

**USAID's Strategic Framework
for Assisting Liberia's Transition from Crisis to Recovery**

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Abbreviations and Acronyms:

ADB	African Development Bank
ADS	Automated Directive System
AFR	USAID's Africa Bureau
ARDU	Area Reintegration and Development Units (or Centers)
BHR	USAID Bureau for Humanitarian Response
CARI	Central Agricultural Research Institute
CHAL	Christian Health Association of Liberia
CRS	Catholic Relief Services
CRT	Civil Reconstruction Teams
D&D	Disarmament and Demobilization
DDR	Disarmament, Demobilization, and Reintegration
ECOMOG	ECOWAS Peace Monitoring Group
ECOWAS	Economic Community of West African States
EPI	Expanded Program of Immunization
EU	European Union
FAO	United Nations Food and Agriculture Organization
FFP	Food For Peace
GOL	Government of Liberia
ICRC	International Committees of the Red Cross
IDPs	Internally Displaced Persons
IFES	International Foundation for Election Systems
ILO	United Nations International Labor Organization
LDF	Lofa Defense Force headed by Francois Massaquoi
LNTG	Liberian National Transitional Government
LOIC	Liberia Opportunities Industrialization Centers
LPC	Liberia Peace Council headed by George Boley
LRRRC	Liberian Refugee Repatriation and Resettlement Commission
LWF/WS	Lutheran World Federation/World Service
MOA	Ministry of Agriculture
MOF	Ministry of Finance
MOH&SW	Ministry of Health and Social Welfare
MOPEA	Ministry of Planning and Economic Affairs
NBL	National Bank of Liberia
NDDC	National Disarmament and Demobilization Commission
NGO	Non-Governmental Organization
NPFL	National Patriotic Front of Liberia headed by Charles Taylor
NRP	National Reintegration Program
ODA	Overseas Development Assistance
OFDA	Office of Foreign Disaster Assistance (USAID/BHR)
OTI	Office of Transition Initiatives (USAID/BHR)

SCF/UK	Save The Children Fund (United Kingdom)
ULIMO/K	United Liberation Movement for Democracy in Liberia - ethnic Mandingo sub-faction headed by Alhaji Krojah
ULIMO/J	United Liberation Movement for Democracy in Liberia - ethnic Krahn sub-faction headed by Roosevelt Johnson
UNDP	United Nations Development Program
UNHACO	UN Humanitarian Assistance Coordination Office
UNHACO-(DHA)	UN Humanitarian Assistance Coordination Office, Department of Humanitarian Affairs
UNHCR	United Nations High Commission for Refugees
UNOMIL	United Nations Observers Mission In Liberia
UNOPS	United Nations Office of Project Supports
USAID	United States Agency for International Development
W/B	World Bank
WFP	United Nations World Food Program
WHO	United Nations World Health Organization

PART I: Summary Analysis and Rationale for Focusing Assistance in Particular Areas

This strategic framework for USAID's program to assist Liberia's transition from crisis to recovery attempts: (1) to rationalize existing activities, some of which are ongoing and others of which are being initiated or developed, by USAID and other U.S. Government agencies; and (2) to make strategic choices among future options. The strategy was drafted in a compressed period during which the situation in Liberia and among the donors was constantly changing. Although the current peace process has made more progress by far toward a negotiated end to the Liberian civil war than any of its at least one dozen predecessors, several important steps remain before the country can return to normalcy, including the holding of credible elections and the installation of a legitimate government with the potential for consolidating the military and political transition. Several other imponderables in the Liberia peace process plague the strategy formulation effort, including:

- It is not clear how quickly displaced persons will return to their communities of origin, even with the support that foreign assistance can offer them.
- Even with the signing of Abuja II, the security situation in Liberia varies significantly by location, particularly in remote areas, and it is not clear when Liberians will feel secure wherever they settle.
- Finally, although the donors meet frequently, they are still in the process of clarifying many of the details of their programs.

Finally, the drafters attempted to follow the ADS guidance for producing strategies, even through that guidance is more suited to non-crisis situations.

A. U.S. Foreign Policy Interests.

U.S. interests in Liberia date to its founding in 1847. The historical and cultural ties between the two countries have been the basis of a special relationship that has justified a major U.S. Government assistance program for this first modern independent nation in Africa. In the decade of the 1980s, USAID's assistance to Liberia totaled \$665 million, until it had to be suspended in 1988. The suspension was the consequence of the imposition of Brooke Amendment sanctions as a result of the fact that the Government of Liberia (GOL) had failed to repay its debt obligations to the U.S. Government for more than one year. The beginning of the military insurgency in December 1989 and subsequent assassination of President Samuel K. Doe in September 1990 resulted in the termination of regular bilateral assistance.

However, the U.S. Government has consistently promoted peaceful settlement of the Liberian conflict, viewing it not only as a continuing source of misery for Liberians but also a destabilizing influence in the sub-region. The conflict has generated large numbers of

refugees seeking sanctuary in several countries, and general lawlessness along borders, trade in stolen goods, and international trafficking in arms. The U.S. Government also actively supports the initiative of the Economic Community of West African States (ECOWAS), through its peacekeeping force ECOMOG, to apply an African solution to the Liberian problem.

U.S. foreign policy considerations dominate USAID's transition strategy in Liberia, but the program is nonetheless consistent with the Agency's strategic priorities. In particular, the USAID/Liberia strategy supports the "agency goal" of saving lives, reducing suffering, and reinforcing development potential. Moreover, by assisting Liberia's move toward peace and stability, and creating conditions necessary for post-war social and economic development, the strategy contributes to a more peaceful and prosperous West Africa.

