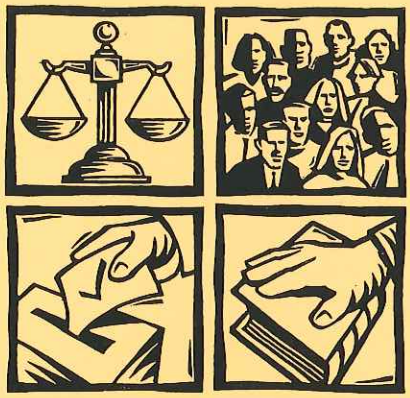
CENTER FOR DEMOCRACY AND GOVERNANCE

"...promoting the transition to and consolidation of democratic regimes throughout the world."

FY 1998 PROGRAM REVIEW



April 1999

Center for Democracy and Governance
Bureau for Global Programs, Field Support, and Research
U.S. Agency for International Development
Washington, DC 20523-3100

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* This report is derived from the FY 2001 G/DG Results Review and Resource Request.

I. OVERVIEW OF CENTER PERFORMANCE

Illustrating once again that political change is rarely a linear process, this year saw both advances and setbacks in democratization around the world. Democratic gains are often fragile and can be reversed, and even in those cases where transitions have occurred, considerable obstacles remain to permanently reforming political institutions and systems. While new opportunities emerged in Indonesia, Nigeria, and Slovakia, disappointing elections occurred in Kazakhstan, and the halting but forward progress that had been made in Congo and Liberia stalled. Democracy proponents have cautioned that democratization is a long-term process: progress will inevitably be uneven as countries grapple with how to transform their political and economic systems.

Within the U.S. government (USG), promoting democracy and governance (DG) continued to be a priority objective. High-level attention was focused on particular countries in the process of transition such as Bosnia, Cambodia, Indonesia, and Nigeria, and also on efforts to raise the profile of rule of law (ROL) and anti-corruption within U.S. foreign policy. In addition, democracy continued to be integrated into USAID's development efforts. Coupled with the demand for democracy funding in post-conflict complex emergencies and in conflict prevention efforts, there were increasing pressures on the scarce program funds and trained human resources available for democracy work. As in previous years, USAID missions worldwide requested more resources for DG programs than were available due to the pressure of directives on USAID's overall budget. The Agency established additional direct-hire democracy officer positions in a number of countries (including Indonesia, Nigeria, Tanzania, and Ukraine), agreed that recruitment of mid- and entry-level officers with democracy technical skills was necessary, and moved forward on the process of selecting and hiring new officers. Training courses in democracy and governance continued to be oversubscribed, as officers sought out opportunities to acquire the skills necessary for USAID to be successful in the rapidly changing world of political transitions, including those in post-conflict and crisis countries.

Summary of Center Accomplishments

In FY 1998, the Center for Democracy and Governance (G/DG or the Center) continued and expanded its role in supporting field mission programs, guiding USAID's DG thinking, and responding to USG policy priorities in democracy and governance. G/DG's established contract and grant mechanisms offered a full array of services and were accessed by missions and, increasingly, other parts of the USG. An impressive cadre of technical experts with both regional and sub-sectoral expertise was assembled within the Center for use by the Agency. Moreover, the Center, as the primary source of new DG officers for the Agency, served as an "incubator" in which new officers were trained for field service. Five years after it was created in 1994, G/DG has solidified its operations and made significant progress towards realizing its mandate of (1) providing strategic support and intellectual leadership to DG programs, and (2) supporting USG foreign policy objectives in DG. The Center successfully applied lessons learned for strategic use of limited resources in the sector and encouraged others in USAID, the State Department (State), and partner organizations to think more globally about how experience in one country relates to programming in other countries.

The Center has made significant headway in implementing its "technical leadership" agenda. Through training programs and targeted TDYs, it has helped to build the DG technical cadre in the Agency and influence programs based on lessons learned. In addition, a number of important publications have been circulated to field missions and the broader community interested in DG. For example, in FY 1998, the Center developed and/or published technical guidance including a strategic assessment framework; a handbook on program level indicators to track results in DG; guidance on approaches to civil-military relations; and handbooks on anti-corruption, legislative strengthening, decentralization, alternative dispute

resolution (ADR), and ROL programming. These program guidance materials were developed to shape the design of DG programs around the world.

The technical guidance produced by the Center is only relevant if it helps to strengthen democracy programs, especially those implemented by USAID field missions, and influences democratic progress. The Center provides field support to USAID missions in two ways. Center staff provide technical assistance, either from Washington or through short- or long-term TDYs to missions. This assistance can be a simple discrete task, a complex analytical project, or assistance with filling temporary personnel gaps. In FY 1998, the Center provided direct assistance across a full spectrum of sectoral and subsectoral assessments, strategy and program development, and performance monitoring and evaluation. Center staff traveled to 36 countries, with significant amounts of direct assistance provided to Egypt, Indonesia, Lebanon, Liberia, Morocco, and Nigeria.

The other common means the Center used to provide field support was its program implementation mechanisms. While these mechanisms are used to directly manage some programs, including non-presence country activities, they are primarily designed for use by the field. The majority of the mechanisms were indefinite quantity contracts (IQCs), which could be accessed directly by missions. In addition, G/DG put core funding into a number of worldwide grant mechanisms. Last year, the AFL/CIO-affiliated Solidarity Center was G/DG's primary recipient of core funding, receiving almost 50 percent of the Center's annual program budget. Other major recipients and partners were the Consortium for Elections and Political Processes Strengthening [CEPPS—made up of the National Democratic Institute for International Affairs (NDI), the International Republican Institute (IRI), and the International Foundation for Electoral Systems (IFES)], The Asia Foundation, Transparency International (TI), the Department of Justice (DOJ), and the International Development Law Institute (IDLI). The funds in these mechanisms provided support for a rapid-response capability, as well as activities that were innovative and cross-boundary in nature.

Increasingly, other agencies of the USG have also come to rely on Center-developed expertise and best practices. In the past year, the Administration developed several priority initiatives that placed G/DG in a leadership role for USAID. U.S. Secretary of State Madeleine Albright announced an ROL initiative as one of her 13 priority action agendas for State. G/DG represented USAID in several inter-agency fora to define priorities and approaches in this area. It also sat on the inter-agency oversight committee for police and prosecutorial training. Vice President Al Gore initiated an anti-corruption initiative, culminating in a global conference for senior government officials around the world. G/DG played a significant role in helping to organize this conference, as well as a parallel Organization for Economic Cooperation and Development (OECD)-sponsored private sector conference to link program options with political will for reform.

State increasingly turned to USAID to design economic support funds (ESF)-funded programs, such as the Great Lakes Justice Initiative and the Near East regional ROL program. A significant role played by G/DG in the foreign policy formulation arena is its active involvement in the annual allocation process for the regional democracy ESF. Last year, using its delegation of authority, G/DG, with regional bureau concurrence, approved certain ESF-funded activities in non-presence countries, managing them through established Center grant mechanisms. Short-term country activities were completed in Algeria, Papua New Guinea, Sierra Leone, Togo, and Venezuela. Activities are ongoing for Algeria, Cote d'Ivoire, Laos, Lesotho, Oman, Swaziland, Thailand, and Yemen and new short-term activities are being prepared for Afghanistan, Angola, Guinea-Bissau, Mozambique, Nepal, Nigeria, and Pakistan.

