# the Courier

### the magazine of ACP-EU development cooperation

N° 198 May-June 2003

### Possier Post-conflict penalitation Country report Botsvana

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Cover: African elephant herd walking in line. Chobe National Park, Botswana. ©2002-2003 Nature Picture Library/Peter Oxford

### Published in English and French every two months.

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### Notice to readers

Many of you have taken the time and trouble to reply to the questionnaire published in issue n° 196. We appreciate this effort, and this feedback is invaluable.

You can still send us your completed questionnaires or reply online at: http://europa.eu.int/comm/development/body/publications/publications\_courier \_en.cfm

The ACP-EU Courier is the voice of the ACP-EU partnership in political, economic and social cooperation. This relationship can be traced back 45 years to the Treaty of Rome. The two sides have set up joint institutions and are involved in an ongoing political dialogue. The partnership was last renewed on 23 June 2000 with the signing of the Cotonou Partnership Agreement, covering a 20-year period.

As well as the political dimension, this agreement provides for intense cooperation in the trade area as the EU seeks to ensure that the ACP countries do not suffer

marginalisation in the current multilateral trade negotiations (Doha Round).

The partnership has always focused on development assistance which targets the twin objectives of poverty reduction and sustainable development.

Giving voice to men and women from ninety-three EU and ACP countries across the globe facing the future in a spirit of partnership: that is our mission.

# Editorial

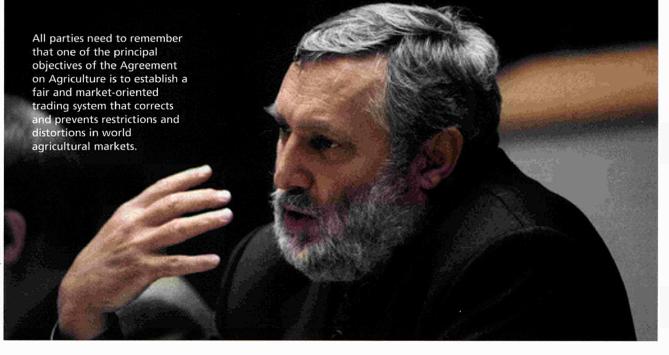
### On the road to Cancún

Is the Doha spirit still there? This question, which is currently on the lips of many observers, will likely find its answer at the World Trade Organisation's (WTO) fifth Ministerial Conference which will be held from 10 to 14 September 2003 in Cancún, Mexico. The Doha Development Round, launched in November 2001 and due for completion by 1 January 2005, seems to be marking time. After almost two years of negotiations, trade ministers of WTO member countries will examine a wide range of sectoral issues, which are an integral part of the Round's built-in agenda, whilst paying particular attention to the development dimension.

As globalisation accelerates, the links between trade and development are manifest. Although trade cannot on its own assure long-term development, it is nevertheless a powerful lever for stimulating and consolidating growth in developing countries and for combating poverty. Viewed in this context, the commitments subscribed to in Doha are fundamental, and it is now a question of taking measures to translate them into concrete steps.

As things stand at the moment, many developing countries feel that there has been little progress on several subjects of importance to them (special and differential treatment, pharmaceuticals, market access, regional agreements, flexible rules, etc.). Cancún will be an opportunity for them to bring the focus of debate back to development. The uncertainties weighing on the world economy, together with the tensions left behind after September 11, have pushed multilateral cooperation – now more vital than ever – into second place. According to the WTO Director-General, "the Doha Development Agenda is one key element of multilateral cooperation that will stimulate economic growth, bring greater stability into international economic relations and help developing countries grow their way out of poverty". An encouraging factor was the call by the G8 at their Evian summit in June for a successful outcome to the negotiations taking place in the context of the Doha Development Agenda.

The European Union and the ACP countries have been partners over many years, and they are uniting their efforts to ensure that development issues are not jettisoned. To do that, they will have to harmonise their positions and strengthen this solidarity that has already given results. All the more so, since multilateral issues are likely to have a major influence on the setting up of the economic partnership agreements now being negotiated. Launching the Doha Round was a necessity: concluding it in a satisfactory manner, that is to say, in a way that responds to the challenges of development, is now indispensable.



### Meeting point Agricultural trade negotiations and the developing world:

an interview with Franz Fischler, European Commissioner for Agriculture, Rural Development and Fisheries

During the current World Trade Organisation (WTO) negotiations a number of differences between its members have become apparent on the sensitive issue of agriculture. These negotiations, in the "Doha Round", give the countries of the South a unique opportunity to defend their interests in a crucial sector for their economies. In this interview Franz Fischler argues that the EU, which is making difficult and radical reforms to its common agricultural policy (the CAP), has made proposals to meet the concerns of the developing countries. He outlines his thoughts on the problems of a trade regime for agricultural products.

Members of the WTO were not able to meet the 31 March deadline for agreeing on how agricultural negotiations should proceed. Is this a worrying sign in the run-up to the Fifth Ministerial Conference in Cancun (Mexico) in September?

We all know that there are still many outstanding issues to be dealt with. Let's be realistic. The 31 March deadline was missed. We regret this. The EU had been working hard to avoid it. The Union has put forward a comprehensive plan to further reform world trade in agriculture and fully incorporate developing countries into the world trading system. We have cited hard figures and concrete goals that are not unrealistic, but perfectly attainable.

They show a great deal of flexibility and willingness to compromise on our part, given that we are prepared to:

- cut our import tariffs by 36 per cent on average, to improve market access for agricultural products coming from third countries;
- cut our export subsidies by 45 per cent on average, and for certain products abolish them altogether, provided others accept equivalent disciplines for their forms of export support;

- cut our trade-distorting support by 55 per cent;
- take account of non-trade concerns; and
- give developing countries a better deal by creating better opportunities for market access – recognising the importance of food security and allowing a preferential implementation period for any new commitments.

But these are not things that we are prepared, or indeed can afford, to do on our own. If we are to make these substantial reductions to our tariffs and trade-distorting support, we need and want our partners to go down this same road. It is not only our export subsidies that can viewed as tradedistorting after all: what about bogus food aid, export credits and the pricing practices of certain state trading enterprises? All parties need to remember that one of the principal objectives of the Agreement on Agriculture is to establish a fair and market-oriented trading system that corrects and prevents restrictions and distortions in world agricultural markets. The negotiations must pursue the same objective.

Now, we need to keep a cool head. More important than the precise deadline is to inject a new dynamism into the negotiations,

### \_meeting point

to keep on working constructively to narrow existing differences in negotiating positions. We should not forget that in fact there are many other deadlines in the Doha declaration that have not yet been met. Take the agreement on access to medicines for poor countries for example. This deadline came and went in December 2002. What is far more important now is that we keep the process moving and focus our attention on making real progress in these negotiations in order to ensure that the next ministerial meeting in Cancun will be a success.

### How will it be possible to manage the demands of the different categories of developing country, made during the agricultural negotiations, especially those relating to special and differentiated treatment and to special safeguarding mechanisms?

There cannot be – there will not be – a Doha deal unless developing countries are able to conclude that they have been treated fairly. But on market access most of the proposals risk undermining developing countries, and especially the more vulnerable developing countries, which rely on their preferential access to European markets in particular. Further market access must not become a blunt instrument for already powerful agricultural exporters against the developing world.

Therefore, it does not come as a surprise that 74 WTO members, counting the EU as one, have signed up to a different approach – an approach that worked well in terms of moving reform forward in the Uruguay Round. Proposals that would favour strong exporting nations and would leave the weaker ones out in the cold have been rightly rejected by many developing countries.

Commercial competition in agriculture between the North and the South is one of the most unfair areas of trade, because some players are doped with subsidies, as the new American Farm Bill shows. Is it realistic to hope for fairer rules at a multilateral level? Do you think that decoupling aid from production, advocated in the Common Agricultural Policy (CAP) reform, can solve the basic problem for the countries of the South, that do not have a way to protect and support their agriculture against market distortions and dumping.

Giving developing countries a better deal is one of the main objectives of the Doha Development Agenda. And the EU is ready to deliver. But listening to some WTO members, one could easily get the impression that all farm spending is evil and should be abolished. We do not agree with this. The correct common objective in the WTO is to reduce farm subsidies (including those of the EU) that distort international trade and harm the interests of developing countries.

But all parties have not moved in the same direction, and – worse – all parties are not even being pushed in the same direction. In recent years the EU has taken important reform steps to make our farm support much less trade distorting; others, such as the US, have done the opposite. This fact has to be recognised in the WTO negotiations, and thus far such recognition has been signally lacking.

One can argue that trade-distorting subsidies may be contrary to the trade interests of developing countries, and that this is in conflict with the objective of fostering these interests. But this does not lead to the conclusion that the elimination of all subsidisation, including that which does not distort trade, would be coherent with our overall policy objective, nor that it would even necessarily be in the interests of the developing countries, or most of them.

Would eliminating EU income support, and eliminating all tariff barriers for agricultural products (a policy espoused by the most radical NGOs), benefit the developing countries? This is highly questionable: in fact, eliminating our income support would not benefit developing countries, while it would be highly detrimental to the sustainable development of EU farming; and eliminating all trade barriers could benefit the most competitive developed and developing countries, such as Brazil, which produce many temperate products in competition with ours; but this would be at the cost of many weaker and more vulnerable developing countries.

This is because a large number of developing countries benefit from preferences on the EU market, through the Cotonou Agreement, other agreements such as those with the Mediterranean partners or South Africa, the Everything but Arms Initiative (EBA) or the General System of Preferences (GSP).

Much of the criticism levelled against the CAP is simply outdated. I hear the same refrain again and again: allegations that the EU dumps its agricultural products on world markets. How can such a claim be substantiated when the actual export share of EU agricultural products has decreased in almost every product grouping, as evidenced by the recent WTO report on agricultural trade? In fact, if one looks at the net export record of the EU, the EU market share has decreased in every product grouping receiving public support over the last ten years. This is no accident but a trend driven by CAP reform. Unfortunately these developments do not make headlines; others do.

Finally, on market access there is much that developing countries can do collectively to help themselves, by opening their markets towards each other. According to some estimates this would give them two thirds of the overall benefit resulting from worldwide trade liberalisation. They do after all pay more than 70 per cent of all their customs tariffs (€80 billion) on trade with each other.

The question of access to the market for the agricultural products of developing countries (and not just the Least Developed Countries) is a crucial one for them. To what extent do the EU's proposals for reform of the CAP, and at a multilateral level, constitute a real step forward?

The EU recognises the need to ensure that developing countries fully benefit from the expansion of world trade.



There cannot be – there will not be – a Doha deal unless developing countries are able to conclude that they have been treated fairly. But on market access most of the proposals risk undermining developing countries, and especially the more vulnerable developing countries, which rely on their preferential access to European markets in particular

The key is to create opportunities for increased market access for developing countries, while recognising the importance of food security and accepting the need for the most fragile developing countries to maintain protection in order to have adequate time to adapt.

To this end, the EU proposes the following:

- a "food security box". In order to facilitate the implementation of further tariff reductions and to meet the developing countries' concerns on sensitive agricultural crops, a Special Safeguard instrument should be extended to developing countries in order to ensure food security. Substantially lower commitments should be agreed if this is necessary for developing countries to attain their legitimate objectives regarding food security and other multifunctional concerns;
- not less than 50 per cent of developed countries' farm imports from developing countries at zero duty;
- duty-free and quota-free access for all imports from Least Developed Countries (LDCs) into developed and advanced developing countries;
- a significant reduction in tariff escalation on products of particular interest to developing countries by reducing the level of tariff protection (both ad valorem and specific);
- the possibility of supporting their agricultural sector for developmental reasons. This would imply that such support would not count as trade distorting;
- lower reduction rates and a longer implementation period. The EU proposes that the new commitments be implemented over six years for developed countries and ten years for developing countries beginning in 2006.

How do we strike a balance between the increasing demand in Europe for health safety standards, and opening markets to an extent that is acceptable to developing countries, while preventing new environmental requirements becoming, in effect, a form of protectionism?

Our consumers want to eat safe food, regardless of its origin. This is a legitimate concern and has nothing to do with protectionism. Moreover it is absolutely against the interests of the developing countries to suggest they cannot meet these standards. They can and in many cases they do; and when they do not, there is a valid case for technical assistance.

Oxfam's "Double Standards Index", which measures the divergence between free trade principles and protectionist practices against poor countries, unfortunately puts the EU in first place among the "Quad" (the EU, the USA, Canada and Japan). What do you think about that?

The EU welcomes the Oxfam campaign, Make Trade Fair, as a useful contribution to the global debate on how best to combat poverty. The Commission shares Oxfam's view that trade does not automatically yield benefits, and that developing countries need stability, sound domestic policies and good governance to allow growth to flourish. It shares Oxfam's concern about the marginalisation of Africa. It supports the need to make sure in advance that trade policies are framed in ways that really do help rather than harm developing countries. And it welcomes Oxfam's view that foreign direct investment in developing countries can bring many benefits.

But we take issue with Oxfam's finding that the EU is the most protectionist of the Quad group. The calculations behind the ranking are quite simply wrong, and don't match evidence on the EU's openness to trade with developing countries in serious studies such as the latest International Trade Centre's (ITC) findings on market access and, separately, on environmental trade barriers.

As to agriculture, the EU is not a fortress. We import more agricultural products from the developing countries ( $\in$ 36 billion) than the US, Canada, Australia and Japan combined. We are the foremost importer from every developing region with a peak of two thirds of all African exports worldwide. These data do not yet include the results of the EU's Everything but Arms Initiative (EBA) to grant free access to all exports from the 49 poorest countries, on which the EU took the lead – with little response by other industrialised countries.

Europe defends the notion of "multifunctionality", which puts non-commercial factors to the fore in agriculture, so justifying support measures. Does it accept this equally for developing countries, especially as regards rural development, food security or employment? And how does it plan to help them safeguard these key functions?

Yes, we absolutely support the notion that "agriculture as more than just food production" is by no means an understanding confined to Europe. For societies from Mauritius to Malta, from Bangladesh to Sri Lanka, from South Korea to Sweden, farming is also about concern for the environment, for food safety, for safeguarding the supply of food and for protecting rural employment and the rural way of life. But many strong exporting countries flatly refuse to accept these concerns, conveniently ignoring that the Doha Declaration clearly states that they have to be addressed in the negotiations. Our proposal moreover reflects our support for policies that address these non-trade concerns in developing countries.

### Ten new countries will join the EU in 2004. Is this in your view an opportunity for Europe in agriculture, despite all the problems it poses, and what could the consequences be for the ACP countries?

It is clear, and always has been clear to us, that the benefits of enlargement outweigh the disadvantages for both the current Member States and the candidate countries. Trade will increase for all Member States, although those that have established links with the candidate countries will reap the most benefits. They will also reap the benefits of their location, being in a better situation to take a greater advantage of the services on offer across the border. The potential for ACP exports will also improve, as the privileged access they current enjoy to the EU-15 market will be extended to a market of 25 countries and 475 million consumers.

Enlargement is a project of paramount importance. But this does not mean that other projects will suffer. We will vigorously pursue our objective to further strengthen our ties with the ACP countries through trade and aid in order to help them develop and to alleviate poverty. ■

### Development finds its feet in the new Council configuration

Alexandroupolis: enlargement and development

The General Affairs and External Relations Council (GAERC), which met in Brussels on 19-20 May, was the second meeting under the new configuration of Council meetings – the first was in November 2002 – whereby development is discussed in the context of external relations. Two weeks after the GAERC meeting, development ministers from the EU and the 10 accession countries met again to discuss the future of the EU's post-enlargement development policy.

Dorothy Morrissey

The abolishment of a separate Development Council had worried some observers, who feared that development issues could take second place to exernal relations prorities. But, in the May GAERC meeting, discussion on development issues was well-planned, thorough and fruitful. This was the first GAERC in which the 10 EU accession countries participated, as active observers, following the signature of the Accession Treaty on 16 April.

During the meeting, the key issues on the agenda were the follow-up to the Monterrey Conference on Financing for Development, untying of aid, and implementation of the EC's development policy.

### Follow up to Monterrey:

Monitoring the Barcelona commitments

In the run up to the UN Conference on Financing for Development (ICFD), held in Monterrey in March 2002, the EU pledged to increase its Official Development Assistance (ODA), in view of reaching the UN-endorsed target of 0.7 per cent of Gross National Income (GNI) dedicated to aid. The EU pledge included two commitments; one collective, as the EU Member States would reach an average of 0.39 per cent of Gross National Income (GNI) by 2006 (up from 0.33 per cent in 2001); and the other individual – each Member State would reach 0.33 per cent of their GNI by 2006. These form part of the Barcelona commitments, which were made at the Barcelona European Summit in March 2002, in view of the Monterrey Conference.

The Commission was given a mandate by the Council to monitor progress on the Barcelona commitments. Thus, for the first time, the Commission was allowed to check the actions of Member States, and discuss collectively how obligations are being upheld. The Commission's report "Monitoring the Barcelona Commitments" was welcomed by the Council. Ministers also welcomed the good progress towards meeting the EU's commitments. The Council invited the Commission to continue monitoring on a regular basis, and to report annually.

"We are revitalising ODA," said Commissioner Poul Nielson, "and this is being duly noted by others. We are well on course. Achieving the objective of reaching 0.7 is an ambitious goal, and such regular reporting helps to keep up the momentum".

### Untying of aid

The Council debated untying of aid - with the aim of breaking the link between the granting of aid and the purchase of goods and services from the donor country. Untying of aid is proving to be a tough nut to crack. On the multilateral level, the only agreement is the DAC "Recommendation on Untying ODA to least developed countries", adopted in 2001 after long and difficult negotiations. The Commission regards this Recommendation as "a good political signal, a first, but insufficient step in the right direction". At the Barcelona European Summit, EU Member States made a commitment to "continue discussions with a view to further untying bilateral aid". The EU pledged at the ICFD to build on and enhance initiatives for greater effectiveness of aid. The Commission's communication on "Untying: enhancing the effectiveness of aid" - presented at the November 2002 GAERC - was welcomed by the Council, which said, in its conclusions, that it shares the aim of further untying Community aid. It invited the Commission to present proposals, including a timetable on implementation, to amend all regulations covering financial instruments relating to Community assistance under the Community budget by way of a horizontal Regulation, and to amend the relevant rules of the EDF.

### Implementing EU development policy

The Council discussed the Commission's development policy programme of action for 2003 and progress on reforming aid management. The Council welcomed the programme of action as a planning tool, and encouraged the Commission to continue its reform efforts. It recognised that progress had been made in reducing delays in decision-making and implementation, but called for further reductions in the level of outstanding unpaid commitments. Commissioner Nielson pointed out that the Commission was often dealing with conflict and postconflict situations, where progress can be slow. The Council recognised that, in its development policy, the Commission is still guided by its November 2000 document,



Development ministers and officials from the 25 countries in Alexandroupolis (Greece).

The European Community Development Policy, despite the addition of new objectives and priorities that have arisen since then out of international conferences.

### Other issues

The Council agreed conclusions on the Commission's proposal for an EU Water Fund, as part of the implementation of the EU's pledges at the World Summit for Sustainable Development. It invited the Commission to propose specific measures for further discussion by the Council and the ACP-EC Council of Ministers. The EU Water Fund is intended to increase resources for the water sector in the ACP countries.

Two regulations; on aid for policies and actions on reproductive and sexual health rights, and on aid to combat poverty diseases (HIV/AIDS, malaria and tuberculosis) in developing countries were agreed. They aim to follow up on the Millennium Development Goal of reducing infant mortality by three-quarters by 2005.

#### "Organised solidarity"

Following the GAERC meeting, an informal gathering of development ministers and officials from the 25 countries that will make up the EU in 2004 was held in Alexandroupolis, Greece, on 1-2 June, organised by the Greek presidency of the EU. This enabled development ministers to continue discussions, particularly focusing on enlargement and its consequences for the EU's development policy, and the treatment of development in the draft constitution drawn up by the European Convention.

"The European Union of 25 will be asked to meet constantly increasing and changing demands from the developing world, demands that will focus on trade, economy and society", said Andreas Loverdos, Greek deputy Foreign Minister, who chaired the meeting. He added that 4.68 per cent of the 10 accession states' contributions to the EU budget would be allocated to development.

Two main issues were on the agenda:

- The consequences of enlargement on development policy
- Development cooperation issues in the draft constitution drawn up by the European Convention.

Participants discussed the difficulties the accession countries face in undertaking the "acquis" of EU development policy. This includes fulfilling the commitments taken at the Barcelona European Council and the ICFD. While the accession countries expressed their commitment to the ICFD goals, they had not taken part in those negotiations and are now expected to "deliver on commitments made by the 15", as one participant put it. There was a clear understanding that it would be impossible for them to reach the EU target according to the set timetable. But the message was equally clear that 0.7 is part of the EU "acquis". Furthermore, most of the accession states have no recent tradition of commitment to development, and have been major recipients of aid in recent years. Moving from being aid recipients to being members of the donor community would take time, and they would need to convince their public. They tend to focus their assistance on neighbouring regions, while the overarching aim of EU development is poverty reduction, which entails a focus on Africa and Asia. Another difficulty relates to untying of aid. The Commission has clarified that development assistance is subject to the rules of the internal market, and thus, must be untied. But the development sector is undeveloped in many of the accession countries, making it difficult to compete on an international level.

Nevertheless, according to one accession country participant, the fact that 4.68 per cent of their contribution to the EU budget will be allocated to development is a psychological step in this direction. In addition, because of the transition they have gone through, they have practical experience of building democracy, which they could bring to the EU's development policy. Their experience as aid recipients could also be useful in improving the effectiveness of EU aid.

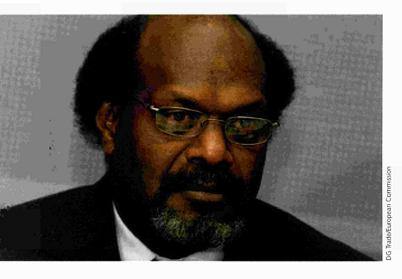
#### Future EU constitution?

The Convention on the Future of Europe was tasked with drawing up a draft constitutional treaty for the EU. Discussion turned on how development issues are addressed in the draft, if it reflects accurately the objectives and principles of EC development cooperation, and whether it provides a solid legal basis. Development policy is still identified as a "shared competence"; ie, carried out both by the Commission and the Member States. The overarching objective of EU development policy – to reduce and ultimately eradicate poverty – should be reflected in the new constitution. ■

### Interview:

### ACP Council of Ministers President, Serge Vohor, on current issues facing the ACP-EC partnership

May was a busy month, with a series of ACP meetings taking place in Brussels (Heads of ACP regional integration organisations, ACP National and Regional Authorising Officers, 77th session of the ACP Council of Ministers, 13 to 15 May, followed by a Joint ACP-EC Council of Ministers meeting). Serge Vohor, President the ACP Council of Ministers and Deputy Prime Minister of Vanuatu, spoke to the *Courier* about some of the issues on the table. Kenneth Karl



One of the main issues discussed by the ACP Council of Ministers was the state of progress of the Economic Partnership Agreement (EPA) negotiations. Differences persist between the ACP States and the EU concerning the first negotiation phase. If, between now and September 2003, agreement is not reached on this point, will certain regions start negotiations nevertheless with the EU?

The ACP Council of Ministers was made aware of the need to ensure that sufficient groundwork is done before the start of the second phase of the negotiations. There is therefore a need to take stock of the level of preparedness of the ACP countries and regions to begin the Phase 11 (regional) negotiations. While at least one regional grouping within the ACP Group has signaled its predisposition to begin negotiations in September 2003, it should be borne in mind that Article 37.5 of the Cotonou Agreement provides for negotiations on the EPAs to be undertaken with ACP countries which consider themselves in a position to do so, at the level they consider appropriate and in accordance with procedures agreed by the ACP Group, taking into account the regional integration process within the ACP.

From the point of view of the Cancún ministerial conference, what will the ACP States' plan of action be to promote the development aspects in the framework of the Doha development agenda? The ACP Group is profoundly disappointed that several key development issues and other areas of interest to the ACP Group and other developing countries have yet to be effectively tackled in the Doha negotiations. In particular there have been slippages in various deadlines set by our ministers at Doha. These include deadlines on special and differential treatment, implementation issues, agriculture, TRIPs and public health. It is important to make a great effort to resolve as many issues as possible in Geneva, in order to avoid overloading the agenda for Cancún.

In addition, the ACP Group attaches considerable importance to implementation issues and we urge all members to work seriously towards a satisfactory resolution of these issues and, thus, contribute to a redressing of the imbalances in the multilateral trading system. The ACP Group maintains that all the implementation issues and concerns should be adequately and satisfactorily addressed and resolved, preferably before Cancún. With respect to trade in services, it is critical for ACP countries to have the necessary flexibility in the development policy options in this sector by, inter alia, preserving the elements and principles of special and differential treatment contained in the GATS structure, including its Article IV.

On special and differential treatment (S&D) it is of the utmost importance that the difficulties now faced in the S&D negotiations be resolved in order to maintain the integrity and credibility of the multilateral trading system.

