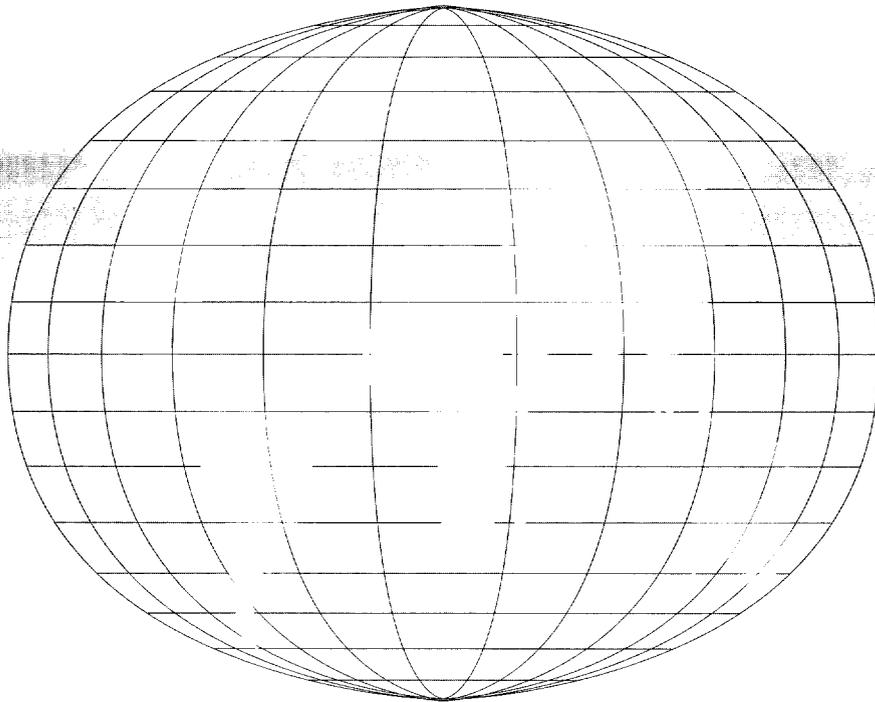


Report of Audit

Audit of USAID's Disaster Assistance to Rwanda

Report No. 4-696-97-001-P
November 12, 1996



**OFFICE OF INSPECTOR GENERAL
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT**



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

*Regional
Inspector General
for Audit/Nairobi*

November 12, 1996

MEMORANDUM

TO: USAID/Rwanda Director, George E. Lewis
BHR/FFP Director, William T. Oliver
BHR/OFDA Director, Nan D. Borton

FROM: RIG/Pretoria, *Jim M. Elkens for* Joseph Farinella

SUBJECT: Audit of USAID's Disaster Assistance to Rwanda

Attached is our report on the subject audit, Report No. 4-696-97-001-P. In finalizing the report, we considered your offices' comments on the draft report and have included them in their entirety as Appendix II.

The report contains four recommendations. Recommendation No. 1 is directed to USAID/Rwanda. The Mission's comments on the draft report did not indicate that a management decision has been made to implement the recommendation.

Recommendation Nos. 2 and 3 are directed to BHR/OFDA. The OFDA's comments did not indicate that a management decision has been made to implement the recommendations.

Recommendation No. 4 is directed to BHR/FFP. The FFP's comments on the draft report did not indicate that a management decision has been made to implement the recommendation.

Please advise within 30 days of any actions planned or taken to implement the four recommendations.

I appreciate the cooperation extended to my staff during the audit.

Audit of
USAID's Disaster Assistance to Rwanda

Report No. 4-696-97-001-P
November 12, 1996

EXECUTIVE SUMMARY

Background

On April 6, 1994, President Habyarimana of Rwanda, President Ntaryamira of Burundi, and other government officials were killed when their plane crashed while approaching the Kigali airport. The death of the two men was immediately followed by a horrific bloodbath that began in Kigali and spread throughout the country. Hutu-led government forces and bands of armed militia launched a campaign of genocide against the Tutsi minority and moderate Hutus. Heavy fighting erupted throughout Rwanda and hundreds of thousands of refugees fled to neighboring countries. Although the exact death toll may never be known, it is estimated that as many as 500,000 Rwandans, most of them Tutsi, were killed between April and July and over 3.5 million more forced to flee from their homes with few possessions. The great majority of dead were civilians.

In July, the Rwanda Patriotic Front (RPF) drove government forces out of Kigali, causing an additional one million people to flee into eastern Zaire in less than five days. Refugees arrived in Zaire without adequate food, water, or shelter. In Goma, Zaire, an outbreak of cholera claimed the lives of tens of thousand of refugees, mostly children. International relief agencies, assisted by the U.S. military, delivered relief supplies and established a potable water system in the camps, bringing the cholera epidemic under control by mid-August. Beginning in June, the U.S. Department of Defense (DOD) began airlifting emergency relief supplies for U.N. agencies, International Committee for the Red Cross (ICRC), and non-governmental organizations (NGOs), in addition to deploying U.S. troops to the region to assist the humanitarian effort.

On July 20, 1994, RPF declared a cease-fire, and a day later announced a new government made up of both Hutu and Tutsi ethnic groups. The talk of retribution and the intimidation exercised on the refugees and internally displaced persons to remain in camps by hardline Hutu political leaders and militia has discouraged many from returning home.

As of November 1994, the United Nations High Commissioner for Refugees (UNHCR) reported that there were over 2 million Rwanda refugees in the following countries: Zaire (1.2 million), Tanzania (564,000), Burundi (270,000), Uganda (10,000), and that approximately 1.85 million persons were internally displaced throughout Rwanda.

The United States Government's (USG) response to the Rwanda disaster was coordinated by USAID's Bureau for Human Response/Office of Foreign Disaster Assistance (BHR/OFDA). In

early May 1994, OFDA responded to the humanitarian crisis by deploying an assessment team to evaluate the needs of the Rwandan refugees. Based on the assessment team's recommendations, OFDA dispatched a Disaster Assistance Response Team (DART) to the affected region to coordinate and facilitate the USG's response. The DART provided immediate funding to U.N. agencies, international organizations and NGOs working in the region in support of such programs as food distribution, seeds and tools, health, water, sanitation, and logistical support. In addition, the DART acted as a liaison with the U.S. military during Operation Support Hope, which lasted from late July until the end of September. Approximately, 80 percent of OFDA's funding in the region was for relief and rehabilitation projects inside Rwanda.

OFDA obligated \$34.3 million for disaster assistance inside Rwanda during fiscal years 1994 to 1996 (see pages 1 to 4).

Audit Objective

As part of a worldwide audit, the Office of the Regional Inspector General in Nairobi audited USAID's disaster assistance delivered inside Rwanda through funding provided by the Office of Foreign Disaster Assistance (OFDA).

The objective of this audit was to answer the following question: Did BHR, USAID/Rwanda, and NGOs ensure that disaster assistance was delivered to the intended beneficiaries in accordance with the agreements?

Summary of Audit Findings

The audit found that BHR, USAID/Rwanda, and NGOs ensured that disaster assistance was delivered to the intended beneficiaries inside Rwanda in accordance with the agreements (see page 5). However, some problems with USAID/Rwanda's emergency preparedness, BHR/OFDA's monitoring, and a lack of identification of activities funded by the U.S. Government were found (see pages 7, 8, and 10).

