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AID/AFR/SA: MDUGAN (DRAFT) AID/AFR/DP : JGOVAN (DRAFT)

AID/AFR/AM: BRYNER (DRAFT) AID/AFR/GC: DLUTEN (DRAFT)

AID/G/PDSP: TMAHONEY (DRAFT) AID/M/B/PA: DHARRISON (DRAFT)

AID/M/MPI: CMCRAW (DRAFT) AID/PPC/PC: KSCHWARTZ (INFO)

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FM SECSTATE WASHDC

TO AMEMBASSY HARARE IMMEDIATE

AMEMBASSY GABORONE IMMEDIATE

AMEMBASSY PRETORIA IMMEDIATE

AMEMBASSY MBABANE IMMEDIATE

AMEMBASSY LUSAKA IMMEDIATE

AMEMBASSY MAPUTO IMMEDIATE

AMEMBASSY LILONGWE IMMEDIATE

AMEMBASSY LUANDA IMMEDIATE

AMEMBASSY WINDHOEK IMMEDIATE

INFO AMEMBASSY NAIROBI IMMEDIATE

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ADM AID, FOR AMBASSADOR CARSON, MISSION DIRECTOR BENEDICT

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E.O. 12958: DECL: 09/17/2006

TAGS:

SUBJECT: USAID/ZIMBABWE: GRADUATION AND BEYOND

REF: A) STATE 182344 (CONF), B) STATE 069109 (CONF), C)

USAID/ZIMBABWE'S STRATEGY SUMMARY "USAID/ZIMBABWE 1996-

2003: GRADUATION AND BEYOND"

1. SUMMARY: WITH THE TRANSMISSION OF REF. A, THIS CABLE CAN NOW BE SENT FOR THE RECORD. IT IS A SUMMARY OF THE MAY 1996 REVIEW IN USAID/W OF THE BUREAU'S ZIMBABWE GRADUATION STRATEGY SUMMARY "USAID/ZIMBABWE 1996-2003: GRADUATION AND BEYOND". THE REVIEW PROCESS WAS

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STIMULATING AND FRUITFUL. THE STRATEGY PROVIDES A WORKABLE FRAMEWORK FROM WHICH TO PLAN FOR THE IMMEDIATE FUTURE AND THE EVENTUAL END OF A DIRECT AMERICAN DEVELOPMENT ASSISTANCE PRESENCE IN-COUNTRY. THE BUREAU IS PLEASED TO MOVE FORWARD ON THIS SUBJECT. END SUMMARY.

2. USAID/ZIMBABWE (USAID/Z) WILL BE CATEGORIZED A "LIMITED MISSION," WORKING IN THREE STRATEGIC OBJECTIVE AREAS AND MOVING TOWARD A STAGED WITHDRAWAL AND GRADUAL PHASEOUT OF DEVELOPMENT ASSISTANCE BY FY 2003. RESOURCE LEVELS OUTLINED IN THE STRATEGY SUMMARY ARE REASONABLE AND THE BUREAU FOR AFRICA (AFR) WILL WORK WITHIN ITS ALLOCATED

BUDGET AND HUMAN RESOURCES TO MAINTAIN LEVELS AS CLOSE TO THESE AS POSSIBLE. USDH PRESENCE IN STRATEGIC OBJECTIVE (50) 1 (NATURAL RESOURCE MANAGEMENT) AND 50 2 (ECONOMIC GROWTH) WILL END BY 1999 WITH MISSION PROGRAMMING TO

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CONTINUE THROUGH FY 2000; USDH PRESENCE FOR 50 3 (POPULATION/HIV-AIDS) WILL CONTINUE THROUGH 2001 WITH PROGRAMMING TO CONTINUE THROUGH FY 2003. THE MISSION IS ENCOURAGED TO CONTINUE TO INCLUDE THE GOVERNMENT OF ZIMBABWE (GOZ), THE PRIVATE SECTOR, OTHER DONORS AND THE REST OF THE U.S. MISSION IN ZIMBABWE AS PARTNERS IN MAKING USAID INVESTMENTS SUSTAINABLE. THE MISSION IS AUTHORIZED TO FURTHER PURSUE THE FEASIBILITY OF WORKING TOWARD A BINATIONAL ZIMBABWEAN-AMERICAN DEVELOPMENT FOUNDATION THAT PROVIDES SUSTAINABLE DEVELOPMENT ASSISTANCE OVER TIME IN AREAS OF COMMON INTEREST TO OUR BILATERAL RELATIONSHIP WITH ZIMBABWE. THE BUREAU LOOKS FORWARD TO RECEIVING THE GRADUATION STRATEGY IN MARCH 1997.

3. THE USAID/ZIMBABWE PROGRAM HAS BEEN A MODEL BILATERAL EFFORT. WE SUPPORT YOUR EFFORTS IN CONCERT WITH OTHER COMPONENTS OF THE U.S. MISSION TO CREATE AND MAINTAIN AN UPBEAT, OPTIMISTIC EXERCISE CULMINATING IN THE GRADUATION OF U.S. DEVELOPMENT ASSISTANCE TO ZIMBABWE AS WE ASSIST THAT NATION INTO THE TWENTY-FIRST CENTURY. OUR COMMUNICATIONS WITH THE GOZ AND THE DONOR COMMUNITY WILL BE CONSTRUCTIVE IN PAVING THE WAY FOR A SUCCESSFUL DRAWING DOWN OF USAID IN-COUNTRY PRESENCE. THAT PHASE COULD BE FOLLOWED, DEPENDING UPON CIRCUMSTANCES, BY ONE OR A COMBINATION OF THE FOLLOWING ALTERNATIVES: CONTINUED LIMITED ASSISTANCE FROM CENTRAL BUREAUS AND OFFICES; CONTINUED ENCOURAGEMENT OF PRIVATE SECTOR INVESTMENT; PARTNERSHIPS THROUGH U.S. AND LOCAL NGOS AND; REGIONAL EFFORTS THROUGH THE INITIATIVE FOR SOUTHERN AFRICA (ISA).