In the past year, the Center also played an active role in inter-agency groups that developed democracy policy toward countries with key foreign policy concerns, including Cambodia, the Democratic Republic of Congo (DROC), Indonesia, Kosovo, Liberia, Nigeria, Rwanda, West Bank-Gaza, and Zimbabwe. In

many of these countries, G/DG actively collaborated and coordinated with regional bureaus and the Office of Transition Initiatives (OTI) to ensure the most effective USAID response. In short, G/DG served as USAID's vanguard in the Administration's policy deliberations regarding DG programming.

II. WORKING ACROSS SSOs: THE CENTER'S SECTOR-LEVEL ACCOMPLISHMENTS

A review of the Center's four strategic support objectives (SSOs) or DG "subsectors" (rule of law, elections/political processes, civil society, and governance) is provided in Section III. The Center has also made significant cross-cutting achievements at the sector level that go beyond the four SSOs:

A. Strategic Assessments

Given limited resources for DG programming, USAID must make strategic decisions on how and where to invest for greatest impact. The Center's role is to help USAID field missions and other parts of USAID and the USG define a country-appropriate program to assist in the transition to and consolidation of democracy. To this end, the Center has developed a flexible strategic assessment framework designed to analyze country-specific political conditions and craft targeted program interventions.

Utilizing its technical expertise, the Center has been highly involved in the development of strategies for priority countries. Last year, G/DG provided strategic assessment assistance in key countries, including Cambodia, Egypt, Indonesia, Liberia, Morocco, Nigeria, South Africa, and Zimbabwe.

In **Nigeria**, an inter-agency team—led by the Center's senior strategies advisor—developed a comprehensive USAID response to the opportunities for political transition in 1998. In **Indonesia**, G/DG senior staff participated in assessment teams that designed a comprehensive strategy for the country.

Working with OTI and PPC, G/DG adapted the strategic assessment methodology to the unique circumstances faced by post-conflict countries. The Center helped develop strategies in difficult post-conflict environments such as **Liberia**. Though a program of support to civil society and government reformists has stalled due to political circumstances in Liberia, continued Center involvement in inter-agency processes is likely pending new developments on the ground.

The Center also provided training in the use of the assessment methodology. G/DG tracked the use of its approaches and methodologies and is developing second-generation technical leadership agenda items that reflect additional needs.

B. Managing for Results

The Center worked with the Agency's DG partners, Office of Management and Budget (OMB), and several other USAID/W offices to develop an acceptable approach to managing for results (MFR) in the DG sector. The measurement of achievement in DG programs is both technically difficult and politically sensitive. The Center championed a review of the MFR system, undertaking consultations with the IG, OMB, and a broader group of NGOs that resulted in agreement on the complexity of measuring results in the DG sector. The Center's *Handbook of Democracy and Governance Program Indicators* was developed in consultation with USAID partners and is seen as a first step toward ensuring that USAID and its partners start from a similar understanding of what they agree upon as results in the complex effort of measuring democracy. In addition to vetting the handbook with the NGOs and briefing the IG and OMB on the complexities of the new approach, the Center provided training to USAID staff (both in Washington and the field) and G/DG partners on how to manage for results in the DG area.

C. Establishing a DG Technical Cadre

The importance of DG officer recruitment and training of existing staff became increasingly clear in FY 1998. In response to the need to train existing personnel, the Center held regional training sessions in the AFR and LAC regions, specialized training in conjunction with the Partners Conference in December

1998, and additional USAID/W training. Over 110 individuals were trained at the regional workshops and the December training combined. Priority was given to training DG officers in the use of the strategic assessment methodology and approaches to MFR. In addition, the Center trained fellows, Presidential Management Interns (PMIs), GS/FS converts, and crossovers to DG, and began developing model training for new-hire International Development Interns (IDIs) and mid-career hires. The Center also developed plans for future training efforts, including development of distance-learning modules.

G/DG assisted with Agency workforce planning efforts to assess the need for additional recruitment in the DG area, resulting in the decision to hire five mid-level officers and six IDIs. The Center established KSA levels (knowledge, skills, and abilities) for DG officers, developed a process for GS/FS conversions, and worked with M/HR on recruitment and placement of DG officers.

In FY 1998, DG fellows were placed in Eritrea, Indonesia, Kenya, Paraguay, South Africa, PPC, and G/DG. Fellows gained valuable DG experience while helping the Agency promote the development of democratic institutions and practices in developing countries. Center-based fellows made significant contributions in technical leadership (e.g., media assessment) and field support.

The G/DG Information Unit played a critical role in supporting DG professionals by disseminating technical information both inside and outside the Agency. The unit managed the internal and external web sites, and produced the Center's regular publications (*Democracy Dialogue*, *Democracy Exchange*, and *Democracy Dispatches*), as well as the Center's Technical Publication Series. It coordinated training efforts and organized the Tuesday Group, a weekly Agency-wide discussion forum on DG-related issues, sharing summaries Agency-wide via *Democracy Report*, an electronic publication.

D. Cross-Cutting Linkages

In FY 1998, the Center increasingly emphasized the integration of DG with other sectors. The Center worked with CDIE on a cross-sectoral linkages study. With G/EG, G/DG co-sponsored a conference on legal and institutional reform to emphasize DG/EG linkages. The Center also began a study on the role of civil society in economic policy formation and applied some of the initial findings to the Accelerated Economic Recovery in Asia (AERA) Initiative. Finally, regional anti-corruption conferences were designed to include training for both DG and EG field officers.

E. Women in Politics

The Center continued to manage the Global Women in Politics (G/WIP) program in FY 1998. It also funded an evaluation of USAID and other donor-sponsored women's political participation programs. The evaluation found that these programs and approaches did not always produce desired results, and recommended that any future G/WIP-type program focus on fewer countries and combine assistance and evaluation. Given budget cutbacks, G/DG will not proceed with a new cooperative agreement, but will work to integrate WIP activities into other parts of the DG portfolio.

F. Influencing Other Donors and Partners

The Center contributed to efforts to make democracy part of the normal considerations of the G-7 plus Russia (the "G-8"), coordinating with PPC, AFR, and State's Bureau of Democracy, Human Rights, and Labor Affairs (DRL). G/DG co-sponsored with the Development Assistance Committee an international participatory development and good governance (PDGG) conference in Mali to energize the PDGG initiative and address relationships among donors, host country governments, and civil society. In addition, over 20 partners participated in the Center's annual Partners Conference. G/DG also undertook targeted dissemination of its technical materials to other donors and implementing partners.

III. RESULTS REVIEW

A. SSO 1: Legal systems operate more effectively to embody democratic principles and protect human rights (*Rule of Law*)

Respect for ROL and development of a well-defined and functioning justice system are essential underpinnings of a democratic society and a modern economy. Effective ROL curbs the abuse of power and authority, provides the means to equitably resolve conflicts, and fosters social interaction in accord with legal norms and widely accepted societal values. ROL consolidates the social contract between the government and the governed, in a form that upholds democratic institutions and provides for their sustained capability to serve and protect citizens. It is in this context that USAID has embraced ROL and human rights as cornerstones of its democracy assistance programs.

