to track the outcome. These indicators were: (1) Reduced cost of transporting imports; (2) Increased number of licensed telecommunications service providers.

Assessing the third intermediate result, (IR3) *increased advocacy for sustained regional integration*, required collecting information on: (a) educating the public and private sectors on the implications of regional integration; and, (b) increased private sector participation in the design and negotiation of regional integration agreements. As before, interventions for this IR were carried out through partners, examples being the encouragement of private sector participation in workshops run by partners and in teams formulating transport and telecommunications protocols, and work done through the Mozambique bilateral USAID mission to raise Mozambican public and private sector understanding of the issues and implications of regional integration. The outcome was tracked using an indicator, IR3 (being refined), which measures the level of private and parastatal sector participation in regional trade, transport and investment agreements.

The democracy and governance (DG) program measures *increased regional capacity to influence democratic performance*. While secondary data in the form of the Freedom House ratings of democratic development and the new Regional Index of Governance (developed under the auspices of the UNDP) exist at the strategic objective level, it was found that this needed to be supplemented by primary data collection to capture the regional capacity dimension, and to measure RCSA performance at the intermediate result level.

Conventional bilateral DG programs have a range of indicators to select from that measure improvement in specific intervention areas such as judiciary, parliament, human rights, elections,

etc. While the regional program aims at having an impact on the same level in the long run -- the subgoal is "a cluster of well functioning democracies"--- the immediate short term result is to have the regional factor become an integral element in fashioning national-level democratic practice. The challenge then, is to develop indicators that measure this unconventional result.

The early conceptualization of the indicators for this SO concentrated on measuring the degree of influence that was being exerted on national-level discourse. A regional reference index generated from focus group discussions was to provide a measure of the extent to which comparable regional events were perceived as influencing national DG debate. A media analysis was to generate a similar measure from DG articles in the region's national print media that mentioned experiences in other SADC countries, and to corroborate the focus group findings. Although the focus group methodology provided a good assessment of the perceptions that the politically active had on the role of the regional entity in national level discourse, the results were too qualitative to facilitate comparison over time. A quantitative index was developed and reported in last year's R4, but a repeat exercise during the following internal mission semi-annual reviews showed that the index was not consistent. Furthermore, the focus group findings were not corroborated by those of the media analysis, costing further doubts on the validity and reliability of the methodology. The cost of conducting focus group discussions in 12 countries was prohibitive and the SO Team also felt that the indicator was trying to measure results at a higher level than "capacity to influence."

Following these experiences, the Mission decided to change the SO level indicator to "*Perceived effectiveness of organizations seeking to achieve regional DG impacts,*" and to use two measurement techniques -- key informant interviews and a more quantifiable survey of the perceptions of practitioners in the DG field. These methodologies are expected to provide more useful information and are also less expensive. Technical issues such as respondent selection, and bias introduced by non-probability sample selection techniques are being addressed.

Measurement at the Intermediate Result level has taken the form of quantitative customer surveys. Here the challenge lay in the logistics of conducting primary research in eleven countries simultaneously. This was dealt with by trying wherever possible to use the services of in-country consultants and to use the same consultants over and over. The consultants were selected for their contacts in a wide range of fields relevant to the RCSA's program of activities and the in data collection skills. They were given an orientation to the RCSA program prior to undertaking data collection tasks.

For the future, it is planned that the RCSA M&E contractor will work with partners to develop monitoring and evaluation plans that will satisfy the needs of both parties. This will improve the efficiency of the overall data collection process while ensuring that data collected is specific to both evaluation needs, and the needs of partners. This approach will also have the benefit that partners would be contractually bound to collect the mutually agreed data.

ANNEX F: COMMUNITY BASED NATURAL RESOURCES MANAGEMENT (CBNRM) IN SOUTHERN AFRICA EXECUTIVE SUMMARY EVALUATION

The process of community-based natural resources management (CBNRM) is a key component activity within the RCSA's Natural Resources Management Project (NRMP) which was initiated in Southern Africa in 1989. It is achieving very good results in organizing communities to work together to solve the problems of management of the natural resources on their common lands and in helping them establish the linkages necessary for access to technical assistance, markets and information and communication networks.

This assessment summarizes the status of the CBNRM process within the NRMP, identifies the key elements and factors necessary for rural communities to become actively involved in helping themselves to improve their quality of life, and examines the opportunities and constraints the communities must deal with in the process of improving the productivity, profitability, and sustainability of their natural resources base.

People living on undivided (common) lands with limited tenure or proprietorship rights are nonetheless dependent upon those lands and their productive capacity for their continued livelihood. We refer to them as *dependent users*; even as tenure is clarified and the proportionate sharing of common-land rights with the state are adjudicated or specified, the dependency of these people will continue. The extent to which they survive and prosper in their environment varies with the degree to which the people have authority to mince decisions as to how these lands and their resources will be used and developed.

CBNRM processes and activities are working world-wide as an integral part of USAID's development portfolio. What we find in the Southern African context is essentially the same set of operational opportunities and constraints found everywhere:

- authority over the common lands and their resources is generally held by the state with varying degrees of restriction of the usufruct and/or tenurial rights of the dependent users on the land;
- governments are willing (sometimes grudgingly) to share some of the rights, authority, and beneficial uses of these lands in order to obtain the cooperation and involvement of local people in the protection, management, and sustainable use of the resources;
- governments have varying degrees of commitment to the long-term development of the economic strength and self-determination of rural communities;
- communities, rural or urban, are not isolated islands of self-sufficient, they need linkages to the larger networks of society, commerce, and government in order to develop rationally and sustainably; and,

- market forces play a critical role in the identification of the resource values necessary to provide the driving forces required to develop the willingness; motivation and capacity of governments and rural people to invest their scarce human and financial resources into the CBNRM process.

These are complex relationships which raise issues of equitable sharing of benefits and costs. inter-dependence of the local people with the technical and governmental entities, the manner in which proprietorship is to be held or shared. and the forces which motivate people and governments to trust each other and work together for their mutual long-term benefits.

The CBNRM process in the NRMP started with, and still rests heavily upon, the utilization and conservation of the big game resources and the closely related wildlife tourism sector in the several countries. It has succeeded because the combination of forces related to high visibility of the resource, market opportunity and need for action motivated "over tents and dependent users to work together. The success of this focus on wildlife has overshadowed many other natural resources management opportunities which are just now beginning to develop. But, the mechanisms for community action and entrepreneurship are in place and sustainable, and the expansion to other resource development opportunities is more a matter of introducing additional technology, extension education and market development linkages into the existing system.

RCSA's current NRMP has a PACD (project activity completion date) of September, 1999. Since 1994, the NRMP has supported CBNRM activities in Botswana, Namibia, Gambia and Zimbabwe, plus a regional coordinating unit in Malawi in furtherance of the natural resources component of **RCSA's Strategic Objective No. 3: "accelerated regional adoption of sustainable agriculture and natural resource management approaches"** toward achievement of the following:

Result 1: Demonstrate through practical examples, the technical, social, economic and ecological viability and replicability of CBNRM and utilization programs on marginal lands for increasing household and community incomes while sustaining natural resources; and

Result 2: Improve national and local capability to halt the decline in the wildlife, range, watershed, veld products, and biodiversity of the resource base through training, education, protection, communication and technology transfer.

I. SUMMARY OF FINDINGS AND RECOMMENDATIONS

A. Findings

A.1. The CBNRM process, through the NRMP, has made significant contribution toward achieving the intended results of RCSA's Strategic Objective Three (SO3).

A.2. USAID's initial pilot-program focus of CBNRM on the wildlife resources was correct; this sector was already tied to an existing market, was threatened by overexploitation, and was of major concern across the region and around the world. Governments, NGOs and local people and communities remain motivated and active, enabling the CBNRM approach to continue to gain

momentum and expand into new communities.

A.3. The evolution and development of new policy and legislation in the NRMP countries has been a slow process over the past ten years, but changes have begun to flow through the process rapidly since 1996. This is reflective of considerable effort and attention by governments to the long-term ramifications of such changes, as well as the willingness of "over rents to make necessary changes. The evidence strongly suggests that the policymakers are observant of the approaches being taken by their neighboring countries and take them into consideration when seeking solutions to their internal needs. Namibia, for example, started late but was able to move rapidly in this arena by examining and weighing the impacts of the policies and laws of other states in the region.

A.4. The regional coordinating unit in Malawi has very successfully demonstrated that a focused effort of extension information and communication activities, supported by a regional newsletter and well organized regional workshops and seminars, can have significant impact on raising and maintaining awareness and creating motivation to act. This unit's initial focus on the wildlife sector is now influencing other productive natural resource sectors such as forestry, fisheries, and veld products.