Another area concerns the need for transparency and inclusiveness and the need to promote an overall balance in the negotiations as we move forward to the Cancún Ministerial Conference. This is absolutely essential if Cancún is to be a success. In terms of the technical assistance and capacity building needed to facilitate the negotiations, it is important that assistance continue to be made available in all areas, to enable the ACP and other developing countries to adequately handle the negotiations.

Finally it is of critical importance to ACP countries that development flexibilities available in the WTO, such as the Enabling Clause, be retained, to allow developing countries the necessary development flexibility in policy options.

At their recent meeting in Brussels, the ACP National and Regional Authorising Officers were critical of the slow rate of disbursement of European Development Fund (EDF) resources.

### What concrete measures should be put in place to arrive at a resolution of this recurring problem, now that the Cotonou Agreement has entered into force?

The slow rate of disbursement of EDF resources has been a great concern and preoccupation for the ACP Group. As you are aware, the slow disbursement rate was one of the key areas of focus of the 7th meeting of ACP National and Regional Authorising Officers (NAOs & RAOs), which took place in Brussels during the period 10-12 May 2003. Mindful of our own responsibilities in relation to the ACP-EU Partnership, the ACP NAOs/RAOs comprehensively examined this issue and made specific recommendations to ensure the speedy disbursement of EDF resources in future. Furthermore, the 7th meeting of ACP NAOs/RAOs concluded its activities by adopting the "Brussels Declaration on the timely and effective implementation of the European Development Fund/European Programme for Reconstruction and Development", which was fully endorsed by the ACP Council of Ministers. The Brussels Declaration is an extremely important document, since it is the first time that the ACP NAOs/RAOs adopted a Declaration, which clearly demonstrates our commitment and resolve towards the speedy disbursement of EDF/EPRD resources for the benefit of ACP communities. A basis for the effective disbursement of EDF/EPRD resources exists, and it is now the collective task of the ACP Group and the EU to ensure its fullest implementation and application.

### Do you think that the conception of political dialogue between the ACP States and the EU, even going beyond the guidelines proposed in Cotonou, will in future be an effective way of dealing with certain situations?

The Cotonou Partnership Agreement substantially strengthens the notion of political dialogue between the signatory parties, and in particular dialogue on development policy and specific political issues. Having institutionalised political dialogue between the ACP Group and the EU, the adoption at the 28th Session of the ACP-EC Council of Ministers of a joint paper on "Guidelines for ACP-EC political dialogue within the context of Article 8 of the Cotonou Agreement", is an important step in the right direction. However, of equal importance is the notion of intra-ACP political dialogue. In order to prepare ourselves for effective and sustained dialogue with our partners, the 76th Session of the ACP Council of Ministers adopted a "Framework and general principles for intra-ACP political dialogue", which sets the broad parameters for political dialogue among ACP States. Having agreed on these important building blocks for political dialogue, I am of the view that the political dimension of the Cotonou Agreement will further evolve and enhance the ACP-EU Partnership, in particular its inclusiveness. To this end, the ACP Group is confident that the Cotonou Agreement provides sufficient scope and flexibility to address, in an effective manner, any matter/situation in relation to the ACP-EU political partnership.

### Do the recent events in Cuba appear likely to compromise Cuba's accession to the Cotonou Partnership Agreement? What is the position of the ACP Group on this subject?

Cuba's accession to the Cotonou Agreement has to be the subject of a joint decision between the ACP Group of States and the European Community and its Member States. At its recently-concluded 28th Session, the ACP-EC Council of Ministers admitted Cuba as an observer, pending its accession to the Cotonou Agreement.

The question as to whether "recent events in Cuba" could compromise Cuba's accession would depend on whether or not those events are considered in the context of the request for accession to the Cotonou Agreement. However this question has since been overtaken by Cuba's withdrawal of its request for accession.

### The ACP group has just welcomed Timor Leste as the 79th member of the Group. What are your reflections on this subject?

Timor Leste's membership of the ACP Group should be seen as mutually advantageous to both that country and the ACP Group as a whole. Its membership amounts to recognition by a newly independent state of the merit and benefits that could be derived from having common purpose with this group of developing countries, in a unique development partnership with the European Community. For the ACP Group, it means that small emerging states on the international scene, that are within the geographical areas of its current membership, recognise membership of the ACP Group as being important enough for it to advance its national interests.

### ACP-EC Council of Ministers, 15-16 May

This was the first Joint ACP-EU Council meeting that was attended by representatives from the ten EU acceding countries. The Council meeting focused on:

- The state of play of EPAs. The Council took note of a joint report (ACP-Commission) on the state of play which shows that progress
  has been made but divergences remain.
- Trade cooperation; the ACP Group presented declarations on sugar, rice and bananas which outline their concerns in these sectors.
   Development finance cooperation; a decision to use €350 million from the 9th EDF reserves, for debt alleviation in ACP states was taken by the ACP-EC Council, and discussion on the need to release EDF funds in a speedy and efficient manner in accordance with the objectives of the Cotonou Partnership and the Millennium Development Goals
- Enlargement of the EU implications for ACP countries.

 Zimbabwe: interpretation of the provisions of Article 96 of the Cotonou Agreement on consultation procedures: following Zimbabwe's presentation regarding its position, a mandate was given to the ACP-EC Committee of Ambassadors to continue to search for a mutually satisfactory solution.

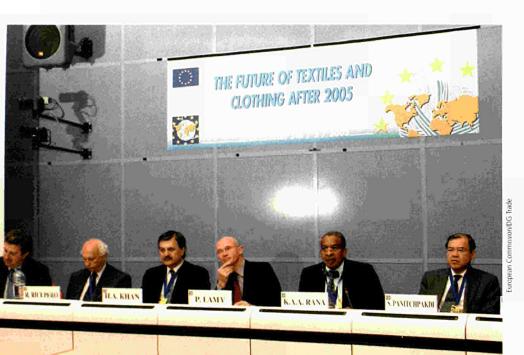
The Commission presented its Communication on the establishment of an EU Water Fund

• Prevention and management of conflicts and post-conflict recovery, giving considerable attention to the conflict in the Great Lakes region. The ACP-EC Council approved without discussion a series of important joint papers regarding notably political dialogue, the access of non-state actors to EDF financing and the preparation of forthcoming international conferences (World Summit on Information Society and Conference of the Parties to the Desertification Convention). A draft joint document on the 5th WTO Ministerial Conference was referred to and a mandate was given to the ACP-EC Committee of Ambassadors for its further examination. The Council welcomed the accession of Timor Leste to the Cotonou Agreement and approved the granting of observer status to Cuba. It was announced that the next ACP-EC Council will be held in early 2004 in Gaborone, Botswana.

### Textiles: Last-minute adjustments in the run-up to liberalisation

Sooner or later many sectors of the economy, even the less robust industries, will have to face up to one of the necessary corollaries of globalisation: trade liberalisation. No escape, then, for the textiles and clothing sector, which for many years has played by its own rules, mainly allowing industrialised countries to protect their markets through a system of quantitative restrictions. From 2005, import quotas will be phased out and replaced by what will in theory be a more open type of trade. It will not be easy to overcome the challenges posed by this changeover to an open system and its many consequences. A conference on the Future of Textiles and Clothing, held in Brussels on 5-6 May, was a chance to discuss the future of this sector and how to deal with the resulting new trade order.

The number of participants at the conference on textiles and clothing organised by the European Commission in itself bore witness to the importance of this sector and the enormity of what is at stake for many countries. More than 800 people, including sector representatives, industrial associations, clothing experts, trade unionists, international institutions and trade ministers from at least 70 different countries, took part in the two-day forum. It was a chance for them to clarify their positions regarding the profound changes that will affect trade in textiles by 2005. There is no doubt that the end of protectionist measures provided for under the Multi-fibre Agreement will have a strong impact on world textiles trade. All goods from this sector will come fully under WTO rules. Producing countries will have to abolish existing quotas, necessitating major reforms to enable their industry to adapt to the new trade situation. "We are twenty months away from the 'big bang' that will affect actors in the clothing and textile industry", said European Trade Commissioner Pascal Lamy as he opened the conference. While the imminent 'big bang' is viewed with trepidation in some quarters, others are already rubbing their hands in



anticipation of an increase in market share. However, the more vulnerable manufacturers will need specific measures to enable them to benefit from the opportunities that will arise following the ending of quotas. In addition, the conditions of this trade liberalisation must be determined on a multilateral level in order to prevent any adverse effects. We could well see quotas being replaced by protectionist measures of a different kind.

### A major sector on the road to liberalisation

Trade in clothing and textiles ranks high on the scale of world trade. In 2002 alone it was worth some  $\in$  350 billion, accounting for six per cent of all world exports. Over the last few decades, trade in this sector has grown steadily to the extent that it has supplanted that of other exports.

With a 15 per cent market share in 2001, the EU is one of the largest exporters of textile goods, second only to China in clothing and textiles exports. However, because of its size, the European market also represents an opportunity for goods from other countries and regions of the world. This sector currently employs more than two million people in the EU, a figure that will rise to 2.5 million with

the forthcoming enlargement.

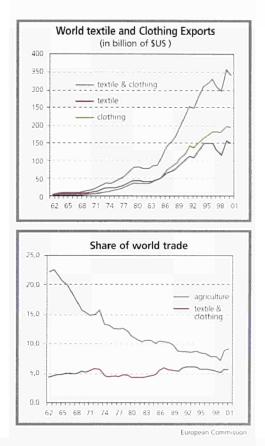
The textiles sector is even more important for many developing countries whose economies suffer from a lack of diversification. These countries account for a significant percentage of world textile and clothing exports. Most of them are highly dependent on the sector, which often constitutes their main source of exports and is the primary source of employment. Moreover, their exports are often concentrated on one or two markets, generally the EU and the US. Thus, it is the economies that depend heavily on this sector that risk bearing the brunt of the negative effects of the impending market liberalisation.

news

However, those in favour of liberalisation argue that the inevitable abolition of quotas will be more advantageous for the sector, benefiting a vast majority of countries. For the Director General of the WTO, Supachai Panitchpakdi, the implementation of the agreement on textiles and clothing aiming to eliminate quotas should not be considered a new negotiation, and as such be called into question. Rather, this process is an integral part of an undertaking made during the Uruguay Round and must be respected by WTO members. According to Mr Panitchpakdi, opening up this sector offers many advantages. From a political standpoint it strengthens the credibility of the multilateral trade system through respect for undertakings made by members. Secondly, the abolition of quotas will considerably reduce imbalances in the international market and lead to gains in production and marketing for many countries. Finally, liberalisation will benefit consumers in importing countries. This sentiment is echoed by the European Commission. It believes that trade liberalisation in the textiles sector will generate global economic efficiency, a belief backed up by studies on the subject. However, it is also of the opinion that the issue of liberalisation must not be restricted to quota reductions alone but rather a more global approach must be taken. The success of the liberalisation of the clothing and textiles sector will largely depend on the response of industry and companies in terms of improving competitiveness and adapting to the new market requirements. This success will also rely on the formulation of effective macroeconomic policies, the implementation of an adequate legislative framework, investment, training, etc. In reality, the advantages and disadvantages of liberalisation for WTO members appear unequal, which suggests that each will be strenuously defending its own position over the next twenty months.

#### Optimism and uncertainty

While the abolition of import restrictions on textile goods may constitute an opportunity for developing countries, some harbour reservations. They fear that although quotas will be phased out they will merely be replaced by barriers of a different kind. It is too good to be true, in the view of one participant from a country in the South. He believes that industrialised countries have much harsher means of protection than tariff barriers or quotas, such as anti-dumping regulations and standards. And he is willing to bet that they will now play these protectionist cards. There is a risk that the new quota-free trade environment will in practice naturally exclude the poorer producing countries from the international market. These poorer countries cannot compete with more powerful trade partners. They are therefore trying to procure a differential system, particularly in terms of market access. The Doha Development Agenda provides for the improvement of market access conditions for manufactured goods in all sectors, without exception. The Doha mandate clearly requires WTO members to reduce, or indeed completely eliminate, tariff peaks and barriers. The conditions for achieving these reductions must be defined by member states by 31 May 2003. At the same time they will clarify the situation as regards the textiles and clothing sector and the system that will apply to weaker countries. However, although the introduction of special and differential treatment for Least



Developed Countries (LDCs) seems fair, particularly in a trade round devoted to development, it is viewed with suspicion by some countries who believe that this kind of preferential treatment may well create new market imbalances. Poorer countries are also demanding assistance to help strengthen their production and export capacities under the Doha Round.

The liberalisation of this sector has raised concerns not only among developing countries and LDCs. Several textileindustry representatives from developed countries naturally consider this liberalisation in terms of market share. It is already obvious who will benefit most from liberalisation. The results of many studies point to China as the major beneficiary of the abolition of quotas, followed by India. According to one European textiles industry representative, there will be one big winner, a few smaller winners, and many losers. There is no doubt as to China's capacity for exports in this sector. A new member of the WTO, China has seen a dramatic increase in its market share over the last few years. Some industrialised countries are in favour of a more gradual liberalisation process governed by rules that will protect them against unfair trading practices. Indeed, some participants have not ruled out resorting to anti-dumping regulations. They accuse China and India of economic, social and environmental dumping where clothing and textiles are concerned, and fully intend to protect their own industries.

Despite the many problems posed by liberalisation of the textiles and clothing sector, it would be difficult for many countries to get round it unless they decided not to play by the rules, and backtrack on commitments entered into at the Uruguay Round. It all depends now on how the sector, governments and international organisations concerned conduct negotiations so as to reach a compromise that is acceptable to as many countries as possible.

### Financing ACP projects: the EIB and the Cotonou Investment Facility

Between 2003 and 2008 the European Investment Bank (EIB) will provide nearly €4 billion in refundable aid to projects in the African, Caribbean and Pacific (ACP) countries. Part of this will be made available through the new Investment Facility, provided for under the Cotonou Agreement. The Facility was officially launched on 2 June by Presidents Mwai Kibaki (Kenya) and Abdoulaye Wade (Senegal) and EIB President Philippe Maystadt.

Bram Schim Van Der Loeff\*

The ElB will pay special attention to promoting private or commercially run projects in the public sector and will make money available in two forms.  $\in 2.2$  billion will be provided under the new, revolving Investment Facility (IF) funded by EU Member States.  $\in 1.7$  billion will be lent from the ElB's own resources.

### The Cotonou Agreement's financial provisions European Development Fund

European Commission	European Investment Bank		
	EIB's own resources	Investment Facility	
Grant aid	Loans for investment projects	Loans/equity/guarantees for investment projects.	
€11,300 million	€1,700 million	€2,200 million	
	EIB's own resources	Investment Facility	
Senior debt:	Pricing: EIB reference rate Security: 1st class or prime-quality security (with possibility of political risk carve-out). Currency: EUR, USD, GBP and ZAR	Pricing: EIB reference rate+ mark-up. Security: guarantee (international or local) or project security Currency: EUR (possibility of other local currencies)	
Junior/ subordinated debt:		Pricing: EIB reference rate + mark-up. Security: project guarantee or other covenants Currency: EUR (possibility of other local currencies).	
Quasi equity: participating or conditional loans:		Pricing: variable remuneration as a function of performance Security: usually unsecured or junior status with covenants Currency: EUR (possibility of other local currencies).	
Equity participation:		Pricing: dividends/ capital gains Security: none Currency: local currency	

### A history of investment

The EIB has been supporting capital investment in the ACP countries for almost 40 years. The bank was established to finance capital investment in pursuit of the EU's policy objectives. While most of its lending is within the EU Member States, it also finances projects outside Europe to support the EU's development cooperation and aid policies. In the ACP states it has operated under mandates attached to conventions and agreements negotiated by the ACP states and the EU.

One of the EIB's oldest overseas mandates was given in 1963 to finance projects in 18 associated African states and Madagascar (EAMA) as part of the first Yaoundé Convention. Since then the EIB has operated as a development finance institution on the basis of the successive Yaoundé and Lomé Conventions. Between 1963 and the beginning of this year, when the Lomé IV Convention was superseded by the Cotonou Agreement, the EIB channelled over €9 billion into investment in the ACP countries.

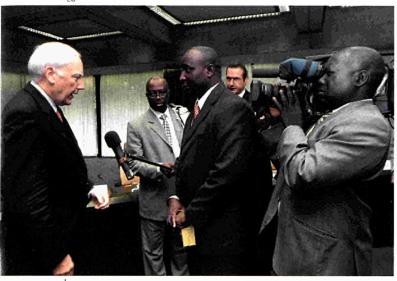
### Cotonou

Under the Cotonou Agreement, negotiated by the 77 ACP and 15 EU states, the EIB will continue to provide repayable development finance alongside grant aid from the European Commission. The Cotonou Agreement states that the central objective of cooperation between the EU and the ACP countries is "poverty reduction and ultimately its eradication; sustainable development; and progressive integration of the ACP countries in the world economy".

The Agreement aims to foster entrepreneurship since the private sector is seen as the motor of development and growth. Its purpose is to contribute to sound corporate governance and to market conditions that will lead to longterm sustainable economic development and the alleviation of poverty.

### **Revolving facility**

In line with these aims, the IF is a risk-taking financial instrument designed to support the development of the private sector. It will take project-related risks and expects a commensurate return, because it has been established as a revolving facility and is intended to become self-sustaining. The IF will support the growth of local enterprises, and



EIB President Philippe Maystadt

FIR



Senegalese President Abdoulaye Wade

finance foreign direct investment and commercially viable public enterprises.

A particular effort will be made to improve the access of ACP's small and medium-sized enterprises (SMEs) to risksharing instruments and to "term finance". Support for SMEs will be channelled through the local financial sector. The objective is to help strengthen the sector and increase its capacity to mobilise domestic savings. In this way it should transform the domestic ACP capital markets into long-term, effective channels for financing and developing small businesses.

#### Flexible terms

Various forms of "senior" and "junior" debt and risksharing financing instruments are available through the IF. These allow flexibility in setting terms and conditions, which can be adapted to the nature of a project. This can be done, for example, by varying the EIB's remuneration depending on the performance of a project. The EIB's own resources offer long-term, senior debt on very favourable financing conditions for larger operations in the financial sector and for those with lower risk.

The EIB bases its lending conditions for the Investment Facility, and for lending from its own funds, on its "AAA" credit rating. It can pass on these advantages as it operates on a non-profit basis. The difference is that with the Investment Facility the bank accepts more risk and sets the pricing for lending accordingly. When lending from its own resources the bank takes a low level of risk, which it mitigates by guarantee and security arrangements.

The Investment Facility will be managed as a "Special Business Unit" within the EIB group. This new structure is designed to reinforce the EIB's role as the European development finance institution (EDFI) for refundable aid. In doing so it will operate alongside and in cooperation with the Member States' EDFIs with which it has bilateral agreements covering support, services, expertise and networks. In this way the EIB and the EDFIs will be able to profit from comparative advantages and ensure efficient use of resources and the maximum impact from joint European assistance. ACP responsibilities

FIE

This risk-sharing Investment Facility replaces the former risk-capital funds of the Member States of the EU, which were also managed by the EIB. Another innovation is that the IF will be revolving: money coming back into it will be redeployed in ACP projects. So it needs to be self-sustaining through repayments and remuneration.

At the IF launch, EIB President Philippe Maystadt underlined the significance of Cotonou in that it sees poverty reduction as dependent on economic growth, and economic growth, in turn, dependent on better governance and greater integration into the world market economy. "The private sector is identified as the real motor of growth, which by releasing talent and enterprise, and creating jobs, can also spread prosperity and generate the means to deploy more resources on social reform". ■

\* Information and Communications Department

For further information please go to: <u>http://www.eib.org/lending/acp.</u> phone ++ 352 4379-3234 or write <u>a schimvanderloeff@eib.org</u> Can also be download at:

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http://www.eib.org/lending/acp/docs/appfun\_en.pdf and/or http://www.eib.org/lending/acp/docs/cotonou\_en.pdf.



### Civil society participation in European Community development policy

International conference on 5-6 May 2003 in Athens, Greece



Civil society is gradually becoming one of the key partners in EC development. policy. Civil society organisations - or non-state actors - are expected to participate in the design and implementation of policy but also to take part in the review process. A conference on 'Civil Society Participation in European Community Development Policy' - held in Athens under the auspices of the Greek Presidency of the EU and Hellenic Aid – provided an opportunity for a range of civil society actors from the North and the South to exchange views and ideas on how to strengthen their participation in the development process and how to build partnerships between Northern and Southern civil societies.

Maria Badekas\*

European Community (EC) development policy is based on the recognition that, for any development policy to be successful, all sectors of society need to be involved in the development process. The recently adopted Communication on the Participation of Non-State Actors in EC Development Policy<sup>1</sup> by the Commission aims to strengthen the participation of civil society in the development process. The aim of this conference was to discuss this policy further with civil society representatives and provide an opportunity to civil society representatives from the North and the South to jointly explore ways forward.

Representatives of a variety of non-state actors, social and economic partners, media, academia and NGOs from 49 countries from Africa, Central Asia, the Pacific and Latin America, the Caribbean, the Mediterranean, the Balkans, Europe (EU Member States and the 10 acceding Member States) attended the Conference.

The conference was structured around three working groups, under three broad thematic areas:

- the role of Northern and Southern civil society in poverty reduction and sustainable development;
- civil society in EC development policy;
- the global role of the EU: solidarity and sustainable development.

It adopted conclusions that provide an operational framework for the relations between Northern and Southern civil society. It also called for more participation of Northern and Southern civil society actors in the formulation of EC development policy.

The conference also provided a good basis for taking partnerships and cooperation between all segments of Northern and Southern societies a step further in future discussions. Indeed, the Greek Presidency suggested that the meeting in Athens become a starting point for a permanent mechanism of dialogue and cooperation for civil society.

- \* Development Policy, Coherence and Forward Studies unit,
- DG Development, European Commission 1. COM (2002) 598 Final. This Communication gives an overview of the current practices and clarifies the expectations of the EU regarding the level and scope for dialogue and consultation with non-state actors. It focuses on the need to strengthen non-state actors in the developing countries, on the importance of capacity building and on the role of Northern non-state actors in transferring their know how and expertise to the other development actors in the South.

The Cotonou Agreement provides a broad range of new opportunities for non-state actors. For the first time, the participatory approach in their cooperation is a legally binding obligation for both the EU and the ACP States. Civil society is now being directly involved in the programming, implementation and review process, as well as in implementation. The Cotonou Agreement also foresees improved access to funding and capacity-building support. The challenge is to make these new opportunities operational. The diversity of regions and actors, the different political contexts and traditions for a participatory approach, the level of organisation of civil society actors and their capacity means that there can be no single model for non-state actor participation. In many ACP countries, there are promising signs that civil society is organising itself to enter into dialogue with their governments, to help shape policies and to explore the scope for joint action between public and private actors.

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### ACP cinema: call for proposals

The EU has published the fourth call for proposals within the programme of support for ACP cinema. Endowed with a six million euro envelope, this programme was launched in

Festival international FIM d'Amiens

September 2000 to boost the cinema in ACP countries, and reinforce and turn professional the support given by the EU to ACP cinema.

This fourth call for proposals is devoted exclusively to production. The budget available is €820.000. Projects must concern production of full/medium/short-length feature and animated films, documentaries (full-length), television films, fictional or animated series, animated films for television. Projects must be implemented mainly in either an ACP coun-

try or an EU Member State, but preference will be given to projects whose action is set in an ACP country.

This call for proposals is available on the EU's website:

http://europa.eu.int/comm/ europeaid/tender/index\_en.htm Once on that page, click on "Tender and calls for proposals notice". Then, on this new page, on the left, in the menu "Other", select: "FED/Budget"; in status, select: "open"; in type, select: "grants"; and in region, select "all"; and launch the research ("research").

It is essential to read the eligibility criteria very carefully and to add to the application all the documents required in the check-list. Only complete applications will be examined.

As for the previous calls for proposals, the Technical Assistance Desk is in charge of the evaluation of the applications and of the follow-up of the selected projects. We are at your disposal for any information related to the programme of support.

Technical Assistance Desk - ACP cinema 112 rue des Palais B-1030 Brussels tel: +32 2 242 00 08 fax: +32 2 242 40 12 mat@cinemasacp.filmfestamiens.org

### Junior Professional Officer Opportunities in the United Nations Development Programme (UNDP)

UNDP is the UN's global development network, advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. Our focus is helping countries build and share solutions to the challenges of democratic governance, poverty reduction, crisis prevention and recovery, energy and environment, ICT for development and HIV/AIDS.

We are on the ground in 166 countries, working with them on their own solutions to global and national development challenges. As they develop local capacity, they draw on the people of UNDP and our wide range of partners.

The UNDP Junior Professional Officer (JPO) Programme currently provides more than 200 young professionals, pursuing a career in development, with hands-on experience in multilateral technical cooperation. They serve primarily in the field and are involved in the design, implementation and evaluation of the UNDP activities.

JPOs are usually under 32 years of age, hold a Master's degree and have a minimum of one to two years' working experience. They are sponsored by participating donor countries for a period of two to four years. A limited number of posts is open to developing country nationals who fulfil the selection requirements.

If you want to know more about the UNDP JPO Programme and how to apply, please visit our website, available in three languages: <u>www.jposc.org</u> (under "Presentation" and "How to apply? / DC Candidates").