4. THE INITIAL PRESENTATION OF THE SUMMARY STRATEGY WAS

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WELL RECEIVED IN A MEETING CHAIRED BY THEN-DAA CAROL PEASLEY AND ATTENDED BY MISSION DIRECTOR PETER BENEDICT. IMPORTANT QUESTIONS WERE DEFINED AND REVIEWED, SUCH AS WHETHER THE ZIMBABWE PROGRAM WOULD BE IN THE LIMITED MISSION PROGRAM CATEGORY (REQUIRING 1-2 STRATEGIC OBJECTIVES AND 5 USDH FTES BY 1998) OR THE SUSTAINABLE DEVELOPMENT PROGRAM CATEGORY. AFR ARGUED THE CASE FOR A RESPONSIBLE GRADUATION FROM DEVELOPMENT ASSISTANCE THAT WOULD REQUIRE GREATER FLEXIBILITY THAN PERMITTED-BY THE GUIDELINES THEN GOVERNING ZIMBABWE AS A LIMITED ASSISTANCE MISSION. SPECIFICALLY, THE REQUIREMENT FOR 1-2 SOS SEEMED RESTRICTIVE IN ZIMBABWE'S CASE AS DID THE NEED TO GET DOWN TO 5 FTES BY FY 98.

5. A SERIES OF SESSIONS WERE HELD DURING THE WEEK DEALING WITH EACH OF THE SO AREAS AS WELL AS THE FOUNDATION/ENDOWMENT CONCEPT. ON FRIDAY, MAY 10, A PARAMETERS MEETING WAS HELD CHAIRED BY DAA PEASLEY ENDORSING THE LOGIC OF THE MISSION'S PLAN WITHOUT REACHING A CONCLUSION ON THE PROGRAM CATEGORY QUESTION. THE PROGRAM FUNDING LEVELS REQUESTED WERE DEEMED REASONABLE TO ACCOMPLISH THE TASK. HOWEVER, NO DECISIONS COULD BE MADE ON OPERATING EXPENSES AND HUMAN RESOURCE LEVELS DUE TO THE PROGRAM CATEGORY LANGUAGE PREVAILING AT THAT TIME.

6. RECENTLY, THE USAID PROGRAM CATEGORY DEFINITIONS HAVE BEEN CHANGED PERMITTING GREATER FLEXIBILITY FOR THE ZIMBABWE PROGRAM. THE 1-2 SOS GOAL LIMIT HAS BEEN RELAXED IN CASES WHERE LIMITED ASSISTANCE PROGRAMS INVOLVE INNOVATION, CROSS-SECTORAL APPROACHES, AND REGIONAL

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INITIATIVES SUCH AS THE ISA. USAID/ZIMBABWE FALLS IN THIS CATEGORY AND CAN MOVE FORWARD TO DRAFT ITS GRADUATION COUNTRY STRATEGIC PLAN (CSP). A SUMMARY OF THE DISCUSSIONS FOLLOWS. PARAGRAPH 14 SUMMARIZES THE DECISIONS MADE.

7. 50 1: AS PART OF THE GRADUATION CSP, USAID/ZIMBABWE WILL PHASE OUT OF ALL GRAIN MARKETING RELATED ACTIVITIES BY THE END OF FY 97 FOCUSING ITS FUTURE EFFORTS ON THE PROMOTION OF SUSTAINABLE NATURAL RESOURCE MANAGEMENT (NRM) STRATEGIES. WE AGREED IT WAS FEASIBLE TO WORK THROUGH A BODY OF LOCAL NGOS, COMMUNITY GROUPS AND GOVERNMENT INSTITUTIONS THROUGH THE CURRENT INSTITUTIONAL CONTRACT. WE HELD IN HIGH REGARD THE MISSION'S EMPHASIS ON THE EMPOWERMENT OF LOCAL POPULATIONS AND LOCAL GOVERNING

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INSTITUTIONS WHICH ADDS A DEMOCRACY/GOVERNANCE ELEMENT. THE KEY UNDER A GRADUATION STRATEGY WILL BE HASTENING CAPACITY DEVELOPMENT OF LOCAL INSTITUTIONS WHILE INCREASING LINKAGES TO OTHER INSTITUTIONS WORKING IN THE NRM ARENA THAT WILL BE ABLE TO CARRY THE BALL WHEN USAID'S DIRECT ON-THE-GROUND PRESENCE IS GONE. OF PRIMARY IMPORTANCE WILL BE A CONTINUING USAID ROLE TO PROVIDE ASSISTANCE AND MONITORING OF THIS VERY IMPORTANT EFFORT FROM EITHER A REGIONAL OR CENTRAL OFFICE. USAID INTEREST IN CAMPFIRE WILL NOT END WITH THE CLOSING OF USAID/ZIMBABWE--SIGNIFICANT GAINS MADE IN THE CAMPFIRE EFFORT ARE TOO IMPORTANT (AND REMAIN TOO FRAGILE) TO PERMIT A COMPLETE SEVERING OF OUR TIES BY FY 2000. WE ENCOURAGE LINKAGES WITH THE PRIVATE SECTOR, WORKING WITH THE REGIONAL CENTER FOR SOUTHERN AFRICA (RCSA) TO DETERMINE WHAT ROLE IT CAN PLAY AND WORKING CLOSELY WITH

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PPC, G AND AFR/SD TO DEVELOP AN SO GRADUATION STRATEGY THAT WILL BUILD ON SUCCESSES TO DATE AND PROGRESS PROJECTED BETWEEN NOW AND THE END OF A USAID MISSION PRESENCE.

8. SO 2: THIS SO, DESPITE ITS POTENTIAL TO CREATE OPPORTUNITY, WEALTH AND JOBS, IS THE MOST LIKELY STRATEGIC AREA TO DEFINITELY TERMINATE ASSISTANCE WHEN THE USAID MISSION PRESENCE ENDS. WE ADJOURNED WITH THE FOLLOWING UNDERSTANDING: OTHER THAN THE LETTING OF THE ENTERPRISE DEVELOPMENT INSTITUTIONAL CONTRACT, THERE WILL BE NO NEW ACTIVITIES BEGUN UNDER THIS SO. THAT INCLUDES DROPPING THE PLANS TO WORK ON AN AGRIBUSINESS ACTIVITY AND BECOME MORE INVOLVED IN PARASTATALS PRIVATIZATION. IT IS UNDERSTOOD THAT MAJOR REDUCTIONS WILL BE MADE IN BOTH THE LOW INCOME HOUSING PROJECT AND THE ACTIVITIES RELATED TO BROADENING OWNERSHIP AND PARTICIPATION IN MICRO, SMALL AND MEDIUM ENTERPRISES. SPECIFICALLY, WE AGREED THAT THERE WILL BE A REDUCTION IN TARGETS RELATED TO THE PROVISION OF LOW-INCOME MORTGAGES AND THE NUMBER OF HOUSING PLOTS DEVELOPED FOR LOW-INCOME FAMILIES AS WELL AS A 50 PERCENT REDUCTION IN OUPUTS RELATED TO EXPANDED EMPLOYEE OWNERSHIP ACTIVITIES.