A.5. CBNRM is an evolving and viable process for the long-term rational management and use of natural resources on marginal lands; it is successful where the local participants perceive that their total social and financial benefits exceed their individual total input costs. All of the elements necessary for sustainability are in place in the NRMP component activities in Botswana, Namibia, Zambia and Zimbabwe. This does not mean that all of the communities are individually capable of sustaining their CBNRM processes, but they are not required to function alone within the CBNRM systems which are in place.

A.6. Wildlife focused CBNRM is effectively reaching the traditionally disadvantaged rural poor because their marginal communal lands (in terms of agriculture) are becoming profitable lands in terms of wildlife production systems; CBNRM is making a meaningful contribution to many local economies where the people have been previously dependent upon subsistence farming and remittances. With this functioning base, CBNRM programs in the several countries are care broadening their activities to address other natural resources products and services as market linkages are established.

A.7. There is evidence of increase in some wildlife populations and increasing trends of a few species, and the improvement of habitat in specific locations; however, there is insufficient evidence to conclude any cause and effect relationships of CBNRM activities to broad biophysical trends within and beyond management areas.

A.8. The distinct socio-political structures of individual nations show that CBNRM is widely adaptable, if not replicable; ideas, experiences and results are shared across the region and each country is continuing to test nuances in the process which lead to shifts in the character of CBNRM activities to fill the opportunities and meet the needs of the local people.

A.9. Implementing organizations (government agencies, CBOs, and NGOs) still lack the

absorptive capacity to efficiently, effectively, and rapidly use donor support; the magnitude of donor funding and the short (4-5 year) implementing cycles are not well synchronized to internal conditions and constraints.

A.10. Incomplete and non-structured economic and financial data about incomes, costs, numbers of jobs, and market supply and demand dynamics for products and services more it impossible to produce a meaningful economic assessment of the CBNRM program. Indicators in many of the documents show that the CBNRM process is, however, providing a broadened range of financial and economic alternatives for rural people and specific examples look promising for the future.

B. Recommendations

B.1. Any expansion of CBNRM efforts should be geared toward linkage of existing market demands to an expanded range of products and/or services, in addition to those of the wildlife sector, that can be supplied by the communities and individuals from the natural resources base. This will identify new market opportunities which will provide the impetus for increased economic strength and broadened management activities.

B.2. RCSA's follow-on NRM activities should support the maintenance and conservation of biodiversity by assisting the development and use of coordinated monitoring of biological indicators. The productive condition of the natural resources on a landscape reflects directly on the potential sustainability of those resources and the livelihoods of people dependent upon them.

B.3. The NRMP needs to introduce systematic and structured collection of economic data into the monitoring and evaluation activities of the project management- portfolio; out input data need to be quantified in monetary terms for computation of net gains (or losses) and ultimate comparison to project costs/returns.

B.4. Adapt the model of the regional coordinating unit for the SADC Wildlife TCU to other SADC TCU's which address the non-wildlife sectors of the natural resources, i.e., forestry, fisheries and range. This might be coordinated in a number of different ways, but could lead to a consortium of interests that would transcend the sectoral specificity of the natural resources and aim at the functional needs of communities dependent upon that mix of resources.

II. METHODOLOGY

This assessment was carried out by a four person consultancy contract team which operated out of the RCSA in Gaborone. Botswana. during a six-week period from May-July, 1998, under the sponsorship of the S03 team.

The greatest portion of the information for this assessment came from a desk study of a large volume of recent USAID and partner CBNRM project evaluation reports, regional scientific research papers, special case-study reports, and preview information relating to up-coming project efforts by donor countries and international NGOs. This was augmented by personal interviews with key donors, NGOs, and government officials at the CBNRM project sponsorship level in

Botswana, Malawi, Namibia, Zambia and Zimbabwe. Time constraints did not allow for visits to any field operations nor to other countries in the region.

After completion of the initial summary of all the information attainable within this tightly defined period, a roundtable discussion was held at RCSA on June 22nd to present the assessment team's tentative findings and to elicit open discussion of ideas and issues requiring clarification. This half-day workshop was chaired by IUCN, and featured nine leaders of CBNRM activities from around the region as respondents to the team's presentation on the nine major points of focus from the scope of work for the assessment. This was followed by an open forum discussion to get comments and questions from the 24 observers at the session. Key elements of this roundtable discussion were incorporated into this assessment document.

Analyses of data and information were facilitated by use of comparative methodology, in which the results being reflected in the programs of each individual country were compared to those in the other countries by numerous processes of normative ranking. This was extremely helpful in understanding the sometimes subtle variations between countries when attempting to find cause and effect relationships for assessing impacts of CBNRM. This approach is valid in the context of the countries studied because of their contiguous geographical position, their recent political emergence as independent nations, their similarity in terms of broadly abundant and diverse wildlife resources, and their international attractiveness to the safari/tourism market. It could be argued that this common wildlife resource basis for CBNRM initiation limits the validity of the conclusions in this assessment to those cases based upon similar wildlife-based programs.

ANNEX G: THE SOUTHERN AFRICAN ENTERPRISE DEVELOPMENT FUND (SAEDF) EVALUATION SUMMARY

The SAEDF project is an important component of the RCSA initiative to incorporate broader participation by the indigenous private sector in the economic growth and development in Southern Africa. SAEDF has been capitalized and staffed to create an effective, sustainable mechanism for providing investment capital to indigenous, historically disadvantaged small and medium-sized enterprises (SMEs) in the Southern Africa region (Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe).

SAEDF opened its offices in Johannesburg in January 1996 and began operations in June 1996. By June 18, 1998, the SAEDF Board of Directors had authorized the disbursement of \$24.9 million to twenty enterprises in eight countries. By June 1998, a total of \$7.4 million had been disbursed to nine of the approved projects in five countries. An additional \$900,000 was disbursed by September 30, 1998, increasing the size of the portfolio to ten projects in five countries, totaling \$8,329,539.

This consultancy consists of a two-phase effort to collect, analyze and report on the potential and actual impact of SAEDF investments. This report, which concludes the first phase of the consultancy, is intended to provide quantitative and qualitative baseline data documenting the impact of SAEDF investments through September 30, 1998. The second phase will include assessment of the impact of SAEDF investments through September 30, 1999. Both phases are intended to provide comprehensive baseline data that will be used for on-going SAEDF performance monitoring.

Assessment of SAEDF impact has been based on, and organized around, specific criteria established by RCSA to measure project performance relative to:

- employment generation;
- increased and strengthened business activity by indigenous, historically disadvantaged Southern Africans;
- improved business practices and entrepreneurial skill levels in the target communities; and,
- SAEDF financial performance and viability as a profitable, self-sustaining investment company.

The following summarizes the findings contained in the first phase of the assessment report.

OVERVIEW OF FINDINGS

SAEDF involvement with the ten projects in its current portfolio varies from more than 30% to as little as 8% ownership of common stock. Several of the investments consist of preferred stock; others involve debentures and various types of debt instruments. Other institutional investors are also involved with most companies in the portfolio. Four SAEDF investments have financed new ventures; five have financed expansions of on-going businesses; and one has

supported a business restructuring. The relative importance of SAEDF involvement with each company as a factor in the company's development and impact on its community cannot be accurately measured. For purposes of this assessment, it is assumed that SAEDF involvement, regardless of the size of its shareholding, is an important part of the capital base and development potential of all companies in which it invests. Therefore, the assessment considers the total performance of investee companies subsequent to disbursement of SAEDF funds to be attributable to SAEDF involvement.

Where the SAEDF investments have been recently made, no meaningful "measurable impact" is possible. Otherwise, impact has been documented and assessed. The current status of all investee companies has been thoroughly documented to facilitate on-going monitoring and for future assessments of impact.

THE SAEDF PORTFOLIO

As of September 30, 1998, direct beneficiaries of SAEDF investments included ten companies in five countries. The cumulative SAEDF portfolio was \$8,329,539, consisting of \$6,889,754 in equity nine companies and \$1,439,785 in debt, debenture and other non-equity disbursements to four companies.

Indirect SAEDF financing totaled the equivalent of approximately US\$ 40 million in leases to 692 companies through SAEDF investment in a leasing company in Zimbabwe.

Funds committed in 1998, but not disbursed by the end of the fiscal year totaled \$16.6 million. However, for various reasons, six approved projects totaling \$7.1 million are no longer being actively pursued by SAEDF.