B. Overview of Liberia

The Liberian economy -- already in tatters by 1989 -- has largely been destroyed by seven years of civil war. Prior to the war, approximately 80 percent of the Liberian population was engaged in agriculture, whose share of the nation's GDP approached 70 percent. The war has displaced more than three-fourths of the rural population, devastating the subsistence agriculture that had been the backbone of the economy. In the export-oriented sectors of the rural economy, too, the war has taken a heavy toll. Although the production and export of rubber has recently resumed on the Firestone concession, that and other rubber, timber, coffee, and cocoa plantations, once major sources of employment and income in the countryside and foreign exchange earnings for the Government of Liberia, were ravaged by the war. However, virtually all of the warring factions have been engaged in the illicit, unsustainable, and environmentally unsound exporting of timber and the smuggling of diamonds and gold, usually in collusion with foreign concerns, throughout the crisis.

Government revenues have fallen by roughly 90 percent of pre-war levels. External debt has increased to over U.S. \$3 billion, of which approximately \$260 million is owed to the United States, about \$660 million to the World Bank, and roughly \$340 million to the International Monetary Fund. Virtually the only source of foreign exchange earnings for the government now is the receipts from the merchant ship registry, which total about \$18 million per annum. The unemployment and underemployment rate is extremely high, with some estimates putting the percentage at ninety or more in the private sector. The country's infrastructure has been devastated, and sectors such as power, transport, communications, industry, and commercial agriculture will require tens of millions of dollars to restore to pre-war levels. Even the sectors requiring less capital investment such as health, education, and subsistence agriculture will still need substantial assistance to recover to the point where they are capable of meeting the basic needs of the population.

Technical capacity of the major government ministries involved in economic planning and management, the Ministry of Planning and Economic Affairs (MPEA), the Ministry of Finance (MOF), as well as the National Bank of Liberia (NBL), remains in place to a great

extent. As with most of the other public sector institutions in Liberia, however, they have virtually no resources, being unable to purchase even rudimentary office supplies or equipment. There is no public power supply anywhere in Liberia; even in Monrovia, electricity is supplied through privately owned generators, where it is available at all. Although there are university-trained technocrats capable of carrying out long-term planning and establishing sound economic policies within the public sector, their ministries barely function. Moreover, development of a comprehensive socio-economic reform program is not within the mandate of the Liberian National Transitional Government (LNTG), whose principal function is instead to prepare the way for the national elections in May 1997.

Summary of the socio-political situation

The civil war has exacted a devastating toll in human lives and suffering. An estimated 150,000 Liberians have been killed or have died as result of the crisis. Tens of thousands more have been mutilated, raped, orphaned or otherwise traumatized. Over 700,000 Liberians have fled to refuge in neighboring countries, while a staggering 1.0 to 1.2 million out of the pre-war population of 2.5 million have been internally displaced. Currently, an estimated 80 percent of Liberia's population is contained in or close to the two coastal areas of Monrovia and Buchanan.

War has destroyed much of Liberia's civil society. Liberia currently cannot even govern itself as required by its 1986 Constitution. The latest incarnation of the LNTG lacks the capacity for true public decision-making, nor does it have the resources and legitimacy to carry out the decisions. ECOMOG maintains internal security while continuing to deploy to more remote areas of the country often still under the de facto control of ex-combatants. The competition among the current government's five warring factions dominates LNTG operations, hampers the effective use of available domestic resources, and threatens to continue even after elections. The situation is similar in the local public sectors where the war has made casualties of infrastructure, supplies, and human resources. The dislocations and violence of the war have also included flagrant violations of human rights, which the current government seems unable to address.

After more than seven years of brutal civil war, and several illusory outbreaks of peace, Liberia's warring factions entered into another peace agreement, Abuja II, on August 17, 1996. The present situation is widely seen by the international community as the country's "last best chance for peace." Liberians are weary of the conditions created from the violence and now universally express a desire for peace, but they acknowledge that former combatants may not have exhausted their desire to fight and could threaten further violence and undermine the peace process. Although there is general war weariness among civilians, there exists a belief that an event (such as elections) or a force (such as the U. S.) will set the country on the path to recovery.

Since the major factions agreed to a cease-fire, thousands of their militiamen have been disarmed and demobilized. The disarmament and demobilization process occurred with little preparation, and many observers believe its contribution to demilitarizing the country has been more psychological and symbolic than real. Still, many Liberians now speak of a post-war period when the country can recommence building its economy, educating its people, improving their health, and generally resuming the pre-war process of national development. The international community is willing to help, and has so demonstrated through technical and material assistance to support the peace process.

International Response

The major international actors in Liberia are the United States, the United Nations, the European Union (EU), and ECOWAS. There are also nearly twenty international non-governmental organizations (NGOs) operating here, including the major ones such as Action contre la Faim (ACF), AFRICARE, Catholic Relief Services (CRS), Lutheran World Service (LWS), Medecins sans Frontieres/International (MSF/I), Save the Children Fund/United Kingdom (SCF/UK), and World Vision International (WVI). Most of the UN agencies working in complex emergency countries are also operating in Liberia including the United Nations Development Program (UNDP), the Food and Agriculture Organization (FAO), the Department of Humanitarian Affairs' Humanitarian Assistance Coordination Office (DHA-HACO), the United Nations High Commission for Refugees (UNHCR), the United Nations International Children's Emergency Fund (UNICEF), the United Nations Office for Project Services (UNOPS), the World Health Organization (WHO), and the World Food Program (WFP). The International Committee of the Red Cross (ICRC) and the International Federation of Red Cross and Red Crescent Societies (IFRC) are also present. The international donors in Monrovia meet regularly, but USAID and UNDP are the only organizations with official in-country representation.

C. Transition Issues

Liberia faces an array of needs and constraints as it tries to make the transition from war to peace, and from relief to recovery. The political, social, economic, and administrative systems and institutions have been devastated by the conflict, leading to a virtual collapse of civil authority at all levels. The breakdown in communications networks, water and power supply, agricultural production and marketing, road and transport systems, and health, education, and other social services presents a plethora of choices for rehabilitation and reconstruction interventions. Currently, the Ministry of Planning and Economic Affairs has been entrusted with coordinating policy on a national reintegration program. The framework for the program has been adopted, with the support of all of the key ministries of government, the donor agencies, and other key national and international organizations.