9. WE UNDERSTAND THE POLITICAL IMPLICATIONS INVOLVED IN THIS ECONOMIC GROWTH SO, PARTICULARLY IN THE HIGHLY VISIBLE HOUSING PROGRAM. WE ARE CONFIDENT THAT USAID/Z WILL BE ABLE TO USE THE TIME REMAINING TO ENROLL OTHER DONORS AND INCREASE PRIVATE SECTOR PARTICIPATION (INCLUDING U.S. FIRMS) WHILE ALSO POSITIVELY INFLUENCING THE INVOLVEMENT OF THE GOZ IN THIS ARENA. WE ARE

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ENCOURAGED BY THE WORLD BANK'S INVOLVEMENT IN THE
ENTERPRISE DEVELOPMENT AREA THROUGH ITS NEW USD75 MILLION
EFFORT.

10. SO 3: DUE TO THE DUAL IMPACTS OF HIGH FERTILITY
RATES AND HIGH HIV SEROPREVALENCE, WE SUPPORT THE SO 3
PROJECTED PLANS FOR INCREASED RESOURCES INITIALLY AND
REMAINING IN PLACE FOR THE LONGEST PERIOD OF TIME IN THE
PROPOSED GRADUATION STRATEGY. USAID SUPPORT TO THE
ZIMBABWE FAMILY PLANNING COUNCIL HAS BEEN INSTRUMENTAL IN
ACHIEVING INCREASING CONTRACEPTIVE PREVALENCE AND
DECREASING FERTILITY. PLANNED USAID SUPPORT TO ZIMBABWEAN
NGOS WORKING IN HIV/AIDS PREVENTION WILL BE NECESSARY TO
HELP ACHIEVE A CRITICAL MASS OF SUPPORT FOR A PROBLEM
IGNORED FOR TOO LONG.

11. CONCERNS FOR DISCONTINUING WORK IN THIS SO ARE MANY
DUE TO THE SOMETIMES "LONELY" ROLE THAT USAID PLAYS IN THE
FAMILY PLANNING SECTOR. [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]. DEVELOPMENT OF A GRADUATION STRATEGY OUT OF THIS
SECTOR WILL PROVIDE A SPECIAL CHALLENGE IN ENHANCING
GOZ/NGO RELATIONSHIPS, ENCOURAGING OTHER DONORS TO
PARTICIPATE IN A SUBSTANTIVE MANNER AND BUILDING IN A
CONTINUED ROLE FOR USAID PARTICIPATION IN A NON-PRESENCE
MODE.

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12. FOUNDATION/ENDOWMENT: PARTICIPANTS FOUND THE CONCEPT
OF A ZIMBABWEAN-AMERICAN DEVELOPMENT FOUNDATION TO BE
INNOVATIVE AND RELEVANT TO THE GRADUATION CONTEXT. A
PROPERLY DEVELOPED FOUNDATION, AS A LOGICAL VEHICLE IN
CONCERT WITH THE GOALS OF THE STRATEGY, AS A WAY TO
SUSTAIN AN AMERICAN PRESENCE COULD BE A VEHICLE FOR
CONTINUED LEADERSHIP AND TECHNOLOGY TRANSFER. WE LOOK
FORWARD TO CONTINUING DEVELOPMENT AND DISCUSSION OF
SEVERAL QUESTIONS PRIOR TO A MUTUAL RESOLUTION TO MOVE
AHEAD WITH SPECIFIC ACTIVITIES. A FEW KEY ISSUES ARE
OUTLINED BELOW.

A. RATIONALE AND FOCUS. THE STATED RATIONALE FOR THE
FOUNDATION "...AS A CONTINUING SYMBOL OF U.S. SUPPORT FOR
ZIMBABWE'S DEVELOPMENT EFFORTS..." IS VALID. THE

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OBJECTIVES MERIT ADDITIONAL CLARIFICATION. BOTH D/G AND ECONOMIC GROWTH ARE MENTIONED AS POSSIBLE FOCUS AREAS. IS A FOUNDATION THE BEST WAY TO ACHIEVE SUCCESS IN THESE SECTORS? AS OUTLINED IN USAID ENDOWMENT POLICY, ONE OF THE GUIDING CRITERION FOR A FOUNDATION IS THAT IT BE UTILIZED AS A VEHICLE WHEN THERE IS NO OTHER WAY TO ACCOMPLISH THE STATED GOALS. IN THE CASE OF D/G, THE U.S. MISSION TO ZIMBABWE MAY WANT TO CONSIDER WHETHER A MORE ROBUST 116E PROGRAM, FOR EXAMPLE, WILL ACCOMPLISH WHATEVER THE MAIN D/G OBJECTIVES MAY BE. WHILE WE WANT TO KEEP A FOUNDATION'S OBJECTIVES LIMITED, THERE ARE OTHER SECTORS WHERE THE USG HAS A STAKE AND WHERE USAID HAS A DISTINCT COMPARATIVE ADVANTAGE THAT WOULD ALSO SEEM APPROPRIATE FOR FOUNDATION ASSISTANCE, NAMELY NRM, FAMILY PLANNING AND HIV/AIDS.

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B. GOVERNANCE. THE FOUNDATION CONCEPT CAN WORK WHEN THE LOCAL PARTNERS ARE ADEQUATELY INVOLVED IN THE DESIGN OF THE PROGRAM AND MANAGEMENT OF THE ASSETS OF THE FOUNDATION WITH OVERSIGHT FROM THE USG.

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WE ENVISIONED THE FOUNDATION AS A ZIMBABWEAN INSTRUMENT THAT WOULD ENTAIL GRANTING RESOURCES TO AN NGO THAT WOULD UNDERGO MANAGEMENT AND ACCOUNTABILITY SCRUTINY PRIOR TO THE SIGNING OF THE GRANT. USG PARTICIPATION WOULD BE INSTRUMENTAL THEREAFTER

BUT NOT CONTROLLING. USAID WOULD NEED TO ENSURE THAT USG GOALS AND OBJECTIVES WERE ACCOMMODATED, UP-FRONT, IN THE DESIGN PHASE OF THE GRANT.