In addition, although we did not audit USAID disaster assistance delivered to refugees in the camps in Zaire, Tanzania, and Burundi bordering Rwanda, we reviewed evidence that came to our attention of inflated refugee counts in the camps resulting in the delivery of excess amounts of USAID food resources to the camps (see page 11).

**USAID/Rwanda's Emergency
Preparedness Needs Improvement**

USAID/Rwanda did not have an up-to-date Mission Disaster Response Plan (MDRP) in place as required by OFDA guidance. The MDRP is of particular importance given the recent conflict in Rwanda and the potential for similar conflicts again in Rwanda and nearby countries. Without a sound and up-to-date MDRP in place, USAID/Rwanda is ill prepared to respond to a similar emergency (see page 7).

**BHR/OFDA's Monitoring of Project
Activities Needs Improvement**

After the initial disaster relief effort by the DART, OFDA's project monitoring of the disaster assistance to Rwanda was inconsistent and did not conform to any specific guidance. In mid-FY '95, OFDA partially funded two U.S. personal services contractors (PSCs) at USAID/Rwanda to provide program oversight and project monitoring of the grants with the NGOs. However, the PSCs were unable to effectively monitor the relief effort because: (1) OFDA did not provide specific written guidance on proper monitoring procedures that clearly emphasized the importance and priority of monitoring grant activities; and (2) the PSCs did not always have access to project progress reports, financial status reports, or final reports, because the grant agreements only required the NGOs to send their reports to OFDA Headquarters (see page 8).

**USAID-Funded Activities Were
Not Identified as Provided by USG**

Virtually none of the disaster assistance project activities we visited, that were funded by OFDA grants to NGOs in Rwanda, had the required markings identifying the U.S. Government as the donor. Without markings identifying the U.S. Government as the donor, receiving beneficiaries will not realize they are being helped by the American people (see page 10).

**Periodic Refugee
Counts Were Not Performed**

We reviewed evidence, which came to our attention, of inflated refugee counts in the camps bordering Rwanda in Zaire, Tanzania, and Burundi, which may have resulted in the delivery of excess amounts of USAID food resources by the World Food Program (WFP) to the camps. The evidence reviewed indicated that initial estimates of refugees affected by the Rwanda civil unrest have not been updated or verified by the United Nations High Commissioner for Refugees (UNHCR) in more than one year, and indicated that camp populations may have decreased by as much as 50 percent. As a result, BHR/FFP can not ensure that scarce USAID food resources provided by WFP's food pipeline to the refugee camps in Zaire, Tanzania, and Burundi are being used as intended and any excess is not being diverted elsewhere (see page 11).

Summary of Recommendations

The report recommends that:

- USAID/Rwanda design and implement a Mission Disaster Response Plan (MDRP) and ensure that Mission staff are trained in disaster preparedness and response procedures (see page 8);
- BHR/OFDA ensure OFDA-funded projects are properly monitored by providing specific guidance and direction to its representatives at the missions, including clear instructions emphasizing the importance and priority of monitoring NGO grant activities, and ensuring its representatives in the field receive project progress reports, financial status reports, and final reports from NGOs on a timely basis (see page 10);
- BHR/OFDA ensure that OFDA-funded activities contain markings identifying the U.S. Government as the donor (see page 11); and
- BHR/FFP take appropriate action to require the World Food Program (WFP) in conjunction with the United Nations High Commissioner for Refugees (UNHCR) to initiate re-counts of the refugees in the Zaire, Tanzania, and Burundi camps bordering Rwanda within 30 days, and provide a plan for future periodic re-counts. BHR/FFP should adjust USAID's contribution to the WFP's food pipeline accordingly (see page 12).

Management Comments and Our Evaluation

USAID/Rwanda, BHR/OFDA, and BHR/FFP suggested certain corrections and clarifications, many of which have been incorporated in the final report.

Office of the Inspector General

Office of the Inspector General
November 12, 1996

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INTRODUCTION

Background

On April 6, 1994, President Habyarimana of Rwanda, President Ntaryamira of Burundi, and other government officials were killed when their plane crashed while approaching the Kigali airport. The death of the two men was immediately followed by a horrific bloodbath that began in Kigali and spread throughout the country. Hutu-led government forces and bands of armed militia launched a campaign of genocide against the Tutsi minority and moderate Hutus. Heavy fighting erupted throughout Rwanda and hundreds of thousands of refugees fled to neighboring countries. Although the exact death toll may never be known, it is estimated that as many as 500,000 Rwandans, most of them Tutsi, were killed between April and July and over 3.5 million more forced to flee from their homes with few possessions. The great majority of dead were civilians.

In July, the Rwanda Patriotic Front (RPF) drove government forces out of Kigali, causing an additional one million people to flee into eastern Zaire in less than five days. Refugees arrived in Zaire without adequate food, water, or shelter. In Goma, Zaire, an outbreak of cholera claimed the lives of tens of thousand of refugees, mostly children. International relief agencies, assisted by the U.S. military, delivered relief supplies and established a potable water system in the camps, bringing the cholera epidemic under control by mid-August. Beginning in June, the U.S. Department of Defense (DOD) began airlifting emergency relief supplies for U.N. agencies, the International Committee for the Red Cross (ICRC), and non-governmental organizations (NGOs), in addition to deploying U.S. troops to the region to assist the humanitarian effort.

On July 20, 1994, RPF declared a cease-fire, and a day later announced a new government made up of both Hutu and Tutsi ethnic groups. The talk of retribution and the intimidation exercised on the refugees and internally displaced persons to remain in camps by hardline Hutu political leaders and militia has discouraged many from returning home.

As of November 1994, the United Nations High Commissioner for Refugees (UNHCR) reported that there were over 2 million Rwanda refugees in the following countries: Zaire (1.2 million), Tanzania (564,000), Burundi (270,000), Uganda (10,000), and that approximately 1.85 million persons were internally displaced throughout Rwanda.

The international humanitarian assistance community responded rapidly to the crisis in Rwanda in order to undertake cross-border and refugee assistance activities. The emphasis

in the early weeks of the emergency was on shelter, food and nutrition, water and sanitation. From mid-June, attention began to turn to other priority areas, namely education, psycho-social rehabilitation, and capacity-building at the local level. Often at great risk to themselves, humanitarian personnel from U.N. agencies, international and national NGOs and bilateral organizations provided supplies and services in camps for displaced persons and refugees in Rwanda and the four countries of asylum. The vast majority of the assistance was expended to maintain refugee populations in Zaire, Tanzania and Burundi. Emergency food aid was and continues to be massive, provided mostly by the U.S., through USAID's Bureau for Humanitarian Response/Food for Peace (BHR/FFP); and the European Union through pipelines managed by the World Food Program (WFP), Catholic Relief Services (CRS), and ICRC. It has undoubtedly prevented large-scale starvation and malnutrition among the affected populace.

The conflict wreaked havoc on every element of life in Rwanda. Traditional water sources were damaged and contaminated and pipe distribution systems destroyed. The health system crumbled. The entire education system was paralysed, with schools empty. Agricultural and pastoral activities were severely disrupted. Most fields were abandoned as a result of the intensive civil strife.