The portfolio included:

- an 89-bed private hospital in Cape Town, South Africa;
- a pathology laboratory servicing the Province of Kwazulu-Natal in South Africa;
- a financial services company in Harare, Zimbabwe;
- a rose farm in rural Tanzania;
- a motor vehicle and equipment leasing company in Harare, Zimbabwe
- a producer of a popular grain-based liquid food product in Zambia;
- an ostrich farm in rural Namibia;
- a chain of neighborhood grocery stores in South Africa;
- a financial institution specializing in low-income housing in South Africa; and
- a producer of pork-based meat products in Zambia.

EMPLOYMENT GENERATION

Improvement of employment opportunity in historically disadvantaged communities was one of the primary justifications for USAID support for SAEDF. Most of the projects in which SAEDF has invested are in very early stages of development, and there has been limited opportunity for impact on employment. As of September 30, 1998, three of the business in which SAEDF had

invested had not begun operations, and disbursement of SAEDF funds to six of the ten projects had occurred within the previous six months.

A total of 1,221 workers of all skill levels were reported to be working for, or in the process of being contracted by, the ten companies in which SAEDF has invested. In consultation with the managers of the investee companies, the assessment team estimates that 950 of the jobs are attributable to SAEDF and its co-investors. New business starts account for 782 of the jobs created, and 168 have resulted from expansions of existing businesses.

The quality of the employment supported by SAEDF investment has also been analyzed and found to be surprisingly high: thirty eight percent of the positions are either managerial or professional. Female representation on the workforce is also high: fifty-six percent of all employees are female, and women occupy 48% of all managerial and professional positions. All but ten of the 1,221 employees are Southern Africans.

At least 900 additional jobs are estimated to be indirectly attributable to SAEDF. These include part-time positions with investee firms and employment that has been indirectly generated by the companies through subcontracted work, related services and, in one instance, jobs created by an IFI in which SAEDF has invested. Gender and other characteristics of indirectly employed individuals are not available.

INDIGENOUS BUSINESS OWNERSHIP

In general, SAEDF transactions have either facilitated or reinforced indigenous business ownership. SAEDF investments financed expansions of four indigenously owned businesses and three new or recently started ventures by indigenous entrepreneurs. One investment was made to finance purchase of shares in a grocery store chain by a grass roots organization that represents disadvantaged communities. A SAEDF loan to an intermediate financial institution did not involve indigenous ownership, but substantially increased financing for low-income housing in disadvantaged communities. SAEDF exit strategies for all current investments are engineered to result in increased indigenous ownership, usually through buy-out options for indigenous partners.

GROWTH OF INDIGENOUS ENTERPRISES

A total of nearly US\$ 67 million in sales are reported or projected for the most recent fiscal year of the seven operational companies in which SAEDF has invested. As indicated earlier, most of the SAEDF investments are too recent to have had significant impact on company performance. As of September 30, 1998, three SAEDF investments that supported expansions of on-going projects and were mature enough to have affected sales:

- RHF, an institution that finances low-income housing in South Africa was able to double the size of its loan portfolio with SAEDF funding. One-half of the company's portfolio (reported in September 1998 to be equivalent to US\$ 6.9 million) is attributable to SAEDF.

- A July 1997 SAEDF investment doubled the capital base of LCZ Holding, a leasing company in Zimbabwe. The investment coincided with a period of dramatic growth of the company's lease portfolio. By July 1998, the LCZ portfolio was equivalent to US\$ 13.3 million. In spite of Zimbabwe's economic crisis, the company is projecting another year of substantial growth. Although LCZ was strong prior to SAEDF involvement, its increased capital base was key to its success.
- Kingdom Securities Holdings, a Harare based financial services firm, increased its sales by 33% during the year after a SAEDF investment contributed significantly to the company's liquidity, borrowing capacity and overall financial agility. The company projects sales for the year ending December 1998 to be the equivalent of US\$ 18.6 million. As much as 20% of the sales are attributable to SAEDF support.

The growth of companies in which SAEDF has invested will be monitored and assessed on an on-going basis. Sales data for the most recent fiscal periods of all operating companies have been documented in constant U.S. Dollar terms for this purpose, using a September 30, 1998 exchange rate.

IMPROVED BUSINESS PRACTICES AND ENTREPRENEURIAL SKILLS

As anticipated by project designers, exposure to SAEDF due diligence activity, its negotiation process and other pre-investment interaction has benefited the companies in which investments have been made. Most SAEDF beneficiary company owners report that the due diligence that was performed by SAEDF resulted in important improvements in their management systems, often as prerequisites to SAEDF investment. The managers of several companies acknowledge that their negotiating skills and general familiarity with financial engineering have also benefited from their relationships with SAEDF officials.

The following are illustrative of the experiences that have been reported.

- Two investee companies indicate that SAEDF assisted with negotiations with local banks to improve their companies' financial structure. In both cases, the owners report better access to credit and greatly improved relationships with their bankers.
- A producer of pork products in Zambia attributes his ability to successfully negotiate the purchase of his processing plant to SAEDF involvement. In addition to providing a substantial portion of the required capital, SAEDF helped to identify a technical partner that brought necessary expertise and additional financial support from a European development organization.
- The mechanism developed by SAEDF to finance a low-income housing financial institution in South Africa has been used by the manager of the institution to secure additional financing from other sources.

- The owner/manager of a retail grocery chain reports that the ownership in his company by a grass roots organization that was financed by SAEDF has improved access to markets. He feels that the qualitative support provided by SAEDF has been far more beneficial than its' financial investment.

Most SAEDF investments are too recent to have had post-closure influence on the investee companies. Owners and managers of those companies in which SAEDF representatives had the opportunity to participate as board members report useful contributions. SAEDF is characterized by the owners of many of its beneficiary companies as a “demanding partner” that requires close attention to detail, particularly in the area of financial management. Specific examples of reported post-investment benefits include the following:

- One of the two companies with which SAEDF involvement exceeds one year, has benefited from active participation by SAEDF professionals in its fund raising and financial structuring activities. Managers report that the SAEDF representative on their board has been instrumental in identifying and negotiating with funding sources and financial service providers.
- A rose grower in Tanzania reports that SAEDF requirements for a restructured financial management system have resulted in significant improvements in her business. She also reports that SAEDF involvement with the company has greatly improved her access to local financial services.
- SAEDF representatives are working closely with the manager of Integrated Pathology Services to negotiate with banks and identify an appropriate additional partner to supply the short and long-term capital the company needs to survive.

SAEDF SELF-SUSTAINABILITY

The criteria established to measure SAEDF progress toward achieving self-sustainability include (a) percentage of the company's expenses that are covered by investment related revenues and (b) profitability based on internal rate of return.

At the close of its fiscal year on September 30, 1998, SAEDF recorded total return on investments (including interest, fees, dividends and capital gains) of \$462,192 and total expenses of \$3,111,477. The percentage of expenses covered by investment revenues was, therefore, 14.9%. The result compares favorably to the 9.7% target that had been established for the period. The SAEDF target for 1999 is 32.4%.

The SAEDF internal rate of return for FY 1998, based on cash draw-downs (from USAID and other donors, sponsors) and cash re-flows (fees, interest, dividends, repayments of principal, proceeds from equity sales and other income) was 5.39%.

No new sources of financing for SAEDF had been identified by the end of the 1998 fiscal year. The SAEDF 1999 – 2003 Business Plan includes strategies to prepare the organization for an aggressive campaign to identify and develop new funding sources by the Year 2000. The

strategy focuses on strengthening the organization and its portfolio and dedicating budget and personnel to investigating and pursuing investment capital in the United States, Europe and Asia. SAEDF management is also studying the experiences of the Polish American Enterprise Fund as a possible model for developing and managing investor interest in SAEDF.

ADDITIONAL FINDINGS

Interviews with SAEDF management and staff, review of the SAEDF 1999 - 2003 Business Plan and discussions with SAEDF clients have provided ample evidence that the organization is well into implementation of the recommendations that were developed by the Coopers and Lybrand consultants in Fy 1998. Of particular note are the results of efforts to sharpen the SAEDF mission focus and strengthen the organization's staff structure.

The SAEDF dual mission that requires both socioeconomic impact and sustainability of the organization has been a challenge for management since the early days of the project. Current SAEDF strategies are attempting to respond to the challenge in several ways.

- Reinforcement of the SAEDF marketing focus on the middle market entrepreneur and increased average transaction size are expected to extend the benefits SAEDF investment to larger numbers of indigenous entrepreneurs while maximizing potential for profitable investment.
- Plans to develop additional relationships with intermediate financial institutions are expected to result in additional and broader distribution of the benefits of SAEDF investment among small and medium-size enterprises in the region.
- Intra-regional expansion of currently established businesses is expected to facilitate SAEDF portfolio development in the lesser developed countries in the region. (Negotiations are currently underway for intra-regional expansion of a retail grocery chain and a merchant bank.)
- SAEDF managers are assessing opportunities to collaborate with other providers of capital (equity funds, DFIs, empowerment groups and others) to co-invest and develop networks for deal referral and sharing.