### Giving peace a chance in the Congo

### Conclusion of the Inter-Congolese Dialogue

The signing ceremony of the Final Act of the Inter-Congolese Dialogue was held in Sun City, South Africa on 3 April 2003. The adopted documents included the All-inclusive Agreement on the Transition in the Democratic Republic of the Congo, which provides for peace and reunification of the country after almost five years of war, during which more than three million people may have perished.

Richard Wyatt\*

The signatories included some 24 Congolese leaders, most notably Foreign Minister Leonard She Okitundu for the government, Adolphe Onusumba for the Rassemblement Congolais pour la Democratie (RCD) and Olivier Kamitatu for the Mouvement de Liberation du Congo (MLC). The signature took place in the presence of President Thabo Mbeki of the host country and the leaders of Zambia, Zimbabwe and Botswana while the Facilitator, Sir Ketumile Masire and the Special Envoy of the UN Secretary-General, Moustapha Niasse, witnessed the event.

The inter-Congolese dialogue had opened some 15 months earlier, also in Sun City.

"These agreements offer the Congolese people the best chance of restoring peace and promoting national reconciliation that they have had since the beginning of the conflict", noted UN Secretary-General, Kofi Annan, in his message to the final Sun City session.

In the margins of the long negotiating process the EU Special Representative, Aldo Ajello, accompanied by representatives of the Commission, played an active role in trying to narrow differences between the Congolese parties.

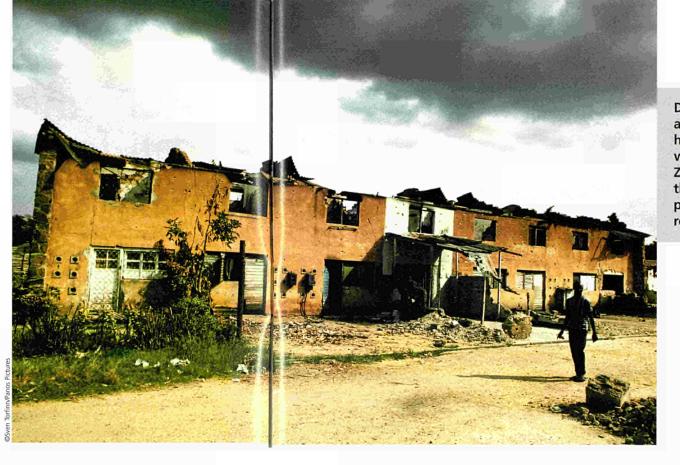
### Cautious enthusiasm

However, enthusiasm at the gathering was tempered by an awareness of the difficulties which lie ahead, continuing news of conflict in the Eastern Congo and by the absence of President Kabila and the leader of the MLC, Jean-Pierre Bemba. The absence of the President was however, at least officially, motivated by the choice as location of Sun City instead of Kinshasa, rather than by a lack of commitment to the outcome. President Kabila apparently showed his commitment to the outcome by promulgating the new Constitution in Kinshasa on 5 April and was sworn in as the "new" President. Mr Bemba also rapidly made known his support for the Constitution, while the MLC designated leading figures to senior positions in the new state authorities. On the other hand, the RCD expressed the concern, both in Sun City and after the promulgation, that this act should have been carried out before a new president of the supreme court of justice, rather than the one who had been appointed five years ago; these acts were thus not legally valid in their view.

In all, some 36 resolutions were adopted by the final session of the inter-Congolese dialogue. The All-inclusive Agreement provides for the post of president and four vice presidents, a transitional government composed of 36 ministers and 25 vice ministers and a national assembly. All these posts are distributed among the parties to the agreement according to an agreed formula. The Agreement also provides for the holding of the first free and democratic elections in the country since 1960 although logistical difficulties in organising these elections could result in their postponement for up to one year. A monitoring commission chaired by President Kabila has been set up to provide for the effective application of the Agreement and to resolve any differences which may arise among signatories. At the same time an international accompanying committee will follow the implementation of the Agreement and act as a forum for arbitration of difficulties. This international committee is being established with membership of the five permanent members of the UN Security Council, Belgium, South Africa, the African Union and its troika (Zambia, RSA and Mozambique), Canada and the EU Presidency and Commission.

### Army restructuring

The Agreement provides for the creation of an integrated and restructured national army, including the armed forces of the government, the MLC and the RCD. However, the precise structure and composition of this new army proved to be a highly sensitive issue throughout the later stages of negotiations. Finally, the exact distribution of posts in the army was not clearly settled amongst the former belligerents and this issue thus remains to be settled in the context of the Monitoring Commission. Potential problems also remain on the matter of security in Kinshasa, particularly on the side of the RCD, so that it will be of critical importance to establish the neutral international force and mixed police provided for in the Agreement as quickly as possible.



Only two days after the Sun City gathering news broke of the massacre of a large number of civilian victims in a threehour orgy of inter-ethnic violence in eastern Congo. Efforts to address these problems are being made through the locally established Ituri Pacification Committee, but there is a clear relationship between this violence in eastern Congo, the division of the country and the involvement of Uganda and Rwanda in the affairs of their large neighbour. In fact, the difficulties in the east are certainly a major factor complicating the establishment of the transitional government in Kinshasa. At the same time, the establishment of the transitional government is virtually a precondition for achieving a lasting peace in eastern Congo. This situation arises from the complex web of alliances between local groups, the parties in the inter-Congolese dialogue and the Ugandan and Rwandan authorities, all of whom feel that their interests are threatened by the possible evolution of the volatile and unstable situation. Following the massacre of civilians, a recent meeting of the UN Security Council called on all Congolese parties to ensure that the transitional government in the DRC is established as soon as possible and to cooperate with the newly created Ituri Pacification Committee.

There is little doubt that an overwhelming majority of Congolese now desire reunification and an end to the long war which has caused a major setback to the country's development, in addition to so much human suffering. This desire is no doubt shared by most of the country's political leaders. But the maximum political will needs to be deployed to overcome inevitable resistance from those within the various groupings who feel that they may be losers because of the dismantling of the existing power structures. The international community should therefore do everything possible to assist the transition with political and diplomatic support.

The international donor community has also indicated willingness to come forward with increased development assistance. At a World Bank Consultative Group meeting in Paris last December, donors announced or confirmed financial contributions for a total exceeding \$2.5 billion following a Destroyed houses, the result of fighting between Ugandan and Rwandese troops in Copo, a district of Kisangani. Congo has been at the centre of what has been called Africa's world war. Governments and troops from Angola, Namibia, Zimbabwe, Uganda and Rwanda have all been involved in the conflict. As many as three million people may have perished in the Congo during the conflict, either as a direct result of fighting or because of disease and malnutrition.

period in which many donors had been partly or entirely absent from the country. In practice, however, much of this funding will only appear if continuing progress is made with implementation of the transition.

In January 2002, EU Commissioner Poul Nielson signed a National Indicative Programme for €120 million, which is now 85 per cent committed. In February 2003 Mr Nielson wrote to President Kabila informing the President of his readiness to sign the new agreement under the 9th EDF for an amount of €205 million as soon as the All-inclusive Agreement has been adopted and the new transitional government is in place. The EU will also pursue substantial humanitarian assistance and provide regional funding through SADC and COMESA for transnational projects benefiting the DRC. The EU Council recently adopted a common position committing the EU to lending "its support to the transitional government for the reconstruction and development of the country, ensuring that such support benefits all the Congolese people and all regions of the DRC, and that it contributes dynamically and proactively to the peace process by promoting the restoration of the Congolese state, good governance, and improvement in the economic situation and respect for human rights".

### Security and demobilisation

A particular priority over the next few years will be the reform of the security sector.

The EU is a major contributor to the Multi-Country Demobilisation and Reintegration Programme (MDRP) for the greater Great Lakes Region. The creation of the new army should lead to substantial demobilisation of ex-combatants. It is believed that as many as 120,000 troops from the government and rebel armies could be demobilised over the coming three to four year period and qualify for assistance in the framework of a national demobilisation and reintegration programme for the D&C.

The DRC should not only be seen as a candidate for the receipt of development assistance. The country's vast natural resources would certainly attract substantial foreign investment, most immediately in the mining sector, in the case of peace being secured and a satisfactory standard of governance being established. The potential rewards of peace for the country are immense. And the restoration of stability and economic and social progress in the DRC would result in incalculable benefits for the greater Great Lakes region and indeed the African continent.

Let us hope that the Congolese political leadership responds to the great challenge and opportunity by being present at its rendezvous with history through the effective implementation of the Sun City agreements.

\* Great Lakes coordinator, Directorate-General for Development, European Commission

### Kamenge Youth Centre An antidote to civil war

Also known as the "alternative Nobel prize", the Right Livelihood Award for 2002 was presented to the Kamenge Youth Centre (KYC) at the annual December prize-giving ceremony in Stockholm. KYC, a youth centre in Burundi, is a strong contrast to the surrounding devastation created by the civil war that has torn the country apart since 1993. At KYC, Hutus and Tutsis take part in shared activities and spend time together. The Centre now has over 20,000 members and works to counteract the effects of ethnic conflict.

Dorothy Morrissey

The Right Livelihood Award was established in 1980 to award "oustanding vision and work on behalf of our planet and its people". Throughout the world, there are people who do inspiring and remarkable work, but which defies standard classification. Their work can involve great personal sacrifice, even danger, and they are often opposed by powerful forces around them. The award's purpose is to strengthen the positive social forces that its recipients represent and provide support and inspiration to make them a model for the future. According to Frank Schwalba, Member of the European Parliament (MEP), "A hundred years ago Nobel had the idea of rewarding innovation. I imagine that if he were alive today he wouldn't be too happy. The categories of the Nobel prize are now so specialised that to be a laureate, apart from in literature or for peace, you have to come from Princeton, or Japan, or the US, etc. This is why Jakob von Uexkull, a Swedish writer, lecturer, professional philatelist and former Member of the European Parliament, decided to create an 'alternative Nobel prize' to pay homage to those who work in the name of civil society and/or for sustainable development".

### Scars

Burundi's history has been marked by cyclical ethnic conflicts. Nine years of the most recent civil war – from 1993 to 2002 – brought ethnic hatred, upheaval and many deaths. The capital, Bujumbura, has not been spared. Its neighbourhoods have experienced their share of atrocities, plus other problems particularly common to rampant urbanisation:

alcoholism, drug abuse, prostitution, HIV/AIDS, unemployment, criminality and general hopelessness. Created against this backdrop in 1991, the Kamenge Youth Centre is the dream of three Italian missionaries, Marino Bettinsoli, Victor Ghirardi and Claudio Marano. Their aim was to find a place where the youth of the

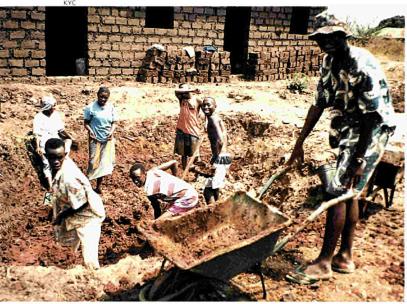
Between 1,000 and 1,500 young people attend the Centre each day, and take part in a broad range of activities.



"Our aim is not to get people to love one another – it is far more ambitious than that", says Claudio Marano, one of the founders of the centre, here with volunteer teacher Guillaume Harushimana.

neighbourhoods could come and take part in activities together: "We work in north Bujumbura, the town's largest quarter where about 200,000 out of the capital's population of 350,000 live," explains Claudio Marano. "Overall there are 40 per cent Hutus and 40 per cent Tutsis, with the rest being a mix of people from the Democratic Republic of the







Congo, Rwanda and Tanzania. The aim of the centre is not to get people to love one another – it is far more ambitious than that. People need to learn how to respect one another in their everyday lives. We have adopted a group work approach. Every day young people can take part in their choice of some thirty activities, rather than spending all day looking at the sky and the clouds or waiting for the shooting to end. We want to push them to lead an active life and find work. In this way they meet others, taking classes together once or twice a week for four to six months. One day they'll say hello, another day ask 'Where are you from?', the third start to talk a bit and by the fourth day they will have struck up a friendship. People begin to respect one another. And that's the beginning of a greater Burundi."

Claudio Marano jokes that Burundi is just one big village where everyone knows everyone else, what region they are from, to which family they belong. The work of the centre is founded on diversity and its mission is to convert this diversity into the foundations of democracy. "We work not only with ethnic differences but also with differences between nationals and non-nationals, with religious differences – we have three main religions, Catholic, Protestant and Islam – differences between rich and poor, political differences. We are trying to learn, in a country that has barely known democracy, what democracy is. We are trying to build a new society."

### **Range of activities**

Between 1,000 and 1,500 young people attend the centre each day. Membership is free. They take part in discussions and seminars, study days, sports and cultural activities, and use the library's 14,000 books, attend remedial classes, and so on. Courses are offered in a broad range of subjects; computing, sewing, typing, language classes (English, French, Spanish, Arabic, German, Italian), mathematics, science, accountancy, the highway code, human rights, etc. All are taught by volunteers. The centre is also involved with local schools. As one teacher, Guillaume Harushimana, explains, "We mainly organise sports and cultural activities in the schools, but we are also working to raise HIV/AIDS awareness. According to the latest UNAIDS figures, 13 per cent of the population aged between 15 and 49 is now infected with



the virus. In Bujumbura's northern neighbourhoods, some 20-25 per cent of people are infected".

With over 20,000 members, the centre also prides itself on achieving an ethnic balance between Tutsis and Hutus. However, the number of girls who attend the centre might seem surprisingly low to some. "Five per cent! To a foreigner that is very low, but to an African it is a lot," says Claudio Marano. "Five per cent of 20,000 members means that 1,000 girls leave their houses, leave their work and come to the centre to take part in activities, use the library or study. In the past we tried organising girl-only activities but that did not work. A few years ago we opened all activities to girls. In some competitions girls play right alongside boys, and the same goes for schooling. It is also a victory over another African prejudice; girls on one side, boys on the other, and each in their own world."



The centre is also making waves beyond Africa. In summer, it is not unusual to see Europeans here. "We work on the principle of positive globalisation," says Claudio Marano. "This means meeting others and understanding the problems and pleasures of other countries. Obviously, it is not with the intention of encouraging Burundians to leave their homeland because it is at war. Many here believe that escaping to another country would mean the end of their problems. When the opportunity arises to go abroad, to study, take part in seminars or international meetings, we encourage the young people at the centre to go. Reciprocally, we welcome young people, students or teachers from other countries who come to stay at the centre for a week or two. They are usually Italians, French or Swiss. They come mainly during the summer when we organise work, construction and training camps."

In the midst of the centre there is a military station, a 'gift' from the army during the war. About 300 soldiers are members of the centre, as are residents of a nearby camp of Bagnamulenge refugees. According to Claudio Marano, "it is an incredible, potentially explosive mix, but it works here. Bagnamulenge refugees, soldiers, rebels, Hutus, Tutsis, Rwandans, Congolese, Tanzanians... all these people can live together. They just need to be given the chance."

#### Peace and reconciliation

During the war, the centre was attacked and looted, its workers threatened and many of its members killed. Despite it all, it endured, proving that conflict is survivable. In fact, during the war years the centre helped bury the dead and supported displaced people by distributing food, medicines and emergency materials. In an effort to help the peace-building process, it also organised inter-ethnic meetings, discussion groups and a summer camp for 1,000 young people. Together with two other NGOs, the centre is the principal coordinator of an Office for Community Associations of the Northern District, which now has 300 member groups. The Office provides them with technical support, help with projects and fundraising, financial and other assistance with microprojects. It works on various programmes of peace, reconciliation

### The 2002 Right Livelihood Award

As well as the Kamenge Youth Centre, there were three other laureates this year:

Martin Green (Australia) – Honorary Award – "for his dedication and outstanding success in responding to the key technological challenge and moral imperative of our age: the harnessing of solar energy"; The Kvinna Till Kvinna Foundation (Sweden), "for its remarkable successes in healing the wounds of ethnic hatred and war in the Balkans, by helping women, often the prime victims, to be the major agents of reconciliation and peace-building"; Martín Almada (Paraguay), "for his outstanding courage and persistent efforts to expose and bring to account the torturers and to set his country on a new course of democracy, respect for human rights and sustainable development".

and reconstruction with the local authorities, the churches, the schools and with departments of the national government. Each month the centre publishes a newsletter, Arc-en-Ciel (Rainbow) where young people can express their ideas.

Financed mainly by the European Community and Austrian, Canadian and American partners, the Kamenge Youth Centre is a full-time operation, employing 50 full-time workers and 40 volunteers. It is attracting more and more visitors, including many ambassadors. "They are brought here to see a place where Burundians live together," explains Claudio Marano. "They can see with their own eyes what they could not believe existed. They often ask whether they are really in Burundi, seeing Tutsis and Hutus together. To them, it's a miracle. To us, it is proof that after ten years of war it is possible for the people of Burundi to live in peace, to be able to build a different country."



### EU enlargement and development The Czech Republic: an emerging partner for ACP countries

Accession of the Czech Republic to the European Union on 1 May 2004, now supported by more than 60 per cent of the country, is awaited with high expectations; but also with an understanding that membership carries with it responsibilities – not least towards the EU's partners in the developing world. Jaroslav Olša, jr.\*

Most Czechs look forward to some aspects of EU membership, such as free movement of labour and easier travel, but they also have questions and concerns. They also appreciate that the responsibilities of membership mean, among other things, participation in joint and bilateral development cooperation projects. So the Czech authorities are preparing for an increase in Czech official development assistance.

Development cooperation will probably not be substantial immediately after the country's accession. Nevertheless, the concerns expressed from time to time that the new Member States will be more of a burden than a support to the ACP countries, will soon prove unfounded in the case of the Czech Republic.

### A history of trade and cooperation

There is a long tradition of contacts between the historical Czech lands (Bohemia, Moravia and Silesia) and the territories and lands that are now ACP countries. Czech explorers and traders travelled the world and promoted Czech skills such as glass manufacturing.

The independent Czechoslovak Republic established in 1918 was among the most industrialised countries in Europe and the world. Soon companies were selling their products on every continent, and Czechoslovak society was well informed about even most distant regions. The government soon realised that its support was crucial to the success of these companies and made enormous efforts to promote foreign relations.

A decade after its independence, Czechoslovakia already had more than 90 diplomatic and consular missions around the world, including consulates in Africa, Asia and the Americas. It became an active member of the League of Nations, where it often became involved in the mediation of political disputes outside Europe.

### The Cold War era

World War II changed everything. Czechoslovakia became part of the socialist Eastern bloc of countries led by the Soviet Union. As the countries of Eastern Europe rebuilt themselves in the aftermath of war, they anticipated overproduction and wanted to find markets in newly-born independent states.

But soon ideology overshadowed this trade interest and Eastern bloc involvement in the developing world largely followed political ties. It grew mainly in those countries that indicated sympathy with the Marx-Leninist worldview. It is difficult to draw a line between aid and trade in those early years, as most aid was in a form of soft loans to cover the purchase of goods. Nevertheless the sharing of experience and know-how became more and more important. Typical examples of Czechoslovak aid recipients in the 1950s were Egypt, Indonesia and Guinea.

Massive development aid and cooperation followed in the 1960s, '70s and '80s, when Czechoslovakia became involved in a number of ACP countries, including Ethiopia, Angola, Tanzania, Cuba, Ghana and Zambia. Thousands of Czechoslovak specialists worked abroad on every kind of project, from building paper factories to creating artificial ponds for fish farming. Czechoslovak doctors as well as experts in tropical agriculture, geologists and vets travelled to remote parts of their host countries in an effort to support development.

Such projects were often commercial in their origins, but political motivation soon prevailed. As a result the emphasis changed to more straightforward development aid. Constructing dams and building museums was seen as more of a political imperative in the global race for supremacy between socialism and capitalism. Successful projects were regarded as the symbols of the inevitable triumph of socialism. But whatever the ideological motives, such projects did in fact provide huge support in the development of these countries.

### Humanitarian and development aid in the past decade

The collapse of the Eastern bloc in 1989 was followed in 1993 by the peaceful division of Czechoslovakia into two independent countries, the Czech Republic and the Slovak Republic. These events inevitably had a limiting effect on cooperation with the countries of Asia, Africa and the Americas as the Czech Republic focused its attention on becoming a full member of the community of democratic European nations.

But even in 1994 it was clear that the new republic was not entirely overlooking its responsibilities towards the developing world. The Czech Republic's ambassador to the UN, presiding the Security Council meetings, relentlessly fought for UN action in Rwanda during the genocide. Czech humanitarian assistance to Rwanda and Eastern Zaire immediately followed the end of the war there. Since then Czech humanitarian aid has reached many more African countries, such as war-torn Somalia and Mozambique during the floods.

More recent destinations for humanitarian aid have included refugee camps in the eastern parts of Guinea, Ghana, also devastated by floods, and the drought-stricken Ogaden region of Ethiopia. The Czech Republic has also taken part in various peacekeeping operations in Africa. Since the early 1990s several dozen military officers have participated in UN missions in Namibia, Angola, Somalia, Mozambique and Liberia. Recently Czech military observers were involved in operations

in Sierra Leone, the Democratic Republic of the Congo and on the Ethiopia/Eritrea border.

In the early 1990s there were hardly any Czech NGOs in the field of development and humanitarian aid working in Asia or Africa, but in recent years several have started operations abroad. Among them is the Czech branch of the humanitarian agency ADRA. The People in Need Foundation is a nonprofit, non-governmental organisation which started its activities in war-torn Yugoslavia and other Balkan countries in the early 1990s, but soon expanded to have aid programmes world-wide.

### Openness to other cultures

Although the Czech Republic has reached only 60 per cent of the EU's economic average, and only the capital, Prague, is above it, there is no danger that development assistance to faraway countries might be regarded by the public as a waste of resources that could be better used at home. Czech society is traditionally open and interested in contacts with other cultures.

Ethnographic material and art from various African countries as well as from the Pacific form permanent collections, open to the public. Cultural contacts are on the rise. Charles University in Prague has a Masters programme in African studies since the mid 1960s, and the tradition of Arabic studies dates back to the mid 19th century.

#### **Future prospects**

Soon after the internal political and economic consolidation, the Czech government adopted, in 1995, legal principles for providing foreign development assistance, in line with EU policy. Since this new legal instrument was adopted there has been a steady increase in the volume of aid, the number of projects and the number of countries helped. Most of that aid has gone to other countries undergoing transformation, such as the former Yugoslavia and former Soviet Union.

In 1999 Czech development assistance was only US\$16.78 m. In 2001 it reached US\$35.5 m. It is still only 0.063 per cent of GNP, but the government is planning to reach its goal of 0,108 per cent of GNP, including its contribution to the European Development

Fund, by 2007. With further increases in aid after that, the aim will be to reach the EU target of at least 0,33 per cent of GNP.

The Czech government has discussed its obligations in the area of development cooperation after accession to the EU, which will have financial, institutional and organisational implications. In January last year it approved a foreign aid programme for the period until 2007.

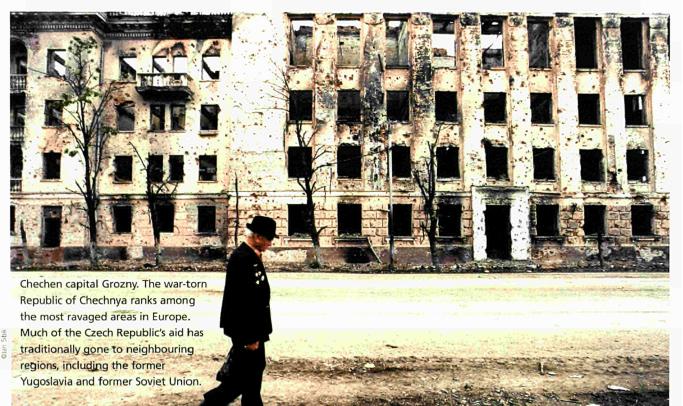
A Development Centre has been created within the foreign ministry. It will have an advisory role and will consist of representatives from government, NGOs, the academic community and other bodies. It will in the future be expanded into a fullyfledged development agency.

Multilateral aid cooperation will initially account for up to 60 per cent of total Czech aid, but in due course greater importance will be given to bilateral cooperation. So, criteria for choosing development partners have been laid down, with emphasis on the level of social and economic development, the rule of law and the level of democracy achieved. Sectoral priorities will include environmental protection and support for sustainable development, health care, water management, education and support for good governance programmes.

The government is currently in the process of selecting future development assistance partners within the ACP countries. The first under consideration are those in which development programmes have already started, such as Namibia, Angola, Mali, Burkina Faso, Zambia and Ethiopia.

While cooperation programmes in Africa are already in place, Czech involvement with the Caribbean and Pacific countries is in its infancy. The Republic has already established diplomatic relations with all the CARICOM countries (except the Bahamas) and with five countries in the Pacific region '. Discussions with the others began in 1999. Development programmes should undoubtedly start in these regions too. Cooperation in the field of education with, for example, the University of the South Pacific, is one possibility, which would benefit several Pacific states. But this is a question for the future. ■

- Czech Ambassador to Zimbabwe and former director of the African department of the Czech Foreign Ministry.
- 1. Papua New Guinea, Vanuatu, Solomon Islands, Fiji and Samoa





### Adding punch to the Caribbean rum industry

Originally known as 'rumbullion' or 'killdevil' because of its potent effect, rum has been produced in many ACP Caribbean island nations from as early as the mid-1600s in tandem with sugarcane cultivation. It has become an indigenous industry throughout the region with global sales. In the wake of threats from cheaper rum exports through global trade liberalisation, the European Union (EU) is adding strength to the industry with a €70 million grant to Caribbean producers in 15 ACP countries to improve the all round international competitiveness of their products. The measures are important for poverty prevention, since the industry employs an estimated 10,000 Caribbean-wide, with many more dependent indirectly on the industry for their livelihoods.