War and genocide devastated the rural economy. Large tracts of farmland were abandoned, more than 80 percent of the cattle population was lost and none of the country's nine agricultural research stations and labs remained operational. Without some assistance, rural people faced serious deprivation. The international community undertook a variety of agriculture rehabilitation programs, most notable of which were the multiplication and provision of seeds and the provision of tools to farm households.

War destroyed Rwanda's entire health delivery system. Over 80 percent of its health professionals were killed or fled the country. Buildings were damaged and medicine stocks, equipment, and vehicles widely looted and vandalized. As a result, medical facilities were largely nonexistent at a time when they were desperately needed. The sick and injured were largely left untreated and the presence of hundreds of thousands of decomposing corpses scattered throughout the country posed high risks for the outbreak of epidemics. This was the context into which the majority of NGOs, U.N. agencies and bilateral donors arrived, bringing with them trained health professionals, medicines, supplies and equipment. They re-established basic curative services in rural and urban areas and helped repair and restore damaged water systems. In addition, NGOs were involved in repairing, rehabilitating and reactivating Rwanda's 250 health centers and 30 hospitals by providing medical supplies, medicines, on-the-job training of auxiliary health workers, and assistance for health education and information campaigns.

In addition, the international community provided assistance for programs aimed at the rehabilitation and reconstruction of the education system; vulnerable populations; psycho-social healing; promotion of human rights and the building of a fair judicial system; and the return of refugees and internally displaced persons. Genocide and war altered the country's demographic composition so radically that women now represent 60-70 percent

of the population. By some estimates, between one-third and one-half of all women in the most hard hit areas were widows. Further, several thousand women were brutally raped. In regard to children, there were programs aimed at registration, tracing and reunification of unaccompanied children. In addition, the international community has supported human rights initiatives in the establishment of an International Criminal Tribunal for Rwanda, the reconstruction of the justice system and assistance to the U.N. human rights field operation.

The old caseload of refugees, primarily Tutsi who had left Rwanda beginning in 1959, began returning in large numbers after the RPF took over. In May 1995, the Government estimated a total of over 700,000 had returned. The old caseload returnees have benefited from international assistance through direct aid to families, rehabilitation of commune structures and services, and assistance to Government ministries.

Section 491 of the Foreign Assistance Act gives the USAID Administrator authority to provide foreign disaster assistance, "notwithstanding any other provision of this or any other act, to furnish assistance to any foreign country, international organization or private voluntary organization, on such terms and conditions as he may determine, for international disaster relief and rehabilitation including assistance related to disaster preparedness, and to the prediction of, and contingency planning for natural disasters abroad".

The United States Government's (USG) response to the Rwanda disaster was coordinated by BHR's Office of Foreign Disaster Assistance (OFDA), which according to State Cable 291223 bears principal responsibility for the conduct of the USG's international disaster program including relief, rehabilitation, prevention, mitigation and preparedness.

In early May 1994, OFDA responded to the humanitarian crisis by deploying an assessment team to evaluate the needs of the Rwandan refugees. Based on the team's recommendations, OFDA dispatched a Disaster Assistance Response Team (DART) to the affected region to coordinate and facilitate the USG's response. The DART provided immediate funding to U.N. agencies, international organizations and NGOs working in the region in support of such programs as food distribution, seeds and tools, health, water, sanitation, and logistical support. In addition, the DART acted as a liaison with the U.S. military during Operation Support Hope, which lasted from late July until the end of September. Approximately, 80 percent of OFDA's funding in the region was for relief and rehabilitation projects inside Rwanda.

OFDA's overall disaster mandate was to save lives and minimize human suffering. The response was designed to minimize risk to vulnerable populations, with emphasis on early warning mechanisms to identify victims in the most efficient and effective manner possible; and to provide, through rehabilitation, the earliest feasible return to normalcy and development.

OFDA obligated \$34.3 million for disaster assistance inside Rwanda during fiscal years 1994 to 1996. This was primarily for grants to NGOs such as ADRA, AICF, ARC, CARE, WVRD¹, and others.

Audit Objective

As part of a worldwide audit, the Office of the Regional Inspector General in Nairobi audited USAID's provision of disaster assistance delivered inside Rwanda from the beginning of the disaster in May 1994 to December 1995. We limited our audit to grants funded by the Office of Foreign Disaster Assistance (OFDA), because at the time of our audit, the Office of Food for Peace (FFP) did not have any current activities with NGOs inside Rwanda. We did not audit disaster assistance delivered to refugees in the camps in Zaire, Tanzania, and Burundi bordering Rwanda.

The objective of this audit was to answer the following question: Did BHR, USAID/Rwanda, and NGOs ensure that disaster assistance was delivered to the intended beneficiaries in accordance with the agreements?

Appendix I contains a complete discussion of the scope and methodology for this audit.

¹ ADRA, AICF, ARC, CARE, and WVRD stand for Adventist Development and Relief Agency; International Action Against Hunger; American Refugee Committee; Cooperative for American Relief Everywhere; and World Vision Relief and Development.

REPORT OF AUDIT FINDINGS

Did BHR, USAID/Rwanda, and NGOs ensure that disaster assistance was delivered to the intended beneficiaries in accordance with the agreements?

BHR, USAID/Rwanda, and NGOs ensured that disaster assistance was delivered to the intended beneficiaries inside Rwanda in accordance with the agreements. However, some problems with USAID/Rwanda's emergency preparedness, BHR/OFDA's monitoring, and a lack of identification of activities funded by the U.S. Government were found.

Although our audit scope did not include USAID's emergency food assistance delivered by the World Food Program (WFP) to the refugee camps bordering Rwanda in Zaire, Tanzania, and Burundi, we reviewed evidence that came to our attention which indicated that inflated refugee counts in the camps bordering Rwanda have resulted in the delivery of excess amounts of USAID food resources through WFP that may not have been used as intended. This point is further discussed beginning on page 11.

Disaster Assistance Was Delivered to Intended Beneficiaries Inside Rwanda

The U.S. Government's (USG) response to the Rwanda crisis was coordinated with international agencies, other donor governments, and private voluntary organizations by the Bureau for Humanitarian Response/Office of Foreign Disaster Assistance (BHR/OFDA). OFDA's disaster assistance to Rwanda began in early May 1994, when OFDA deployed an assessment team to evaluate the needs of the Rwandan refugees. Based on the team's recommendations, OFDA dispatched a Disaster Assistance Response Team (DART) to the affected region to coordinate and facilitate the USG's response. The DART provided immediate funding to U.N. agencies, international organizations and NGOs working in the region in support of such programs as food, seeds and tools, health, water, sanitation, and logistical support. In addition, the DART acted as a liaison with the U.S. military during Operation Support Hope, which lasted from late July until the end of September. Approximately, 80 percent of OFDA's funding in the region was for relief and rehabilitation projects inside Rwanda.

OFDA's initial response to the disaster consisted of 400 rolls of plastic sheeting to be used for temporary shelter for the displaced. The plastic sheeting was provided from OFDA's warehouse stockpile in New Windsor, Md. BHR/FFP also responded and authorized the shipment of U.S. food commodities.

FFP provided emergency food aid to internally displaced populations, refugees and returnees, and other segments of the population most vulnerable to disease or death due to severe malnutrition. Through the World Food Program (WFP), BHR provided emergency aid to populations inside Rwanda, the Ngara district in Tanzania and the Bukavu and Goma areas of Zaire. Inside Rwanda, food was provided to thousands of displaced persons gathered in churches, schools and hotels.