C. COST-EFFECTIVENESS. THERE ARE CONCERNS AS TO WHETHER A FOUNDATION IS THE MOST COST-EFFECTIVE VEHICLE TO MAKE DEVELOPMENT IMPACT WITH THE USD 10 MILLION REQUESTED. WE CALCULATED THAT THE EFFECTIVE ANNUAL NET VALUE OF THIS INSTRUMENT AFTER SUBTRACTING OPERATING EXPENSES COULD CONCEIVABLY BE IN THE RANGE OF ONLY USD3 -4 HUNDRED THOUSAND PER YEAR, CAN A GREATER DEVELOPMENT IMPACT BE MADE WITH THE USD10 MILLION NOW--WHETHER IN D/G OR ANY OF THE OTHER SO DOMAINS? LIKewise, THE ESTABLISHMENT OF A FOUNDATION IMPLIES EXPECTATIONS OF CONTRIBUTIONS FROM OTHER DONORS. USAID WANTS TO ENSURE THAT EACH ALTERNATIVE IS CONSIDERED FOR ITS COST-EFFECTIVENESS PRIOR TO MOVING FORWARD.

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D. MIX OF GRADUATION ACTIVITIES. A FOUNDATION IS ONE POSSIBLE VEHICLE FOR U.S. PRESENCE POST MISSION CLOSURE. WE SHOULD CONSIDER A "CAFETERIA APPROACH" FOR THE PERIOD LEADING UP TO EVENTUAL DEPARTURE OF USAID IN-COUNTRY PERSONNEL. A COMPANION PROGRAM TO THE FOUNDATION THROUGH A VARIETY OF NON-PRESENCE POSSIBILITIES MIGHT BE FEASIBLE INCLUDING, FOR EXAMPLE: THE NEW PARTNERSHIP INITIATIVE (NPI); CONTINUED LINKAGES WITH THE RCSA AND WASHINGTON-BASED PROJECTS; WHATEVER HOOK-UPS CAN BE DEVELOPED WITH THE PRIVATE SECTOR. ONE POSSIBILITY FOR DISCUSSION MIGHT ENCOMPASS A SERIES OF USAID-FUNDED NGOS CONTINUING TO WORK IN EACH OF THE CURRENT SO AREAS AFTER MISSION PERSONNEL DEPART.

13. OTHER ISSUES TO BE ADDRESSED:

-- WE ARE AGREED THAT THE RCSA WILL NOT TAKE THE PLACE OF USAID/Z AS A BILATERAL MISSION. AT THE SAME TIME, PLANNING FOR THE USAID/Z GRADUATION IS AN IMPORTANT FACTOR IN THE DISCUSSIONS AND DETERMINATION OF THE FUTURE RCSA STRATEGY. THESE DISCUSSIONS WILL NOT BE COMPLETE AND A FINAL DETERMINATION ON RCSA STRATEGY WILL NOT HAVE BEEN MADE PRIOR TO THE MARCH SUBMISSION OF THE USAID/Z GRADUATION STRATEGY. PLEASE DEVELOP AND RECOMMEND THE ROLE RCSA SHOULD PLAY IN THE PRE- AND POST-GRADUATION PHASES, INCLUDING THAT PLANNING AS A VITAL PART OF YOUR GRADUATION PLAN PRESENTATION IN MARCH.

-- THE MISSION'S STRATEGY SUMMARY REQUESTED AN AUGMENTATION OF USD300,000 IN 116E FUNDS IN FY 1997.

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STATE AND USAID MEMBERS OF THE DEMOCRACY AND HUMAN RIGHTS FUND COMMITTEE WILL NEED TO COLLABORATE ON DETERMINING THE

FEASIBILITY OF THIS REQUESTED INCREASE. THE AVAILABILITY OF ESF FUNDS WILL BE EXPLORED AS WELL.

-- ONE OF THE MOST CHALLENGING ASPECTS BEFORE THE MISSION WILL BE LAYING OUT WHAT USAID-FUNDED ENTITIES WILL REMAIN IN ZIMBABWE IN A NON-PRESENCE SENSE AFTER FY 2003. BESIDES RCSA'S ROLE, WHAT WILL BE THE ROLE OF THE U.S. EMBASSY IN PROGRAMMING AND MANAGING ASSISTANCE RESOURCES? AFR AND THE GLOBAL BUREAU? EACH U.S. AND LOCAL NGO (UNDER NPI, FOR EXAMPLE)?

14. NEXT STEPS: GETTING FROM HERE TO THERE.

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A. TIMING AND TEAMWORK. AT THE MAY, 1996 MEETINGS, MISSION DIRECTOR BENEDICT SPOKE OF A JANUARY 1997 CSP SUBMISSION. THIS HAS BEEN REVISED TO MARCH 1997 FOR A USAID COUNTRY PROGRAM STRATEGY FOCUSED ON GRADUATION IN 2003. DOES THAT DATE MESH WELL WITH OTHER PROGRAM OBJECTIVES AND REQUIREMENTS? USAID/W STAFF WOULD LIKE TO PARTICIPATE WITH MISSION STAFF IN THIS PROCESS. SPECIFICALLY, IN ADDITION TO AFR BUREAU STAFF, STAFF FROM THE G CENTERS, M, AND PPC ARE INTERESTED IN BEING PART OF THE TEAM. DEPENDING ON THE AVAILABILITY OF TRAVEL FUNDS, WOULD A BUREAU DISCUSSION AT THE MISSION IN MID- OR LATE JANUARY BE FEASIBLE? THIS WOULD ALSO SUPPORT THE EXPANSION OF SO TEAMS TO INCLUDE WASHINGTON STAFF AND OTHERS, AS APPROPRIATE.

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B. THE MISSION HAS GOTTEN A JUMP-START ON ITS POPULATION/AIDS 50 3. THE COLLABORATION AMONG MISSION AND WASHINGTON STAFF IS BEING CITED AS A MODEL FOR DISCUSSION AND AGREEMENT ON STRATEGY APPROVALS. IN THE CASE OF THIS SO THERE WERE FEW ISSUES RAISED AT THE ISSUES MEETING AS ISSUES HAD BEEN PARTICIPATORILY VETTED AND RESOLVED AND CONSENSUS REACHED PRIOR TO THE MEETING.

C. WE DECIDED THAT THE MISSION WOULD PROCEED TO REVIEW THE FEASIBILITY OF A FOUNDATION, DRAWING ON APPROPRIATE EXPERTISE FROM USAID/W AND ELSEWHERE. PARTICIPATION AND OBTAINING CONSENSUS ON A FOUNDATION OR ENDOWMENT WILL BE PARTICULARLY IMPORTANT. AFR, PPC AND M ARE ESPECIALLY INTERESTED IN THIS IDEA. PLEASE KEEP USAID/W APPRISED OF PROGRESS AT KEY POINTS IN THE FOUNDATION CONCEPT'S DEVELOPMENT AND DISCUSS THE APPROPRIATE PORTIONS OF THE RESULTS FRAMEWORK WITH KEY USAID BUREAUS AND OFFICES PRIOR TO THE SUBMISSION OF THE GRADUATION CSP.