Staff strengthening initiatives by SAEDF management have included improved distribution of responsibilities for marketing and client development, and expanded technical staff support for senior investment officers.

The final report of the first phase of the SAEDF impact assessment includes detailed analysis of the effect of SAEDF investment in each of ten companies in the SAEDF portfolio (*Report #1*). The report also provides base line data and insights for each company that will be used for the second phase of this assessment as well as on-going monitoring and periodic project evaluation.

ANNEX H: RCSA PROPOSED NEW SO3: IMPROVED MANAGEMENT OF SHARED NATURAL RESOURCES

I. Overall Approach: The **new SO3** combines all the RCSA's environmental activities under one Strategic Objective. Previously, RCSA had two objectives which contained natural resource management components: Special Objective A (Increased Regional Capacity to Manage Transboundary Natural Resources) and SO3 (Accelerated Regional Adoption of Sustainable Agricultural and Natural Resource Management Approaches). This new SO is "Improved Management of Shared Natural Resources" and promises a more efficient and integrated approach to the RCSA's involvement in natural resource management than the previous configuration. It reflects the results of RCSA's initial experience and analysis in the area of transboundary natural resource management, and a decision to elevate work in this area to a strategic objective level including broadening activities beyond the original capacity-building focus. Finally, it incorporates the recommendations of an assessment of the sustainability of community-based natural resources management programs in which USAID has invested heavily over the past ten years in the region.

A. Development Rationale: Sustainable development in southern Africa hinges on effective regional management of shared natural resources, particularly water, wildlife and transboundary ecosystems. Stakeholders consulted during the preparation of USAID's regional strategy identified water as the single most important issue meriting regional cooperation, and one that has high potential for regional conflict if not addressed adequately. Wildlife is a cornerstone of the region's growing tourism industry, and there is evidence that southern Africa could capture a larger share of the global tourism market if it built upon its extensive network of protected areas and unique natural sites, with linkages to complementary land uses on neighboring communal and private land.

The success of development and poverty alleviation in southern Africa is predicated upon the region's natural resources which generate benefits of sufficient value to impel the vast majority of rural people to protect, conserve and reinvest in the environment that sustains them. Yet, efforts to manage shared resources are in their infancy in the region, and the necessary policies, institutions, and management practices are just beginning to surface. Capacity in national governments and other regional institutions to address emerging problems and take advantage of promising opportunities is severely limited. The RCSA is well positioned to address these issues due to its regional mandate and the experience that has been gained regionally in implementing community-based natural resources management.

B. Regional Focus: The new SO 3 proposes a two-pronged approach to work at the regional level. First, the SO will address issues associated with selected shared or transboundary natural resources; these resources span international borders, and, therefore, require regional cooperation for their management. The transboundary resources that the SO targets are **water, wildlife, and critical transboundary ecosystems at risk** that contain significant biodiversity. Second, this SO will promote selected natural resource management **approaches** that show promise in advancing the region's efforts to manage shared resources and that can significantly benefit from a regional platform, including an integrated approach to resource management at an ecosystem scale. Because **community-based natural resources management (CBNRM)** has proven to be an

effective process in the region in promoting sustainable management of natural resources and in decentralizing management and benefit-sharing to the community level, the RCSA will continue to advance selected aspects of CBNRM from a regional platform.

C. Transboundary Natural Resource Management: The RCSA proposes to work on two levels under this objective. One level is **region-wide** and involves: 1) supporting the development of a legal or policy framework for the management of transboundary natural resources, 2) promoting the concepts and best practices associated with transboundary natural resource management (TBNRM), 3) building human and institutional capacity to manage these resources, and 4) sharing information relative to TBNRM. The second level is at the **ground level** within selected TBNRM areas and/or international river basins and involves trial efforts to implement aspects of the protocols, guidelines, policies or best practices developed at a regional level.

The SO team plans to fund activities at two or three on-the-ground sites selected on the basis of a range of criteria including environmental benefits, need, and political and public support. Sites will be selected following further consultation with key partners. The **Okavango-Capri Greater Ecosystem** has emerged as a potential first transboundary area of focus due to its ecological importance, the presence of USAID-supported CBNRM activities, and the existence of the only functional river basin commission in the region (OKACOM) which provides a planning framework within which to implement activities.

D. Community-Based Natural Resource Management: In terms of promoting CBNRM from a regional platform, the SO team will also work on two levels. At a regional level, the RCSA will support activities that document lessons learned and provide information and contacts to organizations, individuals, and national level governments that are interested in using CBNRM practices to decentralize and better manage their natural resources. On the ground level, this SO will facilitate the resolution of management issues that are on the “**cutting edge**” of CBNRM and that the more successful communities are now facing: 1) marketing of products, 2) linking with the private sector and regional tourism, 3) distributing benefits, 4) establishing appropriate institutional arrangements, and 5) investing profits.

The region has come to accept CBNRM as a successful management approach for decentralized natural resource management, because once communities have control over their resources, they can manage them to their economic benefit. It is also believed that the resource base itself is also benefiting from the application of CBNRM practices, however, the link between CBNRM and positive environmental impact has not been systematically documented. Until this occurs, the development hypothesis for CBNRM will remain unproved. This SO intends to provide assistance to explore that link by helping on-going CBNRM activities in standardized ecological data collection and analysis.

II. Draft Framework

The draft framework that the team has developed to implement this new strategic objective is

presented graphically on the next page. The proposed SO, IRs and illustrative indicators for each are as follows:

SO: Improved Management of Shared Natural Resources:

Illustrative Indicators:

- 1) Number of agreements between countries for the management of shared natural resources.
- 2) National level strategies, policies, and legislation that reflect recognition of the importance of collaboration for managing shared natural resources.
- 3) Number of agreements that reflect the multiple needs of stakeholders and an integrated approach to the management of shared natural resources.

IR 1: Policies, protocols and agreements for managing shared resources adopted

Illustrative indicators include: 1) SADC Protocols implemented, 2) 2-3 TBNRM areas have formal legal agreements.

IR 2: Sustainable approaches identified for regional dissemination

Illustrative indicators include: # approaches identified for regional dissemination

IR 3 Strengthened Ecological Monitoring Systems

Illustrative indicators include: 1) Number of nations that agree to common protocols and uniform parameters for natural resource monitoring.

2) Number of TBNRM or CBNRM sites implementing common procedures for ecological monitoring and information sharing.

3) a study of the link between CBNRM and natural resource condition is operational at select TB/CBNRM sites.

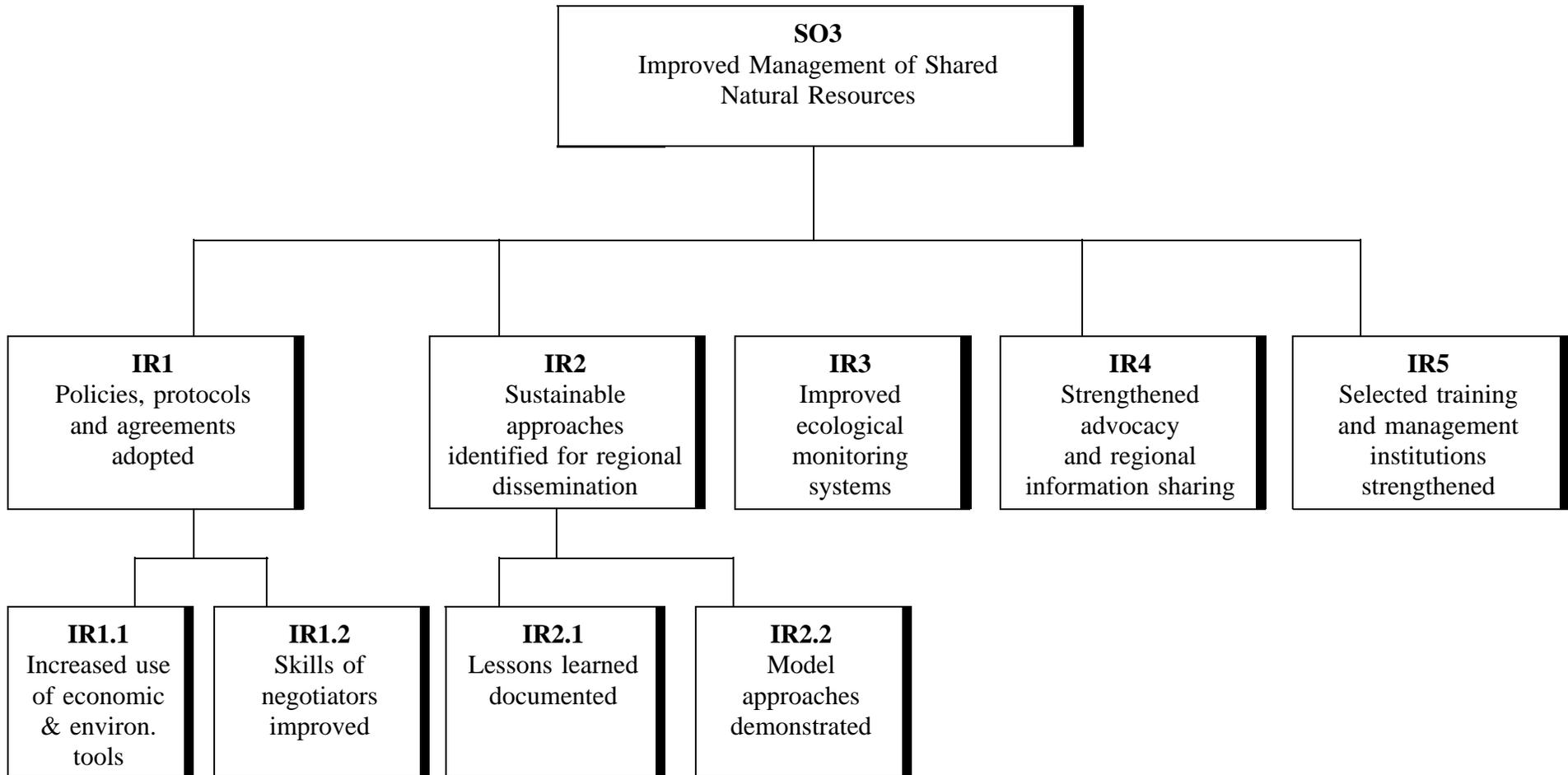
IR 4: Strengthened Advocacy and Regional Information Sharing Networks