After the initial disaster relief effort, OFDA funded rehabilitation programs through grants to NGOs to return the stricken population inside Rwanda to the level of self-sufficiency that had been obtained prior to the crisis. Rehabilitation was provided in health maintenance, shelter, water and sanitation, agriculture, and repairs to critical infrastructure. OFDA's funding for disaster assistance to Rwanda came to an end in August 1996.



To determine whether disaster assistance was provided to intended beneficiaries, we reviewed and physically inspected the activities implemented by seven NGOs involved in the delivery of OFDA's disaster assistance to Rwanda :



OFDA funded health maintenance facilities: Medical supplies (Top); Surgery operating unit (Bottom).

- International Action Against Hunger (AICF/USA) was implementing emergency health and water programs in the Prefecture of Butare including the repair of existing pumped and gravity-based water systems, repair of dispensary facilities and training of health personnel.
- African Medical Research Foundation (AMREF) was involved in a primary health care project to benefit refugees, internally displaced, and war-affected persons in the Prefecture of Byumba.

- American Refugee Committee (ARC) was rehabilitating water systems and health centers in northeastern Rwanda as well as providing training on preventive health and basic curative care to the health personnel in the area.
- International Medical Corps (IMC) was implementing an emergency medical intervention project for internally displaced and returning civilian populations in the Prefectures of Kibungo and Butare. This included giving technical and material support to existing health centers and improving the performance of health personnel.
- International Rescue Committee (IRC) had health and water rehabilitation projects in the Prefectures of Cyangugu and Kibungo. This included providing medicines and supplies and increasing the level of knowledge and skill of health care staff.
- World Vision Relief and Development (WVRD) was implementing an emergency agricultural program designed to facilitate the reestablishment and revitalization of farming systems in the Prefectures of Gikongoro, Ruhengeri/Gishenyi and Kanazi through the supply of seed and tool packs; the reactivation of agricultural field stations; and an improvement in the capabilities of agronomists and extension agents.
- Catholic Relief Services (CRS) operated OFDA-funded emergency distribution programs for food and non-food items in Rwanda from June 1993 through December 1995. According to CRS estimates, the program provided food, blankets, soap, seeds, tools and other essential goods necessary for the survival of up to 365,000 displaced and indigent Rwandans affected by war and genocide.

**USAID/Rwanda's Emergency
Preparedness Needs Improvement**

USAID guidance contained in State Cable 291223 (94) states that every USAID mission representative office should maintain an up-to-date Mission Disaster Response Plan (MDRP). The MDRP assists the host country in preparing for a disaster as well as serves its own community by affording early warning and ensures that personnel are trained in disaster preparedness and response procedures. However, USAID/Rwanda did not have in place an up-to-date Mission Disaster Response Plan (MDRP) as required by the OFDA guidance. We were told that this situation occurred because of lack of staff and frequent staff turnover resulting from the emergency. Also, the Mission did not have a Director present at all times in Kigali. As a result, the Mission is ill prepared to respond to an emergency like the one that occurred in 1994.

We believe that the MDRP is of particular importance given the recent conflict in Rwanda and the potential for similar conflicts again in Rwanda and nearby countries. According to USAID/Rwanda staff, during the emergency the Mission was ransacked resulting in the

destruction of official files, records and equipment. The Mission also lost approximately 30 percent of its Foreign Service Nationals (FSNs), who were reported missing or killed. This tragic loss of life and the continuous turnover of U.S. direct hires has greatly hampered the Mission's efforts to return to normalcy.

In spite of the problems in the Mission as a result of the emergency, the MDRP update should have been made a priority by USAID/Rwanda in order to properly prepare the Mission for a similar future emergency.

Based on this situation, we are recommending that USAID/Rwanda design and implement a MDRP and ensure that Mission staff are trained in disaster preparedness and response procedures. BHR/OFDA provides assistance to Missions in drafting and updating MDRPs.

Recommendation No. 1: We recommend that USAID/Rwanda design and implement a Mission Disaster Response Plan (MDRP) and ensure that Mission staff are trained in disaster preparedness and response procedures.

BHR/OFDA's Monitoring of Project Activities Needs Improvement

After the initial disaster relief effort by the DART, OFDA's project monitoring of the disaster assistance inside Rwanda was inconsistent and did not conform to any specific guidance. Program oversight of the disaster assistance to Rwanda consisted of self-monitoring by the NGOs, as well as monitoring performed by two U.S. personal services contractors (PSCs) located at USAID/Rwanda. The grant agreements executed between OFDA and the NGOs stipulated that the NGOs were responsible for overall monitoring and problem-solving of its program through oversight by its own staff. In addition, in mid-FY '95 OFDA partially funded the two PSCs at USAID/Rwanda to provide program oversight and project monitoring of the grants with the NGOs. However, we found that the two PSCs were unable to effectively monitor the activities of the relief effort due to (1) an absence of specific written guidance on proper monitoring procedures that clearly emphasized the importance and priority of monitoring, and (2) a lack of information from the NGOs.

OFDA's guidance to the two PSCs was provided in the form of e-mails and phone calls, and they were often tasked with other duties such as reporting on issues and events in Rwanda and the region, which left them little time for monitoring the OFDA-funded projects. One specific e-mail we were made aware of, dated December 15, 1995, provided statements from Handbook 13 regarding grant administration and stated that the PSCs were responsible for monitoring grant activities, not managing the grants.

In addition, OFDA grant agreements with NGOs stipulated that progress reports were to be provided to OFDA Headquarters, not USAID/Rwanda. Therefore, the two PSCs charged with monitoring in Rwanda did not always have copies of grant agreements, project progress reports, financial status reports, or final reports at the end of a project, unless the NGOs agreed to provide them. And even when provided by the NGOs to USAID/Rwanda, the reports were frequently received 4-6 months late because they had to be requested from the NGO's head office.

Without receiving needed information, such as progress reports and final reports on a timely basis, the PSCs could not effectively monitor the activities of the relief effort in Rwanda, even if they had specific guidance. For example, the grant agreements stipulate that final project reports at the end of a grant agreement are due no later than 45 days after project termination, and such reports should contain a listing of non-expendable property funded by the agreement. The intent of the listing is for the NGO to provide an inventory of OFDA-funded property available for other projects, and if appropriate, request concurrence by OFDA with its intended disposition of the property. However, when we tried to obtain copies of such final reports, we found that very few were available at the Mission and, therefore, most of the reports could not have been used by the PSCs to monitor the proper disposition of OFDA-funded non-expendable property. And even when requested from OFDA Headquarters, we found the reports were not readily available.

In another example, we noted that one NGO constructed a health center instead of rehabilitating an existing one as called for in the grant agreement. USAID/Rwanda stated they were unaware of the change until the construction was 80 percent complete when a site visit was made by the PSC. This change in activity was not requested by the NGO from either OFDA Headquarters or the PSC located at the Mission. In our opinion, proper project monitoring could have ensured that required approvals were requested and obtained before such a change was made and executed by the NGO.



An NGO constructed this health center instead of rehabilitating an existing one as called for in the grant agreement with OFDA.