Political Constraints. At the moment, the LNTG has only the most limited of capacity to govern. It is riven by factional cleavages. The factional appointees who hold positions in virtually all of the government's top echelons, from minister to office director, are controlled

by the warlords who appointed them rather than by their official supervisors. There is no single authority which can be held accountable for decisions taken and resources allocated. Power-sharing has involved demarcation of power bases for each of the supposedly disbanded factions. No group (or faction) appears to trust the current processes to address its needs, seeking instead either to maintain its current position or to expand its claim on resources and territory. The LNTG is incapable of exercising effective authority or jurisdiction nationwide. It has extremely limited financial resources, and what little revenue it receives is almost always misused. The war has also wreaked havoc on authority structures at the local level, creating tensions between older traditional leadership and younger faction loyalists whose power once emanated from the gun. The volatile leadership of the supposedly disbanded factions still has the ability to retain command and control over an indeterminate number of ex-combatants.

Economic Constraints. At the national level, Liberia will not produce much-needed revenues without extensive capital outlays for rehabilitating productive sector activities as the country moves forward on the path to recovery. Firms engaging in mining iron ore (now largely exhausted) and producing rubber, timber, diamonds, and gold all remain stagnant. Bad economic policies, which were notorious under the pre-war regime and which are perhaps even worse now, present formidable barriers to direly needed foreign investment. An infamous example of one such poor economic policy is the "export surrender fee" (essentially constituting a 25 percent export tax). The size of GOL debt (as well as overall multilateral and bilateral debt) will limit the country's ability to draw on international donor assistance for the indefinite future. Finally there is no formal financial system, though credit is available with interest rates in range of 15 to 22 percent. The banks currently operating in Monrovia act primarily as a conduit for transfer payments.

Food crop-oriented agriculture that once was the foundation of the economy now faces many obstacles during the rehabilitation period. The mass displacement of the population and the protracted insecurity in many areas upcountry have devastated this sector. The repatriation and resettlement of refugees and internally displaced persons will place many pressures on scarce goods and services, such as agricultural inputs, feeder roads, culverts, seed banks, storage facilities, health posts, and schools. The rural infrastructure has been badly damaged or destroyed. Under present conditions, communities cannot produce food items and incomes necessary for sustaining themselves during the resettlement period. Presently one million of an estimated 1.8 million in country receive food aid.

Opportunities

Liberia does have several characteristics, aside from the end of hostilities, which could assist in its war-to-peace transition.

- There is a cadre of trained teachers, health care providers, and civil servants, and they are willing to begin work.

- Although all of the international NGOs along with most other international organizations, lost most of their equipment, supplies, vehicles, and even buildings during the April 6 violence, quite a few have returned, at least to Monrovia. Some have ventured into more remote areas, but with a minimal presence.
- Although the seven years of violence has destroyed much of Liberia's infrastructure, some physical facilities remain and others, especially those that are privately owned, are in the process of being rehabilitated.
- Although there are large numbers of refugees and internally displaced persons (both fighters and civilians), most of them have a strong affinity for their place of origin and would be willing to return, under favorable conditions.

To summarize the present situation in Liberia, the country has been completely devastated by civil war. Social and political institutions have been severely damaged, although a thorough assessment of the destruction has not been made. The national economy does not work, although there is a degree of basic economic activity in some places. Physical infrastructure (transport and communications, energy, buildings) has either been completely destroyed or seriously damaged. Despite all these problems, the Liberian situation offers certain grounds for hope that the country can be put back on the path toward recovery without enormous amounts of foreign assistance. Pre-war Liberia was essentially an agrarian society and economy. Relatively small amounts of investments, such as seeds and tools, food-for-work, and basic inputs for repair and renovation of schools, clinics, roads, and other rudimentary rural infrastructure, in the hands of communities undergoing resettlement and reintegration, can expeditiously revive the food crop-based economy and society upcountry. Given the importance of this socio-economic segment of the country, such a revival can in turn provide the foundation for revitalization of cash crop agriculture and other productive sectors in rural areas and ultimately nationwide. International donors, including the U.S. Government, agree that the major aid priorities are continued relief, enforcement of disarmament and demobilization, and, perhaps most importantly for the crucial transition process, implementation of a national resettlement, reintegration, and repatriation program. Finally, although the population has been traumatized, Liberians are expected to contribute significantly to their own rehabilitation.

D. U.S. Government Response

U.S. Government strategy throughout the civil conflict has been and will continue to be: **(a)** to provide for emergency needs; **(b)** to strengthen the peace process by promoting security and creating conditions for a democratic transition to constitutional government; and **(c)** to create an enabling environment for the revitalization of rural communities and the re-establishment of functioning institutions as peace takes hold.

PART II: Proposed Strategic Plan

A. Summary Overview of the Strategy:

USAID's humanitarian assistance goal, "Lives Saved, Suffering Reduced, and Development Potential Reinforced," comprises three objectives. The first, "Potential Impact of Humanitarian Crises Reduced," since it addresses conditions in countries that are on the verge of crises or in which there is great potential for crisis, no longer applies to the Liberia case. The second objective is "Urgent Needs Met in Crisis Situation," and the third is "Security Established and Basic Institutions Functioning to Meet Critical Needs and Protect Basic Rights." Both are appropriate objectives for the United States to pursue during the next two years in Liberia, where order is being restored and confidence is being reestablished in the prospects for returning the country to the path of peace and recovery.

Over the next 24 months, the USAID/Liberia transitional strategy seeks to support both of these agency objectives. The strategy consists of: (a) a Special Objective, of creating conditions conducive to the conduct of free and fair elections; (b) a Strategic Objective, of continuing relief and rehabilitation assistance designed to create the requisite conditions for the revitalization of communities, particularly in rural areas; and (c) another Strategic Objective, of creating (post-election) conditions for participatory government at national and local level.