Illustrative indicators include: 1) Amount of relevant information shared across the region, 2) size of networks, and 3) awareness of sources of information.

IR 5: Select institutions strengthened for regional management of shared Natural Resources

Illustrative indicators include: 1) Progress toward overcoming capacity constraints of targeted institutions, 2) Perceived effectiveness of targeted institutions in carrying out their key functions.

SO3 - Natural Resources



COMMERCIAL MARKETS FOR DRYLAND AGRICULTURAL TECHNOLOGIES AND COMMODITIES IN THE SADC REGION

I. THE DEVELOPMENT CHALLENGE

The situation.

USAID and others have pursued the development of sustainable agriculture technologies and practices for about 20 years in southern Africa. In southern Africa, the technologies that were developed by the international agriculture research centers (IARCs) and the national agriculture research institutes (NARIs) are sustainable, productive and profitable for marginal lands in southern Africa. However, the systems to transfer the technologies and the policies to promote trade and investment in the commodities produced by these new technologies are missing or not working effectively.

Presently, RCSA believes there is demand for both technologies and commodities if markets in the region become more competitive and trade restrictions between countries are eased. There is increased demand for improved varieties, fertilizer and other inputs. There is nascent interest from commercial markets for greater production to trade and process larger amounts of commodities. However, there is mounting evidence that markets should be allowed to work because current systems to increase production and consumption do not.

II. THE REGIONAL VISION

Private sector will become the engine for agriculture development in southern Africa. Demand for new technologies that are profitable and sustainable will increase pressure on agriculture research systems to look carefully at market requirements and work continuously with entrepreneurs. A market-driven system will supply improved technologies to farmers through public-private partnerships in early stages of development. Within 5-10 years small and medium enterprises will form many competing systems to provide inputs and services to smallholders and commercial farmers engaged in dryland agriculture. Private sector share of inputs markets will increase as ineffective government and parastatal organizations become more disengaged in inefficient distribution systems and marketing boards. Governments will become more engaged in developing policies, laws and regulations to support markets and to provide oversight and supervision. Commercial markets will seek and purchase greater amounts of commodities from smallholders and seek opportunities to create new industrial and manufacturing products and provide new services, e.g., improved seed. Greater production achieved through greater productivity will meet smallholder family food needs and produce a modest, but marketable surplus. A significant number of smallholders will become commercial farmers; some will expand to other supporting agribusinesses, e.g., milling or poultry production.

III. THE DEVELOPMENT HYPOTHESES

Hypothesis #1. *If* the household incomes of small farmers, agribusiness and other supporting services in drought-prone areas of southern Africa can be increased with the use of sustainable agriculture technologies and practices, *then* the state of environment can be improved to provide

future generations a sustainable natural resource base and environmental degradation can be decreased significantly.

Hypothesis #2. *If the private sector share of commercial markets for technologies and commodities increases in southern Africa, then more sustainable, affordable technologies and practices will be available to dryland farming communities to increase productivity on marginal lands.*

Hypothesis #3. *If trade and investment policies for seed, germplasm and key agriculture technologies (e.g., veterinary vaccines) are market-oriented, then other sustainable, affordable technologies and practices will be available through private sector marketing channels in southern Africa.*

Hypothesis #4. *If policy networks comprise representation from SADC and national government policy leaders, IARCs, NARIs, NGOs, donors, agribusinesses and farmers' organizations and receive adequate information with which they can collectively engage in policy dialogue, then trade and investment policies, laws and regulations will be enacted and implemented to support private sector initiatives.*

IV. RESULTS FRAMEWORK

SO4: Expanded Commercial Markets for Dryland Agriculture Technologies and Commodities in Southern Africa.

IR1: Increased supply of dryland technologies and practices.

The goal is to increase the adoption rates of improved varieties of improved technologies and crop management practices for dryland farming on marginal lands in southern Africa.

IR1.1: Improved private sector delivery systems for dryland technologies and crop management practices.

IR1 will focus on achieving the commercial potential for four drought-tolerant crops--sorghum, millet, cassava and sweet potatoes and one animal health research project (Heartwater). USAID has supported SMIP, SARRNET and Heartwater Tick Disease projects for several years to increase the supply of technologies and practices. Immediately, RCSA will initiate a demand analysis for these crop technologies and demand for commodities from commercial markets, looking at the current as well as potential demand.

IR 1.2: Development and adaptation of dryland technologies and practices.

Private-public partnerships. RCSA will engage private sector entrepreneurs, governments and NGOs in a collaborative process to develop better systems and markets to increase the supply of improved varieties and to increase demand for commodities from commercial markets. NGOs, private seed companies and local agribusiness will multiply and distribute improved varieties and extend better crop management practices because public sector research and extension systems cannot.

Expanding commercial markets to create demand. Expanding supply is not enough—commercial markets must be expanded if farmers produce marketable surpluses. RCSA will work with millers, food and feed processors to develop markets by developing new products, by-products and functioning markets for dryland commodities from farm gate to consumer. For example, manufacturing affordable livestock and poultry feeds from one or more of these four crops is one way to exploit a good market and substitute for imports purchased with foreign exchange.

IR2: *Promotion of policies, laws and regulations that increase trade of dryland technologies and commodities.*

RCSA will undertake a review of the policy environment in the SA region to identify the current policy constraints and areas where the RCSA can assist in removing these constraints. It will also look to leverage resources and support from other programs that are working on complementary issues (RCSA-SO2, REDSO on trade and transportation policy, ATRIP, AFSI, SADC, COMESA, PAN and Permanent Secretaries network).

V. ILLUSTRATIVE ACTIVITIES

Next Steps...

Begin Immediately:

- A. Supply and Demand Assessment for drought-tolerant crops and define plan of action.
- B. Assessment of seed and germplasm trade policy, and definition of activities/policy actions (with AFR/SD) Re seed and germplasm
- C. Begin work on establishing grades, standards and phytosanitary regulations for key agricultural commodities in the region (with AFR/SD).
- D. Begin setting up policy network with MOA PSs and the PAN (with AFR/SD). Work on developing policy networks of analysts and advocates:
- E. Assist in setting up SADC policy analysis unit (with RCSA SO2)

Over the Next Year:

- A. Develop other policy networks for analysis and advocacy.
- B. Develop rationale for other RCSA agricultural sector activities (with AFR/SD, REDSO/ESA, and other collaborators in the region).

VI. INDICATORS

SO4—Expanded Commercial Markets for Dryland Agriculture Technologies and Commodities in Southern Africa

Performance Indicators:

- Private sector share in dryland technology delivery systems increases; as a percent of total seed and plant material distributed and sold for sorghum, millet, cassava and sweet potato in selected areas
- Private sector share in commercial markets for dryland commodities and products increases in selected areas

- Policies, laws and regulations reformed to improve regional trade of agriculture technologies; as a percent of 15 key government reforms—see appendix A.