BHR/OFDA should ensure that OFDA funded projects are properly monitored by USAID missions in the field. This can be accomplished by providing specific guidance and direction to its representatives at the missions, including clear instructions emphasizing the importance of monitoring grant activities. Also, OFDA should ensure its representatives

in the field receive project progress reports and other information on a timely basis to perform proper monitoring.

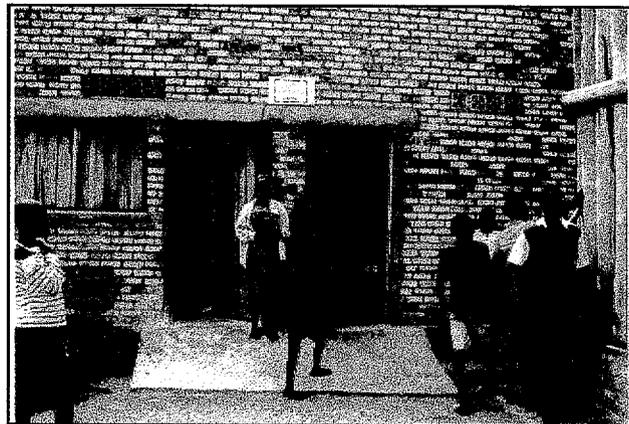
Recommendation No. 2: We recommend that BHR/OFDA ensure OFDA-funded projects are properly monitored by:

- 2.1** providing specific written guidance on proper monitoring procedures to its representatives in the field. This guidance should clearly emphasize the importance and priority of monitoring grant activities to ensure compliance with grant provisions by Non-Governmental Organizations (NGOs); and
- 2.2** ensuring its representatives in the field receive project progress reports, financial status reports, and final reports from NGOs on a timely basis.

USAID-Funded Activities Were Not Identified As Provided By USG

According to the Foreign Assistance Act, all assistance funded by the U.S. Government should be identified as such. Also, USAID Handbook 1B requires activities funded by USAID to contain markings identifying the U.S. Government as the donor. However, during our field trips, we noted that virtually none of the disaster assistance project activities funded by BHR/OFDA grants to NGOs in Rwanda contained any markings, labels, or signs identifying the U.S. Government as the donor. This included project vehicles, rehabilitated structures, and other equipment and supplies funded by OFDA grant monies.

None of the seven health centers we visited that had been rehabilitated with OFDA grant funds had any signs or plaques identifying the contributing donor as the U.S. Government. Also, an agricultural warehouse we visited that was rehabilitated with OFDA funds had a sign recognizing the Japanese Government as the donor instead of the U.S. Government. The Japanese Government had funded the equipment and supplies located inside the facility, but OFDA funds were used to rehabilitate the warehouse building itself. When asked who had



Warehouse rehabilitated with OFDA funds: The sign recognizes the Japanese Government as the donor instead of the U.S. Government.

funded the rehabilitation of the warehouse, the farmers in the area naturally stated that the Japanese Government had provided the funding. None of the local farmers we talked to who had received seeds, tools, and training funded by OFDA knew that the contributor was the U.S. Government.

This occurred because Mission staff and OFDA personnel did not believe it was a requirement due to the emergency nature of their projects and the fact that the requirement is not contained in USAID Handbook 13. However, the congressional intent, as expressed in the Foreign Assistance Act, in our opinion is clear: All assistance funded by the U.S. Government should be identified as such. Without markings identifying the U.S. Government as the donor, receiving beneficiaries will not realize they are being helped by the American people.

BHR/OFDA should ensure that OFDA funded projects have markings or signs clearly identifying the U.S. Government as the donor.

Recommendation No. 3: We recommend that BHR/OFDA ensure that OFDA-funded activities contain markings identifying the U.S. Government as the donor.

Periodic Refugee Counts Were Not Performed in Camps Bordering Rwanda

Although we did not audit USAID's emergency food assistance delivered through the World Food Program (WFP) to the refugee camps located on the border outside Rwanda, we reviewed evidence, which came to our attention, of inflated refugee counts in the camps, which may have resulted in the delivery of excess amounts of food to the camps by WFP. We believe the evidence of this situation warrants disclosure and that the problem needs to be corrected, because prudent management requires periodic re-verification of refugee numbers to ensure that USAID food resources are used as intended and reach only those intended to benefit.

According to USAID/Rwanda officials, initial estimates of refugees displaced in camps bordering Rwanda by the Rwanda civil unrest were not updated or verified by UNHCR in more than one year. USAID/Rwanda staff told us that they believe an excess amount of food exists in the Zaire-Burundi-Tanzania refugee camps, and that current amounts of food distributions are simply not needed and are not justified given the outdated data.

The Mission's position is supported by State Cable 091771, dated May 24, 1996, which points out that most of the refugee camps on the border outside Rwanda have not been subject to a census in more than a year. The Cable details concerns that the refugee numbers in the Zaire, Tanzania, and Burundi refugee camps are inflated, resulting in

unnecessary costs to donors, particularly related to USAID food aid. The Cable recounts a situation in which a recent re-count of refugee numbers in only one camp in Zaire indicated the population in that camp had decreased by 50 percent.

In addition, we were told that observations made by USAID officials during visits to the camps included local military units taking food, and USAID food commodities being traded on the local markets.

As a result, BHR/FFP cannot ensure that scarce USAID food resources, provided through WFP's food pipeline to refugee camps in Zaire, Tanzania, and Burundi bordering Rwanda are being used as intended and any excess is not being diverted elsewhere. Since the U.S. Government through USAID is the primary source of humanitarian food aid to the refugee camps (70 percent in FY 1995, and 60 percent to date for FY 1996), an accurate count of refugees in all camps bordering Rwanda could potentially result in substantial savings.

For 1996, BHR/FFP authorized the transfer of 165,000 metric tons (valued at about \$103.6 million) of food commodities to WFP's food pipeline to the refugee camps. The Bureau restricted the use of 65,000 metric tons, approved in March 1996 (valued at about \$40.8 million including transport) to refugee camps located in Tanzania, Burundi, and South Kivu in Zaire.

The evidence we reviewed indicates there is no requirement to perform periodic head counts of refugees in the camps bordering Rwanda. State Cable 09177 urges UNHCR to undertake at the earliest possible time new camp censuses in Zaire, Tanzania, and Burundi. However, we believe more is needed to ensure this situation is corrected. Therefore, we are recommending that BHR/FFP take the necessary appropriate action to require WFP in conjunction with UNHCR to perform periodic refugee counts in the camps bordering Rwanda and, if needed, adjust USAID's contribution to the WFP's food pipeline accordingly. A final management decision on the recommendation should quantify the resulting amount of adjustment to USAID's contribution to WFP.

Events subsequent to the audit would suggest that the refugee situation is changing rapidly on the Rwandan-Zairian border, with Rwandan refugees seemingly on the move due to skirmishes between Rwandan and Zairian soldiers. However, in our opinion this does not negate the essence of our recommendation. In fact, it clearly points out the necessity of frequent periodic refugee counts to verify the location of the refugees, whether in the old or newly established camps, in order to determine as accurately as possible where scarce USAID food resources should be pin-pointed by WFP.