B. Special Objective: Favorable Conditions Created for National Elections.

The more than one dozen peace accords that have been negotiated over the last seven years of the conflict have all called for elections as the final step in the process of ending the war and returning the country to constitutional rule. Throughout most of the Liberian conflict, the country remained divided. For much of the time, Charles Taylor's National Patriotic Front of Liberia (NPFL) controlled most of the countryside. The NPFL even had its own government, the National Patriotic Reconstruction Assembly Government. Beginning with the first cease-fire and brokered by the peace process, a Monrovia-based administration, first called the Interim Government of National Unity and then, after the Cotonu Accord was signed, the Liberian National Transitional Government (LNTG), maintained claim to be the true, albeit caretaker, Government of the Republic of Liberia. Later in the conflict newcomer factions, such as the United Liberation Movement for Democracy in Liberia (ULIMO) and the Liberia Peace Council (LPC), staked out claims over upcountry territory and installed de facto administrations if not formal governments. None of these governments was able to establish clear legitimacy or effective governance in the areas under their control, let alone nationwide.

In August of 1995, the peace brokers negotiated a new agreement, the Abuja Accord (now often known as Abuja I), that among other things brought the three main faction heads into a six-person chief executive, the LNTG Council of State. Almost exactly one year later, after the dust had settled from the April-May 1996 attacks on Monrovia, the warring factions signed another peace accord in Abuja. Informally called Abuja II, the new accord included

provisions for elections for president, vice-president, and the national legislature by May 30, 1997. The major donors agree that after more than seven years of bloody civil war, one of the indicators for the viability of Liberia's political system is whether it can conduct these elections credibly, that is, in a free, fair, and transparent manner. Thus, despite the enormous difficulties that entails, the major donors, including the United States, agree that the next crucial step in Liberia's recovery is holding those elections.

A credible national election will not only end the war but also contribute toward reestablishing Liberian democracy and constitutional governance, which is one of the keys to having "basic institutions functioning" in the country. Liberia's holding of a credible national election will promote reestablishment of participation and accountability in public affairs, thus demonstrating to citizens and sympathetic outsiders that Liberians are regaining control over their collective future.

To support the conduct of credible elections, USAID with other U.S. Government agencies and donors will provide assistance for creating conditions crucial to the full participation of the Liberian people. These conditions consist of: (a) sufficient security for campaigning, voting, and managing the election process, including control over the distribution and tabulation of ballots; (b) adequate administrative, financial, and other resources; (c) a satisfactorily "level playing field;" and (d) adequate voter and civic education, particularly through civil society. The U. S. Government has allocated \$15.5 million through USAID in FY 1997 for meeting these fundamental conditions. The principal instrument for direct assistance for the election process is a set of grants from USAID to a number of international NGOs with expertise in various aspects of the election process, including electoral organization and administration, voter registration, voter education, election monitoring, and political party training. In addition, U.S. Government funds will be made available for rehabilitating the judiciary, restructuring the civilian police force, strengthening the capacity of ECOMOG, and underwriting the UN's trust fund for the Liberian elections.

Timing

Elections are scheduled for May 30, 1997, less than two months from the drafting of this transitional strategy. Pre-election assistance has already begun, and it will continue throughout the elections and into the post-election period. Although there is considerable speculation that the elections will not take place on schedule, the official view of ECOWAS, all donors, the LNTG, and the major known candidates is that there will not be a postponement. If the elections are postponed, however, the present and planned assistance activities will continue. Also, any postponement is likely to be short (perhaps one to two months), and it may well contribute to the achievement of the results the USAID/Liberia program is trying to accomplish. Similarly, the strategy does not carry this special objective into FY 1998, on the assumption that the elections will have taken place by September 30, 1997, and any additional elections-related results to be achieved after that date will be incorporated in Strategic Objective No. 2.

Intermediate Results

Intermediate Result (IR 1.1): *Fully Functioning Election Commission.* A functioning, independent elections commission, with the capacity to establish a sound electoral system and oversee proper conduct of Liberia's elections, will be enabled to carry out its crucial responsibilities successfully.

Intermediate Result (IR 1.2): *Improved Elections Mechanism.* To enable accessibility for full participation of the Liberian people and effective management of the upcoming elections, an effective organizational structure and necessary resources will be ensured.

Intermediate Result (IR 1.3): *Strengthened Civil Society.* Informed voters and independent non-state institutions will be buttressed as essential requirements for bringing about and sustaining free and fair election results. Civilians observing and participating in various election processes as necessary to ensure integrity, transparency and legitimacy to the election process and outcomes will be effectively supported.

Illustrative Approaches

With a USAID grant (of \$5,566,000 from the FY 1997 OYB, \$747,000 obligated at the end of FY 1995, and \$1,000,000 in new funding being sought through this framework), the International Foundation for Election Systems (IFES) will provide technical assistance to the Independent Elections Commission and furnish the commodities (including ballots, ballot boxes, identification cards, and other essential supplies and equipment) for the organization and management of the election process. Another use of the grant funds is the creation by IFES (through a set of sub-agreements) of an elections support group (ESG), consisting of several additional NGOs with expertise in specialized election work, such as voter education, domestic monitoring, international observation, civil society support, political party training, and related "level playing field" promotion. Regarding the last area of expertise, the ESG will have within it organizations to work on establishing independent media for disseminating election messages. The ESG, which is just being formed, currently includes The Carter Center, Friends of Liberia, and Fondation Hirondelle, and the National Endowment for Democracy and the Refugee Policy Group are likely to be added to it shortly. An additional \$1 million is being made available from another USAID funding source, the CEPPS (Consortium for Elections and Political Process Strengthening) project, for work with political parties, probably in the area of party agent training. The specific assistance to be provided for the accomplishment of this special objective, by IFES and the ESG working along with local civic groups and other international organizations (including UNOMIL, UNDP, and the EU), is:

a) Technical assistance:

- Support for evaluating elements of Liberia's constitution that were suspended or modified for the conduct of these elections.