IR1—Increased supply of dryland technologies and practices

Aims to increase supply of inputs, commodities and products to meet and increase market demand

Performance Indicator: Adoption rates of improved varieties and other technologies for sorghum, millet, cassava and sweet potato; adoption rates are the percentage of total area suitable for these crops using improved technologies and practices.

IR 1.1 Improved private sector delivery systems for dryland technologies and practices--

Aims to improved private sector delivery systems for technologies and practices.

Performance Indicators

- Volume of trade through three types of private sector inputs markets: commercial seed and input dealers; NGOs and PVOs; and, community enterprises
- Volume of trade by three types of private sector commodities markets: millers; food and industrial processors; and, livestock feed manufacturers.
- Volume of heartwater vaccine units sold through private distributors.

IR 1.2—Development and adaptation of dryland technologies and practices

Aims to focus on sorghum, millet, cassava, sweet potato and heartwater vaccines. Others to be added as opportunities are identified.

Performance Indicators:

- Post-Harvest, crop management, manufacturing and industrial technologies developed and adapted for producers and commercial markets; based on market trends and private sector priorities
- Adoption of commercial technologies and practices by farmers, traders, millers and food and feed processors

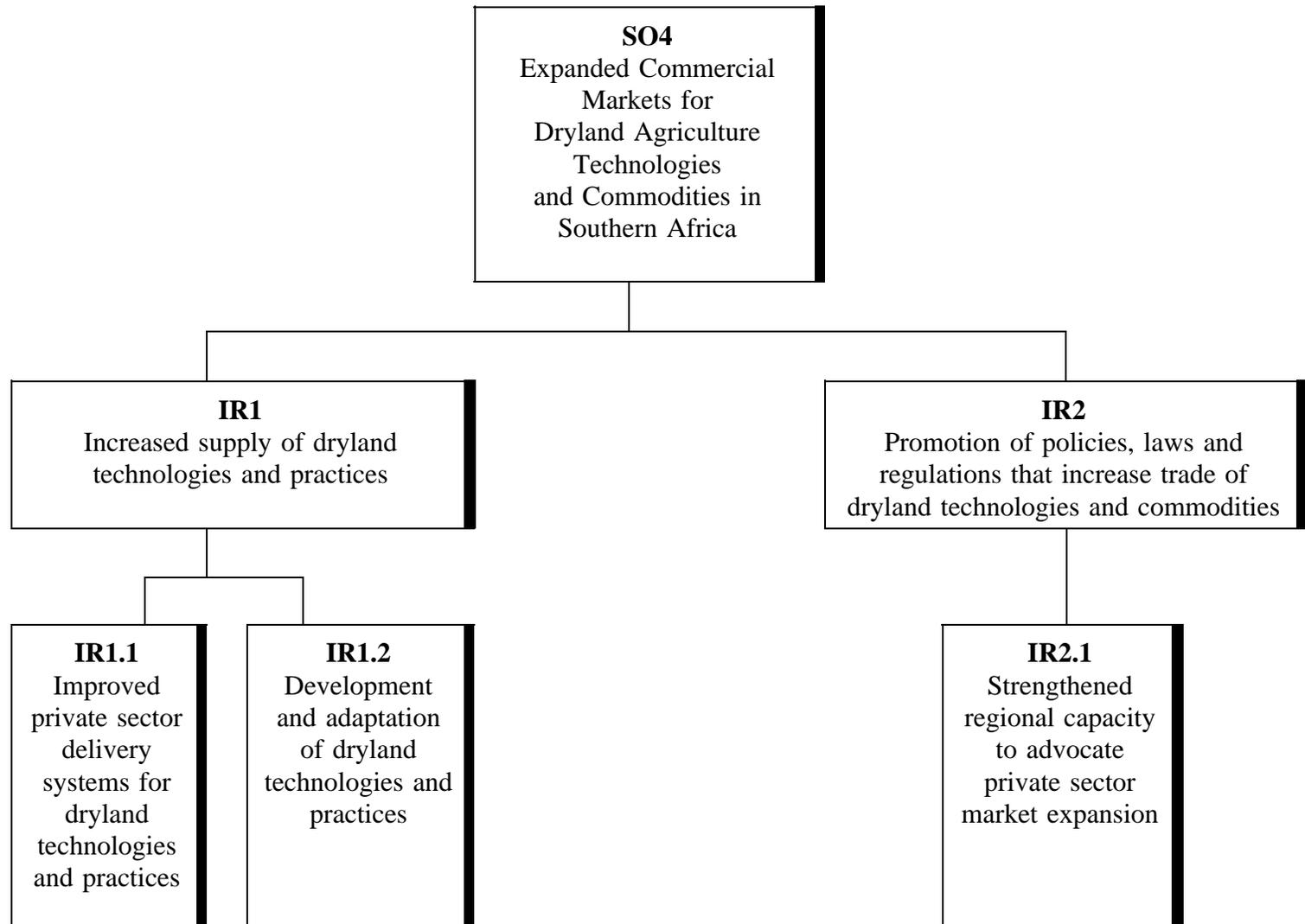
IR 2—Promotion of policies, laws and regulations which increase trade

Initial focus will be on policy constraints facing the expansion and utilization of dryland crop and selected livestock health technologies. The policy reform agenda will necessarily be broader in time.

Performance Indicators:

- Analyses completed according to analytical agenda of agricultural research and policy network(s)
- Agricultural research and policy networks become sustainable; membership contributions as a percent of total recurrent costs.
- Analytical ability of selected southern African institutions improved for agriculture policy; external resources as a percent of total agriculture policy budget.
- More southern African agriculture research, policy analysts and private sector representatives advocate for agriculture policy changes.

SO4 - Agriculture



ANNEX J: SPECIAL OBJECTIVE B (SpOB)**PART 1: ANALYTICAL AGENDA ILLUSTRATIVE TOPICS**

1. Update on SADC Trade Protocol Negotiations: A Critical Appraisal: The SADC Trade Protocol is the cornerstone of the SADC strategy to facilitate regional economic integration in the region. Although signed by all member countries (excluding Angola) in August 1996, only five countries have ratified the Protocol to date: Tanzania, Mauritius, Botswana, Zimbabwe, and Namibia. To enter into force, it must be signed by a two-thirds majority of the 14 member states. Although the SADC Tariff Negotiating Forum (TNF) has recently come to life, significant and complex issues remain which are likely to continue to impede progress on the requisite ratification in the short to medium-term. This analysis will undertake to examine the current status of the negotiations and identify and analyze those key issues which are impeding ratification.

2. Review of Key Macroeconomic Trends in Southern Africa (1995 - Present):

A key assumption in our strategy is that macroeconomic stability exists to some degree in the member states of SADC. Although there has been considerable progress in reducing macroeconomic instability in the region over the last few years, 1998 has proven to be a difficult year which saw significant decline in several key countries, including South Africa, Zimbabwe, Zambia and Malawi. Some countries, e.g., Botswana and Mozambique managed to maintain some semblance of macroeconomic stability despite a difficult global environment. Although partly due to the “Asian Contagion” (principally a withdrawal of capital, declining primary commodity prices, and an overall slowdown in global trade), much of the responsibility for macroeconomic stability lies with the domestic economic policies of the countries in the region. These policies can have direct and indirect impacts on their neighbors and major trading partners. This analysis will review the current situation in a selected group of countries (South Africa, Zimbabwe, Zambia, Malawi, Mozambique, and Botswana), underscore some of the key macroeconomic issues facing the region, in particular inflation, and explore various scenarios for the short to medium-term.

3. The Impact of the South African VAT on Trade with the BLNS Countries:

The implementation of the 14% South African VAT on trade with the BLNS countries to combat “South African fraudsters” is likely to have a significant punitive effect on the smaller, South African-dependent economies of Botswana, Lesotho, Namibia and Swaziland. The imposition of this South African initiative on the BLNS without adequate consultation reflects some of the fundamental aspects of the internal dynamics of economic integration in the region. In essence, this current SACU problem is a microcosm of some of the larger issues related to SADC economic integration as a whole because of the overwhelming economic dominance of South Africa in Southern Africa. This analysis will examine the impact of the RSA VAT on the BLNS economies and provide a framework for understanding some of the larger issues in SADC.