Debra Percival

This four-year programme, which took off in August 2002, is a "one-off" to the industry, says Brian Kelly, counsellor at the Barbados-based EU delegation to the Eastern Caribbean, designed to offset the predicted losses to the industry in the wake of a gradual opening of the global market for white spirits since 1996.

In November 1996, in a round of world trade talks, the US and the EU agreed to open international markets for white spirits such as gin and vodka in return for better access to the US technology market. Under the Most Favoured Nation (MFN) agreement in world trade rules, any concessions had to be extended to all exporters, the upshot being the opening of the EU market to white spirits including rum from producers in Brazil, Panama, Mexico and Venezuela.

This gave rise to the fear that purchasers of bulk white rum in the EU might in future opt to source their white spirit for their blends amongst cheaper suppliers, to the detriment of the West Indian Caribbean product. Since January 2003, as a result of the 1996 deal, all but a global residual duty on white spirits remains and will be phased out before 2010, say industry experts.

For Patrick Mayers, current chairman of the West Indies Rum and Spirits Producers' Association (WIRSPA), the long-standing body which facilitates trade in West Indian rum, the deal done in the world trade talks highlighted "yet again the flaws in the World Trade Organisation (WTO) and constraints in the body for consultation of small island states' trading issues". Mayers estimates that the Caribbean producers collectively stood to lose US\$260 million per annum from what was the seemingly innocuous deal in the 1996 round of talks in Singapore. It was another blow for the region after jolts in recent years to the banana industry, new threats of global competition for the sugar industry and the precarious nature of tourism, currently the economic mainstay of many of the islands.

### More open EU market

Ironically, Caribbean rum producers have never had such an open EU market for their products. In the past, the rum protocol of successive Lomé Conventions allowed only restricted amounts of both the aged brown rums and bulk white rum to enter the EU market. Quantitative restrictions were put in place because of French fears of competition for their rum from their overseas departments; Martinique, Guadeloupe and Reunion. The ACP Caribbean industry successfully lobbied to dismantle these restrictions and allow unlimited amounts to flow into the EU market under the Cotonou Agreement.

Brian Kelly explains that the EU programme will reduce dependency on the "commodity rum" or white spirit, and add value and increase sales of the "dark" or "golden" aged rums.

The rum industry is a risky business and production is in terms of years. As one spokesperson for the industry points out, "excellence requires time". Take the products of Mount Gay, one of the leading rum manufacturers in Barbados which celebrated its 300th anniversary this year. It produces rum of between 2-10 years maturity. Harvested sugar is boiled to produce the treacly molasses substance, to which is added the unique coral-filtered Barbados water in huge oak vats in the initial fermentation.

Two different distillates are then produced: "Coffey still" which gives rum a subtle character, and traditional copper "pot" stills in use since the 1700s, which imparts a stronger, aromatic flavour. The two distillates are stored for several years and then placed in barrels where they gain flavours. Once matured, they are "married" by the master blender whose craft is highly skilled.

#### Cotonou declaration

The starting point for the EU programme was a declaration attached to the Cotonou Agreement replacing the former restrictive rum protocols.

The 2 February 2000 declaration on rum reads: "The Parties recognise the importance of the rum sector for the economic and social development of several ACP countries and regions and its major contribution in providing employment, export earnings and Government revenues. They acknowledge that rum is a value added agro-industrial ACP product capable, if appropriate efforts are undertaken, of competing in a global economy".

It further stated: "rum, arak and tafia orginating in the ACP countries or falling under HS code 22 08 40 shall be imported under this Agreement and any successor agreement to this Agreement, duty free and without quantitative limitations".

And added: "The Community undertakes to ensure fair competition in the Community market and that ACP rum is not disadvantaged or discriminated against in the EU market, in relation to third country rum producers".

Mayers says that those eligible for grants must produce rum which is fermented and distilled in ACP countries and must come exclusively from sugarcane – no beet is permitted. A recipient must be a producer, or distiller, or be eligible to sell rum. Beneficiaries of the programme are expected to come from any of the following rum producing ACP nations; Barbados, Suriname, Guyana, Trinidad and Tobago, Grenada, St Vincent and the Grenadines, St Lucia, Dominica, Antigua, St Kitts and Nevis, Dominican Republic, Haiti, Jamaica, Belize and the Bahamas.

The programme has been drawn up to benefit both the larger, better-known companies, as well as the smaller ones seeking to develop and market their products. Brian Kelly explains that costs will be shared with the beneficiary who will put up a big percentage of the grant. For example, the EU could provide a grant of up to 50 per cent of the total cost of a "business plan", but just 28 per cent maximum of the costs of, say, upgrading a distillery. This sliding scale of grants is to ensure that smaller businesses in particular are given a boost and also that grants comply with World Trade Organisation (WTO) subsidy rules.

#### Grant windows

Each of the four "windows" in the programme has a separate budget and ceilings governing the maximum grant to an eligible recipient. The programme is financed from unallocated European Development Fund (EDF) monies.

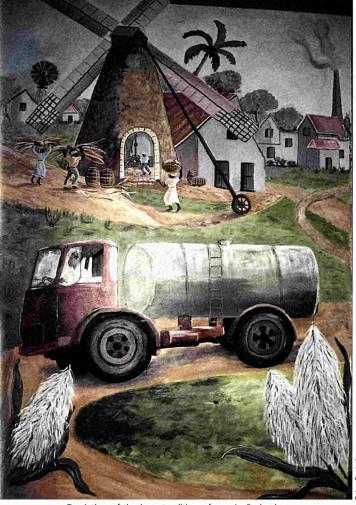
The windows are intended for modernisation and upgrading of facilities, marketing and distribution, waste treatment and business plans. A sizeable sum outside these windows will also go towards the development of Caribbean "marques" or brands.

The €70 million is allocated as follows:

- €14.7 million for modernisation and new equipment for distilleries.
- €21.7 million for distribution and marketing;
- €9.8 million for waste treatment and other environmental aspects of the disposal of molasses, important for both citizens' health on the islands and for the tourism-based economies whose selling points are pristine beaches and translucent, unpolluted sea;
- €3.5 million to develop "business plans" to help small companies in particular.

Outside these windows, some  $\leq 2.1$  million is earmarked for WIRSPA itself to help run the programme. A four-person office set up in the Hastings, Barbados, will field grant applications and act as an information point.





Depiction of the long tradition of rum in Barbados.

Brian Kelly says that backing WIRSPA will also make it into an even more effective lobby for the Caribbean rum industry and anticipates that more producers will join the body. Currently 80 per cent of the region's producers are members. An active lobby is vital since the region is currently negotiating a regional free trade agreement with the Americas and is also negotiating Economic Partnership Agreements (EPAs) with the EU.

€16.1 million will go to develop Caribbean "marques" for rum. Patrick Mayers mentions the possible development of a device to help consumers identify genuine Caribbean rum, others suggesting alternative trademarks.

A  $\leq$ 1.4 million sum for technical assistance is also budgeted. Brian Kelly says that periods of highly qualified expertise will be needed to assist with the programme, for example to advise on intellectual property rights.

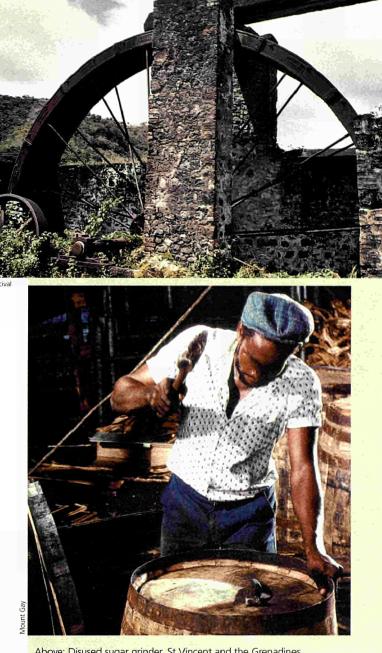
#### Up-beat

Despite the looming global competition, there are signs of untapped markets across the globe and enthusiasm in the Caribbean industry.

Laurie Barnard has a small family-run business in St Lucia and says his sales are "holding up." He has to import molasses from Guyana since St Lucia no longer produces sugarcane.

Malibu, which sources all its molasses from the two remaining sugarcane factories in Barbados, is famous for coconut and lime-flavoured rums.

Chairman of Foursquare, Sir David Seale, says that the distillery is to re-start grinding sugarcanes for the venture. For Barbados Prime Minister Owen Arthur, Foursquare's new production is a sign of optimism for the agro-industrial sector: "There is still a future



Above: Disused sugar grinder, St Vincent and the Grenadines. Below: Barbados; the rum industry has grown alongside sugar cultivation.

for Barbadian manufacturing, but manufacturers from the outset have to plan their facilities to be world-class, to be export-oriented, and to use modern technology to the fullest," he commented at the launch of this new rum project.

The problems facing the industry give rise to wider reflections from Patrick Mayers on what the Caribbean is up against as global markets are liberalised. He feels the "lack of a level playing field" in international trade is unjust, and draws attention to the heavy subsidises given to Brazil's sugar industry. He says that Caribbean nations should be singled out for special assistance.

He draws a parallel with the EU's own Treaty of Amsterdam which underlines the need for special assistance to the Union's own far-flung shores such as Madeira, the Azores and Reunion due to their "unique situation" being "far from markets" and with special topography.

The jury is obviously still out on how much the programme will be able to achieve to help the region meet the competition. Patrick Mayers suggests that  $\in$ 200 million may be required in total to help the industry get a foothold between now and 2010 after the 1996 blow. The EU's current programme, which is poised to approve its initial grants to the industry, is providing a start.



## **Post-conflict rehabilitation**

The multiplication of conflicts, particularly in sub-Saharan Africa, is one of the major obstacles to ACP-EU cooperation. Article 11 of the Cotonou Agreement concerns peace-building policies, conflict prevention and resolution. However, as Adam Higazi explains, although a new political framework is now in place, the adoption of rehabilitation programmes is a complex and delicate operation. Rehabilitation is in the "grey zone" between emergency aid and long-term development actions. François Grünwald looks at evolutions in the concept of LRRD – the link between relief, rehabilitation and development. The EU has also adapted its rehabilitation actions as far as possible to the realities on the ground, attempting to overcome the difficulties caused by the diversity of procedures and instruments and the variety of players involved. Jeannette Akua Eno and Sonja Siegmund look at concrete programmes implemented respectively in Sierra Leone and in the Pacific. Nicky Hitchcock looks at how the nature of peacekeeping has shifted, from being purely military to including civilian-managed activities. In the case of demobilisation of ex-combatants, Vanessa Farr evokes the underestimated role played by women in war, as a consequence of which they are often overlooked in demobilisation planning. Children are among the most vulnerable victims of conflict, and UNICEF describes its work in protecting children during wartime and its aftermath. Markus Kostner describes a regional approach to demobilisation and disarmament in the greater Great Lakes region. Finally, Marion Horroff-Travel describes the work of the International Committee of the Red Cross in the post-conflict period, and the dilemmas often faced.



The proliferation of conflicts within the ACP has been a major cause of impoverishment and suffering, particularly in sub-Saharan Africa, and constitutes one of the major political and developmental challenges of ACP-EU cooperation. Conflict prevention, resolution and rehabilitation are addressed in Article 11 of the Cotonou Partnership Agreement, which is some indication that at the level of policy-making, conflict issues are now being taken more seriously. But even with this new policy framework in place, the challenge remains to put it into practice.

Adam Higazi\*

There are perhaps four key dilemmas which surface in implementating rehabilitation programmes. The first is when to engage; the second is the strategic approach needed to match the complexities of conflict; the third is the institutional arrangements required for the effective implementation of policies; and the fourth is ensuring a coherent political response to a given conflict. These dilemmas of course overlap; so policy-makers must address them in an integrated and coherent way. They are likely to be relevant areas of concern in development cooperation generally, but they are intensified during interventions in areas of conflict or in fragile states. This is particularly so for the European Commission (EC), a large donor with a complex organisational structure. If the EC is to respond effectively to conflicts there has to be good coordination among its different elements, and consistency between the decisions it makes at the supranational level with those made by intergovernmental bodies.1

### When to engage?

The message that emerged in all of the studies undertaken by ECDPM was that rehabilitation programmes should start as early as possible. This is necessary to address both the immediate humanitarian needs that arise from conflict and to support the longer processes of political, economic and social development that tackle the underlying causes of conflict and aim at resolution and stability. In this understanding, rehabilitation constitutes part of a broad strategy that addresses the different levels and patterns of conflict in both the short and long term. This means moving away from linear conceptions of conflict and rehabilitation, which in reality do not correspond to the complexities of conflict situations. What has been shown is the need to respond to situations of much greater volatility, where there are fluctuations in the intensity of violence both temporally and regionally, and where there is a fine line between stability and renewed upheaval. For this reason the distinction between relief and development programming is artificial: rehabilitation should integrate the two. This helps to lessen disruptions in planning and funding during crises, and points to the need for a

### **Dilemmas and definitions** in post-conflict rehabilitation

coherent response that starts early and also incorporates conflict prevention into development policies.<sup>2</sup>

One of the most successful instances of this "integrated" strategy of rehabilitation was the intervention by the EC in the Liberian war. The war went through three main phases throughout the early to mid-1990s (the third phase was ended by the Abuja II Accords in 1996), but the EC intervention referred to here relates to the first Rehabilitation Programme for Liberia, implemented with considerable success between March 1994 and February 1998. The approach in this case was to ensure that the minimum conditions for stability and cooperation emerged through well-targeted policies, rather than waiting for minimum conditions to be met at the outset. The implementation of EC rehabilitation policies helped to reduce conflict in Liberia by maintaining - and even launching - rehabilitation activities at peak emergency times. These targeted the principal causes of conflict and the main obstacles to the peace process, and were implemented in lieu of strategies set out in the National Indicative Programme that was drawn up from the Country Strategy Paper prior to the emergency. As the conflict became more serious the responsibilities of the National Authorising Officer were taken over by the EC's Chief Authorising Officer, enabling the desk officer in Brussels to coordinate the EU's response. The basic principles of the strategy were a neutral approach and the stimulation of key services and infrastructures, both preconditions for a sustainable rehabilitation. The continued and increased engagement of the EC during the crisis also gave it more leverage in its mediation efforts to encourage a resolution and helped to enable cooperation from Member States.

### Strategic considerations

The second dilemma, strategic considerations, concerns in particular the adaptations that are needed to link relief, rehabilitation and development (LRRD) in the challenging environment of fragile states. This calls for systematic and ongoing political dialogue with governments and non-state actors (NSAs) to assess the situation and identify adequate response strategies at different stages of the conflict (as foreseen by Article 8 of the Cotonou Agreement). Strategic planning is needed, but this is best served by a broad framework approach - not by the kind of detailed programming where all activities and expected results are specified and intricately mapped out. The strategic framework adopted must be multi-dimensional - to ensure that it incorporates different actors and addresses the different levels of conflict - and flexible, to allow for quick responses to what are often rapidly changing situations. Policies should of course be implemented in accordance with the specific needs of the different people and regions affected by conflict.

A participatory approach to keep track of changing needs among the population is also essential, as weak or collapsed state structures cannot usually direct aid to the sections of the population where it is most needed. Technical and financial assistance, as well as humanitarian relief, therefore have to be directed mainly through local actors. This normally calls for a local-level presence on the part of the donor. The wide spread of EC Delegations in the ACP and its connections to local and international NGOs should mean that decentralised cooperation and participation strategies are a strength of EC rehabilitation efforts, but in fact



performance has been very mixed in this area. Current moves to "deconcentrate" decision-making procedures, which should give more autonomy to Delegations, are therefore to be welcomed. Furthermore, the framework of the Cotonou Agreement, with its inclusion of NSAs in development cooperation, should be used as an incentive to support a more structured dialogue and involvement of NSAs in rehabilitation efforts. The combination of decentralisation and local-level participation is perhaps the best means of promoting capacity development, which is essential for the ongoing process of rehabilitation, during and after conflict.

The International Rescue Committee estimated in April 2003 that at least 3.3 million people, and perhaps as many as 4.7 million, have died as a direct result of the war in the Congo between 1999-2003, 85-90 per cent of these through starvation and disease. This means it has taken more lives than any other conflict since World War II and makes it the deadliest documented conflict in African history.

### Local actors

In the ECDPM case studies there were several examples of EC decentralised cooperation strategies that have already been put in place. For example, in the Democratic Republic of Congo (DRC), the European Community Humanitarian Aid Office (ECHO) has been funding ILD programmes – "Initiatives Locales de Développement" - and local health committees. In Rwanda the EC channelled resources directly to the prefecture and commune level, but maintained total programming autonomy, and a similar approach was adopted in Burundi. One of the main difficulties in conflict and post-conflict

Difficulties of coordination have been encountered in the Democratic Republic of Congo (DRC), where the response has been focused through ECHO in the east and EDF programmes in the west.

states, however, is finding suitable local actors to work with. This may be due to damage done to the capacity and functioning of civil society organisations during conflict, highlighting the need to link participation to capacity-building measures. But part of the problem arises from the need for an inclusive partnership – one that attempts to bring together different local actors on an equal basis. This is an important part of the peace-building process in conflict-affected countries, but can be very difficult to achieve because civil society groups and local governments are often polarised. Participatory

approaches therefore encounter problems that have to be managed very carefully: there is a fine line between policies that reduce tensions and those that inflame them.

### Dealing with local "authorities"

A further challenge is that, for the implementation of decentralised approaches, there will usually need to be some level of cooperation from state or regional authorities as well. This has been one of the problems faced by the EC during its operations in Sudan, a complex and long-running political emergency. Whilst the EU suspended official development assistance to Sudan in 1990, it has continued to provide humanitarian aid through ECHO, often in the "grey zone" between relief and rehabilitation. In the north the Government of Sudan (GoS), and in the south the main opposition group, the Sudan People's Liberation Movement/ Army (SPLM/A), have tried to establish leverage over donor activities. Both the GoS and the SPLM have had vested interests in the way that humanitarian operations have been conducted. This has raised dilemmas in terms of how best to respond to unwarranted political interference - particularly awkward to resolve because both engagement with the "authorities" and the disengagement (which can mean the withdrawal of operations) can have very negative humanitarian implications. In Sudan things have been further complicated because it is a divided country where only the GoS has formal political recognition (for example, it is the representative of Sudan at the UN) - and yet it has little control over the south, where the SPLM/A has de facto authority. The GoS closely controls donor activities in the north through the Humanitarian Assistance Committee (HAC) whilst the SPLM has set up a humanitarian wing, the South Sudan Relief and Rehabilitation Association (SRRA), to try and control international relief work in southern areas.

The GoS has in the past broken agreements it made with donor agencies and NGOs – its commitments through the HAC and to the scheme Operation Lifeline Sudan (OLS) – by frequently blocking aid flights to the south. For its part, the SPLM undertook long consultations with humanitarian agencies and then issued a "Memorandum of Understanding" (MoU) that was supposed to be signed by all implementing organisations active in south Sudan as an instrument to govern assistance more clearly. This stipulated the conditions under which agencies could operate, but in doing so breached the customary principles of neutrality and independence of relief operations. An agreement whereby the SPLM would be able to levy taxes on humanitarian operations (including relief flights), hire and fire staff, and vet projects was not acceptable for most of the humanitarian agencies. Meanwhile, the non-signing of the MoU meant that the security that the SPLM/A was supposed to provide to the implementing organisations would be lost. In February 2000, when the SPLM eventually threatened to evict and subsequently ousted those humanitarian agencies that would not sign the MoU, the EC decided to suspend funding from SPLM controlled areas, but continued to fund in the other areas of southern Sudan not controlled by the SPLM/A at the time - mostly in the Upper Nile region. In the summer of 2000 the European Commission reviewed its position, and it was agreed that it would consider financing urgent humanitarian actions in locations of acute and immediate humanitarian needs, provided that these actions could be implemented in accordance with internationally recognised humanitarian principles. When the MoU was not in the end applied to the letter by the SPLM, in 2001 ECHO gradually resumed its funding for humanitarian efforts in south Sudan, where finally most humanitarian actors signed the MoU, and from 2002 ECHO has again been funding assistance in all areas of southern Sudan.

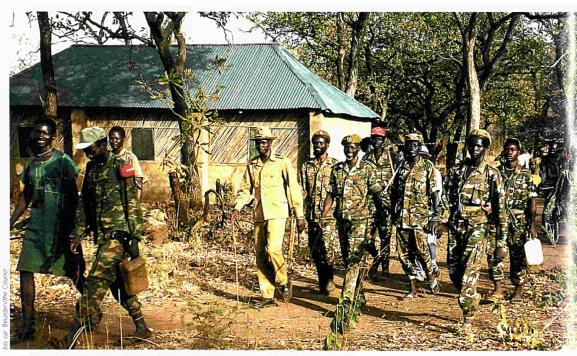
As Lehtinen has written, "[T]he issue of the MoU has highlighted the problem of how to deal with local 'authorities' at a

minimum level, without legitimising them politically". This has indeed been an acute strategic dilemma in Sudan, but in various ways it is a problem encountered in most interventions in conflictaffected/fragile states. Furthermore, dilemmas of political engagement are also inherent in capacity-building, for although this is an essential aspect of the rehabilitation process, the structures to be supported must have some degree of legitimacy. Nonetheless, as policies elsewhere have shown (most notably in Liberia), "con-structive engagement" and carefully targeted measures can produce positive outcomes with respect to the strengthening of both governance and civil society.

Capacity-building without political recognition remains a very major challenge in Sudan, but it may be that where humanitarian/development strategies can co-opt rather than undermine civil society and local-government structures, sustainable rehabilitation could become more of a possibility. It does seem that in this respect the EC has begun to move away from past policies where responses to the crises in Sudan focused more or less exclusively on the delivery of humanitarian aid. Whilst such aid has been crucial for the survival of large numbers of people, it is not in itself an adequate response to a complex humanitarian emergency. Short-term humanitarian aid does not allow for the capacity building of local actors, nor long-term development planning by NGOs. Worse still, in Sudan aid has been manipulated as a weapon of war by all sides in the conflict. A more integrated strategy is needed that also paves the way for rehabilitation; current EC strategies - especially the Humanitarian Plus programme but also the EU-Sudan political dialogue - perhaps reflect a shift in this direction.

### **Regional approach**

A further dimension of rehabilitation strategies is that they often need to be regional in scope. Conflicts tend to spill over borders, so their regional fallout needs to be addressed; but equally the causes of conflict frequently have important regional aspects. In Sudan, the case for both a regional and multilateral approach to rehabilitation is indicated by measures needed to address the flow of refugees into Kenya and rebel groups into northern Uganda, water resource issues with Egypt, and the possible fuelling of the war through investments by foreign oil companies in southern Sudan. A regional response implies good coordination between actors that spans the geographic and social



In Sudan aid has been manipulated as a weapon of war by all sides in the conflict.

divisions of Sudan. In particular, this has to take place between donor agencies split between Khartoum and Nairobi. The impact of the conflict on neighbouring countries and the role that they may have in its resolution is also very important. Dialogue and peace-building initiatives along these lines have taken place through the multilateral framework of the Intergovernmental Authority on Development (IGAD) and were made evident in the Machakos Protocol of July 2002.<sup>3</sup>

### Institutional arrangements

The third dilemma is the specific institutional qualities and adaptations that are required for rehabilitation strategies to be effectively implemented. In a nutshell, these are flexibility, responsiveness, and very high levels of coordination between units and between policy-makers at different levels. It is especially important that institutional arrangements are in place that allow for effective responses to changing situations on the ground, and where comprehensive regional strategies for rehabilitation can be coordinated. This is most difficult to achieve in divided countries – as in Sudan.<sup>4</sup>

Difficulties have also been encountered in the DRC, where the response has been focused through ECHO in the east and EDF programmes in the west. The problem here is that the division in the EC's response between east and west DRC has not been based on a needs assessment, but is due to "the lack of an adaptable mechanism for disbursing aid in rebel-held territories" (Bourque and Sampson, 2001: 29). Furthermore, the EC's response to the war in the DRC has also lacked coordination at the regional level - but no single donor has managed to address all levels of crises in the DRC.<sup>5</sup> In particular, inter-communitarian conflicts have received scarce attention, despite the destruction they have caused. Some of these connect to inter-communitarian conflicts with their roots beyond the borders of the DRC - most prominent here are the Interahamwe Hutu militias which crossed into the DRC from Rwanda. By and large, conflict in the DRC has been fuelled by the involvement of armies from surrounding countries in the fighting, so that although the fighting has taken place on the territory of the DRC, it has in another sense been a truly regional conflagration. There does seem to be a regional awareness in the political initiatives of the EC - "solutions without borders must be found to problems without borders" (Bourque and Sampson, 2001: 10) - but, it has proved difficult to translate this into a strong regional approach to the coordination of aid delivery and rehabilitation. Moreover, EC development initiatives have not been backed up strongly enough with the political pressure that needs to be exerted at the governmental level, on the multitude of countries with a stake in DRC's war.