- Guidance in drafting electoral law.
- Design of voter education programs.
- Training for local groups to monitor, observe, analyze, and report on electoral processes.
- Training for members of the Elections Commission on policy formulation, basic resource management, and media relations.
- Post-election consultation.

b) Public information campaigns:

- Elections process (schedule, events, time needed).
- Voter registration (criteria, verification).
- Civic responsibility (trust, cohesiveness, reconciliation).

c) Management and commodities support:

- Election commodities (ballot boxes, ballots, transportation, and communications).
- Election monitoring personnel, both Americans and eminent citizens of other countries.
- Coordination with UNOMIL, ECOMOG, EU, UNDP for logistical support.

Indicators and Targets

- Conditional indicators, such as freedom of movement, freedom of assembly and association, open access to information, security, effective means of adjudicating complaints.
- Administrative indicators, such as sufficient financing and staffing for elections, an appropriate electoral code, an effective process of voter identification and registration, voter education, and infrastructure.
- Political indicators, such as a functioning independent elections commission, functioning political parties that agree on proper participation in the electoral process, proper behavior by incumbents and the military.

C. Strategic Objective 1: Favorable Conditions Created for Social and Economic Revival of Communities.

The essence of this strategic objective is stabilizing the countryside socially and getting it going again economically, by making resources available, mostly upcountry and primarily through a "micro-projects" approach, to help the at least one million internally displaced persons to resettle, the over 700,000 refugees to repatriate, and the several thousand former combatants to reintegrate into their home communities. The resources, which will come from Development Assistance, International Disaster Assistance, Food for Peace, and related accounts, will help create jobs, generate income, increase food security, and improve basic education, health care, and other social services and infrastructure, largely through community-based projects. Participation in these labor-intensive, capital-saving projects will be open to all the community members, be they ex-combatants, repatriated refugees, former IDPs, or inhabitants who never left home. Once security, political, and administrative conditions permit, the delivery of these goods, services, and project resources will be facilitated by strategically placed field offices designed to promote decentralized administration and to foster local self-help.

During the period since the official end of the disarmament and demobilization process, many internally displaced persons and refugees have returned to their places of origin to investigate local conditions for themselves and others in their camps. Once the populations verify security and presence of resources to sustain themselves, perceived post-election improvements in security and stability are expected to trigger additional spontaneous return home of displaced persons.

Post-war social and economic recovery cannot take place without resettlement, and USAID will fund appropriate supporting activities for that purpose. Both relief and rehabilitation assistance will focus on sustaining conditions for resettlement and exploratory work with local civilian groups to identify conditions and processes necessary to reestablish authority, security and public space. Both kinds of assistance activities will enable communities to rebuild relationships severed by war and strengthen the resettled communities' capacity to govern themselves.

Critical Assumptions

- Peace holds, and disarmament is effective *or* ECOMOG has the will and the means to prevent resumption of hostilities and enforce civil order.
- People have continued freedom of movement.
- Donors agree on distribution of responsibilities and supply required resources.
- NGOs and other implementing partners are no longer restricted in how they deploy or function.

Timing

It is estimated that the resettlement process for refugees and internally displaced persons will be completed approximately eight months after elections. An additional 12 months is required to achieve significant progress in rehabilitating homes, farms, schools, health clinics, roads, and bridges.

Intermediate Results

Intermediate Result (IR 1.1): *Completed Resettlement.* Internally displaced persons, refugees, and ex-combatants are resettled in selected communities, and they remain settled through the end of the 24 month period. (USAID geographic coverage includes the counties of Bomi, Bong, Grand Bassa, Grand Cape Mount, Lofa, Margibi, Montserrado, and Rivercess for purposes of implementing the National Reintegration Program.)

Intermediate Result (IR 1.2): *Agricultural Production Recovery.* Agricultural production (food and cash crops) is increased.

Intermediate Result (IR 1.3): *Rehabilitated Institutions.* Functioning institutions (such as schools, health posts) are reestablished.

Effective delivery of relief and rehabilitation assistance in selected critical sectors is the foundation for reviving communities, socially and economically, particularly in rural areas. Such assistance will enable internally displaced persons (including ex-combatants) and refugees to return to their homes, begin to recover their lives, and anchor themselves in secure communities.

The transition framework, which reflects a consensus among donors, implementing partners, and the LNTG for the coordination of the implementation of these community-based assistance activities is the approved National Reintegration Program (NRP). The framework is intended to encompass three kinds of activities: relief, "bridging" projects, and the reintegration initiatives themselves.

The relief projects, which are supported largely with BHR-managed resources, have of course been operating throughout the crisis, providing emergency food aid, shelter, health care, water and sanitation, and seeds and tools to displaced persons and other needy victims of the conflict. These activities will continue at least through FY 1998, although the amount of the BHR/OFDA-supported grants is projected to decrease slightly from this fiscal year's level. However, the focus of the activities, and particularly those involving food aid, is expected to shift increasingly toward resettlement, reintegration, and rehabilitation efforts.

The "bridging" operations aim to provide ex-combatants and civilian community members with temporary but productive employment in public works projects, such as low-technology repair of roads, drainage ditches, and buildings. These projects are stop-gap measures

intended to "bridge" the gap between the official end of the formal disarmament and demobilization process and the time when security, political, law and order, and other conditions will permit the full-scale implementation of the National Reintegration Program.

As the NRP gets into full swing, the mission will expand micro-projects to support activities critical for sustaining resettled IDPs and refugees. The NRP will also involve the provision of USAID assistance for initial work with local authorities and administrative institutions to explore ways to create beneficial linkages between newly reconstituted civil administration and resettled communities.