Recommendation No. 4: We recommend that BHR/FFP take appropriate action to require the World Food Program (WFP) in conjunction with the United Nations High Commissioner for Refugees (UNHCR) to initiate re-counts of the refugees in the Zaire, Tanzania, and Burundi camps bordering

Rwanda within 30 days, and provide a plan for future periodic re-counts. BHR/FFP should adjust USAID's contribution to WFP's food pipeline accordingly.



MANAGEMENT COMMENTS AND OUR EVALUATION

Responding to the draft report, USAID/Rwanda stated that BHR/OFDA provided some guidance to the two PSCs charged with monitoring the disaster assistance projects implemented by NGOs inside Rwanda. The guidance was in the form of an e-mail which stated the PSCs were responsible for monitoring grant activities, not managing the grants. The e-mail also provided statements from Handbook 13 concerning grant administration. The Mission's response stated that inconsistencies and shortfalls in OFDA project monitoring were more likely due to the PSCs spending more time on issues and events in Rwanda and the region, rather than monitoring and reporting on the OFDA-funded projects. The Mission felt that the split-funding (OFDA/Mission) of the two PSCs created difficulties as to Mission or OFDA priorities.

We incorporated in the final report the Mission's comments regarding the guidance provided by OFDA to the two PSCs. The final report emphasizes that the PSCs did not receive specific guidance and direction from OFDA clearly emphasizing the importance and priority of monitoring grant activities. However, we did not agree that the split-funding of the PSCs was necessarily a problem, if the PSCs received specific guidance and direction emphasizing the importance of monitoring grant activities.

USAID/Rwanda's comments provided clarification regarding one NGO's construction of a health center rather than the rehabilitation of an existing one as called for in the grant agreement. The Mission stated that the NGO did not request a change in activity, and the new health center was almost 80 percent complete before it was discovered by a PSC site visit. We incorporated this clarification in the final report.

In responding to the draft report, BHR/FFP stated that the report was unclear as to whether the review included all elements of food and non-food assistance provided by the USG from all sources, or whether the review included only USAID provided food and non-food assistance. FFP stated the report should clarify whether the scope of the audit included refugees (outside of Rwanda), displaced persons (inside Rwanda), or returnees (those who were refugees but returned to Rwanda and were displaced once they returned). FFP stated the report should provide a definition of the intended beneficiaries referred to in the audit objective question. They also stated that certain aspects of the background section of the report were unclear, including how BHR fits into a multinational, USG, and USAID response to a disaster or an emergency.

We clarified the scope of the audit in the final report. The final report clearly states that we audited USAID's provision of disaster assistance delivered inside Rwanda, and that the audit was limited to grants funded by BHR/OFDA, because at the time of the audit BHR/FFP did not have any current activities with NGO's inside Rwanda. The definition of the intended beneficiaries is clearly stated in the final report as those beneficiaries of OFDA-funded grant activities inside Rwanda. We did not make any changes to the background section of the report. We believe it provides comprehensive information and is sufficient for the purposes of the report, particularly in light of the clarifications made in the scope of the audit.

Regarding the finding on periodic refugees counts, BHR/FFP stated that the draft report was unclear as to whether it referred to refugees outside Rwanda, displaced persons inside Rwanda, or returnees. FFP stated they needed this information in order to help determine who was responsible for registration and maintaining head counts. They indicated clarification was needed in the report as to whether WFP was being audited and whether the statement that "there were no requirements to perform head counts" referred to NGOs. They also felt that the statement in the report that a census had not been performed in more than one year needed to be more precise.

We modified the final report to clearly state that, although our audit scope did not include WFP and specifically USAID's emergency food assistance delivered by WFP to the refugee camps bordering Rwanda in Zaire, Tanzania, and Burundi, we reviewed evidence which came to our attention of inflated refugee counts in those camps. Therefore, this finding is based on attributed information. State Cable 091771, dated May 24, 1996, states that most of the refugee camps on the border outside Rwanda have not been subject to a census in more than one year, and the Cable goes on to urge UNHCR to undertake at the earliest possible time new camp censuses in Zaire, Tanzania, and Burundi. Based on this evidence, we concluded that WFP in conjunction with UNHCR should be performing periodic head counts in the camps, and since none had been performed, there was probably no requirement.

BHR/OFDA's response to the draft report expressed concern that the report did not make a distinction between the time period covered by the audit when the DART team was in Rwanda and the time period after USAID/Rwanda became functional. OFDA also took issue with our finding that the two PSCs were unable to monitor the activities of the relief effort due to a lack of guidance from OFDA and information from the NGOs. OFDA stated they often gave daily guidance and directions to the two PSCs in the form of e-mails and phone calls. However, they noted that the PSCs were often tasked with other duties and that monitoring the grants, which required field travel, was often difficult to manage time-wise. OFDA also suggested several changes and clarifications in the Background and Audit Findings sections of the report.

We modified the finding on improvement needed in OFDA's monitoring of project activities. It is now clear in the report that the finding refers to the period after the initial relief effort by the DART when USAID/Rwanda became functional. However, the overall finding and recommendation are valid and have been retained in the final report. The two PSCs were tasked with other duties such as reporting on issues and events in Rwanda and the region which they deemed more important than monitoring the grant activities. We also made other minor changes in the Background and Audit Findings sections of the report based on OFDA's suggestions.

SCOPE AND METHODOLOGY

Scope

We audited USAID's Disaster Assistance delivered inside Rwanda in accordance with generally accepted government auditing standards. We limited our audit to grants funded by the Office of Foreign Disaster Assistance (OFDA), because the Office of Food for Peace (FFP) did not have any current activities with NGOs inside Rwanda. We did not audit disaster assistance delivered to refugees in the camps in Zaire, Tanzania, and Burundi bordering Rwanda. However, we reviewed evidence, which came to our attention, of inflated refugee counts and deliveries of excess amounts of USAID emergency food to the camps by the World Food Program. We conducted the audit from December 7, 1995 to May 24, 1996², in the offices of USAID/Rwanda and at selected NGOs involved in the delivery of disaster assistance to Rwanda.

In performing our audit, we obtained documentary and testimonial evidence from the offices of USAID/Rwanda and NGOs involved in the delivery of disaster assistance to Rwanda. This is discussed in detail under the methodology for the audit objective. The audit covered the systems and procedures relating to whether BHR, USAID/Rwanda, and NGOs ensured that disaster assistance was delivered to the intended beneficiaries in accordance with the agreements.

According to USAID/Rwanda's records, approximately \$34.3 million of OFDA funds were obligated during fiscal years 1994 to 1996, and about \$22.3 million disbursed through December 1995.

As part of this audit, we reviewed USAID/Rwanda's internal control assessment for 1994. We also reviewed one prior RIG/A/Nairobi audit report related to emergency food assistance: Report No. 3-650-95-015, Audit of REDSO/ESA's P.L. 480 Title II Program in Southern Sudan.

² Field work in Rwanda took place on three occasions: December 7 to 15, 1995; February 25 to March 15, 1996; and May 7 to 24, 1996.

We did not test the reliability of computer-generated data used in the report because: (1) the reliability of the data was not crucial to accomplishing the audit objective, and (2) computer-generated data has been used only to a limited extent, e.g. for background and informational purposes.

Methodology

To accomplish this objective, we determined whether BHR, USAID/Rwanda, and NGOs ensured that disaster assistance was delivered to the intended beneficiaries in accordance with the agreements.