D. RESOURCES. FOR FYS 97 AND 98, PLEASE FOLLOW THE FY 97 AND FY 98 INDICATIVE WORKFORCE AND PLANNING LEVELS PROVIDED AS PART OF THE R2B GUIDANCE. USAID/W IS MAKING

EVERY EFFORT TO ADJUST WORKFORCE LEVELS TO SUPPORT THE MISSION'S PROGRAM FOR THOSE YEARS. PROJECTIONS FOR THE OUTYEARS ARE MORE DIFFICULT TO PREDICT BUT AT THIS TIME ARE APPROPRIATE FOR PLANNING PURPOSES. IT IS ALSO DIFFICULT TO PROJECT FOUNDATION RESOURCE REQUIREMENTS AT THE CURRENT LEVEL OF SPECIFICITY WE HAVE ACHIEVED IN THE GRADUATION REVIEW PROCESS. THE OPERATING EXPENSE (OE) AND RELATED FTE QUESTIONS ARE EVEN MORE UNCERTAIN. THEREFORE,

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THOUGH IMPOSSIBLE TO COMMIT AT THIS TIME, AFR PLANS TO
WORK WITHIN ITS OE AND OYB PLANNING LEVELS TO ENSURE THAT
YOUR PROGRAM HAS THE RESOURCES IT NEEDS TO IMPLEMENT A
SUCCESSFUL GRADUATION STRATEGY.

E. FINALLY, PLEASE INCLUDE A PRELIMINARY PLAN FOR
DISPOSITION OF ASSETS, INCLUDING THE USE OF LOCAL CURRENCY
TRUST FUNDS AND PROGRAM FUNDS.

15. WE VERY MUCH APPRECIATE THE ZIMBABWE GRADUATION
DIALOGUE, AND LOOK FORWARD TO WORKING TOGETHER TO MAKE IT
A SUCCESSFUL ONE.
CHRISTOPHER

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ACTION AF-01

INFO	LOG-00	AID-00	CIAE-00	OASY-00	DODE-00	SRPP-00	UTED-00
	H-01	TEDE-00	INR-00	L-01	ADS-00	M-00	NSAE-00
	NSCE-00	OMB-01	PA-00	PM-00	PRS-00	P-00	CIO-00
	SP-00	TRSE-00	USIE-00	PMB-00	DRL-09	G-00	/013W

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FM AMEMBASSY HARARE
TO SECSTATE WASHDC IMMEDIATE 3384

UNCLAS SECTION 01 OF 03 HARARE 009254

DEPT FOR A/AA/AFR CAROL PEASLEY FROM
AMBASSADOR JOHNNIE CARSON, ALSO FOR AF/S

SENSITIVE

E.O. 12958: N/A
TAGS: EAID, PGOV, ZI
SUBJECT: USAID/ZIMBABWE: 2003 AND BEYOND

REF: (A) USAID/ZIMBABWE 1996-2003: GRADUATION
AND BEYOND (MAY 1996), (B) STATE 193875

PARA 9B

HARARE 01 OF 03 9254

1. SENSITIVE BUT UNCLASSIFIED. PROTECT ACCORDINGLY.
2. (SBU) THIS IS AN ACTION MESSAGE FROM THE CHIEF OF MISSION. THE CONTENTS HAVE BEEN SHARED WITH USAID/ZIMBABWE. ACTION REQUESTS ARE AT PARAS 6C, 7D AND 10.
3. (SBU) SUMMARY: I HAVE READ YOUR GRADUATION CABLE CAREFULLY AND AM CONCERNED THAT SOME TECHNICAL ERRORS HAVE BEEN MADE CONCERNING THE TIMING OF AMERICAN STAFF DRAWDOWNS AND THE HANDLING OF SOME OF OUR PSC'S. ~~MORE CRITICALLY, I AM ALSO SERIOUSLY CONCERNED THAT USAID WASHINGTON MAY NOT RECOGNIZE THE GREAT IMPORTANCE I ATTACH TO ESTABLISHING A ZIMBABWE-AMERICAN FOUNDATION AND TO PUTTING (EVEN AS WE PREPARE TO DRAW DOWN) MORE MONEY INTO DEMOCRACY AND GOVERNANCE. UNLIKE MANY SKEPTICS WHO HAVE LED A FULL SCALE ASSAULT ON USAID PROGRAMS, I THINK WE NEED BILATERAL DEVELOPMENT ASSISTANCE PROGRAMS IN COUNTRIES LIKE ZIMBABWE TO FOSTER ECONOMIC DEVELOPMENT AND TO PROMOTE OUR FOREIGN POLICY INTERESTS. THE EMBASSY AND USAID CAME UP WITH A PLAN THAT WORKS, THAT PROVIDES A TRANSITION FROM OLD USAID POLICIES TO A NEW PARADIGM FOR THE FUTURE. PLEASE TAKE A SERIOUS LOOK AT ALL THE CONCERNS I'VE OUTLINED BELOW IN ORDER FOR US TO MOVE ON TO THE NEXT STEPS. I CANNOT APPROACH THE GOZ UNTIL MY CONCERNS HAVE BEEN ADDRESSED.~~ END SUMMARY.
4. (SBU) THE POST HAS RECEIVED REF B AND REVIEWED IT CAREFULLY. HOWEVER, IN COMPARING REF B WITH THE MISSION'S INITIAL SUBMISSION REF A, I BELIEVE A NUMBER OF CRITICAL ISSUES REMAIN UNRESOLVED AND UNCLEAR. AFTER NEARLY SIX MONTHS OF WASHINGTON DELIBERATIONS ON THE USAID/HARARE PROPOSAL, I THINK IT IS TIME TO MOVE FORWARD. HOWEVER, UNTIL SOME CRITICAL ISSUES ARE CLARIFIED AND AN ACCEPTABLE PLAN IS DEVELOPED FOR THE RESOLUTION OF

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MY REMAINING CONCERNS, I CANNOT ENTER INTO MEANINGFUL DISCUSSIONS WITH THE GOVERNMENT OF ZIMBABWE (GOZ) OR INFORM LOCAL USAID STAFF OF THE PROPOSED PLAN. THESE ISSUES CAN BE RESOLVED IN SHORT ORDER WITH A REVIEW OF REF A AND VERY MINOR ADJUSTMENTS FROM USAID/AFR PRIOR TO FINAL CONFIRMATION BY RETURN CABLE. I URGE THAT YOU MOVE RAPIDLY ON THESE ISSUES SO THAT I CAN BEGIN MY DISCUSSIONS WITH THE GOZ, INFORM USAID MISSION MANAGEMENT AND ITS STAFF ABOUT THEIR FUTURE AND GIVE THE GREEN LIGHT FOR THE USAID TEAM TO INITIATE ITS 1997 COUNTRY STRATEGIC PLANNING EXERCISE.