#### Coherent political response

The forth dilemma in rehabilitation programming is ensuring a coherent political response at the EU level. Ultimately, without political back-up – within the Commission or from amongst Member States – there can be no EU response at all. Development practitioners can be heroes in the field but their work also has to be valued by political decision-makers at the centre, otherwise it will be seriously constrained. This highlights the fact that rehabilitation policies need to be integrated at many different levels, with interventions located within a broader political framework. Many of the problems that emerge are the result of tensions between development goals and foreign policies. This is what happens in cases where the strategic interests of donors differ from the development or humanitarian needs of the country affected by conflict. Within the EU this is further complicated by the lack of coherence between the foreign policy objectives of different Member States. In particular, this suggests the need for more cooperation within the framework of the Common Foreign and Security Policy (CFSP), and a clearer role for the CFSP in relation to conflict intervention and rehabilitation. But this is something that the Commission has often had problems with, especially where rehabilitation projects are financed using EDF money, the flows of which can be disrupted in cases of disagreement amongst members of the EDF Committee (an intergovernmental body). In the context of the Cotonou Agreement, this perhaps indicates the need for more cooperation with ACP countries, so that at least decision-making can be made with leaders from whichever region is affected.

All of this points to the need for a higher tolerance of risk than would be expected in other types of development programmes. Risks need to be taken into account in performance criteria and indicators. Management procedures have to be adapted so that risk is accepted but at the same time minimised without losing operational effectiveness. This can be a difficult balance to achieve, particularly in cases of media and public scrutiny where immediate, concrete results are often expected. Part of the problem here consists of judging and then communicating the effectiveness of rehabilitation in light of the difficult operational context in which it takes place. Clearly, achievements have to be seen as relative to the general circumstances of a situation rather than assessed in any absolute terms, but if progress is to be made in the implementation of rehabilitation strategies, then innovative solutions are probably needed.

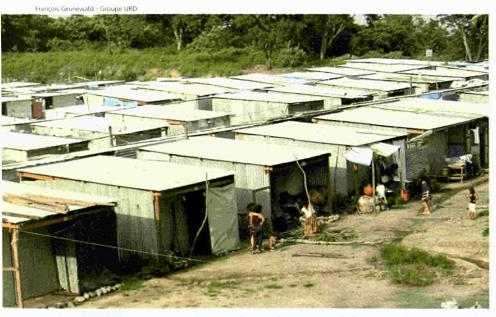
 Researcher on Political Dimensions of ACP/EU Cooperation, European Centre for Development Policy Management (ECDPM).
 Thanks to lames Mackie, lean Bossurt and Charlotte Carlsson at ECDPM for their feedback

- Thanks to James Mackie, Jean Bossuyt and Charlotte Carlsson at ECDPM for their feedback, and to Jan Eijkenaar at ECHO, Nairobi, for his informed and constructive comments on Sudan
- 1. This article is informed by a research project completed at the ECDPM in 2001 on the EC's political and developmental responses to conflictaffected countries and fragile states. The project produced case studies on six ACP countries; Congo, Rwanda, Burnudi, Guinea-Bissan, Somalia, and Sudan (published individually as ECDPM Discussion Papers 25-30 in July 2001). All ECDPM discussion papers can be downloaded at <u>www.eccdpm.org</u>). The findings of the case studies formed the basis of a summary and operational guidance paper written jointly by ECDPM and International Alert (Sophie da Camara Santa Clara Gomes, Terhi Lehtinen, Andrew Sherriff, Jean Bossuy: *The El's Response to Conflict Affected Countries: Operational Guidance for the Implementation of the Cotonou Agreement*. ECDPM Discussion Paper No. 31, July 2001.). The findings of this project are supplemented by those of an earlier paper written at ECDPM on the EC's response to the crisis in Liberia (Emmery Brusset, *El' Cooperation utilite Politically/ragile Countries: Experiences from Liberia*. ECDPM Discussion Paper No. 2, 1999).
- 2. For more information on LRRD strategies see Action Aid Alliance (2003): Improving European Development Cooperation: The Link Between Relief, Rehabilitation and Development The LRRD strategy has also been adopted by the European Commission, as expounded in two Communications on the issue. The first of these was published in 1996 – COM (2001)153. Linking Relief, Rebabilitation and Development – and the second in 2001; COM (2001)155.
- 3. For further information on Sudan and on the current peace process see the IRIN website (Integrated Regional Information Networks) – under the aegis of the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA) – at: <u>http://www.irinnews.org/webspecials/sudan</u>.Also see the IGAD website: <u>http://www.igad.org</u>
- As Lehtinen (2001:20) noted, separate mandates and geographical distinctions have created separate bureaucratic cultures, and even different perceptions of the Sudancse conflict.
- 5. The scale of the chaos in the DRC has been immense and has not been met with an adequate international response. See <u>www.theirc.org</u> and http://www.guardian.co.uk/international/story/0.360 (.951997.00.html)

The concept of emergency humanitarian aid developed around the paradigm of saving life and relieving suffering. The great famines in the Sahel in the 1970s demonstrated that emergency aid, particularly food aid, could often have unanticipated negative side effects, such as the disappearance of local production systems, dependence on imports, the predominance of "free" services making the creation of economically viable systems difficult. Therefore, the idea of linking relief, rehabilitation and development (LRRD) began to figure on the humanitarian aid agenda. The challenge was to provide better thought-out emergency aid to prevent such detrimental effects arising further down the line.

François Grünewald\* considers the evolution of the LRRD concept.

Until the fall of the Berlin Wall in 1989, most conflicts were on hold. The link between relief and development was particularly relevant in cases of natural disasters, articulated around the concept of a linear continuum between relief and development. Conventional emergency aid was what NGOs, international agencies and institutions did best. However, people's needs in the affected countries were much more diversified than the range of relief options on offer could cover. In 1979, the late Sir Robert Jackson, the UN General Secretary's special representative



People displaced by conflict or natural catastrophe are a humanitarian challenge, and also a challenge for reconstruction. Salvador, after the 2002 earthquake.

### Before, during and after crises:

### better linking of relief, rehabilitation and development

with the UN relief operation in Kampuchea, devised the concept of emergency rehabilitation. Kampuchea, in a war situation and suffering an embargo because of the presence of the Vietnamese, was desperately in need of aid to guarantee its food security and to set up health and education structures. The concept of "emergency rehabilitation" paved the way for "quasi-development" and for meeting people's real needs.

### Supporting populations' survival strategies

Long-term crises shape aid, as they require a combination of humanitarian principles and development tools. Such crises can cancel out multi-generational development achievements and result in the "donor fatigue" that relief agencies so fear. They often end up meeting indifference, no longer of interest to the politicians who hold the purse strings. But failing to acknowledge theses long-term crises or neglecting them means that resources are not mobilised. Furthermore, the absolute need for impartiality vis-à-vis the parties to a conflict also makes any involvement in the work of strengthening institutions or infrastructures difficult.

Nevertheless, classic emergency aid very quickly loses its rationale and could even become counterproductive. But, a new approach can be developed using as a starting point an analysis of the survival strategies of populations affected by crises (reorientation of production systems, re-allocation of scant resources, modification of revenue sources, etc.), and by expanding progressively to the management of living conditions as a whole. This new way of viewing aid enables populations to become actors and to throw off the status of "passive recipients". This approach, which was highly innovative when introduced by the ICRC (International Committee of the Red Cross) in Sudan (1988) and Somalia (1991-92), has been tested else-

where in Africa, in the Balkans, Afghanistan and other countries. The application of a more inspired approach to development in preference to emergency intervention has become established practice for a number of humanitarian agencies, and donors have also been won over.

### Progressive adoption after the Wall came down

The end of the Cold War facilitated a resolution to certain conflicts, essentially conflicts in countries without real economic assets (little or no underground resources) or countries of lesser geostrategic importance, such as Mozambique, Kampuchea, Nicaragua, El Salvador and others.

A solid UN mandate, weariness on the part of the population and society's upper echelons, the unlikely eventuality that one of the parties might be victorious and a low profile in the media appear to be key to a reasonably successful transition from war to peace and from emergency aid to aid for reconstruction. The conventional tools



During post-crisis phases, the need for justice and a recognition of suffering are often just as important as material needs.

of the relief/rehabilitation/development continuum can be employed, including participatory and partnership strategies. What this involves is genuine participation of the affected people in the conception, setting-up and evaluation of the humanitarian action. This type of involvement means that it is more likely that the post-humanitarian aid period will be considered, understood and prepared for.

Furthermore, the creation of partnerships with local NGOs promotes skill transfer. Putting mechanisms in place, whereby the participation of the local people in the programmes of international actors progressively leads to the opposite situation – in which those same international actors support and become involved in local initiatives – is a difficult but absolutely necessary reversal of roles. As demonstrated by the situation in Afghanistan, mechanisms have to be devised that provide reassurance for the embryonic national authorities and that enable actors to retain the impartial status they need for intervention to be continued should the political/military situation deteriorate.

As well as managing the conventional form of the relief, rehabilitation and development "continuum", there is also a "contiguum"; a situation in which a country is divided into zones: zones of calm where development programmes are possible; zones of acute crisis where emergency aid is required; and intermediate zones where there is a combination of great vulnerability and extreme volatility. Who to turn to? Which office to mobilise? Which budget line to tap into? This dilemma has arisen regularly over the past decade, as in Somalia, for example, to mention just one case. The same questions also arise in recurrent crises, such as in Angola, which furthermore prevent emergency aid and development aid from functioning properly.

#### Advance crisis management

There is always a "run-up" to a crisis: a period of economic difficulty or social/ethnic tension, human rights violations, border incidents, etc - all are tell-tale signs. Despite an abundant literature describing what conflict prevention involves, there is currently little experience and reference material to go on. Perhaps development and the promotion of international law in general and of international humanitarian law (IHL) in particular will provide some pointers as to how to limit the risks of war or, at the very least, to reduce its impact on civilian populations. Advance crisis management must, in the long term, involve a new developmentpolicy paradigm. As wealth is created, will we examine the fair or unfair nature of the redistribution of the products of growth or simply allow inequalities - sources of conflict - to develop? How will we manage the challenge of increasingly fragile land to be shared out amongst increasingly large population groups? How, finally, in such an unstable world, will we include crisismanagement capability (warning systems, preparation strategies, etc.) at the very heart of development agendas?

Popular participation in development strategies is far from common practice. On this subject, URD's global study on Consultation with and Participation by Beneficiaries and Affected Populations in Humanitarian Interventions attempts to provoke reflection on this issue '. Another future challenge is improving the quality of humanitarian interventions and postcrisis actions. Here, again, an entire series of promising initiatives has emerged in the last few years <sup>2</sup>, initiatives that, in fine, promote humanitarian intervention that not only saves but also, because of its quality, ability to adapt and capacity to strengthen resilience, restores hope, dignity... and a future. This is what links relief and development.

1. cf. www.globalstudyparticipation.org

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<sup>2.</sup> cf. www.qualityproject.org

### -----> Dossier

Rehabilitation is the term used to describe the intermediate stage between emergency relief and development. It covers a multitude of very different situations and variable time spans. In the field, rehabilitation attempts to bridge the gap between emergency assistance and the long-term development strategies set up in conjunction with the beneficiary countries. Translating theory into practice has often come up against the diverse and complex range of instruments available and the multiple players concerned. However, with the benefit of experience, rehabilitation is becoming increasingly effective.

#### François Lefèbvre

# Violent Conflict has been on the increase since the end of the Cold War, principally in sub-Saharan Africa. These wars bring desolation in their wake: loss of life, human suffering, mass displacement of people, an economy on its knees, and destruction of the environment. When weapons fail or fall silent, the scars of war are all too present – in many countries, the industrial production apparatus has broken down, the social fabric has been torn to shreds and infrastructures wiped out. The fragile nature of the economy of a country in the post-conflict era, the precarious condition of its institutions and general lack of stability mean that it is difficult to rapidly implement conventional long-term development programmes. At the same time, emergency humanitarian aid runs out as resources dry up and the instruments available are unable to satisfy economic and social reconstruction needs.

Transition from war to peace is a complex process involving making a country safe and secure, protecting the population, reintegrating displaced populations and refugees, rebuilding infrastructures, relaunching the economy, promoting good governance, establishing political dialogue and restoring the social capital. Violent conflict poses the biggest challenge to rehabilitation programmes, greatly complicating the establishment of coherent and consistent links between relief, rehabilitation and development. It is only in very rare cases that crises evolve in a linear fashion; they swing between deterioration, escalation, disorder, periods of calm, hope, and a return of the old situation, as illustrated in the cases of the Middle East, Angola, the Democratic Republic of the Congo, and Burundi, amongst others. In such precise cases, the link between relief and development is not a chronological transition, because the continuum can, at any moment, be broken, at least in certain areas.

# Post-conflict rehabilitation and the EU:

at the crossroads



Southern Sudan. Violent conflict has been on the increase since the end of the Cold War, principally in sub-Saharan Africa. These wars bring desolation in their wake: loss of life, human suffering, mass displacement of people, an economy on its knees, and destruction of the environment...

### Special Initiative on Africa

In 1993, the European Commission began to implement its rehabilitation operations within the specific framework of the Special Initiative on Africa. Initially, it covered Ethiopia, Eritrea, Mozambique, Angola and Somalia, and was later extended to other countries, such as Sudan, the Democratic Republic of the Congo, Rwanda, Liberia, Haiti, Afghanistan, Cambodia, the Lebanon, El Salvador, Guatemala and Nicaragua. According to the Commission, rehabilitation is defined as "an overall, dynamic and intermediate strategy of institutional reform and reinforcement, of reconstruction and improvement of infrastructure and services, supporting the initiatives and actions of the populations concerned, in the political, economic and social domaines, and aimed towards the resumption of sustainable development. People - both victims and participants in violent conflicts - must be reintegrated into civil society, in its economic, social and political aspects"1. In other words, there must be a human dimension. Rehabilitation actions supported by the EU also cover such areas as the relaunching of the production apparatus, material and functional rehabilitation of basic social and administrative infrastructures – including demining – return of populations and social reintegration - particularly of refugees, displaced persons and the demobilised military - and the reestablishment of institutional capacities, particularly at local level.

In slightly more than 20 years, EU support to countries emerging from crisis has been considerably stepped up. For example, in 2002,  $\in$  30 million was allocated to supporting the peace process in Angola and  $\in$  50 million to rehabilitation in Somalia.

### No single model

A number of factors have in the past and may still in the future present obstacles to operations or programmes, as their success depends on relative stability in the field, a minimum level of security, the soundness of any peace accords and the political will on the part of the former belligerents to leave conflict behind them.

There is also the matter of the availability of financial resources, which depends, in particular, on the international community's real commitment to supporting the transition.

Coordination and flexibility are two more inextricable problems. Coordination may be hindered by a lack of planning and coherence between financing arrangements, by poor monitoring and evaluation processes, or by a divergence of interest between the many parties involved. Flexibility may be reduced. Length and multiplicity of procedures and the time they take slows down the realisation of programmes, thereby expanding the "grey zone".

Furthermore, rehabilitation is not restricted to the transition between emergency relief and development: it is supposed to contribute to a country's structural stability. Consequently, conflict and catastrophe prevention and the strengthening of institutions are an integral part of its work.

### Adaptation

Although there can be no single model for rehabilitation, the Commission has put forward a number of guidelines. In its 2001 Communication<sup>2</sup>, the Commission stresses the need for relevant, country-by-country analysis of the structural causes of conflicts and the establishment of global frameworks defining priority sectors and measures. It also advocates a balance between measures aimed at political, economic, legal, social, environmental and military stabilisation, in order, ultimately, to bring about convergence of the interdependent objectives of peace and development.

The communication also calls for improved coordination, between the services of the Commission, between the Commission and Member States and between donors. In this connection, the establishment of strategy documents to provide a framework for ACP-EU cooperation, facilitates analysis and coherence between different EU policies, as well as coordination and complementarity between different donors. The "circle of friends" approach involves the broadest possible number of international donors coordinating their actions. This approach has already been adopted in Somalia, Sudan, Afghanistan, East Timor and Tajikistan.

Independently of the commitments entered into by the signatories of the Cotonou Agreement (in terms of promotion of peace, conflict prevention and resolution), the permanent political dialogue put forward in the text can or should play a major role. It establishes regular discussions on the political situation of beneficiary countries. In Burundi, for example, the EU was thus able to remain committed, despite the continuation of the conflict. It supports the peace process, demobilisation and the disarmament of the rival factions while at the same time exerting pressure for negotiations and directly supporting civil society.

The progressive adaptation of financial instruments and the deconcentration process aiming to increase the capacities of the EU Delegations should also reinforce the impact of rehabilitation programmes on the ground. In addition, ECHO (the European Commission's Humanitarian Aid Office) is now refocusing its activities on its "core business" of emergency relief.

For their part, NGOs are calling for words to be rapidly translated into actions, for greater involvement on the part of civil society in the process of reflection on rehabilitation and the predominant role that prevention should have.

The EU (European Communities + Member States combined) provides more than 50 per cent of international aid and represents broad political interests, and could play a central role in coordinating rehabilitation programmes. However, financial instruments and procedures would have to be adapted.

Given the intermediate position of the rehabilitation phase, the procedures relating to it should be between emergency procedures such as those used by ECHO and those applied in traditional development. Moreover, the Cotonou Agreement stresses effectiveness and flexibility in mechanisms which facilitate the transition between relief and development. Furthermore, it is pointless to seek to improve rehabilitation operations without adequate financial and human resources being made available. Lastly, with a view to improving its capacity to react, the EU should perhaps accept a higher level of risk. This means choosing between greater speed and flexibility in its actions on the one hand, and being able to guarantee maximum control and quality, on the other.

 Communication from the Commission on Linking Relief. Rehabilitation and Development [COM (96) 153 final of 30.4.1996]
 Communication from the Commission on Linking Relief, Rehabilitation and

### Projects earmarked in 2002 for the Post-Conflict and Socioeconomic Rehabilitation sector

Country /Region	Amount in euro
Angola	53,705,000
Burundi	9,600,000
Central African Republic	4,150,000
Congo Brazzaville	7,498,000
Democratic Republic of Congo	10,000,000
Djibouti	1,999,525
Dominican Republic	7,000,000
Eritrea	16,623,380
Ethiopia	6,673,436
Guinea Bissau	3,000,000
Malawi	38,000,000
Namibia	1,242,000
Rwanda	3,200,000
Somalia	50,000,000
Sudan	150,000
Tanzania	5,995,000
Тодо	14,600,000
"All countries" envelope	40,000,000
Total	277,236,341

Communication from the Commission on Linking Relief, Rehabilitation a Development [COM(2001) 153 of 23 April 2001]

Efforts to help ex-combatants disarm, demobilise and reintegrate into their societies (known as DDR programmes) have become an integral part of transition from war to peace in Africa and other parts of the world. Here Markus Kostner\* looks at the development of a "multi-country demobilisation and reintegration programme" (MDRP) in the greater Great Lakes region' of Africa.

avoid wasting their lives further.

The end of the Mobutu era in Zaire and the installation of

Laurent Kabila as president of a new "Democratic Republic of the

Congo" (DRC) in 1997 did not bring an end to civil war. It was not

until July 1999 that the six African countries and the rebel move-

ments involved in the fighting signed the Lusaka ceasefire agreement.

This provided hope for an end to protracted conflict in the region.

One of the issues addressed by the agreement was the existence in

the DRC of thousands of armed soldiers who had to be returned to

civilian life. It was clear that without a massive programme of re-

habilitation any peace would remain precarious. In addition there

were serious implications for the country's economy and a need to

provisions and plans for demobilisation came to nothing. But in

January 2001 Laurent Kabila was assassinated and a new government

under his son Joseph was installed in Kinshasa. This led gradually to

an environment that was more conducive to progress.

At first the signatories did not implement the Lusaka agreement's

# **Demobilisation** and disarmament:

a regional approach to reintegrating ex-combatants in the Great Lakes

The need to work across borders

The international community started to re-engage the authorities in a disarmament, demobilisation and reintegration (DDR) programme. Elsewhere, a DDR programme re-started in Rwanda. The Arusha peace agreement, signed in August 2000, had given impetus to DDR planning in Burundi. And a programme in Congo-Brazzaville had already been launched.

With increasing DDR activities in neighbouring countries, which had clearly related challenges, the advantages of a regional approach became ever more apparent. The hope was that this would enhance the prospects for peace and recovery by encouraging regional stakeholders to move ahead quickly with demobilisation. By August 2001 the World Bank and the UNDP had independently engaged in regional DDR planning, and donors started to commit substantial resources.

These efforts culminated in the preparation of the Multi-Country Demobilisation and Reintegration Programme (MDRP). Its objectives are to provide a comprehensive framework for DDR efforts, to establish a consistent mechanism for coordinating donors and mobilising resources, and to serve as a platform for national consultative processes. The MDRP is a five-year programme that aims to demobilise and reintegrate some 350,000 ex-combatants, including former members of national armies, members of irregular groups and child soldiers. The cost of the programme is estimated at US\$500 million.



#### Genesis of the MDRP

Previous efforts at helping ex-combatants to return to civilian life had usually been less than comprehensive or nationwide in their approach. In Uganda, for instance, the programme focused on short-term measures to the detriment of longer-term reintegration. In Mozambique, while a range of international bodies implemented the programme, government participation remained limited. Under such conditions DDR assistance risked being both more expensive and less effective. With development aid generally decreasing, ensuring its effectiveness had become even more important. So the idea of a framework to coordinate the work and to mobilise resources was welcomed.

It was clear from the start of this latest, multi-country approach in the greater Great Lakes region that commitment would be needed on the part of all international actors interested in DDR in one or more of the countries in the region. Design of the programme followed the premise that no single donor or agency could address the complexity of DDR issues.

In particular it was felt that the World Bank and the UNDP, both agencies with long-standing DDR experience in Africa and elsewhere, needed to reach consensus on the framework for such a regional programme. Moreover, it was essential that it should aim to complement national and regional peace initiatives by providing support for the social and economic reintegration of ex-combatants and their families, and that it should not be construed as a substitute for political solutions to the conflicts.

Preparation involved over 30 bodies and progressively expanded the boundaries of collaboration between them. Consultations were also held with most governments in the region, all of whom expressed their full support for a regional approach.

#### Partnership

Today, the MDRP involves over 40 partners: governments in the region, bilateral donors, UN agencies, international financial institutions and regional organisations. Each partner has identified a technical point of contact (a "focal point") for MDRP-related matters. These are in regular contact with each other and the MDRP Secretariat on regional and country issues. They undertake joint missions and regularly monitor MDRP performance.

In each country, a lead agency (the UNDP or the World Bank) coordinates assistance by the international community in close collaboration with, and under the overall guidance of, national authorities. The MDRP Secretariat, through its representations in Kinshasa and Kigali, supports the lead agency.

#### Achievements

Bringing together nine countries, many of which have been at war with each other, and so many international partners with a variety of mandates and procedures, under one regional framework, has been a significant achievement in itself. Although the implementation of DDR activities in participating countries has proved to be a daunting challenge, progress so far is very encouraging.

The MDRP framework has enabled governments to tap into a wide range of technical know-how and to benefit from lessons learned from DDR practitioners. The MDRP provides an assurance of technical quality and financial accountability, and ensures consistency in design while responding to local needs. It also ensures that there is no ambiguity in the position of governments, by requiring them to submit a letter stating their policy on demobilisation, as part of the eligibility criteria for taking part in the MDRP.

In contrast to many single-country DDR programmes that have not been able to raise money quickly, around US\$330 million has been pledged by donors during the opening phase of the MDRP. As a result national programmes in Rwanda and Angola, the two programmes launched so far, have been able to start without a gap in funding. By encouraging strong engagement in the planning, implementation and monitoring of individual DDR activities, partners are able to influence the course of action to be taken and gain a sense of ownership.

Yet the MDRP also challenges partners to be disciplined and transparent in their activities, and not to undertake work outside the agreed framework. This helps to minimise duplication of effort and reduce the administrative burden on governments. Through such coordination, partners are also in a stronger position in relation to governments on critical issues, such as the content of their letters on demobilisation policy.

#### Problems

There have been problems in implementing the MDRP. All partners have endorsed it as a common regional framework. Nevertheless some tend to act according to their perceived immediate individual interests, for example, by providing technical assistance to national authorities or carrying out DDR related missions without consultation with other partners. It has also proved difficult to balance institutional interests and agendas with what is best for the countries concerned. So it is important to foster understanding and trust between partners with different traditions and to acknowledge their different roles and responsibilities.

While the World Bank has adopted simplified procedures for financing special projects, there is still a concern among partners that they may lack flexibility and speed. Furthermore, some may see the World Bank – as MDRP lead agency, trust fund administrator and single most important donor – as too dominant a partner. Continuous commitment and effort on the part of all is therefore required to establish and maintain the identity of the programme as a true partnership.