Center efforts are designed to improve the quality and effectiveness of USAID ROL programs worldwide. G/DG has identified appropriate legal frameworks, justice sector institutions, access to justice, and human rights as the essential building blocks of ROL programs. Based on experience gathered from field implementation, the Center has begun compiling data relative to lessons learned and best practices, and is sharing this information with interested missions. Increasing numbers of USAID missions are now recognizing the critical importance of ROL in bringing about democratic political reform and developing the political will necessary to effect lasting change.

There has been growing interest outside of USAID in ROL. In addition to the new inter-agency initiatives described below, the General Accounting Office, at the request of 12 members of Congress, initiated a study of administration of justice/ROL programming. The study, due out in the near future, has focused principally on Latin American projects. G/DG has worked with LAC to provide information and to highlight specific accomplishments since 1993.

1. Center Involvement in U.S. Foreign Policy Priorities

As ROL has become a central focus of U.S. foreign policy, inter-agency attention to ROL has dramatically increased, with both State and the NSC embarking on initiatives to coordinate and raise the profile of USG activities in this area. G/DG has worked hard with other parts of USAID and other U.S. agencies to emphasize the holistic nature of ROL systems. The Center has been one of the most vocal and persistent proponents of the need to develop an integrated model that incorporates penal, criminal, and civil law dimensions to the more traditional areas of USAID ROL activities.

Several significant developments in the inter-agency context have taken place. Principal among these is the designation of a senior ROL position within State to oversee the coordination of the many ROL programs undertaken by various USG agencies. Center staff helped to define the new coordinator's scope of work and, together with representatives from other USAID bureaus, have begun to work closely with him, placing particular emphasis on promoting a holistic and balanced approach to ROL program planning and implementation.

- In addition, the Center coordinated with the NSC, State, and DOJ on a Presidential Decision Directive on Peacekeeping and Complex Contingencies.

- The Center is represented on the newly created ICITAP/OPDAT Advisory Committee, established to enhance inter-agency communication and coordination in the areas of police and prosecutor training and development.

- Center staff also played a lead role in the President's Great Lakes Justice Initiative, providing assistance to define the initiative and ensure that it was both programmatically and politically sound. The project combined field realities with programmatic goals in a way that encouraged a partnership between government, private sector, and civil society to develop a unified vision of how to achieve justice and reconciliation.

- G/DG also provided technical guidance and expertise to a series of working groups and task forces, such as the U.S.-South Africa Binational Commission Justice and Anti-crime Cooperation Committee.

2. Sharing Technical Expertise and Lessons Learned

Recognizing that certain common elements and programmatic approaches have relevance across the gamut of ROL activities in the field, the Center has sought to capture and disseminate lessons learned from the many years of LAC Bureau experience in the field. These data were analyzed and compiled by Center staff into a series of reports and topical summaries for program guidance, including monographs entitled *Code Reform and Law Revision; Institutional Strengthening and Justice Reform; Judicial Training and Justice Reform; Political Will, Constituency Building, and Public Support in Rule of Law Programs; Rule of Law Programs Implemented in Latin America;* and the first chapter in a *Self-Study Guide for USAID Democracy Officers*. These reports have helped inform Center staff about key ingredients for, and impediments to, successful programming. The next step is to publish these findings as part of the Center's Technical Publication Series in order to share these lessons learned and best practices with field missions.

In addition, the Center developed a guide on ADR that has been liberally distributed to missions and partners. According to feedback from the field, including USAID/Madagascar and USAID/El Salvador, the guide has been useful in terms of understanding the basic concepts as well as designing programs addressing this technical area.

In an effort to stimulate interest in ROL programs for Africa, a region that up to the present has had little success in generating the sort of political will or civil society constituencies necessary to effect change, the Center oversaw a survey of ROL trends in Africa. The study, conducted during 1998, identified potential commonalities within the region and cited critical areas in need of improvement and assistance. The findings of this study were recently released to the field. Another key publication, the *Court Case Management Manual*, was completed in 1998 and will be available for dissemination in the near future.

3. Field Support

The Center has established itself as a valuable resource to USAID field missions and Washington bureaus, both through direct TDY technical assistance and guidance and through its implementing mechanisms. Over the past year, Center staff provided direct support to a number of high-priority countries, including Bulgaria, Colombia, Egypt, Guatemala, Mexico, Panama, and West Bank-Gaza. It also provided technical review, expertise, and guidance to additional missions, including Cambodia, El Salvador, Indonesia, Madagascar, Malawi, Mongolia, Paraguay, Rwanda, and Ukraine.

During the reporting period, the Center's ROL IQCs were used to implement activities in a number of USAID missions, including Caucasus, Dominican Republic, Guatemala, Honduras, Indonesia, Mozambique, Nicaragua, Paraguay, the Philippines, Rwanda, and West Bank-Gaza. Through an inter-agency agreement with DOJ, the Center was able to support ROL programs in a number of countries, including Ecuador, El Salvador, Haiti, Liberia, Rwanda, and West Bank-Gaza. The IDLI grant was used to implement activities in Bulgaria, Chad, Laos, Mongolia, and Oman.

Several specific examples of programmatic support serve to highlight the nature and impact of assistance provided by Center staff and expert consultants. Center staff supported a comprehensive assessment of the problems affecting the performance of **Panama**'s justice sector. Although USAID ROL assistance had previously been discontinued as a part of an anticipated mission closure, the study recommended resumption of activities in several key areas. As a result, a ROL assistance project is being re-established.

As part of USAID's effort to bring justice and reconciliation to **Rwanda**, the Center partnered with DOJ and—in less than two weeks—was able to field a team of experts to perform an assessment of the very sensitive Rwandan legal and political situation. Based upon the data generated from the assessment, Center staff assisted in designing a ROL program, and have subsequently provided support to USAID in Rwanda.

In **Liberia**, the Center again assembled an expert assessment team, composed of State, DOJ, and the Federal Judiciary, then provided technical guidance in the overall design of a DG program.

The Center provided technical assistance to USAID/**West Bank-Gaza** to explore ROL programming options and to help focus and shape mission thinking on program design. USAID/West Bank-Gaza reported that, as a direct result of programs conceptualized in a ROL assessment (conducted under an IQC with Chemonics International), a judicial association was formed, the Ministry of Justice undertook the development of administrative law and administrative law courts, and Birzeit University decided to initiate a U.S.-style legal education program.

The **Mongolian** bench book program, designed by IDLI, was deemed a successful and useful document by USAID/Mongolia. The mission reports that 90 percent of judges polled found the bench book relevant to their work. As a result, a large number of judges, advocates, prosecutors, police, prison officials, and media representatives have requested both the bench book and training in its use.

4. Program Management

To supplement technical assistance provided directly by staff, the Center also manages seven ROL implementing mechanisms, including four IQCs, two inter-agency agreements, and a public international organization grant to IDLI. In addition, Center staff and implementing mechanisms provided assistance to several ROL programs in USAID non-presence countries.

Human rights programming has become a higher priority within the ROL sector. That, combined with G/DG's determination to tap the expertise of the NGO community in implementing successful human rights and ROL programs, as well as program ESF funding resulting from renewed State interest, led the Center to compete and award cooperative agreements with two consortia of non-governmental, non-profit organizations in the area of ROL and human rights. These mechanisms are designed so that field missions can easily access them through an innovative "leader-associate" grant arrangement.