Present activities of donors:

The United Nations agencies, principally UNICEF, UNHCR, WFP, and UN-HACO (DHA), have carried out relief and other humanitarian assistance projects (food aid, health and nutrition, and water and sanitation) throughout the conflict. UN-HACO, UNDP, UNOPS, ILO, and UN-DDSMS have begun supporting "bridging" activities throughout the country. UN-DDSMS has also worked with the MOPEA to strengthen that ministry's role and prepare for post-election consolidation in the launching of the National Reintegration Program.

The European Union (EU) has funded a number of relief programs in health, nutrition, and water and sanitation during the crisis. The EU is now focusing on agriculture for "bridging" projects in the southeastern counties (Nimba, Grand Jedeh, Sinoe, Grand Kru, and Maryland). This same area is designated for EU micro-projects as part of the National Reintegration Program.

USAID currently funds relief projects in health and nutrition, medical services, agriculture (seeds and tools), and food security. The mission's program portfolio also includes "bridging" activities (UNOPS' Civil Reconstruction Team projects), intended to strengthen demobilization and lay the institutional groundwork for the National Reintegration Program, in the northern and western counties (Bomi, Bong, Grand Bassa, Grand Cape Mount, Lofa, Margibi, Montserrado, and Rivercess).

USAID/Liberia is funding projects that target demobilized populations (ex-combatants and children) in counseling (grants to UNICEF and UNOPS) and accelerated vocational education (a grant to LOIC). As a matter of policy, USAID/Liberia does not provide direct support to the Government of Liberia or indigenous NGOs. USAID assistance for Liberia is channeled through intermediaries, UN Agencies, international NGOs and, more recently, consulting firms. This policy and practice are likely to continue until well after a democratically elected, constitutional government is installed.

Illustrative Approaches

USAID will continue to support "bridging" activities until after elections, while beginning rehabilitation and reintegration assistance to communities starting to resettle, as security,

political, and administrative conditions permit. The micro-projects - discrete, finite, and quick-acting interventions - will be key to a successful National Reintegration Program. Each micro-project will be developed by a grantee (usually an international NGO or UN agency) in consultation with local communities of resettled people. In general, activities will focus on food security, income generation, public health, and primary and vocational education. The micro-projects will include provisions for complementing physical rehabilitation with more socially oriented activities, such as community organization, public forums, and conflict resolution workshops, to promote the transition to more permanent structures of authority and advocacy and to strengthen civil society at the local level.

Illustrative activities for micro-projects include the following:

- **Food Security.** Liberia's recovery will depend on the reestablishment of food security in rural areas. The food security initiative will be a two-part intervention. Individuals and communities will receive food aid to maintain themselves during resettlement, at the same time receiving agricultural inputs to revitalize local production through the provision of seeds, tools, fertilizer, and technical assistance. The 1997 planting season is coming to an end and, while distribution of agricultural inputs is underway in parts of the country, the majority of resettling Liberians will continue to rely on food aid for at least the next 12 months.
- **Income Generation:** Economic revival and expanding opportunities for self-support will be primary factors in the successful transition to recovery. For short-term job creation, USAID will provide funds to civil reconstruction teams that will perform public works projects and some agricultural services for civilians and ex-combatants through food-for-work programs. For longer-term jobs, this program will concentrate on the informal sector, since it has proven to be very resilient during the violence, and certain private sector concerns, such as cash-crop plantations, which were the source of significant employment opportunities before the war.
- **Public Health:** International NGO-operated health and nutrition interventions will continue in the absence of a national health system. USAID will provide minimum essential inputs to revitalize local health clinics devastated by war. The program will also strengthen the National Drug Service and, as opportunities arise up-country, the drug delivery system at the local level. Preventive and curative health programs will be supported to provide basic maternal and child health care. These programs will train and support community health workers, expand EPI coverage, and provide essential inputs as the government of Liberia and other international donors plan for rehabilitation of the national health sector.
- **Accelerated Vocational Training:** Presently, there is a great interest and want for education and training in Liberia. Institutional and material support to Liberia's premier vocational training institute, the Booker Washington Institute, will provide training to rural and urban youth. By strengthening the capacity of local training institutions

(experience-based curriculum development, staff training, equipment, materials, and supplies), more youth will have access to training in vocational skills. Recruitment programs for civilians and ex-combatants will be designed to ensure a broad trainee base. Course certifications will be negotiated with the ministries of education and labor.

To best target the vocational skills to where they are needed, USAID will sponsor a survey of the opportunity structure for rural and informal sector self-employment and conduct a demand assessment for skills in rural and urban areas and a nation-wide assessment of national training institutions and training providers.

- **Primary Education:** With an estimated 55 percent of the Liberian population under the age of 17, primary and vocational education is one of the keys to social recovery. For refugees whose children are in schools outside the country, educational opportunities in their home communities are an important factor in their decision to return home. USAID's support will provide rural schools with basic inputs -- educational equipment, materials and supplies -- as well as teacher training, a certification process, and work incentives, either through food-for-work projects or cash. Community-based organizations will organize and access appropriate mechanisms for primary school support through UNOPS and partner programs.

Indicators and Targets

Because of the fluid nature of this transitional strategy, the need to have it reviewed and approved quickly, the provisional nature of mutual agreements between USAID and its partners, and the general uncertainty in Liberia, many of the indicators and all of the targets will be developed later, once baseline surveys, assessments, and other detailed analyses are complete.