#### Scope for replication

The MDRP is more than an effort to help disarm, demobilise and reintegrate ex-combatants in the greater Great Lakes region. It represents a vision of how the international community can work together to provide development assistance that is centred on a country's needs in the most effective and sustainable way. The MDRP is a framework for coordinating and mobilising resources. So it can be replicated in any sector and any country, following a conflict or in more normal circumstances. What is needed is a willingness on the part of donors and agencies to share a common vision and to work together for the development of the countries they serve.

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1. For the purposes of the MDRP, the greater Great Lakes region comprises all those countries involved in or affected by one or more conflicts in central Africa. These include: Angola, Burundi, the Central African Republic, the Republic of Congo, the Democratic Republic of Congo. Namibia, Rwanda, Uganda, and Zimbabwe.

### -----> Dossier

Since the end of the Cold War "traditional" peacekeeping has undergone dramatic changes, at both the conceptual and operational level, in response to the increase in intra-state conflicts and in complex humanitarian emergencies. Peacekeeping has shifted from being purely military to including a wide range of civilian-executed activities such as humanitarian assistance, human rights monitoring, election monitoring, police observation, disarmament and reintegration, de-mining and sanctions monitoring. This article illustrates how the nature of peacekeeping has changed and how an expanded role for both civilian and military peacekeepers in the realm of postconflict rehabilitation' has resulted in a number of challenges. It emphasises the need for enhanced civil-military coordination and for empowering local communities to continue with reconstruction efforts once the peacekeepers have left.

# Peacekeeping revisited:

### the role of peacekeepers in post-conflict rehabilitation



Mine risk reduction project - Cambodia.

ECHO/Y. Hildebrand



Reconstruction of a hospital in Zaranj - Afghanistan.

#### Nicky Hitchcock\*

These new civilian-executed activities often relate to postconflict rehabilitation and reconstruction; thus the line between peacekeeping and peace-building activities, and the people undertaking them, is becoming increasingly blurred. Military and civilian peacekeeping personnel often find themselves engaged in monitoring ceasefires, protecting humanitarian personnel across borders, peace enforcement and at the same time undertaking traditional post-conflict activities such as assisting in the return of refugees and disarmament, demobilisation and reintegration (DDR). There is a growing interest in viewing peacekeeping plus humanitarian operations in a longer term perspective, to ensure that the conditions which created the crisis do not return. During the UN general debate of 19 November 1993 on strengthening the co-ordination of humanitarian assistance by the UN, a number of representatives expressed the view that peacekeeping and humanitarian assistance should be part of the continuum to post-conflict rehabilitation and development.2

#### Modern peacekeeping

Previously, peacekeeping operations primarily consisted of monitoring ceasefire agreements, assisting in troop withdrawals, providing buffer zones and helping in the implementation of a final settlement. Modern peacekeeping, in an environment of intra-state conflicts where a range of economic, political and social issues must be addressed simultaneously, is now described as multilateral, multidimensional and multinational.<sup>3</sup> Military and civilian agencies now work in parallel to fulfil varied functions undertaken in a peace support operation (PSO). The military's task is, theoretically, to reestablish order and create a level of security that allows civilian organisations to carry out their humanitarian and political functions. Once the situation has stabilised, the military should begin to reduce the size of their forces. Four strategic components of post-conflict rehabilitation have been identified by D. Last – security, governance, relief, development and reconciliation – who argues that each involves a wide range of tasks, and each task requires associated skills.<sup>4</sup> Modern peacekeeping has taken on the additional task of containing the violent conflict and promoting or supporting postconflict rehabilitation efforts. This is evident in the expanded role for civilian and military peacekeepers and also in the increasing number of civil-military coordination centres in PSOs that aim to facilitate the interaction between civilian agencies and the military component of a mission.

The lack of skills of military personnel in some areas, such as building cooperative relationships, calls for improved civil-military coordination. Through these centres, military peacekeeping personnel coordinate efforts with international humanitarian staff and local non-governmental organisations (NGOs) to build roads, develop water projects, build youth centres and assist in economic reconstruction, etc. For the successful completion of a peace support operation, in terms of achieving post-conflict social, political and economic rehabilitation, there is a serious need to empower local civilian peacekeepers to continue rehabilitation once the military personnel have left. Modern peacekeeping, in other words, requires harnessing its "civilian" wagons to its "military" horses.<sup>2</sup>

Recognition for multi-dimensional peacekeeping operations began in the early 1990s. In 1992, former UN Secretary-General Boutros Ghali issued the Agenda for Peace which laid the foundations for a broader interpretation of what peacekeeping should entail, including "comprehensive efforts to identify and support structures which will tend to consolidate peace and advance a sense of confidence and wellbeing among people." This is the concept of "peace-building," a defining feature of multidimensional peacekeeping operations.<sup>5</sup>

Further evidence is found in the Report of the Panel on UN Peace Operations, commonly referred to as the Brahimi Report, which stated that peace-building in some cases was vital to the success of peace-keeping. In such complex operations today, "peacekeepers work to maintain a secure local environment while peace-builders work to make that environment self-sustaining. Only such an environment offers a ready exit to peacekeeping forces, making peacekeepers and peace-builders inseparable partners." 6

It is important that a PSO provides for certain mechanisms to lay the groundwork for post-conflict rehabilitation. A good example of where a PSO assisted with post-conflict rehabilitation, and should be a model for other PSOs, is the UN Transitional Authority in Cambodia (UNTAC).7 The Paris Accords gave UNTAC the task of planning and coordinating an international effort to begin the process of rebuilding Cambodia through projects designed to meet immediate and medium-term needs. Projects coordinated by the Rehabilitation Office included the return of refugees as the first step to bringing national reconciliation, and programmes to rehabilitate the country's human and physical infrastructure. The PSO also undertook a number of Quick Impact Projects that were labourintensive and facilitated the reintegration of ex-combatants and refugees.8 The UNTAC rehabilitation unit laid the groundwork for Cambodia's eventual reconstruction by developing a plan, setting priorities and co-ordinating donor assistance. It was then up to the Cambodians to keep the process going.7

#### Challenges for merging peacekeeping and peace-building activities

Peacekeeping and post-conflict rehabilitation were previously conducted as separate activities involving completely different organisations. Today, post-conflict rehabilitation activities are undertaken by a variety of political, civilian, police and military personnel who find themselves working shoulder-to-shoulder and their roles often overlapping.9 This results in a number of challenges for civil-military coordination and for both civilian and military peacekeeping personnel. The list below is not exhaustive but illustrates a few of the most pressing challenges for peacekeeping personnel:

- · civil-military coordination: although both the military and civilian personnel in a PSO have a similar objective, their different concepts of operations and structures can be a source of conflict. Lack of communication and understanding between them has resulted in numerous complications that have lengthened the duration of a mission. Many civil-military coordination centres have been established during PSOs and this has proven to greatly reduce the confusion and overlapping of military and civilian roles;
- funding: the character of the UN system in terms of peacekeeping does not allow for the easy design and funding of very comprehensive and integrated PSOs that include support for post-conflict rehabilitation. Therefore international and local NGOs and UN agencies, that rely on donor support, carry out most rehabilitation efforts. Because there is often a lack of funding for such programmes during an operation, local civilian peacekeepers need to be empowered to continue the process once the military peacekeepers have left;
- misinterpretation/misunderstanding of mandates: very often the role and function of peacekeepers, as outlined in their mandate, are misunderstood and subject to variable interpretations. For example, a mandate may state that the peacekeeping

forces will assist in establishing "stability"; but how one measures stability may differ. It is therefore important that mission mandates are clear and well distributed;

- exit strategies: another challenge concerns the exit strategy of a PSO. The Secretary-General's Agenda for Peace identifies possible UN activities that should be undertaken before or during the mission. These include support for economic development programmes, humanitarian and electoral assistance, and support for human rights. This calls for institutional rehabilitation so that the UN peacekeeping mission can withdraw and at the same time ensure that rehabilitation programmes continue;
- · leadership: the issue of who is ultimately in charge can also pose a problem in terms of civil-military coordination. For example, a Force Commander in a mission may be in charge of the military movements, but often civilian agencies are independent and their cooperation with the military does not necessarily fall under the UN's command;
- · local authorities: if local authorities do not accept the peacekeepers, or do not have the capacity to undertake rehabilitation efforts, immense pressure is placed on the peacekeepers. Firstly they need to gain the respect and acceptance of local authorities and partner with them, or undertake rehabilitation programmes while continuing their normal or mandated activities. The rehabilitation of local authority also becomes crucial to the end product and success of the peacekeeping operation.

Classical peacekeeping operations have extended into the areas of reconstruction and rehabilitation. The ongoing effort to establish a more comprehensive doctrine and practice of peacekeeping must be closely integrated with the long-term goals of sustainable post-conflict rehabilitation. Peacekeepers, both military and civilian, need to expand their efforts to ensure that any post-conflict rehabilitation exercises they engage in are sustainable. They also need to ensure that their activities are coordinated and include strategies to empower local communities to continue the work after they have left.

Ramsbotham, O. et.al. (2000) The Berghof Handbook for Conflict Transformation. Berghof Research Centre for Constructive Conflict Management.

<sup>\*</sup> Programme officer in the peacekeeping initiative ACCORD (African Centre for the Constructive Resolution of Disputes ), based in South Africa.
1. In this paper, the term post-conflict rehabilitation is used as synonymous with peace-building defined as: activities undertaken on the far side of conflict to reassemble the building defined as: activities undertaken on the far side of conflict to reassemble the foundations of peace and provide the tools for building on those foundations something that is more than just the absence of war... including reintegrating former combatants and... strengthening the rule of law, thereby aiding in political and socio-economic reconstruction. (Report of the Secretary-General on An Agenda for Peace (1992) A/47/277/8/24111 www.un.org/Docs/SG/agpeace.html )
2. Marks, E. (2000) UN Peacekeeping in a Post-Cold War World. http://www.ndu.edu/inss/macnair/menair26/m026ch01.html
2. Demokhan O. et al. (2000) The Reserve of Markey function for Geneficing Tenengton.

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Transformation, Berghof Research Centre for Constructive Conflict Management ww.berghof-center.org/handbook/woodhouse/abstract www.berghof-center.org/handbook/woodnows/attones/ 5. Report of the Secretary- General on AA Agenda for Peace (1992)

<sup>&</sup>quot;Report of the Panel on United Nations Peace Operations" released in August 2000, WWW 6. "R A/55/305-8/2000/809 www.un.org/Docs/sc/reports/2000 7. Heininger, J. Peacekeeping in Transition: The UN in Cambodia. Getting Ready to

Rebuild, www.tcforg/Publications/Foreign\_Policy/Peacekeeping\_In\_Transition/Ready\_to\_Build.html 8. Quick Impact Projects were funded by the UNDP, NGOs and the UNHCR.They helped to facilitate not only the refugees' reintegration but also, by pumping cash into the local economy, rallied the villagers' support for UNTAC. Some of these projects, which included the repair or construction of roads, bridges, hospitals, dispensaries, schools, and latrines, and the digging of wells and ponds, were similar to work done by other agencies of UNTAC, especially in the implementation of the military's civic action plan. The quick-impact projects were not limited to the improvement of Cambodia's infrastructure. Start-up loans were offered; vegetable seeds, fish-ing equipment, mosquito nets, and water jars were distributed; and special assistance through NCO-transformed by the product of the provide section of the section of the distributed of the distributed of the distributed of the distributed. NGOs was made available to those who were particularly vulnerable, such as the elderly, female household heads, orphans, and amputees. 9. Bideke, M. (2000) The Future for UN Peacekeeping

http://www.justint.org/the%20future%20for%20un%20peacekeeping.htm#Background

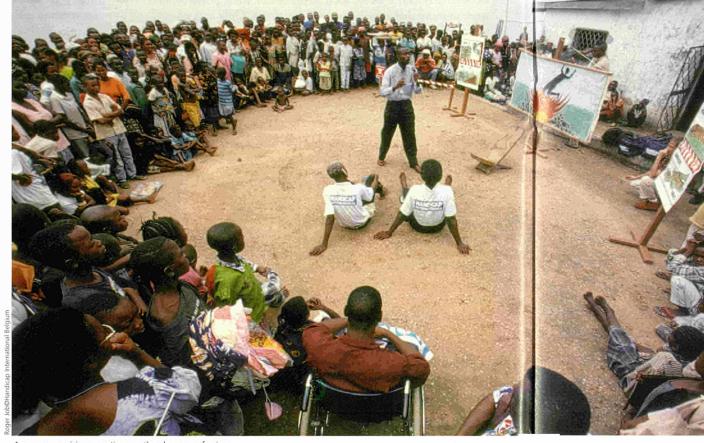
### -----> Dossier

Antipersonnel mines and unexploded ordnance (UXO) also known as explosive remnants of war - remain a critical factor in post-conflict rehabilitation. Their presence in practically all theatres of conflict, their non-discriminatory nature and, above all, their continued presence make them insidious obstacles that complicate and delay rehabilitation and increase the costs of the process. Dr Jean-Benoît Burion\* explains

why the removal of mines and bombs and assistance to victims are essential components of any post-conflict rehabilitation process.

## **De-mining** and aid to victims:

### a critical element in post-conflict rehabilitation



Awareness-raising meeting on the dangers of mines

Even today, antipersonnel mines and UXO affect 90 countries. In 2001, new casualties were recorded in 69 countries and all regions. Ironically, over 50 per cent of those countries are no longer at war. The estimated number of casualties varies between 15,000 and 20,000 every year. In addition, about 70 per cent of reported casualties are civilians. In sub-Saharan Africa alone, accidents caused by mines have been recorded in 18 countries '. UXO is at least as significant a problem as antipersonnel mines, with studies conducted in Kampuchea and Kosovo (2000 and 2001) demonstrating that accidents involving UXO are usually fatal and most frequently affect children<sup>2</sup>. This macabre series of figures is evidence, if any were needed, of the primordial importance of demining in the rehabilitation process.

#### Consequences both large and small

By their very nature, mines and UXO remain after a conflict and continue to mutilate for many years. Every accident radically transforms the life of the victim and that of his or her immediate kith and kin. The impact is at once physical, moral and social. At a national level, the ever increasing number of accidents reduces economic activity and increases the "welfare burden", using up a significant amount of the resources allocated to health and social services.

The presence of even a few mines can mean that huge tracts of normally inhabited or exploited land become out of bounds. The mere suspicion that mines might be present, often in the wake of

an isolated accident, instils fear and can immobilise entire communities, the presence of mines preventing displaced populations from returning home, thereby modifying human distribution, economic networks and the ecology of a region.

Mines and UXO also halt the rehabilitation of public infrastructures, essential for economic recovery. They curtail access to drinking water and irrigation systems, the practicability of roads and paths and the use of public amenities (schools, hospitals, markets, power-production sites). Furthermore, the reopening of businesses that generate employment is impossible without an area first being demined.

The continued existence in a given region of mines or UXO also slows down the peace process and the political and administrative settlement of a conflict. People remain distrustful and any wayward elements can continue to exploit such explosives for the purposes of destabilisation.

#### Articulate responses...

The anti-landmine campaign concentrates on two main areas: the prevention of accidents and the provision of assistance to casualties. Prevention is addressed not only in the diplomatic and political arenas, with the practically global acceptance of the Mine Ban Treaty (the 1997 Ottawa Convention), but also in operational terms, with activities directly linked to demining. Currently, the Mine Ban Treaty has 147 signatories out of the

194 countries worldwide, with 133 of these having ratified the agreements<sup>3</sup>.

Assistance to casualties involves a number of aspects: medical assistance, fitting-out with prostheses and physical rehabilitation, psychological support, economic and social reintegration, defence of rights, etc.

Conventionally, "humanitarian demining" comprises four components aimed at prevention or at the very least at reducing the human, social and economic consequences of the presence of mines:

1. raising awareness of the dangers of mines;

2. actual demining (gathering and processing of data, cartography, marking-out of affected areas, removal and destruction);

3. assistance to casualties; and

4. witness statements and the provision of information to promote universal acceptance of the Mine Ban Treaty. Those involved in humanitarian demining concentrate on one or more of these components.

The scale of humanitarian demining and of assistance to casualties varies in accordance with the

nature of conflicts. Recent military interventions of the "preventive" type incorporate from the outset the notion of post-conflict rehabilitation. However, the majority of wars at present are recurrent or latent, and involve non-state groups. Rehabilitation policies are therefore more complex and difficult to implement. In all cases, the more stable the conditions that can be guaranteed, the greater the impact of demining activities and assistance to casualties.

#### ... in an unfavourable structural area

The majority of countries faced with the problem of landmine and UXO victims have a low or, at best, average Human Development Indicator (HDI)<sup>4</sup>. Such countries face economic and social challenges that are already enormous, and fewer than half have specific legislation and/or policies concerning handicapped people. Very often, government measures for assisting casualties are implemented by the military, but are deficient in meeting the needs of civilian casualties. Medical management is generally limited by the accessibility of structures: most areas affected by mines are to be found in the countryside, whilst hospital infrastructures are in towns and cities, as are services for the fitting of prostheses and for physical rehabilitation. As regards social and economic-reintegration needs, if these are taken into account by governments, it is very often by means of simple allocation systems and rarely by means of vocational reclassification policies.

#### The lessons of Mozambique

On 10 April 1992, after 28 years of war, the parties to the conflict signed the General Peace Agreement. Mozambique's experience has demonstrated that the problem of mines and UXO is particularly critical in the immediate post-conflict period. The country was faced with the problem of the reestablishment of five million displaced persons, 1.7 million of whom were refugees, in areas that were heavily mined<sup>5</sup>. Although the problem of mines is still present and still requires demining activity, it is nowadays less critical. The experience of Mozambique has highlighted the importance of coordinating demining and rehabilitation activities. In Mozambique, such coordination has been poor in general and practically non-existent at national level. The gathering of data and their analysis, with a view to determining priorities and evaluating the impact of actions, have been deficient owing to a lack of a systematic approach and standardisation. This should not, however, detract from the fact that there have indeed been effective initiatives that have had a local impact - the intervention of the NGOs has confirmed the importance of operators being flexible and independent<sup>6</sup>.

It might seem obvious that post-conflict rehabilitation programmes must incorporate the issue of landmines and UXO. However, this evidence is not always taken into consideration. Be it accident prevention or casualty assistance, coordination between the planners, donors and operators involved in rehabilitation is essential. Furthermore, the impact of demining and assistance to casualties on rehabilitation is strengthened by pragmatism on the part of planners, guaranteed budget control in the case of donors and freedom of initiative and of movement for operators.

- \* Director General, Handicap International Belgium
  1. Source: Landmine Monitor Report 2000 Toward a Mine-Free World, International Campaign to Ban Landmines, Washington DC, 2002
  2. Source: Explosive Remnants of War Unexploded Ordnance and Post-Conflict Communities, Landmine Action & The Cooperative Bank, 2002
  2. Situation and a Data 2002

- 3. Situation as at 9 May 2003
- 4. Indicator calculated on the basis of life expectancy at birth, adult literacy rate, education index and GDP index per inhabitant. 5. 1 374 mine or UXO affected areas (562 square km), of which approximately 200 square
- km have been cleared to date. Source: Landmine Survivors Rehabilitation Databas www.lsndatabase.org
- 6. Source: A Study of Socio-Economic Approaches to Mine Action, UNDP-Geneva International Centre for Humanitarian Demining, 2001



The presence of even a few mines can mean that huge tracts of normally inhabited or exploited land become out of bounds

# Demobilising women and girls

### after conflict

Predominant stereotypes see women as innately peaceful and men as inevitably warlike. But there are also many examples of women participating in conflict, either as active combatants or serving a central function through other forms of support, such as supplying information, food, clothing and shelter. Women's participation in warrelated work can be overlooked because of stereotypical notions of gender-appropriate behaviour. To address the challenges faced by women and girl combatants after war, demobilisation planning has to take cognisance of the different needs of fighters of both sexes, and not to assume that one plan of action will be suitable for all ex-combatants.

Vanessa A. Farr, PhD

Significant attention has been paid to the ways in which men and ideas about masculinity are mobilised as part of the war machine, and this attention has not always been negative. But it is only in recent years that we have begun to understand how women, and deeply-held beliefs about femininity, are also both militarised and mobilised in support of the ideology of war. Feminist scholar Cynthia Enloe notes that the manipulation of notions of gender-appropriate behaviour is a central component of ethnic nationalism, and holds that the "militarisation of women has been crucial for the militarisation of governments and of international relations. The militarisation of women has been necessary for the militarisation of men".

Recognising a pattern in the ways in which societies manipulate gender ideologies, feminist scholars have worked to nuance our understanding of how women's roles, and the identities they take on to fulfil these roles during the build-up to war, in wartime, and afterwards, are strategic and shifting. Arguing against predominant stereotypes of women as innately peaceful and men as inevitably warlike, researchers have urged that we recognise the complexity of gender ideologies and the multiple roles they play in drawing different social actors into war.

#### Peacebuilders and combatants

In peacetime, as in wartime, women and girls display a wide variety of responses to organised and/or state-sanctioned forms of violence. There is a long and much-celebrated history of feminist pacifism, and some women, as peace activists, play essential roles in maintaining social connections, build coalitions across communities divided by violence, and therefore are ideally positioned to play important roles in rehabilitation, reconciliation, reintegration support and peace-building roles in the aftermath (Anderlini, 2000; Farr 2000). At the same time, however, there are also many examples of women embracing "revolution with hope and war with enthusiasm" Even if they do not enlist as soldiers, women and girls can, and do, participate in conflict through supporting and maintaining guerrilla forces. They supply the essentials of war: information, food, clothing and shelter. They nurse soldiers back to health, even if it means they will have to return to the battlefield. Yet, like the work undertaken by other women – both peacebuilders and combatants – these contributions are all too frequently overlooked after conflict has come to an end. As Linda Grant De Pauw writes, "Women have always and everywhere been inextricably involved in war [but] hidden from history... During wars, women are ubiquitous and highly visible; when wars are over and the songs are sung, women disappear" (De Pauw, 1998 p. xiii).

While many feminists have remarked that women's peacebuilding activities receive too little recognition in the period of reconstruction, it is also true that women who saw active combat are not allowed to participate, as leaders, in the development of transition and reconstruction processes. They are ignored in veteran's associations, where a recognition of their support is reduced to that expected from their kinship to male soldiers: they are acknowledged only as mothers, sisters, wives or daughters. The contributions made by girl soldiers are particularly overlooked. However varied their levels of involvement in the business of war, women and girls remain at the margins of political, economic, and social power, and their voices and experiences tend to disappear when peace processes begin.

To address the problems that result from their invisibility, careful attention must be paid to the question of what happens to women and girl soldiers before, during and after demobilisation. Demobilisation, disarmament and reintegration planners also have to deal with the needs of some of the other - even more invisible - women and girls associated with the military or with militarised structures, a group which includes military nurses, the wives of male soldiers, war widows, and sex workers. Despite the significant contribution they make to the support and maintenance of male soldiers, these women are often denigrated as mere "camp followers."1 This makes invisible the fact that they serve a central function during wartime and present both a challenge during the period of demobilisation and reintegration, and a potential strength in the reconstruction process. Like women and girl combatants, these military women form a group whose needs are neglected during the demobilisation phase and in the process of reintegration that follows armed conflict.

#### Stereotypes

Women's participation in war-related work can be overlooked because stereotypical notions of gender-appropriate labour are often re-mobilised after war when a society strives to return to "normal." In many southern African countries, popular images of liberation wars have reinforced the belief that women, old and young, made their greatest contribution as wives, mothers and sisters. Women who challenged the re-imposition of patriarchal authority in the post-colonial era were vilified, and those who had seen active combat became objects of shame. In Namibia, observes ex-combatant Teckla Shikola,

"[N]o one mention[s] the contributions women made during the... struggle. That's true all over the world. You never find an appreciation of what women did. Men appreciate women who cook for them, and they respect women who fought the war with



Women volunteers in the Iraqi army. While there is a long history of feminist pacifism, there are also many examples of women embracing "revolution with hope and war with enthusiasm".

them, but after independence, they [don't] really consider women as part of the liberation movement"<sup>2</sup>.

Similarly, in South Africa, during the hearings of the Truth and Reconciliation Commission (TRC), women only spoke out about what had happened to their male partners and kin. It was not until a group of feminists activists challenged the TRC to hold private hearings for women that their stories began to emerge (Goldblatt and Meintjes, 1996)<sup>3</sup>.

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The exclusion of women and girl soldiers from decision-making positions is a particularly important problem when demilitarisation is set in motion, because women and girls who have seen active combat are likely to be even more marginalised than other women in the society under reconstruction: they do not occupy a position that can be easily reconciled with predominant gender ideologies, and so militarised women pose a unique set of challenges in the demobilisation phase. Unlike male combatants, they are drummed out of the army, excluded from new political structures, refused access to re-training or land, overlooked in veteran's organisations, and regarded with fear and suspicion when they attempt to return to the lives they lived before war broke out.