5. Expected Focus and Results through 2001

The departure of key staff from the ROL team, including the senior ROL advisor and a Democracy Fellow, coupled with the reduction in the FY 2000 budget, have occasioned a re-evaluation of the Center's programmatic focus and the streamlining of activities into the most critical ROL building blocks. For example, separate technical areas such as commercial/economic law and ROL institution-building are

being scaled back. Given budget restraints, the Center has also ended its direct support to IDLI and reduced its investments in the inter-agency agreement with the Federal Judiciary.

During FY 1999-2001, the Center anticipates completing negotiations on new IQCs and renewing the Participatory Agency Service Agreement (PASA) with DOJ. The Center will shortly re-bid its general ROL IQCs. In response to feedback from the field, the IQCs will be improved in the following ways: increased ceiling for longer term IQC activities; revised cost structure that is more cost-effective for missions, making it more user-friendly; and simplified labor categories for management purposes. In order to augment its capacity to respond to rapidly emerging opportunities, the Center plans to incorporate a rapid-response component into its new IQCs.

Issues related to inter-agency planning and coordination and the design of an overall strategic framework for ROL have been identified as additional program objectives during the coming year. Given the high level of interest in inter-agency cooperation and coordination, the Center continues to emphasize building close relationships with other entities working in the ROL arena. To this end, two representatives from DOJ have recently joined G/DG.

To better focus Agency activities and efforts in the ROL and human rights areas, G/DG will update *Weighing in on the Scales of Justice* and, drawing on additional technical findings and insights, craft an overall strategic framework for USAID missions (and increasingly other USG agencies) to use when developing ROL programs. The Center will work with other USG agencies to encourage use of the ROL strategic planning framework, using it to define roles and responsibilities and to address sequencing issues. El Salvador will be the first pilot case for effective inter-agency collaboration and coordination. Once the strategic planning framework has been developed and field-tested, the Center will draft a ROL training module for DG field officers planning to implement ROL programs.

The Center anticipates a growing demand from field missions in the areas of assessment, program design, implementation, and performance measurement. In light of recent political developments, it is likely that these Center technical resources will be sought in support of programs for Cambodia, Colombia, the Great Lakes region of Africa, Indonesia, Kosovo, Mongolia, Nigeria, and West Bank-Gaza.

B. SSO 2: Political processes, including elections, are competitive and more effectively reflect the will of an informed citizenry *(Elections and Political Processes)*

Free and fair elections are indispensable to democracy. Although other elements of democracy can develop before competitive elections are held, a country cannot be truly democratic until its citizens have the opportunity to choose their representatives. Elections can be a primary tool to expand political openings and increase citizens' political participation, offering political parties and civic groups an opportunity to mobilize and organize supporters and develop alternative platforms with the public. For an election to be free and fair and a step towards democratization, fundamental civil liberties such as freedom of speech, association, and assembly are required.

The Center supports this objective by providing technical expertise for strategic program design, funding urgent program needs, and offering rapid-response implementing mechanisms to USAID missions, embassies, and DC-based offices. The Center's approach emphasizes elections as part of a longer-term democratization strategy, with the objective of building indigenous capacity to carry out elections, targeting electoral commissions, political parties, civil society, and newly elected leaders. The Center assists missions and embassies in making strategic choices and program design decisions, and provides program management and implementing mechanisms to field missions and in a number of non-presence countries.

During this rating period, Center mechanisms have been tapped and G/DG personnel have been involved with developing and implementing a strategic approach to electoral assistance in a number of critical countries including Cambodia, Indonesia, Kosovo, Nigeria, and South Africa.

1. Center Involvement in U.S. Foreign Policy Priorities

Throughout FY 1998, the Center has consistently demonstrated its capacity to support and influence key foreign policy objectives by quickly designing, funding, and implementing new elections-related programs. Based on their strategic and programmatic expertise, Center personnel have also been increasingly asked by other USG offices to participate in critical foreign policy electoral initiatives.

The Center's senior elections advisor was asked to provide technical input to the elections chapter of the proposed **Kosovo** peace settlement and to participate in related negotiations in France. This Center input influenced the negotiations by addressing the need to assure sufficient time to hold credible elections and allow for voting by those displaced by the conflict. G/DG simultaneously participated (along with ENI and OTI) on the Washington-based task force that supported the peace efforts. This inter-agency work is anticipated to continue once peace negotiations are re-started.

In **Nigeria**, the Center led an assessment team that conducted the first evaluation of preparations for Nigeria's transition from military to civilian government, analyzing the organizational abilities of domestic election observers, the capacity of the independent election commission, and the potential role of international observers. Building on this assessment, the team worked closely with its U.S. NGO partners, State, and other Nigeria Task Force members to design and implement an electoral assistance program in less than two months, providing nationwide training for domestic observers and support for improved electoral administration and international observation. Without this assistance, programmatic support could not have been provided prior to the local elections that served to inform and improve the subsequent state, legislative, and presidential elections.

The Center reacted immediately to help USAID/Indonesia take advantage of opportunities provided by the sudden scheduling of the upcoming June 7 elections in **Indonesia**. Because Indonesia has not held free and fair elections in more than 40 years, a flawed election could derail this promising political

opening. Along with ANE, the Center co-chaired an agency working group to coordinate the initial design and implementation of the democracy portfolio, and participated in inter-agency efforts to design an overall USG strategy. Center staff traveled repeatedly to the country to help develop USAID's overall strategy, supporting elections assistance programming. As part of this effort, the CEPPS mechanism was utilized to support election preparation efforts, complementing a significant OTI program.

2. Sharing Technical Expertise and Lessons Learned

In addition to designing country-based programs, G/DG continued to develop program and policy guidance used by missions and other USG agencies in the area of elections and political processes. The Center also supported the efforts of its U.S. NGO partners to develop and share their lessons learned. For example, the Center's U.S. NGO partners held discussions of best practices and lessons learned in political party assistance in four regions. Support was also provided for regional associations of electoral commissions to develop their professional capacity and establish regional networking capabilities. In support of the Agency's disability policy, commissioners are engaged in discussions to develop proposals to assure access for disabled voters to polling.

The Center recently released a handbook, *USAID Political Party Development Assistance*, which includes lessons learned, case studies, and an analysis of program options. This handbook will help missions identify appropriate political party partners and opportunities for political party support. It addresses the issue of inclusiveness of party support activities, arguing that hard and fast rules may be difficult to apply to different country contexts. At the same time, the guidance recognizes USAID's need to remain in compliance with legislative prohibitions on influencing an election outcome.

The Administration and Cost of Elections (ACE) project, which is co-funded with IFES through CEPPS funds, is a unique on-line publication produced in partnership with the UN and the Institute for Democratic and Electoral Assistance. USAID funding contributed to the first global resource providing information on the range of electoral systems and their financial costs, including an analysis of their political costs and benefits. This project is notable in that it allows for greater self-sufficiency, cost-effectiveness, and sustainability in the field by providing all stakeholders in electoral processes (both electoral officials and civil society) equal access to information. It further facilitates long-term planning and thoughtful policy choices far in advance of electoral cycles, rather than shortly before the event. The demand for this resource is reflected in web site use, which rose to a total of more than 27,000 separate visits during the first quarter of FY 1999. USAID funding specifically supported three of nine "modules" in the ACE program including electoral management, voter registration, and voter education, as well as the cost of translation into Russian and French**.** USAID/Mozambique and USAID/Indonesia both employed this resource during the program design phase of their electoral assistance programs.