5. (SBU) THIS CABLE OUTLINES THE MOST PRESSING TECHNICAL ISSUES AND PROVIDES COMMENTS IN TWO CRUCIAL ADDITIONAL AREAS.

6. (SBU) CLARIFICATION ON LENGTH OF STRATEGIC OBJECTIVE ACTIVITY AND CORRESPONDING USDH PRESENCE.

A. NOTE THAT WE BELIEVE A SIMPLE MISREADING OF REF A HAS OCCURRED AND THAT THIS CLARIFICATION CAN BE EASILY MADE. PARAGRAPH 2 OF REF B INDICATES THAT "USDH PRESENCE IN STRATEGIC OBJECTIVE (SO) 1 (NATURAL RESOURCES MANAGEMENT) AND SO 2 (ECONOMIC GROWTH) WILL END BY 1999 WITH MISSION PROGRAMMING TO CONTINUE THROUGH FY 2000." THE PLAN SUBMITTED BY USAID/ZIMBABWE IN MAY 1996 CLEARLY INDICATED (PP. 4-5) THAT THE LAST FULL YEAR OF USDH PRESENCE IN THESE SO'S WOULD BE 1999 AND THAT THE USDHS MANAGING THESE SOS WOULD DEPART POST DURING FY 2000. THE SAME DISCREPANCY EXISTS FOR STRATEGIC OBJECTIVE 3 (POPULATION/HIV-AIDS). WHILE 2001 WILL BE THE LAST FULL YEAR OF USDH PRESENCE IN THIS SO, THE USDH WILL NOT DEPART UNTIL LATE IN FY 2002.

B. GIVEN THE PRESENT AND ANTICIPATED REDUCTIONS IN USDH CEILINGS, IT MUST BE CLARIFIED THAT THE USDH PRESENCE IN ZIMBABWE WILL REMAIN AT SEVEN (7) THROUGH FISCAL YEAR END 1999 AND ONLY BE REDUCED TO FIVE (5) BY LATE IN FISCAL YEAR 2000. IN A SIMILAR FASHION THE USDH PRESENCE WILL REMAIN AT

FIVE (5) THROUGH FISCAL YEAR 2001 AND ONLY BE REDUCED TO FOUR (4) BY THE END OF FISCAL YEAR

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2002. ONCE AGAIN, I BELIEVE A CAREFUL REVIEW OF OUR DOCUMENT WILL CLARIFY THIS ISSUE.

C. ACTION REQUESTED: AFTER REVIEW OF REF A, PLEASE CONFIRM BY CABLE THAT THE USDH PRESENCE IN SOS 1 AND 2 WILL DEPART BY THE END OF FY 2000 AND THAT THE USDH PRESENCE IN SO3 WILL DEPART BY THE END OF FY 2002.

7. (SBU) FTE RESOURCE LEVELS.

A. PARAGRAPH 14.D OF REF B INSTRUCTS MISSION TO FOLLOW INDICATIVE WORKFORCE LEVELS PROVIDED AS PART OF THE R2B GUIDANCE. IT IS MY UNDERSTANDING THAT AGREEMENT ON WORKFORCE LEVELS HAS NOT YET BEEN REACHED AND THAT THIS REMAINS AN OUTSTANDING ISSUE FROM THE AUGUST REVIEW OF THE R2B IN

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WASHINGTON. I NOTE, AS WELL, THAT NO FINAL GUIDANCE ON THE R2B REVIEW HAS YET BEEN RECEIVED IN THE FIELD.

B. OE-FUNDED USPSCS. AS USAID/ZIMBABWE HAS INDICATED PREVIOUSLY, HUMAN RESOURCES PROJECTED IN THE GRADUATION BLUEPRINT ARE THE MINIMUM REQUIRED FOR THE ACCOMPLISHMENT OF THE RESULTS SET FORTH IN THAT DOCUMENT. WE HAVE A SUGGESTION ON HOW THIS ISSUE CAN BE RESOLVED. AFTER A FINAL RIGOROUS REVIEW OF CURRENT AND PROJECTED NEEDS, USAID/ZIMBABWE HAS DETERMINED THAT IT WILL BE ABLE TO ACCEPT THE PROJECTED REDUCTIONS IN "OTHER US CITIZEN OE FUNDED" (OE-FUNDED PERSONAL SERVICES CONTRACTORS) IF USAID/ZIMBABWE CAN GIVE RELIEF OF ONE (1) SENIOR-LEVEL POSITION IN THE OE-FUNDED FOREIGN SERVICE NATIONAL CATEGORY BEGINNING IN FY 1998.

C. PROGRAM FUNDED USPSCS. WHILE USAID/ZIMBABWE WILL BE ABLE TO ACCOMMODATE THE REDUCTION IN OE FINANCED US PERSONAL SERVICES CONTRACTORS BY THE END OF FY 1998 (WITH THE SUGGESTED ADJUSTMENT IN PARA 7B), IT CANNOT IMPLEMENT THE PROGRAM DESCRIBED IN THE BLUEPRINT WITHOUT THE DESIGNATED NUMBER OF PROGRAM FUNDED US PERSONAL SERVICES CONTRACTORS. THE R2B CONTROL LEVELS, WHICH REQUIRE A REDUCTION FROM 4 PROGRAM-FUNDED USPSC'S AT FISCAL YEAR END 1996 TO 2 PROGRAM FUNDED USPSC'S BY FISCAL YEAR END 1998, DECIMATE ANY RESPONSIBLE PROGRAM MANAGEMENT AND MONITORING PLANS AND THREATEN THE INTEGRITY OF THE SUBMITTED BLUEPRINT. USAID/ZIMBABWE'S BLUEPRINT CALLS FOR RETENTION OF FOUR (4) PROGRAM FUNDED USPSCS IN FY 1997 AND A REDUCTION TO THREE (3) IN FY 1998. THESE ARE THE MINIMUM REQUIREMENTS FOR OPERATION.