4. The Impact of Key Trade Agreements (SADC, EU/RSA) on Industrial Development in Southern Africa: Several countries in the region, e.g., Zambia, have bemoaned the fact that increased economic liberalization, especially in trade, has led to a situation where de-

industrialization has occurred in their countries which undermines their competitiveness and industrial sector development. Although the agricultural sector is the most important in terms of employment, income and foreign exchange earnings in most SADC countries, a review of tariff policies within SADC indicates that the most protected sector, in terms of high tariffs, is light manufacturing (textiles and clothing, vehicle assembly, etc.) which implies that this is viewed by most countries in the region as their “engine of growth.” This is reinforced by the fact that the majority of SADC member states “sensitive” commodities identified to date are from the light manufacturing sector. South Africa is the dominant industrial/manufacturing country in the region. Tensions are increasing among SADC member states due to the perception that South African manufacturers are penetrating their liberalized markets while South Africa continues to be highly protectionist. South Africa, on the other hand, has indicated in various fora that it is unlikely to ratify the SADC Trade Protocol unless a regional industrial sector policy is adopted and implemented. A classic example are separate statements made by senior government officials in South Africa, Zimbabwe and Zambia that their countries have a “regional” comparative advantage in iron and steel production. This analysis will review the current state of industrial development in the region and explore the probable impacts of key trade agreements on industrial development, especially light manufacturing.

5. An Analysis of Trade Between the U.S. and Southern Africa: The *Africa Growth and Opportunity Act* (AGOA) has become “stuck” in Congress, despite high level commitments made by senior U.S. Government officials, including President Clinton. Although the passage of this bill would represent a major advance in U.S. - Africa trade relationship, the relative importance of the African region, apart from key commodities (e.g. oil from Angola and Nigeria), remains nebulous. There has been increased interest on the part of the U.S. in improving trade relations with Southern Africa, including a recent feasibility study by USDA on the Southern African market for processed U.S. agricultural commodities. However, the U.S. is a bit “behind the eight ball” when viewed in terms of the relatively advanced negotiations between the EU and South Africa. This analysis will review the historical trade flows between the U.S. and Southern Africa with a specific focus on key commodities and the likelihood of significant trade flows between the U.S. and Southern Africa in the short to medium-term.

6. Linkages Between Corruption, Lack of Significant Economic Reform and Impediments to Regional Economic Integration in Southern Africa: Case Studies:

U.S. Commerce Secretary Daley’s recently identified corruption as being one of the greatest obstacles to US investment in Africa. Secretary Daley's comments on corruption complement the findings of a survey (reported in an article in the March 1998 edition *Finance & Development*) of 150 high-ranking public officials and key members of civil society from more than 60 developing countries which ranked public sector corruption as the most severe impediment to development and growth in their countries. In a recent internal RCSA exercise, corruption was listed as the most important constraint to economic growth and development in the Southern African region. Transparency and accountability in the context of corruption are politically sensitive issues. However, these are issues which are negatively impact on economic development and growth and regional integration. The current case of Zimbabwe (the intervention in the DROC, increased trade barriers, lack of fiscal discipline,

etc.) may be an egregious example but it illustrates the negative effects corruption can have on economic growth and development as well as regional integration. Underlying this analysis is the assumption that the autocratic nature of most countries in the region is related to the desire to protect certain industries or firms which have exceptionally close links to senior government officials. The analysis will focus on related issues in the following countries: Zimbabwe, Mozambique, Malawi, and Botswana (which was recently identified as the least corrupt country in Sub-Saharan Africa).

7. The Impact of the EU/RSA Free Trade Agreement on Southern Africa and the U.S:

Several analyses have been completed which estimate the economic impacts of the EU/RSA Free Trade Agreement on the BLNS countries (e.g., Imani Associates and one currently being conducted by BIDPA). For example, decreased revenues for the BLNS countries under the current SACU revenue-sharing agreement are likely to be significant once the agreement is implemented, particularly for Lesotho and Swaziland who are reliant on about 50% of central government revenues from the SACU revenue-sharing agreement. Under Article 28 of the SADC Trade Protocol, if a SADC member grants preferences to a non-SADC entity, then it is obliged to extend those preferences to other SADC member states. This analysis will update the earlier impact studies on SACU and extend the analysis to the rest of SADC.

8. The Economic Impact of AIDS in Southern Africa: Recent reports by the UN and the U.S. Census Bureau indicate that Southern Africa is now the fastest growing area of AIDS infection in the world. The problem is particularly acute in Zimbabwe, Botswana and Swaziland. A recent internal report in South Africa, however, notes that it has more HIV-infected people in any country except India. From an economic perspective, the epidemic will affect, inter alia, GDP growth rates, increased health, a reduction in the labor force (particularly skilled labor), and drops in productivity. This study will review existing analyses conducted and extend them to the Southern African region.

9. A Review of the WTO and its Impact on Southern Africa: The World Trade Organization (WTO) is the major international body responsible for trade liberalization and harmonization. All of the member states in SADC are signatories to the WTO accords. SADC, however, has not yet notified the WTO of its Free Trade Agreement (FTA) because it has not been ratified by a two-thirds majority of member states. Most developing countries, including those in Southern Africa, have not been actively engaged in WTO discussions and decisions for a variety of reasons, not the least of which is limited financial and human resources to respond to various issues. Apart from a few technical specialists in relevant ministries, there does not appear to be a clear understanding by Southern Africans of what membership in the WTO entails. This analysis will review events to date under the auspices of the WTO, Southern African participation in various agreements, and what this is likely to entail for the Southern African region, including the SADC FTA.

10. The Revenue Impacts of Reduced Tariffs under the SADC Trade Protocol: This issue remains a major impediment to ratification of the SADC Trade Protocol. Once entered into force, the SADC Free Trade Area will require that all tariffs be reduced to zero for intra-regional trade. Almost all SADC member states are heavily reliant on customs duties for revenue (which is the easiest to capture). Most countries are exploring different ways to

deepen and broaden their revenue bases, principally through VATs, but it appears that most countries in the region have limited scope and capacity to effectively implement such schemes in the short to medium-term. This analysis will build upon the earlier work completed by David Evans of Sussex University and revisit the issue of SADC member states' concern of declining revenues in the face of trade liberalization.

Part II: SpOB Phase II design considerations

At a workshop held at the RCSA in February 1999, a special small group session was held with contractor and potential grantee partners to explain and amplify SpO-B, the Mission's proposed analytical agenda, and the optimal approach to creating capacity for more informed regional decision making. The following observations and conclusions resulted from the session:

- (1) The “problem” to be addressed is less one of absence of information about national and regional issues than one of “ownership” of that information, and the resulting confidence levels in it felt by national-level decision makers as well as regional ones.
- (2) The best way to proceed is from a “demand” analysis of decision-makers' information needs and capacity to meet them, rather than from a “supply-side” approach that assumes that the heart of the problem is lack of information within and about the region per se. The emphasis should first be on determining what decision-makers themselves think they need, for what purpose, as well as for which audiences besides themselves.
- (3) After carrying out this demand analysis or needs assessment among decision-makers, SpO-B should start identifying those regional or transnational institutions that are already relatively strong and credible and generate and analyze data and information, including those in the private sector (e.g., Zimbabwe's MEFMI; Botswana's BIDPA, South Africa's TIPS, and several economic research centers based in universities throughout the region. Also cited were non-governmental organizations based outside the region but that have strong linkages or partners in the region, and that devote substantial effort to analyzing policy and economic trends in Southern Africa (e.g., the African Economic Research Consortium, African Studies Association, International Legal Institute, Africa Watch and Trans Africa. Other donors should also be included in this category.
- (4) There is a need to package the existing information, especially relevant policy trends or other analysis, so that it will be meaningful to public and private sector decision-makers in and outside the region -- i.e., the need for available, summary information that decision-makers can use to address concerns and issues that arise suddenly, when there is no time for extensive in-depth research and analyses.
- (5) Advances in information technology -- especially those surrounding the world-wide web-- are already benefiting planners and decision-makers in the region. Those working in this domain are attempting to ensure that the quality and accessibility of information is

significantly enhanced when it goes on their websites. An example of success in this area is ISP, a news agency which concentrates on gender and other cross-cutting issues in the news in the region, and is at the same time working particularly on assembling information on country-level facts and issues relating to elections for national and international media clients.

(6) To establish the regional analytic agenda, RCSA should start with capacity building for analysis of cross-sectoral/cross-boundary issues that may positively or adversely affect most of the countries in the region. Such capacity building should stress sustainability as well as flexibility -- public and private sector institutions should become increasingly capable of identifying consumer demand, generating some cost recovery from customers, and yet remain flexible and open to new analytic subject-matters and methodologies. Some suggested issues for initial exploration are: the trans-border spread of HIV/AIDS; the impact of negative externalities of national conflicts within the region such as the ongoing strife in Angola and the DROC; the spread of criminality from one country or several countries to others within the region, and other topics suggested in Annex J. This approach would be markedly different from one based on traditional sectors--health, agriculture, NRM--and the aggregation of data from these sectors across the region. In other words, the first step would be to enhance capacity to treat issues that are genuinely regional in nature and scope and impact.