G/DG supported the operations of the IFES F. Clifton White Resource Center, which shares comprehensive information on elections and political processes worldwide through a collection of primary documentation. Over 400 individuals visited the resource center in FY 1998, which also responded to nearly 200 requests for election-related information from election practitioners, USG policy makers, and academicians. In order to guarantee that USAID investments to date will result in sustainable services by the resource center in the future, the Center worked with IFES to develop a strategy to diversify its funding that will be implemented in FY 1999.

3. Field Support

Through its mechanisms and directly through staff advice, G/DG provided extensive support to the country programs described in the foreign policy section, as well as any requesting field missions. Overall, 29 country programs were supported using Center-managed elections mechanisms. While field

missions will report on their results directly, the following are a few examples of G/DG field support in the elections and political processes area:

The Center has continued to provide technical assistance to **Bosnia** through its IQC with IFES. As Bosnia continued its biannual municipal and presidential elections, Center and mission efforts focused on nationalizing the electoral administration, which is currently in the hands of the Organization for Security and Cooperation in Europe. The CEPPS-funded NDI activity supported political parties and domestic monitoring efforts in anticipation of the 1998 presidential election. This was equally important to the nationalization of the electoral process.

CEPPS is also a valuable resource for ESF-funded activities not managed bilaterally through missions. In **Morocco**, the Center managed a political party and legislative capacity building program funded through FY 1998 ESF. This is a case in which the USAID mission has looked to the Center to provide a high level of management assistance due to the need to program funds in support of a State-driven strategy. The program objective is to support a more representative and competitive multi-party system. This program has succeeded in increasing the role and understanding of opposition political parties in promoting accountability and transparency in Morocco's governance. This is a notable achievement in a political environment in which multi-party democracy is a new concept.

At the request of the mission and U.S. Embassy in Kathmandu, the Center took the lead in negotiating and implementing DG programming of ESF funds in **Nepal.** Currently, the Center serves as the nexus among State, the U.S. Embassy in Kathmandu, USAID/Nepal, and its grantees to implement activities to strengthen the legislature and electoral processes in Nepal. Without Center support, these activities would not have been possible, due to an overburdened staff at the USAID mission.

At the request of USAID/**Mali**, the Center served as the nexus among the AFR Bureau, USAID/Mali, and its grantees to design and implement activities to increase Malian citizens' participation in local governance. Specifically, the program supports women's organizations and female candidates to participate more actively in political party processes and local governance. The Center was instrumental in completing negotiations with U.S. grantees concerning which organizations could best implement the different components of this program and encouraging the mission, within the context of its strategy, to build upon the recommendations of a national forum addressing concerns about Mali's electoral process.

4. Program Management

Center mechanisms, particularly CEPPS, have been enormously popular and have proved versatile in meeting Agency needs. Last year, requests for assistance through CEPPS increased from $7 million to $14 million (100 percent). As the Center anticipates even higher levels of requests this year, it has increased the overall grant ceiling by $30 million. Given that field missions have the option of providing direct grants or accessing other mechanisms, the decision to utilize Center mechanisms is noteworthy. Part of the reason the CEPPS mechanism has far exceeded the expected level of demand is its capacity to respond immediately as programmatic opportunities emerge. In FY 1998, the team forward-funded over $2 million of CEPPS activities that could not have been realized otherwise. The most striking example is **Nigeria**. In this case, a nationwide domestic poll watcher training program trained and mobilized more than 15,000 monitors. Overall, neither electoral administration support nor observation would have taken place without the Center's technical advice and use of its flexible implementing mechanism.

By contrast, the level of demand for the elections IQC actually decreased in FY 1998. Missions reported that the key barrier to higher use was the cost structure (a high multiplier). This is currently being addressed in the new RFP/IQC in order to make this mechanism more customer-friendly and less costly.

Center staff and implementing mechanisms provided assistance to several programs in USAID non-presence countries. In addition, G/DG used CEPPS core funding to establish an Asian election monitoring network to monitor political developments in the region, share technical assistance among member organizations, and disseminate information broadly. In FY 1998, the network strengthened its organization through an exchange mission to Cambodia and the creation of a library of resource and materials in Bangkok for its members.

5. Expected Focus and Results through 2001

Over the course of the next year, the Center will continue to work on anticipated key countries, while responding to emerging priorities as necessary. In addition to continued efforts in Indonesia and Kosovo, anticipated priorities are likely to include Bosnia, Haiti, Mexico, Russia, South Africa, and Ukraine. Countries such as the DROC and Liberia may also become priorities depending on events on the ground.

The Center will produce new elections and political processes guidance as well as conceptual papers on electoral administration, political party assistance, local elections assistance, and post-elections assistance. In addition, a series of 10 country case studies highlighting best practices and lessons learned will be produced. These documents will serve DG officers by providing a more comprehensive analysis of USAID electoral assistance efforts, as well as issues relating to MFR.

The Center will continue to support the innovative work undertaken by its U.S. NGO partners. Toward their efforts to establish baseline performance measures, a workshop on lessons learned in electoral assistance will take place next year. A set of baseline development activities for CEPPS is also being refined to ensure it directly supports mission programs. Linking the Center's elections and governance work, proceedings from the legislative development workshop and a guidebook will be published, and their utility to missions evaluated.

Given Center budget constraints and an analysis of activities to date, the Center cut back on a number of NGO proposed election-related technical leadership initiatives. Remaining funds will be targeted towards ensuring the sustainability of effective activities such as ACE and implementing the sustainability plan developed for IFES' resource center. In addition, the Center will be exploring the option of targeting cooperative agreement "core" funds to support key bilateral programs of high foreign policy interest. Also, the Center will support development of a parallel vote tabulation assistance manual and an evaluation of voter education initiatives.

The Center will shortly re-bid its general elections and political processes IQC. In response to feedback to the field, the IQC has been improved in the following ways: increased ceiling for longer term IQC activities; revised cost structure that is more cost-effective for missions, making it more user-friendly; and simplified labor categories for management purposes. In order to augment its capacity to respond to rapidly emerging opportunities, the Center plans to incorporate a rapid-response component into its next electoral support IQC.

The CEPPS cooperative agreement will end during the next reporting period. The mechanism will draw down at the end of calendar year 2000. As part of the design process for a successor mechanism, the Center will conduct a needs assessment to determine how to improve service to the field. There will be a review of country-level impact and the quality of technical leadership, and the Center will review the partnership criteria. As CEPPS is such a crucial part of the G/DG portfolio, it is a Center priority to ensure that its follow-on has the same high level of quality and utility. Sufficient funds must be maintained to preserve the same rapid-response capabilities in the future.

C. SSO 3: Informed citizens' groups effectively contribute to more responsive Government (*Civil Society*)

The hallmark of a democratic society is the freedom of individuals to associate with like-minded individuals, express views publicly, openly debate public policy, petition government, and undertake collaborative action. “Civil society” is the term used to describe organizations (e.g., NGOs, trade unions, business associations, religious institutions, and independent media) that allow for this type of participation. The Center’s priorities in the civil society area include developing an enabling environment to allow civil society organizations (CSOs) to operate effectively; enhancing citizen participation in public policy formation and oversight; providing capacity-building assistance to CSOs; increasing the free flow of information through the media; and strengthening democratic political cultures.