D. ACTION REQUESTED: CONFIRM BY RETURN CABLE STAFFING LEVELS WHICH PROVIDE: 1) ONE ADDITIONAL OE-FUNDED FSN BEGINNING IN FY 1998 (TO REPLACE ONE OE-FUNDED USPSC); 2) FOUR PROGRAM FUNDED USPSCS THROUGH FY97 (ONE ABOVE THE CONTROL LEVEL); AND 3) THREE PROGRAM FUNDED USPSCS THROUGH FY 98 (ONE ABOVE THE CONTROL LEVEL.)

B. (SBU) OPERATING YEAR BUDGET (OYB) - ECONOMIC GROWTH RESOURCES.

A. THE BLUEPRINT SUBMITTED BY USAID/ZIMBABWE IN MAY 1996 INDICATED A TOTAL LEVEL OF FUNDING FOR FY 1997 AND FY 1998 WHICH INCLUDED OYB NEEDS FOR EACH STRATEGIC OBJECTIVE AS WELL AS MINIMUM FUNDING OF US\$5.0 MILLION IN EACH OF THESE TWO FISCAL YEARS FOR THE ZIMBABWE AMERICAN DEVELOPMENT FOUNDATION. CONTROL LEVELS WHICH USAID/ZIMBABWE RECEIVED IN THE FY 1998 RESOURCE REQUEST (R2B) PLANNING EXERCISE ARE IN LINE WITH THE TOTALS, BUT CREATE A FUNDING GAP IN THE ECONOMIC GROWTH AREA.

B. IN ORDER TO ACCOMPLISH THE MINIMAL OBJECTIVES SET FORTH IN THE BLUEPRINT, USAID/ZIMBABWE WILL REQUIRE SUFFICIENT ECONOMIC GROWTH FUNDS TO MEET REQUIREMENTS OF BOTH SO2 AND THE FOUNDATION.

C. USAID DIRECTOR BENEDICT WILL DISCUSS THE PROJECTED SHORTFALL IN ECONOMIC GROWTH FUNDING AND POSSIBLE OPTIONS DURING HIS TOY THE WEEK OF SEPTEMBER 23, 1996, AND WILL SEEK RESOLUTION ON THIS SHORTFALL. NO IMMEDIATE ACTION NECESSARY.

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9. (SBU) COMMENTS:

A. THE ZIMBABWE AMERICAN DEVELOPMENT FOUNDATION (ZADF) PROPOSAL: MORE IMPORTANT FROM MY PERSPECTIVE THAN THE ABOVE TECHNICAL ISSUES, REF B

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WAS A SERIOUS DISAPPOINTMENT IN THAT IT DID NOT RECOGNIZE THE COUNTRY TEAM'S VISION OF THE ABSOLUTE CENTRALITY OF THE ZADF TO THE MISSION BLUEPRINT FOR CREDIBLE DEVELOPMENT ASSISTANCE IN ZIMBABWE BEYOND DIRECT USAID PRESENCE IN ZIMBABWE. THE FOUNDATION WILL BE EVIDENCE OF A DYNAMIC EVOLUTION OF USG DEVELOPMENT ASSISTANCE--THE ESTABLISHMENT OF A MORE MATURE AND SOPHISTICATED RELATIONSHIP WITH THIS HOST COUNTRY. I SEE THIS ELEMENT AS THE FOCAL POINT OF USG ASSISTANCE AFTER FY 2003--AN ELEMENT THAT WILL OPERATE IN KEY SECTORS WHICH ARE ESSENTIAL TO U.S. FOREIGN POLICY INTERESTS AS OUR BILATERAL RELATIONSHIP MOVES INTO THE TWENTY-FIRST CENTURY. DEVELOPMENT OF A FOUNDATION WILL BE PURSUED WITH THE FULL COMMITMENT OF THE COUNTRY TEAM AND WILL BE THE FOCAL POINT FOR THE COUNTRY STRATEGIC PLAN WHICH WILL BE SUBMITTED TO USAID/W IN MARCH 1997. I HOPE YOU WILL THROW YOUR WEIGHT BEHIND THE CREATION OF THE ZADF.

B. DEMOCRACY AND GOVERNANCE/SECTION 116(E) FUNDS: I WAS GRATIFIED TO NOTE THE SUGGESTION FOR AN EXPANDED 116(E) PROGRAM IN PARAGRAPH 13 OF REF B. USAID DIRECTOR BENEDICT WILL HOLD DISCUSSIONS ON THIS TOPIC WITH RELEVANT PARTIES DURING HIS TDY IN AID/W. IN ADDITION, I FEEL VERY STRONGLY THAT EVEN AS WE PREPARE TO PHASE OUT OF OUR TRADITIONAL BILATERAL PROGRAM WE MUST OVER THE NEXT SEVERAL YEARS EXPEND SOME MORE MONEY AND ENERGY PROMOTING DEMOCRACY, GOOD GOVERNANCE AND THE ESTABLISHMENT OF A CIVIL SOCIETY IN ZIMBABWE. THE ROOTS OF ZIMBABWE'S DEMOCRACY ARE EXTRAORDINARY SHALLOW, AND AS PRESIDENT MUGABE MOVES INTO THE TWILIGHT OF HIS PRESIDENCY, CORRUPTION, GOVERNMENTAL MALFEASANCE, ELECTION RIGGING AND THE DECLINE OF DEMOCRATIC VALUES ALL INCREASING. MUCH OF WHAT USAID HAS DONE IN POLICY REFORM, HEALTH CARE AND WITH ORGANIZATIONS LIKE CAMPFIRE COULD BE SERIOUSLY UNDERMINED BY A GOVERNMENT THAT PUTS ITS OWN PRIVILEGES ABOVE THE INTERESTS OF THE PUBLIC. USAID/HARARE OR USAID/WASHINGTON SHOULD FIND SOMEWHERE IN THE MIX OF "RESOURCE POTS" FUNDING BEYOND THE 116 E MONEY FOR A SMALL BUT ACTIVE DEMOCRACY EFFORT. THE 116 E FUNDS ARE IMPORTANT, BUT USAID HAS TO JOIN THE EMBASSY AND USIS IN DOING MORE IN AN AREA THAT HAS BEEN NEGLECTED HERE FOR TOO LONG. IF NECESSARY I THINK WE SHOULD DRAW SOME MONEY FROM THE EXISTING PROGRAMS TO SUPPORT A SMALL, HIGHLY FOCUSED DEMOCRACY AND GOVERNANCE EFFORT.