Their experiences prove that, even though some of the normally accepted ideas about "womanly" behaviour might be suspended during wartime, women who contradict the stereotype of appropriate female behaviour through active participation in the violence of war "are often regarded as more deviant or

unnatural than men". <sup>4</sup> To address the challenges faced by women and girl combatants after war, demobilisation planning has, therefore, to take cognisance of the different needs of fighters of both sexes, not to assume that one plan of action will be suitable for all ex-combatants. An analysis of accounts of demobilisation which do not highlight the experiences of women and girl combatants shows that, unless the different needs of male and female ex-combatants and military supporters are differently addressed, any instruments that are designed to facilitate demobilisation and reintegration are likely to assume, re-establish or reinforce unequal gender relations in the society under reconstruction. <sup>5</sup> As is evident in the increased rates of gender-based violence after war, this has serious implications for the possibility of establishing a culture of respect for human rights in the longer term.

A fuller version of this paper, "Gendering Demilitarization as a Peacebuilding Tool," BICC Paper 20, 2002, can be found at <u>http://www.bicc.dc/general/paper20/content.html</u>

- Cynthia Enloc's most recent book, *Maneuvers (2000)* makes these "peripheral" women visible. Since she offers an extended analysis of how women "camp followers" are manipulated to uphold changing military requirements, her insights into the difficulties faced by these women form a solid basis from which to begin a planning process to address their specific needs.
   Shikola, Teckla. 1998. "We Left Our Shoes Behind." In M. Turshen and C. Twagiramariya,
- Shikola, Teckla. 1998. "We Left Our Shoes Behind." In M. Turshen and C. Twagiramanya, eds., What Women Do in Wartime: Gender and Conflict in Africa. London and New York: Zed Books, pp. 150-162.
- **3.** See also the special issue of the South African feminist journal AGENDA (43: 2000), which focuses on women's experiences in the aftermath of war.
- 4. Byrne, Bridget, 1996. Gender, conflict and development, 34: Bridge. Because men are engaged in the business of killing, historically, women have been able to take on new social roles in times of conflict, for example, in the medical field or in industries considered essential for war (the famous World War Two poster of "Rosie the Riverter" is probably the best known example of recruitment propaganda aimed at luring women into non-traditional forms of labour in war). Attempts are usually made to remove women from these professions as part of the process of re-imposing notions of gender-appropriate behaviour when war ends.
- 5. UNIFEM has commissioned a piece of research on *The Gender Aspects of United Nations demobilisation, Disarmament and Reintegration Processes: A Study of Lessons Learned* which will measure the extent to which the UN's stated commitment to include gender perspectives in DDR processes has been realised. Research results are expected to be published by the end of 2005.

More than a decade ago, in September 1990, the Convention on the Rights of the Child (CRC) entered into force, and is now the most universally ratified instrument of human rights. It is the standard against which we measure the success or failure of our efforts to serve the best interests of children. Article 38, for example, imposes an obligation to ensure protection and care for children whose lives are caught up in conflict - an obligation we have failed to fulfil.

During the past decade the world has witnessed a grow-

ing number of armed conflicts in which children have been

directly involved. Internal wars have emerged as a characteristic

of the post-cold war era. They are not to be understood accord-

ing to the old world order, where conflict was seen as a temporary

state of instability in the formation of nation states. Rather they

are symptoms of protracted disorder, in which women and children have become routinely subject to violence and abuse. The

profits of war are not new, but increasingly conflict is stabilised

through the exploitation of resources, creating an "economy of

Children are the most vulnerable. Prolonged conflict disrupts

their education and destroys their futures. We must ask why, in a

period marked by rapid economic growth and unprecedented

technological improvements, we are faced with evidence of a sus-

tained state of violence and exploitation. In such cases conflict for

Ethnic, religious and tribal tensions are cultivated in order to

destabilise populations and seize power, together with mineral

resources and land. In the past decade we have witnessed the tar-

geting of women and children, the slaughter of civilians, the

training of children to torture and kill, the abduction of young

girls for sexual slavery and campaigns of mass rape. Children's

war" in which civilian populations are the victims.

profit has proved more attractive than development.

interests have been flouted with impunity.

# Children, armed conflict and the role of UNICEF<sup>1</sup>

Aid, poverty and the cost of conflict

The ever-widening gap between the wealth of the developed countries and the poverty of the developing world has added to the conflict and instability that characterised the 1990s. Limited official development assistance (ODA) has been accompanied by serious imbalances in the distribution of aid. Whereas Bosnia and Herzegovina received US\$238 per person in ODA during 1998, the Democratic Republic of the Congo received only US\$3 per person. In sub-Saharan Africa, where the combined effects of armed conflict and HIV/AIDS have devastated populations, ODA dropped by nearly 60 per cent between 1990 and 1999.

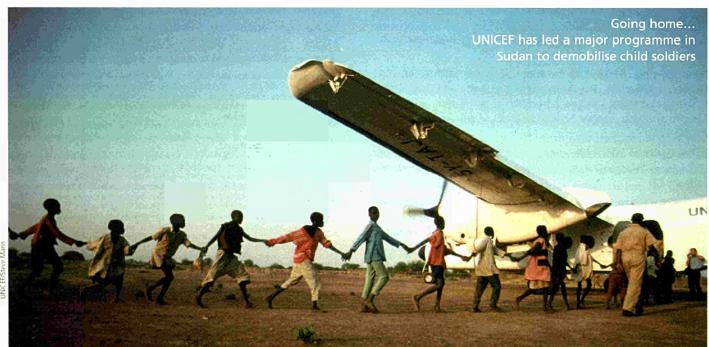
The conflicts themselves are proving more and more costly. The Carnegie Commission on Preventing Deadly Conflict has estimated that the major conflicts of the 1990s, excluding Kosovo, cost the international community around US\$200 billion. Unless there is a sustained increase in aid to developing countries in the coming decade, the poor will become even more excluded from the world economy and millions more children will grow up in deprivation. And more pressing still is the specific challenge to provide protection and humanitarian assistance for children trapped by the machinery of war.

#### UNICEF's priorities

Protecting children in armed conflict is integral to UNICEF's medium-term strategic plan, which focuses on five priorities:

- girls' education;
- integrated early childhood development;
- immunisation 'plus';
- fighting HIV/AIDS;
- improved protection of children from violence, abuse, exploitation and discrimination.

Each of these priorities needs its own strategy during emergencies. For example, if schools are in danger of being targeted for the abduction of girls or the recruitment of child soldiers, special arrangements with school and local authorities are needed to ensure children's safety in the classroom. Efforts have been made to



cater for children's early development during emergencies through the creation of "child-friendly spaces", particularly in camps for refugee or displaced populations. "Days of tranquillity" have been negotiated between warring parties, to suspend hostilities and allow access to immunise children during conflict. HIV/AIDS education and prevention can be combined with landmine awareness in the school curriculum of war-affected communities.

#### Zones of peace

Whether they are unable to reach distribution centres, or are isolated by hostilities in areas where food, clothing and other humanitarian aid cannot reach them, the denial of access heightens children's vulnerability to disease and malnutrition. UNICEF promotes the concept of "children as a zone of peace", in order to ensure access to children during armed conflict.

The idea was first conceived in the 1980s, on the grounds that targeting children during hostilities could never be justified or tolerated in any circumstances. As a practical way to ensure their protection, UNICEF has often helped negotiate days of tranquillity, during which services for children, such as immunisation and supplementary feeding can be organised.

This was first done in 1985 in El Salvador. Since then ceasefires have been arranged for immunisation in numerous conflicts, including those in Afghanistan, Angola, the Democratic Republic of the Congo, Sri Lanka, Sudan and Somalia. In some instances "corridors of peace" have been designated to allow the delivery of food, medicine and other supplies.

These measures are limited and temporary in scope, and cannot replace the broader protection afforded by bringing conflict to an end. The General Assembly has endorsed the concept of children as zones of peace and the Security Council has called for such measures in its statements and resolutions.

#### Child-friendly spaces in refugee camps

Child-friendly spaces were first established in 1999, to provide integrated care for children in Albanian refugee camps. The approach has gained recognition as a successful and innovative model for promoting the rights of refugee and internally displaced children. The concept has since been adapted to serve the needs of war-affected children in Angola, the United Nations Transitional Administration in East Timor, Guinea and, most recently, Liberia.

Services include infant feeding and nutritional support; hygiene, water and sanitation services; early childhood care; psycho-social counselling; education and recreation; and basic health care. Toys, such as puzzles and puppets, and creative art supplies are provided for psychosocial support and early childhood development. The key to the success of this approach is building the participation of children and communities into the planning of their activities.

#### Giving education back to children

In addition to its humanitarian aid programme in Afghanistan, involving food, clothing, medicines and other necessities, UNICEF has in recent years worked in villages and towns to supply learning materials. Schools have been rehabilitated and last year accelerated classes were held for girls to catch up on their studies in time for the start of the new school year.

#### Milestone decisions for safeguarding children

- 1995: UNICEF publishes The State of the World's Children, on children in war, with the first child-based anti-war agenda.
- 1996: Graça Machel's report Impact of Armed Conflict on Children introduced at the 51st session of the UN General Assembly.
- 1996: First Security Council briefing on children in armed conflict.
- 1996: Olara Otunnu appointed Special Representative of the Secretary-General for Children and Armed Conflict.
- 1998: Adoption of the Rome Statute for an International Criminal Court, to adjudicate, inter alia, crimes against humanity and war crimes against children and women.
- 2000: Adoption of an Optional Protocol to the Convention on the Rights of the Child establishing 18 as the minimum age for children's participation in hostilities.
- 2000: International Conference on War-affected Children, Winnipeg, Canada.
- 2001: The UN Security Council adopts Resolution 1379 on children and armed conflict.
- 2002: The Optional Protocol to the Convention on the Rights of the Child on the Involvement of Children in Armed Conflict enters into force on 12 February 2002.
- 2002: On 11 April 2002, the 60th ratification of the Rome Statute for an International Criminal Court was deposited, ensuring its entry into force on 1 July 2002.
- 2002: Security Council meeting on children and armed conflict, on the occasion of the General Assembly special session on children.

Training new teachers is a priority of the back-to-school campaign. A new curriculum has been developed locally. The learning materials are adaptable to the learning environment of the child. Ongoing support includes sustained advocacy to encourage parents to register their children, especially girls.

#### Giving child soldiers back their childhood

A child soldier is any child – girl or boy – under the age of 18, who is part of any kind of regular or irregular armed force or armed group – combatants, cooks, porters, messengers and anyone accompanying such groups other than as family members. It includes girls and boys recruited for sexual purposes or forced marriage. It is not confined to children who carry weapons.

A child may be recruited forcibly or voluntarily by armed forces or groups. Children are susceptible to recruitment by manipulation or they may be driven to join armed groups because of poverty or discrimination. Very often they are forcibly abducted by the military from school, on the streets or at home.

Last year saw two milestones in the fight against child recruitment. One was the entry into force of the Optional Protocol of the Convention on the Rights of the Child, on the involvement of children in armed conflict. The second was the Secretary-General's list called for by Security Council resolution 1379 of November 2001 on children and armed conflict. As an annex to the Secretary-General's yearly report on children and armed conflict, the list reports on parties to armed conflict that recruit or use children in violation of their international obligations. The Secretary-General's list draws the attention of the international community to the recruitment and use of children in armed conflict in violation of their rights. It offers great possibilities as a tool of advocacy, to improve the situation of children in armed conflict and to remove them from it.

Since the mid-1980s, UNICEF has been regularly involved in the demobilisation of child soldiers, advocating and securing the release of children from the armed forces and armed groups in Angola, Burundi, Colombia, Democratic Republic of the Congo, Guinea-Bissau, Liberia, Mozambique, Rwanda, Sierra Leone, Somalia and Sudan.

Based on "Children Affected By Armed Conflict: UNICEF Actions", UNICEF Office of Emergency Programmes, New York, May 2002.

Conflict in the Pacific countries of Fiji, Papua new Guinea and Solomon Islands has caused serious economic, social and political disruption. As well as causing loss of life and property, conflict negates progress in reform programmes that the governments had been undertaking. It has used up resources that would otherwise have gone to improving the delivery of basic services. Now, within the framework of the Lomé and Cotonou Agreements, the EU is engaged in postconflict rehabilitation in the region. Here Sonja Siegmund\* looks at what is being done and assesses its impact.

The geopolitical significance of the Pacific region is being increasingly recognised. The recent terrorist attack in Bali has drawn global attention to it. There is concern about potential future attacks on tourist destinations and about possible havens for terrorist cells in the region. American policy in East Asia and the Pacific has clearly identified combating terrorism as part of its strategy for achieving regional stability.

The European Union takes an alternative route to achieving the same objective, believing that in the long term, the growth of terrorism can only be prevented by supporting development and encouraging capacity building, to ensure good governance and a more stable society at grassroots level. The linkage between underdevelopment and poverty on the one hand, and conflict and instability on the other, is widely recognised.

The threat of terrorism in the Pacific ACP countries is most frequently linked to a more general deterioration in law and order. In 2000, both Fiji and the Solomon Islands witnessed coups, and conflicts between ethnic groups escalated. The nineyear separatist war in the Bougainville province of Papua New



# **Post-conflict rehabilitation**

in the Pacific

Guinea was finally resolved in 2001. These three countries are situated in Melanesia, relatively close to Indonesia and the Philippines, both especially vulnerable to terrorism.

#### Consolidating peace in Bougainville

With the Bougainville Comprehensive Peace Agreement in August 2001, the Papua New Guinea (PNG) government finally acknowledged the Bougainvilleans' aspiration for autonomy, with the prospect of a referendum on independence in 10 to 15 years. During the civil war 60,000 people were displaced and an estimated 10,000 died, mostly due to the devastating impact of government sanctions. Bougainvilleans now expect social and economic advancement and an autonomous administration. The peace process depends to a considerable extent on how these expectations are met.

The international donor community – particularly the EU, Australia and the UN – is investing in economic revitalisation, within the framework of post-conflict rehabilitation. Economic progress will be necessary to secure the revenue needed for the redevelopment of social services and the island's infrastructure. The European Community's contribution focuses on education and the rehabilitation of cocoa production, with special attention to the reintegration of ex-combatants.

Under the Cocoa Rehabilitation Programme, the EC has been distributing cocoa plants to farmers – among them ex-combatants – and creating facilities for cocoa nurseries and the training of farmers. A feeder road programme is designed to enable cocoa farmers to get their produce to markets, and a port infrastructure programme to ensure transport to overseas markets. The overall aim of the three programmes, funded under STABEX at a cost of €2,578,817, is to contribute to the recovery of the cocoa sector. Before the civil war this used to provide a large part of the population with income. The quality of local cocoa products means that it could once again have substantial export value.

There are other programmes for education and vocational training. The Vocational Training Centre Development Programme, also funded under STABEX and costing  $\leq 1,020,400$ , is related to the rehabilitation of the cocoa sector. It is designed to train young people (with special focus on ex-combatants) in the supplementary

skills that are essential for cocoa fermentation and drying. Under the Human Resource Development Programme, €1,150,000 has been approved to build and refurnish facilities at the Hutjena Secondary School in the North Solomons Province.

These projects are at an advanced stage and are closely related to the needs of the population. Nevertheless, the reintegration into society of excombatants from the two armed forces remains one of the most testing challenges. There is a popular perception that they receive too much attention, and that being an ex-combatant is just a business to benefit from reintegration programmes. But this group cannot be neglected since the peace process is still fragile and arms are still available. One other danger is that the focus on cocoa as an agricultural export product might contribute to over-dependency in the future if market prices fall.

Sustainable economic recovery and the development of human resources cannot be achieved without good governance. Early last year a conflict prevention mission ' went to Bougainville. It recommended facilitating links between the village level and the new autonomous government. It is important that its recommendations should now be put into effect with EC support. Another key factor is the growing instability on the PNG mainland and in the neighbouring Solomon Islands, which threatens the Bougainville peace process. So the EC needs to maintain a firm commitment to strengthening political dialogue and helping to build capacity.

#### Growing disorder in the Solomon Islands

In the Solomon Islands, conflict has arisen between the people of the main island, Guadalcanal, and those of Malaita. The latter have for generations migrated within the islands and have long dominated national politics, the economy, the police and the public services - especially in Guadalcanal. Between 1998 and 2000 tension escalated into violence and caused 100 deaths and displaced some 20,000 people (mostly Malaitans). The conflict has since developed from inter-ethnic fighting into lawlessness more closely related to political, economic and criminal opportunism. This has spread to the country's other islands, including Western Province, which has social and kinship ties to Bougainville.

Along with other international donors, the EC has encouraged the government to restore law and order, and to prepare a coherent economic recovery plan prior to further financial commitments. Meanwhile, €16,975,000 from STABEX and National Indicative Programme (NIP) funds has been spent or committed for social and security reforms as part of a conflict rehabilitation programme. The EC has launched an education programme to cover student fees and secondary school grants, and is planning a post-conflict support programme for farmers to encourage the reintegration of ex-combatants and displaced persons. The EC also supported the December 2001 elections and is currently cofinancing a British police commissioner and two assistants whose tasks are to reform and to re-establish confidence in the police force.

In the long term, the EC current post-conflict rehabilitation programme in Solomon Islands, and other donor initiatives, will only contribute to sustainable peace if the root causes of the conflict are targeted. Particular efforts need to be made to create genuine income-generating opportunities, especially for the young, to ensure that arms lose their economic value. The Farmer Programme should be designed carefully so that it does not generate jealousy towards the target groups or provoke new tensions, since displaced persons are mainly Malaitans.

#### Unresolved causes of conflict in Fiji

The threats to stability and security in Fiji are linked to unresolved questions of control over land and resources, and of unequal development between indigenous Fijians and Fijians of Indian origin, as well as within the indigenous Fijian population. The conflict escalated with a coup against the Indian-led government in May 2000 and a military mutiny in November, followed by attacks on the Indo-Fijian population. The uprising was initiated by a small economic and political elite of indigenous Fijians that used

the historic rivalry between the two ethnic groups in their struggle for power.

The armed forces that remained loyal brought the situation under control and new elections were held in August 2001. The violence cost relatively few lives but displaced more than 10,000 people; some 6,000, mostly Indo-Fijians, emigrated. One serious concern relates to the new government, dominated by indigenous Fijians. It has



Children in an ethnic mixed school in Fiji.

yet to meet the constitutional requirements to include the Fiji Labour Party, and it continues to disseminate the doctrine of indigenous Fijian supremacy.

The aim of the EC's post-conflict activities is to promote interracial reconciliation, democracy and good governance. Last year's conflict prevention mission helped to shape the National Indicative Programme (for the 9th European Development Fund), with a focus on rural education and mixed schools where feasible. In line with Article 96 of the Cotonou Agreement, the Community has put pressure on the government to respect the constitution, which provides for representatives from other parties in government.

The EC also chose Fiji as one of its 30 "focus countries" for the European Initiative for Democracy and Human Rights (EIDHR). It has already allocated €1,458,000 to suitable local organisations and institutions since 2001. Changing attitudes, and building trust and confidence within and between ethnic groups, is clearly a long process. Meanwhile, it is important that inequality in economic opportunities and in political participation is not allowed to exacerbate tensions once again.

#### The way ahead

The EC's post-conflict rehabilitation programmes in the Pacific region are designed to meet the different needs of each country, with particular attention paid to the reintegration of ex-combatants and displaced persons. Insensitively planned programmes promote jealousy and rivalry within broader society or simply become a money-making opportunity for the target groups. The EC also needs to be careful that concentration on a particular economic sector does not outweigh the principle of economic diversity.

The worrying situation on PNG's mainland as well as in neighbouring Indonesia, which could have a devastating impact on the stability of the whole region, are also major causes for concern. To meet this challenge, international donors should encourage efforts by the Pacific Islands Forum to create a "coalition of the willing" to enhance regional peace and stability. This will be an important task for the Pacific leaders who are due to meet in Auckland in August this year. 55

<sup>\*</sup> Trainee in the Pacific Unit of the European Commission's development directorate-general.

<sup>1.</sup> The Conflict Prevention Mission took part within the framework of the Rapid Reaction Mechanism (RRM) and also included the Solomon Islands and Fiji.

More than a year has passed since President Ahmad Tejan Kabbah declared an official end to war and the fighting factions disarmed and demobilised. Yet one of the greatest challenges facing Sierra Leone today remains the reintegration and settlement of its youth. Jeannette Akua Eno\* describes aprogramme which attempts to engage constructively with young people in Sierra Leone as it emerges from civil war, offering them positive opportunities and support.

# Tackling

### Sierra Leone's youth crisis

disaffected young people and ex-combatants will be much more likely to migrate and enlist as mercenary fighters there. Engaging with young people constructively and offering them positive opportunities is therefore crucial.

In an effort to prevent young men and women being lured into such dangerous occupations as mercenaries or diamond digging, Conciliation Resources (CR) has initiated community level youth-focused programmes in the diamond district of Kenema in eastern Sierra Leone and the town of Bo in the south. The "Youth in Progress" programme grew out of a series of discussions with young people that aimed to identify their immediate and medium term needs, develop micro-projects and raise awareness on key issues of peacebuilding, conflict analysis, rights-based issues and civic education.

Since September 2000, CR-Sierra Leone has focused on providing recreational facilities for existing youth clubs in the shape of drop-in centres for 14-25 year olds. These are places where young people can "hang out", play indoor and outdoor sports and take time to discuss and think about what they want to do with their lives. Regular football, netball and volleyball tournaments for men and women are supported, along with various cultural and theatre activities. Small libraries at the centres are also well stocked with donated books and computers. Over 2,000 youths have attended Kenema's drop-in centre, and more than 1,000 in Bo, which opened later in 2002. Both centres are comanaged by a democratically elected Youth Coordinating Committee, made up of equal numbers of males and females. In Kenema, youths from the drop-in centre collaborated with United Nations Volunteers (UNV) and UNAMSIL to rehabilitate the town playing field and build new changing rooms.

The project has seen an increase in the self-confidence and selfesteem of the young men and women involved. It has won support not just from local youths but also from community leaders, parents, government officials and educational institutions. In December 2002, the Kenema drop-in-centre coordinated a Youth Festival, which attracted thousands of people from the surrounding region for almost five days of music, dance, theatre, sports and public debates. The whole event passed without any violence – a remarkable achievement proving that young people can behave in a responsible way, given the opportunity.

#### Transforming young girls' lives

The damage that young people have suffered physically, psychologically, socially, politically and economically, if left unchanged, will render them incapable of effectively fulfiling their economic and reproductive roles in society. The long-term effects of the widespread sexual abuse and exploitation of young girls should not be underestimated and will require long-term and non-harmful strategies to transform young girls' lives. In order to develop appropriate responses to the needs of young women attending the drop-in centre in Kenema, CR-Sierra Leone carried out a gender needs assessment last year. It found that females on average had between one to seven years of formal schooling, whilst males had ten to twelve years. One girl succinctly summed up the cultural beliefs that underpin the continuing marginalisation of women in Sierra Leonean society: "My

Young people played a central role in Sierra Leone's brutal conflict as both fighters and civilian casualties. Marginalised youth and the relative ease with which the various armed factions recruited them fed on a longstanding crisis of blocked education and employment opportunities for young people. Child soldiers were recruited by all groups: the Sierra Leone Army (SLA), the Revolutionary United Front (RUF), Armed Forces Revolutionary Council (AFRC) and the Kamajors /Civil Defence Forces (CDF). Boys and girls were reportedly the main victims of RUF abductions, rape, torture, killings, forced labour and combat training. In RUF camps, the drugging of youths to desensitise them was common.

War brought an end to formal education for most young girls and boys in Sierra Leone. Since the early 1990s, many Sierra Leonean youths from poorer rural households have grown up knowing only war and without ever going to school. Deprived of education and training opportunities, health care and incomegenerating activities, their lives have thus far been ones of poverty, dependency, dislocation and family separation. This has had a dire effect on the entire country.

A huge task lies ahead for Sierra Leoneans to transform their severe youth crisis into an opportunity for post-conflict growth and stability. It must be remembered that war exacerbated, rather than created, Sierra Leone's youth crisis. One of the greatest causes identified is the country's persistent political, social and economic decline, brought on by decades of ill-conceived fiscal policies, mismanagement, corruption and political instability. The magnitude of this youth crisis, if ignored, is likely to impede efforts for a lasting peace and increase the country's social, political and economic instability. The outbreak of armed conflict in neighbouring Liberia and Côte d'Ivoire poses further dangers, as



father said that educated or not, the woman ends up in the kitchen. It is therefore a waste to send girls to school".

The gender needs assessment also found that many youths have no marketable form of skill training and that young women wanted skills training and income-generation support. Training programmes were subsequently designed to emphasise gender equality within the youth groups, staff and volunteers at the centres. These included training sessions for a group of twenty young mothers who set up and now run a very successful canteen in the Kenema centre. Their training took into account the extra pressures on them as mothers, by holding sessions at convenient hours and providing childcare allowances.

Other training activities with young people in the drop-incentres have continued to focus on conflict handling and life skills, along with some HIV/AIDS prevention sessions in collaboration with the non-governmental organisation International Rescue Committee (IRC). Over 60 per cent of the youths that CR-SL works with are in the high-risk age group of 15-25 years for sexually transmitted diseases, including HIV/AIDS. While HIV/AIDS infection rates in Sierra Leone are relatively low for Africa – around three per cent – there is real concern that rates have risen because of the high level of rape and sexual abuse used as a war strategy by some combatants, and also because many peacekeeping soldiers were from heavily infected countries. Health education, with a special focus on HIV/AIDS, therefore



Young band players preparing for the procession to launch the Youth in Progress Drop-in Centre in Bo, southern Sierra Leone. (November 2002)

poses a significant challenge in the country's post-war reconstruction.