While recognizing the broad range of contributions of civil society in a democracy, the activities in this area focus on the political actions of civil society, particularly enhancing advocacy and public debate on political issues. It is through the advocacy efforts of NGOs that people are given a voice in promulgating public policy. Media support is provided to stimulate public awareness as a basis for this advocacy. Labor is also a key component in civil society; the Center supports free and independent trade unions as a major partner seeking basic rights and freedoms. The Center supports civil society programming through field support, technical leadership, and a large labor grant with the American Center for International Labor Solidarity (Solidarity Center).

1. Center Involvement in U.S. Foreign Policy Priorities

The Center continued to be involved in a number of labor issues of foreign policy interest. A revitalized relationship with the Department of Labor (DOL) is being nurtured to fully achieve a coordinated response to these issues. Most recently, a DOL career employee was assigned to G/DG on detail to replace a long-term RSSA assignment. The Center is negotiating a new RSSA as the basis for other DOL staff assignments to the Agency.

Late in 1998, in response to a request from the National Economic Council at the White House, G/DG teamed with G/HCD and LAC/RSD to outline a global program to assist in the elimination of abusive child labor through an education initiative. The proposal was well received and a request for $10 million is included in the Administration's FY 2000 request to the Congress for funding.

In addition, G/DG is supporting a complementary effort to that of the White House Voluntary Apparel Industry Partnership as it seeks to bring to public attention the working conditions under which many products are made overseas for sale by U.S. companies in U.S. markets. The partnership is targeting the elimination of sweatshops. To encourage corporate-union partnerships outside the apparel industry, the Center is funding (with DRL and LAC Bureau) a small pilot program to develop the capacity of CSOs in two countries to monitor compliance with codes of conduct adopted voluntarily by two U.S. companies. The pilot program will be initiated in FY 1999 with the award of a grant to the International Labor Rights Fund.

2. Sharing Technical Expertise and Lessons Learned

G/DG continues to focus attention on strengthening the role of civil society in pressing for economic reforms. A comparative study of approaches and lessons learned on representing civil society in economic policy formation is underway. The Center participated in the initial strategy design for the AERA Initiative, focusing on strengthening CSOs to press for reform and oversight of recovery initiatives.

G/DG completed an impact assessment of USAID media investments in Central America, the report of which constituted the basis for a strategic framework for donor media investments. The draft framework was featured in a Center-sponsored workshop on the "Role of Media in Democracy," which included the participation of NGOs and donors supporting media development. G/DG was represented in the founding of the Bellagio media network, which includes the membership of media policy and advocacy institutes worldwide and representatives from Asia, Belarus, China, Russia, and the Latin American and Southern African regions. The network provides technical assistance and support for entities seeking to improve the operation of media laws, regulations, and policies in transition societies.

The Center participated in the founding of the International Working Group on NGO Capacity Building, which features representation of donors and northern and southern NGOs. The network identifies the priority needs of southern NGOs and coordinates assistance strategies to meet these needs.

In FY 1998, G/DG completed an interim report that assesses the impact of USAID in civic education activities in the **Dominican Republic** and **Poland**. The preliminary results should influence this rapidly-growing area of USAID support, since they indicate USAID civic education programs should be coupled with opportunities for participants to actively engage in social and political activities. The Center is studying the impact of civic education in **South Africa** to validate these initial findings.

G/DG staff recently participated in ENI's "Lessons in Transition" study of USAID NGO assistance. Specifically, the Center contributed members to teams sent to Poland, Russia, and Ukraine to assess what types of NGO assistance have been most effective, and where USAID assistance should be targeted in the future. The Center will also assist in the dissemination of a subsequent final report to DG officers worldwide.

3. Field Support

The Center provided intensive assistance to a number of missions in the design of their DG strategies—many of which have a heavy civil society component. In **Indonesia**, for example, the Center assisted in designing a strategy to strengthen the contributions of civil society in the current democratic transition. In particular, the program has been expanded to include support for CSOs engaged in interfaith/interethnic dialogue and reconciliation, support for a newly emerging free and independent labor movement, and assistance in developing a broader coalition of CSOs advocating democratic reforms.

The Center is working closely with the Agency Task Force and the U.S. Embassy to support civil society participation in the **DROC**'s political transition process. The USG's overall goal of supporting a peaceful democratic transition in this country has been particularly challenging, as initial diplomatic efforts to engage the government in a participatory transition process produced only limited results. Congressional prohibitions on direct assistance to the government together with political sensitivities have further limited programmatic options. In response to this challenging environment, the Center and its partners established a resource center in Kinshasa, whose performance has exceeded Center expectations. Specifically, the Center provided critical support to CSOs through strategic planning and education workshops and information on the evolving transition process. Its existence has also proven to be a mainstay of U.S.-Congolese relations. For example, when the United States was forced to evacuate its embassy, the resource center remained open, making use of its flexibility as an NGO funded by the USG. This activity (highly praised by the U.S. ambassador, State, and the NSC), analyzes the DROC's electoral and transition process.

The Center assisted the USAID mission in **Kenya** in updating its DG strategy, which continues to place primary emphasis on strengthening civil society advocacy for political liberalization and basic constitutional reform. The new strategy seeks to deepen the outreach of civil society to rural areas and cultivate potential reformist pressures emanating within parliament and other institutions of governance.

The Center's civil society IQCs with World Learning and MSI provided rapid-response technical expertise to support civil society programs of missions and regional bureaus. Linkages with the ENI region were strengthened when the Center's IQC on civil society was accessed for technical expertise in evaluating the DemNet project, a major regional civil society program for the East European region. Technical services were provided to Egyptian NGOs to strengthen their volunteer management practices. Long-term resident advisors continued to assist the growth of civil society in Angola and Indonesia. Advocacy training programs were initiated for CSOs in El Salvador and Guinea. A training program on fair election coverage for print and electronic journalists was undertaken in El Salvador.

4. Program Management

A major goal of the Agency is strengthening the capacity and role of labor unions to advocate for political and economic reform. In addition to its civil society IQCs, the Center manages a $45-million, five-year labor grant to the Solidarity Center, which continues to provide assistance to promote the development of free, democratic, and independent trade unions as a fundamental building block for the rights of freedom of association and free speech. In the past year, the Center introduced a number of improvements to the management of the labor program. The Solidarity Center has adopted the Agency's framework for results management and its annual implementation plan is now reviewed by the Agency in the context of the USAID DG strategy. Beyond this, the four regional labor organizations have now been absorbed into the Solidarity Center, ensuring a global approach and improved management structure. For the first time this year, ENI programs will be incorporated into the global grant.

A concerted effort is being made to assure that USAID-funded Solidarity Center programming becomes more consistent with larger Agency objectives in democracy and economic development. As part of this effort, the Center has sponsored a series of workshops on the role of labor in democratic and economic development. The result of these workshops will be the design of DG strategies that feature greater integration of labor in democracy and economic reform efforts.

The following are some of the Center's important results in the labor area:

In **El Salvador**, a legal assistance project provided high quality legal services to the Center's partner unions. Challenges to basic rights that would have gone unaddressed were pushed toward resolution through enforcement of existing law. This result forms a critical part of USAID's strategy to defend and protect basic human rights in El Salvador.