Operational Issues

- **Timing:** The work in local capacity-building will commence during FY 1997 with systematic field assessments of existing local governance capacity in likely resettlement areas and the beginnings of assistance to local institutions. However, the major part of the actual assistance in local capacity-building will be provided in FY 1998 and FY 1999. Because the local capacity-building will require considerable preparations, such as institutional analyses, many areas may be provided with micro-projects assistance before they receive capacity-building assistance, especially during FY 1997. Those communities can, however, be compared with others receiving capacity-building assistance before they get micro-projects funding as a way of evaluating the effectiveness of the capacity-building.
- **Identifying promising local institutions:** For establishing local self-help capacity, the major assumption is that USAID will be able to successfully identify likely local

institutions to assist, and that USAID's partners effectively organize the micro-projects in resettlement areas.

- **Targeting areas of operation:** The EU and the U.S. Government have tentatively agreed on geographic assignments of responsibility for reintegrations activities. Some of the details still need to be worked out, however, to ensure program consistency throughout the country.
- **Targeting of combatants:** After much discussion, the major players in the Liberia peace process have agreed not to give special treatment or attention to ex-combatants, because non-combatants would resent it and because special treatment would hamper the reintegration of ex-combatants into Liberian society, among other reasons. However, USAID-supported programs will address the ex-combatant group in the larger context of the reintegration program.
- **Monetization of Title II:** USAID/Liberia will commission analyses on whether continued provision of food aid creates any significant disincentive effects to local food production and marketing. Monetization options will be explored.

D. Strategic Objective 2: Certain Favorable Conditions Created for Functioning, Participatory Government at National and Selected Local Levels.

To promote a democratic transition in Liberia, USAID will complement its assistance for national elections with efforts that create favorable conditions for sound governance. In this way, USAID/Liberia's assistance, and that of other donors, will contribute to the revitalization of Liberia's political system at both the national and local levels. Successful national elections, which are free and transparent, are a major part of the democratic transition, and one that the special objective supports. National elections are to take place before local elections. In this mechanical sense, then, local governance depends on the national elections. More importantly, however, if the national elections are successful, the resulting national government is likely to be legitimate in the eyes of Liberians.

Although the situation is far from clear, limited evidence from outside of Monrovia suggests most local public administrative capacity has been wiped out. However, the disintegration of public sector structures at sub-national levels in Liberia provides and opportunities for Liberian reconstruction. There is an opportunity to start over in an institutional sense -- to create working, responsive, representative local institutions that give people a collective voice in setting public agendas and making appropriate decisions that affect their communities. The micro-projects add to the opportunity because they provide concrete benefits that people can discuss, plan, and manage in local groups.

While a national government, with functioning ministries that can maintain order, raise revenues, and essentially, *govern* Liberia, will contribute to the conditions that are conducive

to local governance, there must be effective local governance for Liberia's recovery to be sustainable. Ultimately, assistance will be provided in reestablishing (or perhaps establishing for the first time) effective local government that can either provide urgently needed social services directly or help create an enabling environment that will encourage the private sector to provide them.

Intermediate Results

Intermediate Result (IR 2.1): *Approved Constitution.* There appears to be general consensus that Liberia's existing constitution needs to be re-written, but there is less agreement on how to do that and precisely what parts of the constitution require reformulation. If the constitution is going to be fundamentally rewritten, the rewriting and approval process will take place primarily after the elections (in FY 1998).

Intermediate Result (IR 2.2): *Increased Capacity of Selected National Government Units.* Assuming the national elections are successful, there will be a need to strengthen all national government ministries, but particularly the Ministry of Planning. After the elections, there will be a preliminary investigation to determine which ministries and other government agencies require assistance, especially in relation to the implementation of the National Reintegration Program, and to propose appropriate assistance mechanisms.

Intermediate Result (IR 2.3): *Strengthened Local Institutions.* When ex-combatants, refugees, and other displaced persons return home to resettle, they will likely find few familiar social institutions waiting for them after more than seven years of civil war. Although the Liberian people are said to be highly resilient, and may well be able to cope with many of their individual and family needs on their return, they will likely find it difficult to provide themselves with even elementary social services such as those of public health, agriculture, police, utilities, and schools. USAID/Liberia's assistance during the transition period will help identify ways of building local capacity to set agendas, articulate interests, and make appropriate decisions to meet local needs.

Liberia's authority structures at the local level have been damaged, and the already complex relationships among them have been complicated further, by the war. Moreover, wherever displaced persons or combatants have gathered, they have formed their own authority structures to provide some sort of order to their collective situations. When people are resettled in their post-war destinations, they will have to resolve the likely inconsistencies between the authority structures they have developed and worked with during the war and those that will help them achieve transition to post-war life. USAID/Liberia will sponsor institutional analyses to formulate ways to help people identify, select, and institutionalize participatory modes of self-governance. These choices will collectively have fundamental impacts on the nature of Liberia's future political system.

Illustrative approaches

- Assistance in public administration. After an assessment of the needs of critical national government ministries, USAID will develop suitable modes of assistance, in cooperation with the concerned ministries and other donors. These may include training and commodities.
- Special training for factional military commanders and other local leaders including civilians. The training would focus on entrepreneurial and vocational skills.
- Identification of local institutions that contribute to creating capacity for local governance (FY 1997); assistance to those institutions (FY 1998).

Indicators and targets.

As in the case of SO1, the fluid nature of this transitional strategy, the need to have it reviewed and approved quickly, the provisional nature of mutual agreements between USAID and its partners, and the general uncertainty in Liberia means that many of the indicators and all of the targets will have to be developed over the next several months.

Likely indicators for IR 2.1 (Constitution Revised and Approved) include the following:

- Constitutional issues affecting the elections and certain post-election matters (length of terms of office, power to appoint, role of the Supreme Court) to be resolved.
- General agreement that Liberia's existing constitution, which was ratified in 1986, needs to be revised.
- Human and civil rights problems significantly reduced.
- Increased number of grassroots organizations providing a voice for people. (This will be refined after the institutional assessment that will be conducted later in 1997.)

Indicators are still needed for IR 2.2, and they will depend on exactly which parts of the national government are assisted and the kinds of assistance provided.