To do this, we selected seven NGOs involved in the delivery of disaster assistance in Rwanda and reviewed and physically inspected implementation of the activities required by the grant agreements. We reviewed project proposals by the NGOs, grant agreements, progress reports, and other available project implementation documentation. We held discussions with NGO, OFDA, and Mission officials, and conducted field visits to physically inspect various projects implemented by the NGOs in different parts of the country. We examined both open and closed grant activities and as part of this effort.



**UNITED STATES OF AMERICA
AGENCY FOR INTERNATIONAL DEVELOPMENT
U.S.A.I.D. MISSION TO RWANDA**

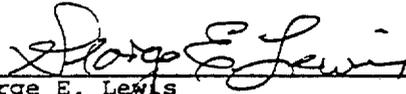
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September 4, 1996

Mr Tim Elkins
Regional Inspector General, Audit
P.O. box 30261
Nairobi, Kenya

The Mission's two specific comments and suggested corrections
are attached.



George E. Lewis
Mission Director, USAID/Rwanda

Attachment:

Comments and Suggested Corrections:

- 1) Audit statement, page 10, BHR/OFDA's Monitoring of Project:

"BHR/OFDA did not provide guidance, instructions, or specific functions for the two PSCs to perform relative to their monitoring of the disaster assistance to Rwanda."

Mission comment:

To say that BHR/OFDA "did not provide..." is incorrect. In an OFDA email dated 12/15/95, there was specific mention of a mandatory meeting concerning DRD's responsibility as Managers of OFDA Disaster Response when applied to grants. The email also stated as a Program Officer, DRD has the responsibility of "monitoring" grant activities, not the management of grants, and then provided statements from Handbook 13 concerning grant administration.

Inconsistencies and shortfalls in OFDA project monitoring were more likely due to: 1) spending more time on reporting of issues and events in Rwanda and the region, and responding to daily questions and information requests rather than monitoring and reporting on the numerous OFDA-funded projects; and 2) the split-funding (OFDA/Mission) of the two PSC contracts, which created difficulties as to Mission or OFDA priorities/agendas. (Recommend against split-funding such contracts in the future.)

- 2) Audit statement, page 11, first paragraph:

"USAID/Rwanda stated they were unaware of the change until the construction was started, and did not know if the change was approved by OFDA."

Correction:

There was no question if the change (constructing a new health center) was approved by OFDA/DC -- there was never a request by the NGO to the OFDA Rwanda PSC or to OFDA/DC for this change in activity. Not until a site visit by the PSC, was it known that there was no rehabilitation of the old health center, but instead, construction of a new one. When the site visit was made, the health center was almost 80% complete.

COMMENTS ON AUDIT REPORT (DRAFT)

To: T.Elkins, RIG
FROM: D. Hagen, BHR/FFP
SUBJECT: Draft "Rwanda" Audit

The following is to provide input for your preparation of a final audit report on "Disaster Assistance To Rwanda".

General Comments:

1. The report is unclear if the purpose was to review (a) all elements of food and non-food assistance, (b) provided by all USG sources, (c) in response to the Rwanda/Burundi crisis (d) over a fixed period or (a) only USAID provided food and non-food assistance (b) only in Rwanda (c) for any particular time, or (a) how BHR responded in Rwanda.

Background Section:

1. It is unclear in the background section if one is talking 1994 or 1995 regarding a BHR response. There is no mention of USAID responses or programs other than BHR, and there might well be an attempt, someplace in the report, to comment on the responsibilities of the USAID Regional Bureau, REDSO/EA, the role played by the USAID Missions in Kigali, Bujumbura, Dar Es Salaam, Kampala and Nairobi, and the resources brought to bear on the Rwanda/Burundi crisis. These omissions lead to a lack of understanding about the USAID response, the complexity of the situation and any management decisions relating to program actions.

2. It is also unclear from the background situation why the mention of food security deserves specific attention. The major issues seemed to be government or the lack of government, shelter, functioning institutions, health and the return process. Food related issues might be restarting the local agricultural process and food for those who did not have access to land plus the land takeovers by returning Rwandans from Tanzania.

3. There is no mention of the multilateral appeals for specific support.

Audit Objectives:

1. It should be made clear in the background section or in the objectives section #1 where BHR fits into a multinational, USG,

and USAID response to a disaster or an "emergency".

2. It would be helpful if there were some definition of who the intended beneficiaries are in objective #2.

Audit Objective #1 finding:

1. USAID interim HB #9 (from which the draft ADs for food aid programs is derived, is not mentioned in the criteria section. That document, which includes the delegations of authority for food programs, should be referenced with Reg 11.

Audit Objective #2 Finding:

1. Periodic Refugee Counts:

1a. The section would read better if there were background explanation as to the scope of the Rwanda audit, such as if it was for refugees (outside of Rwanda) or displaced persons (inside Rwanda) or returnees (those who were refugees but returned to Rwanda and were displaced once they returned. This in turn can help define who was responsible for registration or maintaining lists of displaced persons (or dispersed people in Burundi). It would also be helpful to have the above definition so that if the Govt of Rwanda was responsible or UNHCR or another entity, we can have a better idea as to where the deficiencies lie. Was this an NGO responsibility?

-- the "more than one year" phrase needs more precision.

1b. Is WFP being audited, or are the BHR's agreements with WFP part of this audit? The objective only indicates NGO agreements were being considered. WFP is not an NGO.

1c. It is unclear where the statement that "there were no requirements to perform head counts" comes into play. Is this with an NGO?

1d. If USAID/Rwanda staff believe that an excess amount of food exists in and outside of Rwanda, how was that determined? When? Over one year or two? Where? Was this for internally displaced and refugees outside of Rwanda? How was the food aid level for zaire determined?

1e. It would be appreciated if the RIG could provide a description of how the USAID/Rwanda staff verified the allegation of military (which military?) taking food.

2. Preparedness Needs Improvement

No comment

3. BHR Monitoring Needs Improvement

Appendix II

3a. Please provide more specificity as to food aid and non-food aid monitoring. It would also be appropriate to attach as an exhibit the contract or PIO/T terms of reference for PSC responsibilities. Are you solely discussing Rwanda or Burundi and Tanzania as well?

3b. What was the role of REDSO/EA in monitoring?

4. Markings:

No comment

TO: Tim Elkins, Audit Manager

FROM: Regina Davis-Tooley, Regional Team Leader, BHR/OFDA

SUBJECT: BHR/OFDA comments on the Audit of USAID's Disaster Assistance to Rwanda, Audit Report No. 3-696-96-xx

Thank you for requesting comments from BHR/OFDA on the findings of the audit committee. The comments below are from the Office of U.S. Foreign Disaster Assistance only. BHR/Food for Peace may provide its comments separately.

My primary concern about the document is that, overall, it needs to be made clear what time period the audit covers. To accurately examine USG assistance, the assistance should be looked at in two chapters. One would be during the deployment of the DART, i.e. May 1994 - Feb. 1995. The second would be once USAID/Rwanda became functional, i.e. Feb. 1995 - ?? Does the audit cover only the first time period, or does it attempt to cover both?

The report makes no distinction about which time period is being examined. The emergency activities took place during the time of the DART. Most of the activities had become rehabilitation projects by the time USAID/Rwanda opened. To mix the two time periods is confusing and not helpful. The DART had different funding processes, different monitoring practices, and more staff. I cannot stress enough the importance of this point.