In **India**, as part of a Center-supported program, the South Asian Coalition Against Child Servitude conducted a "schools campaign" centered in the Delhi administrative unit and the states of Uttar Pradesh and Madhya Pradesh. Approximately 150 schools and colleges participated in the campaign—a major achievement of which was a reduction of fireworks sales by 40 percent during this season, thus dramatically punishing employers who violate India's child labor laws.

Solidarity Center support for the efforts of **Indonesian** unions to push for the ratification of ILO Convention 87 was instrumental in bringing about a presidential decree of accession as one of the first acts of the new Habibie government. This was fundamental in changing the environment for independent, representative trade unions to function, and supporting freedom of association more generally. Under the new guidelines, independent unions now exist outside of a government-controlled monopoly union. In addition, USAID's labor support in Indonesia brought sufficient visibility that the second political prisoner freed by Habibie was a local partner of the Solidarity Center.

G/DG labor activities in **Nigeria** played a significant role in the democratic transition there. Under a waiver of legal restrictions, Center-supported labor programs were pre-positioned and acted quickly in conjunction with other cooperating partners as voter registrars, election monitors, and observers to permit the conduct of statewide local and national elections.

In **Sri Lanka**, the Center supported the establishment of a trade union women's forum, comprised of female leaders from 17 unions. The forum is the first vehicle established in Sri Lanka through which working class women have been able to address gender equity and parity issues.

In 1998, due to a series of comprehensive capacity-building programs sponsored by the Center, the **Bangladesh** Independent Garment Workers Union Federation increased its affiliated factory-level unions from 15 to 24. Membership increased by 7,600 (4,489 women) to a total of 23,687 (14,729 women) in 1998, a 47 percent increase over 1997. This reaffirmed that, even in an industrial setting, an organization run by women could achieve great gains for its members. Unions also gained the right to sue their employers, resulting in successful attempts by women to receive previously withheld back wages.

5. Expected Focus and Results through 2001

The Center will shortly re-bid its general civil society IQCs. In response to feedback from the field, the IQCs will be improved in the following ways: increased ceiling for longer term IQC activities; revised cost structure that is more cost-effective for missions, making it more user-friendly; and simplified labor categories for management purposes. In order to augment its capacity to respond to rapidly emerging opportunities, the Center plans to incorporate a rapid-response component into its new IQCs. Due to reduced budget outlay, G/DG abandoned a planned global civil society cooperative agreement that would have tapped into the expertise of the NGO community, and allowed USAID to respond to the full range of requests from State for implementation of ESF programs.

Given extensive field support and the management demands of labor, as well as the departure of the Center's labor officer and an experienced RSSA employee, work on a broad framework for the development of civil society strategies was not completed last year. This work will be taken on in earnest in FY 1999.

In addition, as part of a G8 initiative in DG, the Center will soon award a grant to analyze the minimum legal standards for supporting a free and independent media. Results of the analysis, to be completed in 1999, will be translated into Spanish, Russian, and French for worldwide distribution through the Bellagio network. Until the recent budget cutbacks, the Center had contemplated joint donor funding for the network to undertake programs in advocating and providing assistance to countries intent on strengthening laws supportive of a free media.

G/DG will continue to enhance the contributions of its labor program toward broader political and economic development. As part of this effort the Center will sponsor additional workshops in the LAC and ANE regions on the role of labor in development. The workshops will feature the participation of the Solidarity Center, academics, the International Confederation of Free Trade Unions, the World Bank, the ILO, and the Center for International Private Enterprise, among others. The result of these workshops will be the design of DG strategies that feature greater integration of labor in democracy and economic reform efforts.

The Center will complete its analysis of lessons learned about civil society participation in economic reform. G/DG guidance from this analysis will be helpful to missions and other donors seeking to design strategies and forums to encourage constructive dialogue among civil society, the private sector, and government on reform issues.

G/DG will also undertake an additional country study of civic education, focusing on innovative programs, such as the Soros Step-by-Step program, in elementary schools. This Soros activity seems to have successfully instilled democratic values and behaviors in children at an early age. If this is the case, the Center may want to work to incorporate elements of this program into new and existing USAID civic education activities.

Anticipated priority countries for civil society technical analysis and field support have been selected to include both those which have had successful USAID civil society programs and those with the most critical civil society challenges faced by USAID, particularly in countries that are high U.S. foreign policy priorities. Selected countries include Guatemala, Indonesia, Nicaragua, Nigeria, the Philippines, South Africa, and the Ukraine.

D. SSO 4: National and local government institutions more openly and effectively perform public responsibilities *(Governance)*

A primary challenge in building democracy within developing countries is to increase the effectiveness of government institutions in ways that go beyond mere efficiency. Sustainable democratic governance must encompass various aspects of transparency and accountability, such as responsiveness, accessibility, and citizen involvement. The Center supports the goal of transparent and accountable governance through five themes: encouraging government practices and procedures that oppose and combat government corruption; encouraging central governments to devolve genuine authority for decision-making to local governments; improving the representative, lawmaking, and oversight functions of legislatures; promoting civil-military relations that are supportive of democracy; and assisting partners to implement policy change in a strategic and democratic manner.

The Center's work in the governance area is carried out through the design and implementation of new implementing mechanisms, the development of new technical leadership materials, assistance to missions in carrying out DG assessments and designing programming strategies, and providing other field support.

1. Center Involvement in U.S. Foreign Policy Priorities

As corruption has become an increasing foreign policy concern of the United States, G/DG has been placed at the forefront of a variety of inter-agency tasks, ensuring that USAID's anti-corruption experience is both recognized and applied. The Center worked in an inter-agency group headed by the NSC to help design and roll out the Transparency Initiative of the President's Trip to Africa. The Center also helped design Vice President Al Gore's conference on corruption and provided extensive logistical support for that event and another conference co-sponsored with CIPE and the OECD on the private sector role in fighting corruption. The Center is continuing to work in an inter-agency working group on follow-up activities to the Gore conference. The Center also worked closely with the ANE Bureau to develop a response to the Asian financial crisis, the AERA Initiative. G/DG led a team to Indonesia, the Philippines, and Thailand to assess opportunities and recommend USAID programming for promoting transparency and accountability in government. Lastly, the Center worked with OTI and LAC to explore new approaches to reduce corruption in Hurricane Mitch-related relief efforts.

The Center has developed a pilot program to improve civilian oversight of the military. Working with the Department of Defense (DOD), G/DG developed a program that focuses on civilian audiences. This program will promote approaches to military accountability and civil society advocacy for military transparency and accountability. This complements DOD's Expanded International Military Education and Training program, which focuses primarily on military audiences.

2. Sharing Technical Expertise and Lessons Learned

The Center has, in the past year, completed two governance handbooks and is nearing completion of a third. The handbooks provide technical programming guidance, help missions strategize, and evaluate programming training modules. Inter-bureau coordination and the application of lessons learned have been enhanced as staff from other Agency bureaus took part in handbook guidance reviews.

Providing a conceptual framework for anti-corruption work and examples of the range of interventions possible, *A Handbook on Fighting Corruption* was produced and has helped facilitate dialogue within and outside the Agency on approaches to fighting corruption. The handbook was presented at a heavily attended workshop at the USAID Mission Directors' conference (1998) and distributed at the Gore conference. The Center also used the handbook to train AFR DG officers. Missions in Morocco, Paraguay, and Philippines have asked the Center for further guidance in anti-corruption programming. Evidenced by high demand, a wide variety of audiences have found the handbook useful, including

inquiries and positive feedback from the Czech and Romanian embassies, Radio Free Asia, UNDP, The Asia Foundation, TI, and the World Bank.