Indicators are also needed for IR 2.3, and they will have to be developed as the activities are designed. Those interventions will be based on the communal profiles and institutional analyses. It is likely that indicators will focus on how well anchored newly resettled communities are in their new locations. Prospective indicators would measure community viability, extent of food security, and economic activity in the assisted communities.

Operational issues.

- **Direct support to the government.** The U.S. Government does not currently recognize the LNTG and, as a matter of policy, USAID does not provide it with direct budget support. After the elections, assuming they are free and fair, the U.S. Government will have to reassess its position in relation to the Government of Liberia. At that time, the

decision can also be made about whether and how to provide direct assistance to the new government.

- **Timing of elections.** The U.S. Government, along with the other major international donors, officially supports plans to hold the elections on May 30, as scheduled. It is unclear, however, when the elections will actually be held. If they do not take place on schedule, and depending on the reasons for the delay and the length of it, USAID may have to revise the transitional strategy.

A monitoring and evaluation system will be developed, along with indicators, over the next several months.

Results Framework

Agency Objectives:		
5.2 "Urgent Needs Met in Crisis Situation"		
5.3 "Security Established and Basic Institutions Functioning to Meet Critical Needs and Protect Basic Rights"		
SPO: Favorable conditions created for national elections	SO1: Favorable conditions created for social and economic revival of communities	SO2: Certain favorable conditions created for a functioning, participatory government at national and selected local levels
IR 1.1 Functioning Election Commission	IR 1.1 Internally displaced persons and refugees resettled in selected communities	IR 2.1 Approved constitution
IR 1.2 Improved elections mechanisms	IR 1.2 Re-activated agricultural production	IR 2.2 Increased technical capacity of selected national government units
IR 1.3 Strengthened civil society.	IR 1.3 Functioning local institutions	IR 2.3 Strengthened local civil administration

Part III: Resource Requirements.

A. Operating Expenses and Work Force Levels

USAID/Liberia's operating expense (OE) budgets included in the R4 submission (and attached to this document) show a 50 percent increase in FY 1998 and another 20 percent rise (at the "requested" level) in FY 1999. The projected increases are largely the result of the inclusion of ICASS costs beginning in FY 1998. Another reason the budgets increase, however, is the acquisition by the Mission of additional staff positions: one American and two FSN positions in FY 1997; and three FSN positions in FY 1998. Shortly after the submission of the R4, BHR/FFP agreed to provide USAID/Liberia with a position and funding for a US-PSC Food for Peace Monitor. There may be additional increases in the Missions OE budgets in FY 1998 to cover costs associated with that position, but they are not expected to be large.

USAID/Liberia is requesting, through this document, two more American positions. Both would preferably be U.S. direct-hire slots. One, for a Project Development Officer, should be established and filled as soon as possible. Realistically, however, the position will probably not be available until FY 1998. The other position, for a General Development Officer with experience in democracy and governance, is being requested for FY 1999.

The Mission's OE budgets for FY 1998 and 1999 do not anticipate any major increases in costs associated with acquiring office space for the additional staff. Mission management believes the additional staff approved and requested in this document can be accommodated within the building where USAID/Liberia is currently located, which is an annex on the Embassy compound. If enough additional space were not available in the compound facilities, or additional staff were required and authorized in FY 1999, however, it will be necessary to acquire a building outside the compound. This would cause significant increases in the out-year budgets.

With the addition to Mission staff of the two new American positions being sought through this document, it would probably be necessary to procure another vehicle for the USAID fleet, along with a driver. It might also be necessary to hire another FSN clerical staff member, the Mission will clearly need to obtain additional computers and other office equipment. These would all result in significant increases in the OE budgets.

B. OE and Work Force Tables

The tables are attached as Appendix A.

C. Program Funding

Special Objective: Favorable Conditions Created for National Elections, FY 1997

Activity	OYB	Source	New Request	Implementer	Total
Elections Assistance	(5,566)			IFES	
	322	ESF			
	5,244	DA			
CEPPS	1,000	ESF		NDI/IRI	
Law Enforcement & Judicial	1,400	ESF		Justice Dept	
UN Trust Fund		ESF		UN	
ECOMOG/PAE	1,500	ESF		PAE	
Sub-total	9,466				

Strategic Objective 2: Success Transition from Relief to Recovery through a Community Reintegration Program - FY 1998

Activity	OYB	Source	New Request	Implementer	Total
Accelerated Technical/ Vocational Education	817	DA		Phelps Stokes	
War-Affected Youth Support	1,000	CS	3,700	UNICEF	
National Micro-projects Program	1,209	DA	0	UNDP	
Transitional Activities	1,700	IDA	0	OTI	
Humanitarian Assistance for Transition	6,323	IDA		OFDA	
Food Aid	14,000	PL 480		FFP	
Refugee Assistance	305	PRM/State		PRM/State	
PD&S	469	DA		CAII, AED	
Civil Society				TBD	
Sub-total	25,823		3,700		29,523

Strategic Objective 1: Favorable Conditions Created for Social and Economic Revival of Communities - FY 1998.

Activity	OYB	Source	New Request	Implementer	Total
Not Yet Programmed	2,000	CS		UNICEF	
National Micro-projects Program	1,500	DA		UNDP	
Rehabilitation Training and Resettlement	1,500	DA		OICI	
Humanitarian Assistance for Transition	6,000	IDA		OFDA/OTI	
Food Aid	15,000	PL 480/DA		WFP/CRS/ TBD	
PD&S	500	DA		TBD	
Sub-total	26,500		0		

Strategic Objective 1: Successful Democratic Transition including Free and fair National Elections - FY 1998.

Activity	OYB	Source	New Request	Implementer	Total
Assistance to GOL units	2,000	DA		TBD	
Beneficial Linkages to Civil Society				TBD	
CEPPS		ESF	1,000	TBD	
Sub-total:	2,000		1,000		
Grand Total:	2,000		1,000		3,000