10. (SBU) CAROL: I LOOK FORWARD TO HEARING FROM YOU ON THESE ISSUES AND IN MOVING THE POLICY AND PROCESS ALONG HERE IN A WAY WHICH PRESERVES WHAT WE HAVE DONE AND ENSURES THAT WE CAN CONTINUE TO PLAY A MEANINGFUL (EVEN IF DIFFERENT) ROLE IN THE FUTURE. REGARDS.
CARSON

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ADM AID, FOR AMBASSADOR JOHNNIE CARSON

E.O. 12958: N/A

TAGS:

SUBJECT: USAID/ZIMBABWE: LOOKING TOWARD THE FUTURE

REF: (A) STATE 193875 (B) HARARE 9254

1. WE ARE PLEASED TO BE ABLE TO ADVANCE THE BLUEPRINT DISCUSSIONS PER REFS (A) AND (B) AS WE MOVE TOWARDS 2003, AND WANT TO REASSURE POST OF OUR KEEN INTEREST IN WORKING TOGETHER TO SUPPORT USG INTERESTS IN ZIMBABWE AS ARTICULATED IN THE BLUEPRINT AND UPCOMING REVISED COUNTRY STRATEGIC PLAN. THE FOLLOWING RESPONDS TO

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CONCERNS/REQUESTS FOR CLARIFICATIONS RAISED IN REF (B).

2. THE ZIMBABWE-AMERICAN FOUNDATION. WE ARE INDEED ENTHUSIASTIC ABOUT THE FOUNDATION CONCEPT, AND APPRECIATE ITS POTENTIAL FOR FUTURE DEVELOPMENT IN ZIMBABWE. WE LOOK FORWARD TO SEEING THE DRAFT DESIGN FOR THE FOUNDATION WHEN AVAILABLE.

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3. STAFFING. WE WERE PLEASED TO RECENTLY PROVIDE SOME STAFF RELIEF IN FY 97 AND FY 98 IN SUPPORT OF YOUR IMPORTANT EFFORTS. WE CAN ALSO CONFIRM THE USDH PHASING BY STRATEGIC OBJECTIVE (S.O.) CONSISTENT WITH YOUR UNDERSTANDINGS AND THE DRAFT BLUEPRINT.

A. AS A RESULT OF RECENT BUREAU ADJUSTMENTS UNDER THE AFR BUREAU CEILINGS, WE ARE ABLE TO PROVIDE THE FOLLOWING INCREASES IN FY 97 AND FY 98 OVER THE R2B LEVELS:

--U.S. PSCS PROGRAM-FUNDED: FROM R2B LEVELS OF 3 AND 2 FOR FY 97 AND FY 98 TO 4 AND 3 RESPECTIVELY;

--NON-U.S. OE-FUNDED: FROM R2B LEVELS OF 38 AND 34 FOR FY 97 AND FY 98 TO 44 AND 41 RESPECTIVELY;

--NON-U.S. PROGRAM-FUNDED: FROM R2B LEVELS OF 8 AND 6 FOR FY 97 AND FY 98 TO 11 AND 8 RESPECTIVELY.

B. TO CLARIFY THE PLANNED PHASING OF USDH BY STRATEGIC OBJECTIVE (S.O.), WE RECONFIRM THE DRAFT BLUEPRINT'S LANGUAGE THAT USDH PRESENCE UNDER THE NATURAL RESOURCES MGMT AND ECONOMIC GROWTH STRATEGIC OBJECTIVES WOULD END BY
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FY 1999, WITH THE USDH MANAGING THESE S.O.S DEPARTING IN FY 2000. FY 2001 WILL BE THE LAST YEAR FOR USDH PRESENCE UNDER THE POPULATION/HIV-AIDS S.O. NO. 3, WITH USDH DEPARTING LATE FY 2002.

4. DEMOCRACY/GOVERNANCE. WE CONCUR ON THE IMPORTANCE OF USG LEADERSHIP ON DEMOCRACY AND GOVERNANCE (D/G) IN ZIMBABWE, ESP. AS THE COUNTRY BEGINS TO FACE AN EVENTUAL LEADERSHIP TRANSITION. USAID LOOKS FORWARD TO CONTINUED DIALOGUE WITH STATE ON THIS, AS POST IDENTIFIES OPPORTUNITIES FOR ENGAGEMENT, AND WILL LOOK CREATIVELY AT VARIOUS MEANS OF SUPPORTING D/G CONCERNS WITHIN THE CONTEXT OF LIMITED HUMAN AND FINANCIAL RESOURCES. WE WILL CONTINUE TO STRIVE FOR ADDITIONAL ALLOCATIONS OF REGIONAL (116E) RESOURCES AS PLANNED. IN ADDITION, WE WILL SUPPORT MISSION EFFORTS TO INTEGRATE BILATERAL AND GLOBAL RESOURCES INTO D/G INITIATIVES WITHIN THE GUIDELINES OF THE REVISED COUNTRY STRATEGIC PLAN (CSP).

5. ECONOMIC GROWTH RESOURCES. MISSION DIRECTOR BENEDICT RAISED THE POSSIBILITY OF ADDITIONAL ECONOMIC GROWTH RESOURCES DURING HIS RECENT AID/W TDY. WE ANTICIPATE ADDITIONAL DISCUSSION DURING THE REVIEW OF THE REVISED CSP AND GRADUATION PLAN EARLY NEXT YEAR.

6. NEXT STEPS. THE GRADUATION PLAN IS A CRITICAL PART OF

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THE STRATEGY THROUGH 2003. PER AGREEMENT REACHED DURING
MISSION DIRECTOR BENEDICT'S RECENT CONSULTATIONS IN
WASHINGTON, THE REVISED CSP AND GRADUATION PLAN WILL BE
REVIEWED TOGETHER EARLY NEXT YEAR. THE GRADUATION
STRATEGY -- INCLUDING THE FOUNDATION -- WILL BE INTEGRATED
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INTO THE CSP. THE AGREED UPON DATE FOR COMPLETION OF THE
COUNTRY-APPROVED DOCUMENT WAS MARCH 1997, WITH A REVIEW TO

BE SCHEDULED IN USAID/W SHORTLY THEREAFTER. WE ALSO
AGREED THAT A DRAFT OF THE FOUNDATION STRATEGY WOULD BE
COMPLETED FOR PRELIMINARY DISCUSSIONS IN JANUARY.
CHRISTOPHER

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