This year the Center completed the first draft of a handbook on decentralization programming. In an effort to ensure its practical application and to incorporate case studies into the guidance, the approach was piloted in Bangladesh, Benin, Paraguay, and Senegal. The pilots allowed the Center to improve decentralization programming—to evaluate activities, develop a local government training plan, and help missions strategize. The Center also used the handbook to train DG officers at a LAC regional workshop.

The Center has made significant refinements to the *Handbook on Legislative Strengthening*. A version of this handbook will be distributed in advance of a conference planned for August/September 1999. It will be the first publicly available, widely distributed guidance that begins to define the state-of-the-art in assistance to legislatures in democratizing countries. It will provide an assessment framework for determining the most important areas for investment and identify specific programming alternatives to address the specified areas. The draft handbook was used for training at an AFR regional workshop and a DC-based DG officers' workshop, both in 1998.

The Implementing Policy Change (IPC) contract has made significant advances toward understanding and improving the policy reform and implementation process. Through the contract, a methodology has been developed that promotes the democratic principles of accountability, transparency, and participation; recognizes that the reform process is not linear but multidirectional, calling for action at various, identifiable points along the way; and takes account of the technical, political, and institutional dimensions of reform.

The Center published *Civil-Military Relations: USAID's Role*, a technical publication that reviews past civil-military activities implemented with donor assistance and identifies salient issues in this area.

3. Field Support

The Center brought lessons learned and knowledge from aggregated experience to bear on missions' programs and strategies through TDYs and review and comment on SOWs, R4s, and strategy documents. Regarding anti-corruption, the Center provided comments on ENI and ANE regional initiatives, the LAC results package, the Regional Financial Management project, and an unsolicited proposal from the Carter Center. G/DG staff traveled to **Benin, Indonesia,** and **Philippines** to conduct anti-corruption assessments.

Center staff traveled to **Tanzania** to assist with design and implementation issues for mission strategy promoting partnership between government and civil society.

G/DG staff visited **Ukraine** to provide a legislative strengthening assessment and **Guatemala** to review legislative strengthening best practices based on a legislative intern program.

Center staff went on TDY to **Bangladesh, Benin, Senegal,** and **Uganda** to provide advice on democratic local government programs.

This year witnessed increased mission utilization of governance IQCs, affirming both the Center's role in providing expertise and in facilitating mission programming in governance. The IQC mechanisms continued to provide key support for mission governance activities, with 31 active this reporting period and approximately $9 million in FY 1998 buy-ins. As evidence of the results achieved through governance mechanisms, the Center can point to the development of **Bulgaria**'s national strategy for small and medium enterprise development—described by the chairman of their Parliamentary Economic

Committee as the "most democratically developed policy in Bulgaria's history." In **Ukraine**, IPC has played a critical role in building coalitions of civil-society, business, and government officials at the *Oblast* (district) level to combat corruption.

4. Program Management

Entering the second year of a four-year, $2 million grant, TI has helped fund a national integrity workshop in Ghana and an awareness-raising program in Benin. In addition, there is a productive dialogue among local TI chapters, USAID missions, TI headquarters, and the Center on anti-corruption programs in Bangladesh, Bulgaria, Colombia, Dominican Republic, El Salvador, Indonesia, Madagascar, Mozambique, the Philippines, Slovakia, Sri Lanka, and Ukraine. For example, USAID/**El Salvador** funded an exploratory mission of TI-Berlin to El Salvador in October 1998 to assess the interest and commitment of civil society in forming a local chapter and to help kick off a coalition-building process in anti-corruption.

Center staff and the IPC contractors provided valuable technical assistance and field support throughout FY 1998. The Center funded IPC efforts to apply knowledge regarding building constituencies for reform to mobilize support for the implementation of policies to bring Honduras into compliance with its obligations as a member of the World Trade Organization.

With the AFR Bureau, the Center also supported the planning of a regional networking conference, "Effective Policymaking and Good Governance in Africa: The Role of the Executive Office." Representatives from offices of the president, prime minister, and/or cabinet of nine African countries met in Uganda in March 1999 to exchange experiences and ideas about effective executive office management and the critical policy issues facing them, including decentralization and anti-corruption. By the end of the meeting, delegates had agreed on the importance of an ongoing African Executive Office Network and agreed on a structure to initiate it.

In July 1998, the Center awarded a $3.8 million, three-year cooperative agreement to NDI to support an experimental program in global civil-military relations. Focusing on civil society actors, the program will support civilian oversight of the military by making the military and defense policymaking more accountable to the citizenry. G/DG's groundbreaking work in civil-military relations helped lay the foundation for USAID field missions and OTI to launch civil-military interventions in Indonesia and Nigeria. The Center's civil-military relations program will create a governance and security clearinghouse of information resources, develop civil-military relations resource publications (more than 20 practical country case studies and a book of best practices and lessons learned), and increase in-country programming. Indonesia and Nigeria will be focus countries for civil-military relations in FY 2000.

5. Expected Focus and Results through 2001

The Center will be re-bidding its IQCs in decentralization, legislative strengthening, policy development/regulatory reform, and competing a new IQC in anti-corruption. In response to feedback from the field, the IQCs will be improved in the following ways: increased ceiling for longer term IQC activities; revised cost structure that is more cost-effective for missions, making it more user-friendly; and simplified labor categories for management purposes. In order to augment its capacity to respond to rapidly emerging opportunities, the Center plans to incorporate a rapid-response component into its new IQCs.

Given that IPC funding will be reduced due to budget cutbacks, IPC will change emphasis from applied research to dissemination in order to share significant knowledge developed over the past eight years of

the project. IPC will meet with regional bureaus and field SO teams in priority countries to discuss applications of program findings to meet pressing program needs.

Given budget cutbacks, G/DG has reduced its expected contribution to the civil-military relations grant. It has entered into a co-sponsorship and co-management arrangement with OTI.

Sharing of lessons learned will be a focus for the Center's governance work in the coming year. The first of four regional lessons learned conferences will be held in the ENI region in conjunction with TI. These conferences will include training of both DG and EG field officers in anti-corruption as well as strategies to improve DG/EG cross-sectoral approaches to the issue. Case studies based on lessons learned will be produced for each conference. The Center will take an active role in the planning and development of the 9th International Anti-Corruption Conference to be held in Durban, South Africa, in October 1999. Follow-up on initiatives launched at the Gore conference will also be a Center priority. The Center will sponsor a second international legislative strengthening conference for DG officers, implementing partners, and legislative members and staff that focuses on program development, the needs of legislatures in young democracies, and measurement of progress in assistance for legislatures.

The Center will move from aggregating and consolidating information from field experience and the literature to promoting use of the information by DG field officers. Center staff will assist missions, drawing on lessons in anti-corruption, decentralization, and legislative strengthening; guidance handbooks in these areas will be distributed.

Anticipated governance focus countries differ according to the governance priority areas of governmental integrity, democratic decentralization, legislative strengthening, civil-military relations, and policy implementation. However, some clear priority countries are evident. These include Bolivia, Bulgaria, Indonesia, Nigeria, Uganda, and West Bank-Gaza.

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