ANNEX K: CHALLENGES OF DEVELOPING A REGIONAL PERFORMANCE MONITORING AND EVALUATION PLAN

The RCSA program mandate is to address transnational problems and constraints to the efforts of regional bodies (such as SADC) , toward integration, sustainable economic growth and democracy and good governance. To do this, RCSA contributes to the ISA goal through its delivery on three strategic objectives (SOs) and two special objectives (SpOs). The first objective, SO1, seeks the *increased regional capacity to influence democratic performance* needed for a democratic Southern Africa. The second objective, SO2, seeks *a more integrated regional market*, which will create more openness at the national level and enable new trade and investment that is needed to promote growth. The third objective, SO3, seeks the *increased regional adoption of sustainable agriculture and natural resource management practices* needed to improve the incomes of the less advantaged and so support a wider, more equitable distribution of national income. The special objectives A and B, which aim to increase regional capacity to manage transboundary natural resources and to create capacity for more informed regional decision making, are designed to help sustain growth, equity and democracy through more efficient resource management and more effective governance. This Annex provides an illustration of the sorts of specific challenges faced in evaluating the performance of the program.

The main challenge of the monitoring and evaluation process for the RCSA program is the development of a performance monitoring system that can be appropriately used to inform program managers and stakeholders on progress in achieving the regional program objectives. The regional program addresses itself to issues for which there is a comparative advantage and/or value added if treated from a regional perspective, usually in concert with bilateral interventions. Therefore, besides looking for the sector-level performance data, managing for these program results often calls for additional information on what the value added of the regional program is. Four types of challenge emanate from this:

- 1) The design of indicators that can directly measure both sector development and the unique value of the regional approach.
- 2) Overcoming the fact that national level data in sectors relevant to this program is uneven across the 12 countries. The problem of securing reliable national-level data is then exacerbated by the need to aggregate it to the regional level, which requires that the data be consistent, comparable, and available in a timely manner for all twelve RCSA countries. (RCSA's program excludes two relatively new SADC member countries -- the Seychelles and Democratic Republic of the Congo).
- 3) It is believed that the cost of monitoring and evaluation should generally not exceed 5-10% of the total program budget. Primary data collection, such as focus group discussions, in eleven countries for a program as small as that of RCSA DG SO definitely exceeds this limit.
- 4) Management for timely delivery of acceptable quality data has been the challenge in

this case. Very well defined and tested data collection systems are required for any primary data to be reliable and usable. The logistical challenges faced by the RCSA's contractor in the process of establishing such a structure for the 12 program countries included training, supervision, quality control and the whole feedback system.

There are few regional databases, and those that do exist are generally limited to broad national-level macroeconomic aggregates such as population, employment, GDP growth rate, inflation etc. Though useful as general background information, such aggregates are of little or no use in measuring the impact of the RCSA interventions whose purpose is to increase the aggregate regional value to more than the sum of those of the individual countries. The big difference in capacity for, and quality of data collection and analysis aside, disparities in methodologies, disaggregation categories, timing and types of summaries for published data among the countries is a reality that RCSA had, and still has, to face. These data inadequacies have necessitated significant primary data collection by RCSA partners or by the M&E contractor in pursuit of data that can inform the planning, achievement and evaluation of the program.

The regional democracy and governance program seeks *increased regional capacity to influence democratic performance*. While secondary data in the form of the Freedom House ratings of democratic performance and the new Regional Index of Governance developed under the auspices of the UNDO exist, and can be used to measure the general sector development, secondary data on the regional capacity to influence such a change does not. The question often asked by the program managers is "how loud are the 'regional voices'?" The type of data required to answer this question is by no means standard, or readily available. Conventional bilateral programs will have a range of indicators to select from that measure improvement in the area of intervention such as judiciary, parliament, human rights record, elections, etc. While the regional program aims at impacting the same level in the long run the subgoal is "a cluster of well functioning democracies"--- the immediate short-term result is to have the regional factor become an integral element in fashioning national-level democratic practice. Besides developing indicators that measure this unconventional result, the M&E system has to identify appropriate data or else develop methodologies for collecting appropriate primary data.

The "*integrated regional market*" program is based on the hypothesis that as the regional market becomes more integrated: (a) a higher level of intra-SADC trade, and (b) less divergence between prices of goods in different countries will occur. At the same time, it should be borne in mind that the integration objective is dependent on continued growth in output (goods and services) which can then be traded in the region, as well as on reductions in trade and investment barriers. To track overall progress in achieving the strategic objective, therefore, growth trends, progress in reducing trade and investment barriers, value of intra-SADC trade, and variance in wholesale prices are observed.

The impact of the market integration process will be demonstrated only when longitudinal (time series) data become available. While most of the required data is regularly collected through routine regulatory and statutory processes, the major challenge is in acquiring of this data since most of it is not published. In many countries in the region, data collected at

border posts and other customs offices, trade licensing or other government offices is kept in hard copy form for a long period of time due to inadequacies in data capture and processing systems. The situation is expected to improve as increased computerization occurs in more countries in the region.

Tariff data is one example. The effect of interventions aimed at a reduction of barriers to broadened participation in the regional market is partly monitored through the “*proportion of intra-SADC imports subject to tariffs in excess of 10%*”. First, the magnitude of data on actual tariffs charged on all intra-SADC imports is prohibitive. Second, there is a lag in data capturing and a lot of it is stored in paper form. To moderate this constraint, RCSA's performance monitoring system plans to collect the actual data once every two years and to use analysis from published tariff schedules to close the gap. Primary data was also collected on time taken to be clearer a border post, as one measure of reduced non-tariff barriers. Since this type of data is not maintained routinely, a survey of traders and transporters was carried out. Given the large number of border points and activity at each, the minimum sample that would provide reliable information that can correctly capture changes in the border clearance process was constrained. Results from a rapid appraisal provided anecdotes that were not perceived to be sufficient for tracking progress.

In the agriculture and natural resource management area, most of the activities were inherited from the Southern African Regional Program (SARP) that preceded the current strategy. Although each of the projects collects M&E data that suffices to demonstrate project-level outputs it is virtually impossible to put these data together to compose a regional measure. Efforts were made to reduce the data gap by helping the projects to collect information as close to the regional program indicators as possible. At present, several of the activities are being re-designed, as is the RCSA A&NRM program itself.

Project-level data covers the target areas and therefore does not capture the total program impact. An attempt to use data from national statistical centers and research institutions for technologies used in farming, and total production of sorghum and millet was constrained by disparities in measurement methodologies, levels of categorization/disaggregation, units of measurement and periodicity. Resources required to make these data sets comparable are beyond the scope of the current M&E effort. The future program will focus on policy interventions, networking and capacity building and performance indicators will be developed to measure impact at the level at which the regional program contributes. One indicator that is being considered is the penetration of promoted crops (sorghum, millet, cassava, sweet potatoes) and products of other RCSA-supported research, such as the heartwater vaccine in the regional market.

In summary, monitoring and evaluation for USAID's Southern African regional program has proved to be challenging. RCSA has risen to the challenge through the adoption of creative processes and mechanisms that deal with constraints inherent to the region, and that have enabled the development of an effective and meaningful monitoring and evaluation process. RCSA, however, recognizes that the process must remain dynamic in order to accommodate ongoing change and to allow for the continuous improvement of existing monitoring and evaluation structures in the region.

For the future, it is planned that the M&E contractor will work with all implementing partners to develop monitoring and evaluation plans that will satisfy shared needs. This will improve the efficiency of the overall data collection process while ensuring that data collected is specific to both mission performance monitoring needs, and the specific needs of partners.

ANNEX L: RCSA ENVIRONMENTAL COMPLIANCE STATEMENT

USAID/RCSA is cognizant of its statutory obligations under ADS 204.5.3 as it relates to 22 CFR 216 ("Regulation 16"). During 1998-1999, Initial Environmental Evaluations (IEEs) were conducted for the new Strategic Objective Agreement (SOAG) for SO₂, Regional Market Integration, and the new Special Objective for the US-SADC Forum. The SOAGs for the proposed new SO₃ and SO₄ will also require IEEs. Sub-grants issued under STRENGTH will be subjected to environmental review. RCSA remains aware of the need to conduct environmental reviews at such time as deemed necessary should new design activities take place or changes occur in the potential level of environmental impact of existing activities. All new sub-grantees will routinely receive environmental impact training.

The Mission-developed *Environmental Manual* continues to be applied by the Southern Africa Enterprise Development Fund for the evaluation of environmental impacts and risk associated with its funding activities. Further, the RCSA Environmental Officer continues to provide Mission staff with guidance on the importance of and procedures to be followed in the Environmental Review process for USAID programs as required by law.