EXECUTIVE SUMMARY

Background:

1. Para 4
 - a. Insert "U.S." before Foreign in the name of our office.
 - b. add "in Western Tanzania" at the end of second sentence.
 - c. insert "on May 25, 1994" after (DART) in third sentence
 - d. add "distribution" after the word food in fourth sentence. OFDA/DART does not provide food; it provides funds for the distribution. Also add "emergency medical care" to the list of funding activities.
2. Para 5
 - a. delete the word "has" in the phrase "militia has discouraged many."
 - b. the word "Rwanda" should be changed to the Great Lakes region, as much of the food has been consumed in the

surrounding countries.

3. Para 6--Why is the calendar year being used rather than the fiscal year? Please change it to fiscal year. If we're talking only Rwanda, then 1993 should not even be mentioned. All funding revolves on a fiscal year basis.

Summary of Audit Findings

1. Para 1
a. sentence 2--add "to discern food needs" after periodic refugee counts.

b. Please further define what is meant by "a lack of identification of activities funded by the U.S. Government were found."

2. Para 4--monitoring
a. The monitoring para only discusses monitoring during the USAID/Rwanda time period. There was another time period prior to USAID/Rwanda re-opening where the DART provided the monitoring. No mention is made of this, and it was a very important time period.

b. Sentence 2--begin the sentence with "In mid-FY95, OFDA"

c. Sentence 2 end--add "and to make recommendations for further funding" (this was a primary responsibility of the two PSCs).

3. OFDA takes issue with the statement "the PSCs were unable to effectively monitor the relief effort, because OFDA did not provide guidance, instructions, or specific functions for them to perform." This point is one of the findings, and OFDA considers this statement to be inaccurate. The two PSCs were given almost daily direction from OFDA while they were under OFDA funding (Note: funding for one PSC ran April-October, 1995, funding for the other PSC ran July-November, 1995). Once their funding was assumed by the mission, OFDA's oversight of the PSCs lessened.

The directions to the PSCs were given in the form of emails, and sometimes phone calls. Because USAID/Rwanda was so sorely understaffed, the two "OFDA" PSCs often were tasked by the mission to perform other duties. Monitoring the grants, which required field travel, was often difficult for them to manage time-wise. OFDA forlorned the fact that the PSCs did not have more time to more closely monitor the grants, however the mission was quite stretched in manpower. The two PSCs enjoyed field work, and also regretted the fact that time did not allow for them to travel.

Stating that grant monitoring was not performed due to lack of guidance, instructions, or specific functions from OFDA is incorrect.

This issue also relates to the time frame issue I raised in the beginning. Much of the narrative of the report discusses OFDA's emergency response to the genocidal violence, when grants were monitored by the DART, yet the monitoring section focuses only on the rehabilitation time period, when USAID had reopened.

INTRODUCTION

Background

1. Same changes as for the Background section of the Executive Summary, plus the following:

2. Para 5

a. The time-line is a bit confusing as presented. When the paper states "From mid-June" is it talking about 1994 or 1995? None of those kinds of activities were undertaken in 1994. Note: the war did not end until July 20, 1994.

3. Para 6--might want to mention that not only were schools (and churches) empty; many had been places where genocidal killings had taken place and suffered damage. (That's actually why they were empty.)

4. Para 9

a. Proper name for the tribunal is International Criminal Tribunal for Rwanda (ICTR).

b. Last sentence: insert the word "indirectly" before the word benefitted.

5. Para 13

a. First sentence: "to save lives and minimize human suffering" is OFDA's mandate not strategy. "Minimizing property loss" is not part of the mandate and should be deleted.

b. Sentence 2: The response was designed to do exactly what the mandate says. After the genocide had claimed over 500,000 lives and left untold hundreds of thousands more suffering, there was little "prevention, mitigation and preparedness programs" that could be employed to reduce their suffering. These programs are primarily used to prepare for natural disasters. The second sentence should be deleted as it is not appropriate to the Rwanda situation.

REPORT OF AUDIT FINDINGS

Disaster Assistance to Intended Beneficiaries

1. Same comments as for the Executive Summary.

2. Para 3

a. Sentence 2 -- add "and Karagwe" after the word Ngara, and add "Uvira" after the word Bukavu. Also Burundi should be added, as it also was home to 240,000 Rwandan refugees.

b. Sentence 2 --change the ending to "displaced persons in camps in the southwest and other war affected persons." Displaced did not live in schools, churches, and hotels. Those words should be deleted.

3. Para 4--last sentence should read: Rehabilitation efforts focused on rehabilitating health structures and training programs for health staff, rehabilitating water systems, and reviving agriculture production. The majority OFDA's programs will end during the fall of 1996.

(Note: OFDA did NOT rehabilitate shelters, sanitation, or critical infrastructure)

4. Para 5--list of NGO activities.

AMREF--program benefitted returnees (NOT refugees)

IMC's program in Butare ended in August of 1995. August, 1995 to August 1996, IMC worked only in Kibungo.

WVRD--omit the word "emergency" before reestablishment.

With the exception of CRS, all the NGO activities listed describe the rehabilitation activities, yet the final sentence of the paragraph refers to emergency activities. No emergency activities are listed (those grants all expired prior to August 1995). "Our overall conclusion was that, OFDA disaster assistance to Rwanda reached the intended beneficiaries." To which time period does this statement apply? The disaster activities or the rehab activities? It's quite confusing, as stated.

Periodic Refugee Counts were Not Performed

Final para--Food was excluded only from Goma camps in Zaire. The sentence should read Tanzania, Burundi, and South Kivu, Zaire.

USAID/Rwanda's Emergency Preparedness Needs Improvement

Para 5: The staff turnover at the mission has not been as frequent, as just plain lack of staff. The mission has suffered from a serious lack of staff.

I also think that some mention should be made of the fact that there was one mission director for Burundi and Rwanda once the Rwandan mission reopened. Some of the problems that arose in USAID/Rwanda grew from the fact of not having a mission director present at all times in Kigali. Myron Golden, Mission Director, spent much of his time in Burundi, especially during his final months of 1996.

OFDA's Monitoring of Projects

First question--what time period is the report addressing? This goes back to my original concern. There have been two distinct time periods to OFDA's response in Rwanda. The two cannot be lumped together.

OFDA takes issue with the statement, "we found that the two PSCs were unable to effectively monitor the activities of the relief effort due to a lack of guidance from OFDA and information from the NGOs." First of all the two PSCs cover the time period from the summer of 1995 through June of 1996. OFDA's most intense program of response began the summer of 1994 through June of 1995. No mention is made of this twelve-month period, and it was monitored quite intensely by the DART.

OFDA provided almost daily guidance to the DART and to the PSCs. The DART traveled often, visiting projects throughout Rwanda. The two PSCs' travel to the field was hampered by the lack of staff at the mission. OFDA was often told that the PSCs' responsibilities in the mission did not allow them time to travel. The monitoring of projects was clearly defined in their SOW and by many emails and phone conversations. Their lack of travel cannot be attributed to OFDA's lack of direction.

Para 3: Lack of NGO reports. Since many of the rehab grants were only coming to an end during the summer of 1996, many of the final reports had not been submitted by the NGOs. The NGOs submit the reports--not USAID, which your report seems to imply.