The future of the country will be lost if we continue to ignore the glaring needs of young men and women and their potential. CR welcomes recent moves by the government of Sierra Leone through its Ministry for Youth and Sport, which has begun to formulate inclusive, cohesive and constructive strategies around youth engagement, and has initiated dialogue around a National Youth Policy. Nevertheless, the efforts of government, NGOs, the business community and young people must be harnessed to transform the old order into opportunities for a just and lasting peace. ■

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#### **EU-Sierra Leone Rehabilitation and Resettlement Programme**

The primary objective of this project was to help create income, employment and training opportunities for ex-combatants and unemployed youths, to improve the availability of basic social services (education, health, water and sanitation), to increase the amount of household disposable income and, finally, to rebuild community infrastructure (road network, markets, etc). The first phase of the programme started in March 1997 but implementation was disrupted between May 1997 and July 1998 by a coup, followed in 1999 and 2000 by the evacuation of the technical assistance team for security reasons.

Phase 1 implemented projects in the agricultural sector and in related income generation. To address the needs of war-affected farmers, seeds were distributed, agricultural tools provided, 25,032 acres of tree crop plantations were rehabilitated and assistance was provided to cultivate vegetables; agricultural stores, drying floors and crop processing equipment were supplied; fishing boats, canoes, fish-washing platforms and nets were provided; animal pens were built, and poultry, goats, sheep and pigs were distributed.

In the educational sector, the project addressed skills training, building of schools and renovation of vocational training centres, and supply of school furniture.

In the health sector a number of hospitals were rehabilitated, peripheral health care units were built or renovated; and medical staff received refresher training.

Projects for ex-combatants provided paid labour: amongst other activities they cleared 20 miles of waterways, 7,000 attended civic education and peace-building workshops, while 748 received skills training.

From the success and the lessons learned during phase 1, the second phase emerged, covering July 2002 to June 2005. The overall objective is to contribute further to increased security, social stability and economic revival by helping the population and communities affected by the conflict, as well as former combatants, to return to normal, productive lives. These objectives will be accomplished through assistance to war-affected populations and communities to resettle in their areas of origin through agricultural assistance programmes, support for reintegrating ex-combatants into society through paid employment concentrating on rehabilitation of infrastructure and improving the provision of basic social services in the health, sanitation and education fields.

The shift from the focus on ex-combatants to a focus on war-affected communities and the integration of ex-combatants is in recognition that no single group should be given preferential treatment in the process of rebuilding social stability and economic revival.

The programme now covers the entire country, projects are primarily designed to benefit whole communities or groups. The flow of requests for assistance is constant. The programme is providing much-needed support in re-launching Sierra Leone's economy and reestablishing basic social services, and a return to normality in Sierra Leone. Transition periods, that begin when weapons fall silent, are the theatre where many major ICRC (International Committee of the Red Cross) actions take place. Such periods may be the prelude to genuine, long-term peace, or to a resumption of hostilities. In this article,

#### Marion Horroff-Tavel\* examines the ICRC's responsibilities and the

definition of the limits within which it can act in a postconflict rehabilitation period.

When active hostilities come to an end, humanitarian problems persist and may even become more acute. Where the health-care infrastructure and water-supply systems have been destroyed, people often have no access to medical care and are obliged to live in insalubrious conditions which are a fertile breeding ground for disease. In many cases prisoners of war who should have been released at the end of the hostilities remain in detention. Nothing is done to find out what happened to people reported missing, and their families endure prolonged anguish. Refugees and internally displaced people are too afraid to return to their villages. Mines and other unexploded munitions continue to take their toll. Finally, reprisals and acts of revenge claim new victims. This picture, incomplete as it is, gives some idea of the scale of the task facing humanitarian organisations and development agencies.

When active hostilities cease, the parties to a conflict have not only many ongoing humanitarian obligations to fulfil, but new ones, too. Within the context of international armed conflicts, one of the parties' new obligations is to repatriate prisoners of war "without delay". While the internment of prisoners of war is justified during the hostilities to prevent them taking up arms again, this reason cannot be invoked once fighting is at an end. However, the 1949 Third Geneva Convention stipulates that those who are subject to criminal proceedings may be held until proceedings finish and, if appropriate, until the completion of the punishment handed down. Civilian internees still in detention when active hostilities end must also be released at the earliest opportunity.

In non-international armed conflicts – involving fighting between a state and armed groups or armed groups fighting each other – there is no special provision determining what should happen to prisoners, whether combatant or non-combatant, at the end of hostilities. Such prisoners are sometimes held for years after the guns have fallen silent, under sentence for criminal activities, or as an administrative measure, or for purposes of "reeducation". Whatever the circumstances, such prisoners must be treated humanely.

Ideally, the ICRC will normally have had access to detainees from the moment they were incarcerated, to check on their treatment and conditions of detention. It will have seen every one of them on repeated occasions and will have interviewed them without witnesses, that is, in private, so that they are able to speak freely. Consequently, the ICRC is concerned by the repatriation

# Humanitarian challenges

### as the weapons fall silent

process: sometimes it is invited to act as witness, to ensure that the correct procedures are followed. On other occasions it plays an essentially diplomatic role as a neutral intermediary, putting the former belligerents in contact with each other so as to arrive at an understanding on the repatriation procedure. It might also act as an implementing agency, ascertaining the wishes of the prisoners prior to their repatriation, providing the necessary logistical support, facilitating the crossing of front lines, or even conducting the operation itself. At all times, it reminds the parties of the humanitarian rules governing such repatriations. Finally, it continues its visits to people protected by humanitarian law who remain in captivity, for example those who are too seriously wounded to travel, those against whom criminal proceedings are pending or who are serving sentences, and also those who are being held in detention in violation of humanitarian law.

#### Placing limits

The challenge for the ICRC during a period of transition is not to identify the activities to be carried out, but rather, to place limits on those activities. Naturally, it helps displaced persons, but for how long, given that there are millions of such people throughout the world, many of them with little hope of returning home? It is vital to assist the most vulnerable, but what is to be done if the state is incapable of taking responsibility for them or has no intention of setting up a social welfare safety net and if no other humanitarian organisation is ready to take over the aid programme? How is the distinction to be made between those who have left their homes for economic reasons, hoping to find a better life elsewhere, and those whom the ICRC is mandated to assist because they have fled armed conflict? Is any such differentiation justifiable ethically when they are all in a situation of distress? And how are the most vulnerable displaced persons to be located in an urban environment when they simply merge into a population that is itself impoverished?

Faced with such dilemmas, ICRC delegations have always acted on the basis of the urgency of the needs, and in consequence have not always come up with a uniform response. Attempts have been made to establish limits. Strict criteria have been laid down to identify the groups most at risk. In certain delegations, the ICRC has focused on providing assistance in rural areas, leaving urban areas with their proliferation of shantytowns to others. The ICRC has approached the authorities in certain places, in an attempt to pursuade them to tackle the problem at its source; to grant displaced persons official status, to simplify administrative formalities they have to go through to receive help, or even to discriminate positively in their favour.

The ICRC recently adopted guidelines covering assistance in transition periods. These recommend that, until some other solution has been found, residual assistance continue to be given for two categories of war victims: those who would be placed at risk if aid programmes were to be interrupted (such as tuberculosis control programmes), or those for whom the commitment needs to be long term (such as disabled people receiving



Gisenyi, family reunion under the auspices of the ICRC.



Central prison, Kigali. Visiting a sick prisoner and interviewing a prisoners' representative. In many cases prisoners of war who should have been released at the end of the hostilities remain in detention.

prosthetic/orthotic services). It may also decide to embark on new activities if they are intended either to meet urgent needs (e.g. those of populations that were inaccessible during the conflict and who are in a critical situation). Finally, where it is not a question of responding to urgent needs, the ICRC has established

The International Red Cross and Red Crescent Movement is made up of the International Committee of the Red Cross (ICRC), the International Federation of Red Cross and Red Crescent Societies and the National Societies

The International Committee of the Red Cross is an impartial, neutral and independent organisation whose exclusively humanitarian mission is to protect the lives and dignity of victims of war and internal violence and to provide them with assistance. It directs and coordinates the international relief activities conducted by the Movement in situations of conflict. It also endeavours to prevent suffering by promoting and strengthening humanitarian law and universal humanitarian principles. Together, all the components of the International Red Cross and Red Crescent Movement (the "Movement") are guided by the same seven Fundamental Principles: humanity, impartiality, neutrality, independence, voluntary service, unity and universality. Thus, many large-scale ICRC operations take place during "transition" periods, which begin when the guns fall silent and which may lead to a real and lasting peace... or to a resumption of hostilities.

http://www.icrc.org

International Committee of the Red Cross 19, avenue de la Paix CH-1202 Geneva - Switzerland Telephone +41 22 734 60 01 Telefax +41 22 733 20 57

criteria allowing it to establish its priorities. It will tend to favour, for example, programmes which enable it to achieve other objectives in the area of protection (especially of the civilian population), which are likely to ease tension between antagonistic communities, or that require the services of a specifically neutral institution.

The ICRC has also modified its working methods for a number of reasons: the conviction that relief, rehabilitation and development (RRD) do not constitute a linear sequence but often overlap, so that even during the emergency stage thought must be given to future development; the desire to help communities and individuals make the choices which affect them, rather than deciding for them what tomorrow will bring; the desire to repair, through humanitarian actions, the torn social fabric. In short, the ICRC's approach during the transition period is participatory, to strengthen local capacities and to improve infrastructures. Distribution of aid will continue for the most vulnerable (the elderly, children, etc.) until a social welfare safety net has been set up by the authorities, but will be limited for other groups, to avoid creating dependency. Partnerships will be sought as a priority, in the hope that development agencies will be interested in taking over the ICRC programmes.

A number of actions are just as important as assistance programmes in a period of transition, ranging from the identification of the dead and wounded, support for victims' families, campaigning against the use of certain weapons (mines), promoting international law and human rights and contributing to the upholding of the law. Regarding the latter, however, the ICRC refrains from giving evidence in court in order to retain its impartial status.

Finding solutions to humanitarian problems in a post-conflict period is the daily lot of the ICRC in the Balkans, Angola, the Southern Caucasus, Sri Lanka, East Timor, Afghanistan, Sierra Leone, Ethiopia/Eritrea and, in the wake of recent events, Iraq. As long as its humanitarian action lasts, it will endeavour to intervene in a way that suits the context, so that yesterday's victims can tomorrow be the masters of their own destiny.

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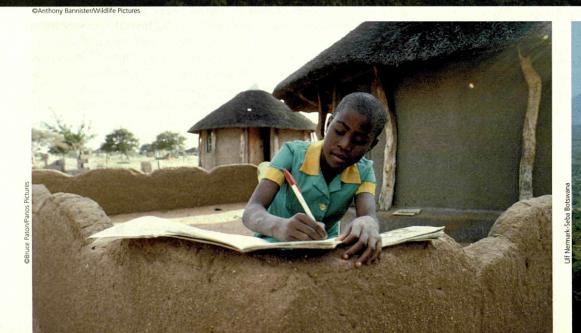


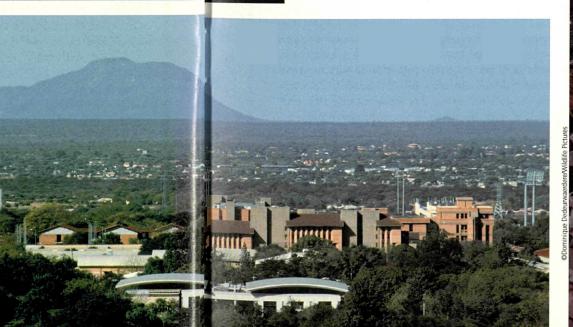
Botswana has made remarkable social and economic progress since independence in 1966. No country in the world, over a period of more than three decades, has had higher growth rates. Even the Asian tigers have not been so successful. Sound economic management has enabled the country to transform itself from being one of the poorest countries in the world to its current status as a middle-income country. Botswana also has the distinction of being the only country ever to have "graduated" from the Least Developed Countries (LDC) group, in 1994. Such formidable growth, though, has been dependent on mining, especially diamonds. Economic diversification is vital to ensure continued prosperity, and the government has been exploring new avenues which will allow the utilisation of human resources to support new service-based economic sectors. These include, for example, financial services, information technology and tourism. Progress in the economy has been accompanied by significant advances in human development. The population is now reasonably educated. The health system is very efficient.

On the downside, the government has to deal with high rates of poverty and unemployment. But the major

threat to Botswana's progress is the severe problem of HIV/AIDS, which is casting a shadow over the country's economic growth and human development.

Report and photos (unless otherwise indicated): Maurizio Carbone





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# Botswana



## Africa's best kept secret: Botswana as "a shining liberal democracy"

Botswana's impressive performance is one of the success stories of development in sub-Saharan Africa.

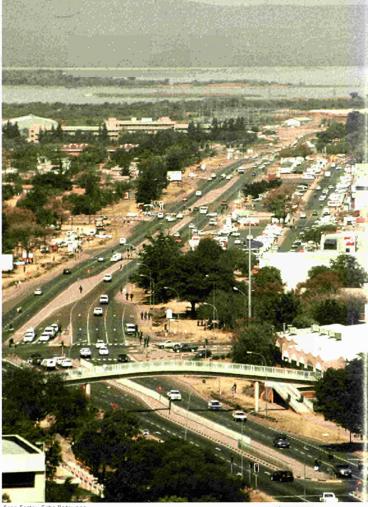
It has won international recognition for its high rates of growth, prudent economic management, political stability and an efficient welfare system. Despite this progress, Botswana still faces significant economic and social challenges, including poverty, unemployment, the HIV/AIDS pandemic, and the need to develop the private sector further.

In marked contrast to most African states, Botswana has experienced remarkable growth, moving from being one of the poorest countries in the world to its present classification as a "middle income country" by the World Bank. Between 1966 and 1980, Botswana's Gross Domestic Product (GDP) grew at an annual rate of 14.5 per cent, and was for a long time one of the fastest growing economies in the world; per capita GDP quintupled over the first 20 years of independence. During the 1990s, as global integration intensified, Botswana's growth slowed, but GDP still rose by slightly below ten per cent a year. In 2001/2002 real GDP growth was only 2.3 per cent, considerably lower than the 8.4 per cent achieved in 2000/01; however, according to official national forecasts, it should recover and reach about five per cent in 2002/03.

#### The role of the state

Discovery and exploitation of abundant reserves of diamonds have underpinned the economic miracle, but this remarkable development performance would not have been possible without fiscal discipline and political stability. Botswana has benefited from diamonds, but unlike many other developing countries that enjoy a similar bonanza in the form of mineral oil or other commodities, it has managed its diamond revenues wisely and spent large sums for the benefit of the population as a whole.

Inextricably linked with this record of economic growth is the creation of what can be described as a "developmental state". Although Botswana is often perceived as following a capitalist mode of development, with its emphasis on market forces, the state has played a crucial role in promoting economic growth and development. Since independence it has promoted a series of policies aimed at fostering economic growth and social development, and has adopted a planning



ean Foster- Seba Botswan

Gaborone

process that presented development plans with achievable goals. Overall, the quality of all development plans has been very high and their implementation impressive, including the successful management of the diamond boom. Over the years, the thrust of the development strategy has been to achieve rapid and large returns from intensive capital investment in mining and to re-invest those returns to improve the living standards of the people, the Batswana.

#### Human development

The average citizen of Botswana has thus benefited from this phenomenal economic growth through the provision of social services in the form of health facilities, free education, clean water and other welfare services. The educational system is considered to be among the best in Africa. Primary and secondary education is provided free of charge, even though the government recently announced the introduction of cost sharing in the provision of education. More than 90 per cent of children complete primary school and 70 per cent continue to secondary school. Yet much remains to be done as the education system has not kept up with the needs of the country. A well educated, skilled workforce is essential to achieve the government's goal of economic diversification. Recognising this, in the past two years the government has given high priority to the development of vocational and technical training.

In health care, the government has invested heavily in infrastructure and the training of personnel. Access to health care is very good: virtually all urban residents and more than 80 per cent of the rural population is within 15 km of a primary health facility.

Botswana's record in human development has been impressive, with one exception: HIV/AIDS. According to

#### \_Botswana

UNAIDS, 38.8% of adults are now infected with HIV; life expectancy declined to 44 in 2001. HIV/AIDS has substantial implications for progress in human capital and increasing productivity as it mostly affects the skilled and productive sections of the population. The government has introduced several programmes to fight the pandemic, including the anti-retroviral therapy programme, the prevention of mother-to-child transmission programme, and the Botswana-Harvard HIV reference laboratory, which conducts research. Increased demand for health care from people with HIV-related illness is over-stretching the public health system, causing government spending to increase sharply; part of these resources has been devoted to educating the public about the HIV/AIDS scourge.

Despite its impressive economic performance, Botswana is still riddled with a high level of poverty and unemployment. Recent data show that almost half of the households live in poverty, with a higher concentration in rural areas. It should be noted, though, that there are some non-quantifiable benefits in the form of infrastructure development, provision of housing plots, universal education and health services, which are not included in the measurement of income poverty.

#### **Democratic practices**

Botswana is a unique case in terms of political stability. It has held free and fair elections every five years since independence in 1966; it has a reputation of being almost totally free of corruption; the judiciary is independent; the human rights record has remained relatively clean; there are no political prisoners. Some major reforms have been undertaken in the past years: an Independent Electoral

#### Vision 2016

In 1996, on the occasion marking the country's 30 years of independence, the then President, H.E. Sir Ketumile Masire, launched the "Framework for a long-term vision for Botswana". After extensive nation-wide consultation, the framework was developed into a document: "Vision 2016: Towards Prosperity for All", which sets out the long-term goals for the people of Botswana, identifying the challenges implied by those goals and proposing a set of strategies to meet them. Botswana's development plans are based upon four principles: democracy, development, self-reliance, and unity. A new principle is now introduced: Botho, which is a Setswana (the national language) word for respect, good manners. According to Vision 2016, by 2016 Botswana will be "an educated and informed nation" (all people will have quality education and access to reliable information and technology services); a "prosperous, productive and innovative nation" (the economy will be diversified, males and females will have equal opportunities, and the environment will be preserved); a "compassionate and caring nation" (poverty will be eradicated and the negative impact of the HIV/AIDS pandemic will be reversed); a "safe and secure nation" (violent crime will be eliminated and human rights will be fully protected); an "open, democratic and

accountable nation" (civil society will play a full part in the development of the country and the role of traditional leaders will also be enhanced); a "moral and tolerant nation" (there will be tolerant social attitudes towards people of different cultures, ethnic traditions, religions and disabilities); a "united and proud nation" (sharing common ideals, goals, and symbols).



Despite active advertising campaigns and the widespread free distribution of condoms, the transmission of HIV has accelerated throughout the country

Commission has been appointed to manage elections; the voting age has been lowered from 21 to 18; and an autonomous office of the ombudsman has been created to curb abuses in public administration.

However, there are a number of weaknesses, including a fragmented opposition, a weak civil society, and an underdeveloped media sector. The Botswana Democratic Party (BDP) has been in power since independence, and even though its support has gradually eroded, the opposition, because of splits and a proliferation of political parties, has never managed to oust it. Apart from some sporadic cases, civil society has not been very vocal. Furthermore, even though the number of private media has grown, the state still controls the major newspaper (the only daily paper, which is free of charge), the biggest radio station, as well as the only television station in the country.

#### The issue of Basarwa

For more than a decade, the government has launched successive campaigns to persuade the Basarwa, a minority group, to leave the Central Kalahari Game Reserve. Many Basarwa moved over time to the new purpose-built settlements, partly forced by recurrent droughts and partly attracted by government incentives. As a result, the number of Basarwa remaining in the area has gradually decreased. In March 2002, the government suspended services provision, based on financial considerations (the high cost of services delivery in relation to the small number of people) as well as their wish to make the Basarwa part of mainstream development. This decision met with widespread criticism, not only from local civil society organisations, but also from a UK-based NGO, Survival International (SI). SI launched a major campaign speculating that the real reason for the relocation of the Basarwa was planned mining activity in the reserve. Their aggressive international campaign led the local human rights organisation, Ditshwanelo, to distance itself from SI and continue its own efforts which favoured ongoing negotiation with government and exploration of all the legal avenues open to the Basarwa. Furthermore, the government has several times responded that no mining exploitation is planned for the агеа. 🔳 MC

### Interview with President Festus Mogae "We may be a middle-income country, but we are still a small country, with major disadvantages"

President Festus Gontebanye Mogae is both head of state and head of government. He leads a country that for a long time has been the world's fastest growing economy, has a multiparty system, and has one of the most developed welfare systems in sub-Saharan Africa. The ruling Botswana Democratic Party (BDP), of which he is leader, pursues a neo-liberal agenda based on the assumption that the private sector is the engine of economic growth, with minimal state intervention in economic activity. In this interview, President Mogae discusses the government's initiatives to diversify the economy from diamonds, the measures taken to tackle unemployment and poverty, and the greatest challenge his country is facing at the moment, HIV/AIDS

#### Botswana has been celebrated as a model of development, but most of its revenues come from diamonds. Although many initiatives have been taken to diversify the economy, progress has been slow. What are the major constraints?

There are at least three types of constraints. First, the small domestic market, as a consequence of the small population. When we ask foreign investors to invest in Botswana, we actually ask them to locate here but to produce for third country markets, whereas if they decide to invest in other African countries, like South Africa, Nigeria, Mozambique, at least there is a large



partment of Information and Broadcasting, Gaborone

domestic market to address. Second, if we want to produce for exporting, we are a landlocked country. Compared to Mauritius, which has a successful export industry, the sea is too far. Land transportation is more expensive than water transportation, and in Africa even more so than elsewhere. Third, we don't have the raw materials: we have to import everything from abroad. These are the major constraints, which are not policy constraints, but objective constraints. Otherwise, we have one of the lowest tax rates in the region and on the continent, we are relatively free in terms of bureaucracy, we have no exchange controls, we offer not only political stability, but also stability of policies.

#### Is over-reliance on mining a problem in the long term?

No, I don't think so, at least for now. It is true that diamond mining has been widely successful in financial terms, but the copper and nickel mining sector, which is also assisted by SYSMIN, is one of the largest employers in Botswana. I am convinced that, if we continue with our appropriate financial policies, some day more investors may come, including in the mining sectors. Also, let me mention here the new International Financial Services Centre (IFSC). When we thought of it, we talked to the main regulatory authorities in Europe, the Bank of England, the Federal Reserve; the fear was that it could become a tax haven. It is not a tax haven, but it only charges 15 per cent tax. The IFSC has been slow to start because it does not have the facilities that some other countries, for instance Luxembourg, could offer, but I am sure it will do better in the near future.

President Festus Mogae was Executive Director for Anglophone Africa at the International Monetary Fund (IMF), was appointed Governor of the Bank of Botswana and, in 1989, Minister of Finance and Development Planning. He was Vice President between 1992 and 1998, when he succeeded former President Sir Ketumile Masire, who retired from politics.

#### \_Botswana



#### As you mentioned, Botswana imports almost everything from abroad. But don't you think that, although small, the domestic market could be addressed better by the domestic private sector?

It is again a problem of small scale. The domestic private sector is still in its learning curve. We hope that we will find foreign investors that can enter into partnerships with local businesses. This has not yet happened to a significant extent. Also, the domestic private sector tends to be excessively dependent on government. We used to subsidise it, but this was no longer sustainable, although we maintained this system for over 15 years. What we can do now as a government is to foster an enabling environment for private sector development.

#### Even though Botswana is considered a middle-income country, the number of poor people is still quite high. Also, the level of unemployment has reached 18 per cent. How do you address poverty issues?

I think the most effective way is to generate private investment so that there are more employment opportunities. As far as social services are concerned, we are providing almost everything for free. Education and health are free; we have an old age pension, we offer destitution relief. The question is whether we can afford this in the long term. Probably what we're doing is not appropriate because people sit down and expect to receive everything from government.

#### Next year there will be elections. The ruling party has been in power since independence, civil society is weak, the media have made some complaints. Some have even questioned the fact that Botswana is a true democracy.

We are democratic, we have a multiparty system and we have elections every five years. Normally there are five or six political parties, but during the elections new opposition parties are formed and their number goes up to ten or eleven. This is to the advantage of the ruling party. The opposition has not won power because of its tendency to fragment. Civil society and media are free. They criticise us a lot.

#### They complain about the lack of funding...

We don't think that funding private media is one of our priorities. There is already too much dependency on government. Also, I don't think that the fact that we are not funding the media has been a constraint on them. Of course, they would like to be funded. The opposition parties would also like to be funded. But if, for instance, we decide to fund them, I am sure that their number would immediately double, and their chance of ever coming together would be reduced. But this does not mean we are not a free society.

#### A negative campaign against Botswana has been launched by a British non-governmental organisation, Survival International, about the relocation of Basarwa from the Central Kalahari Game Reserve (CKGR).

Initially we were criticised by human rights organisations because we were not developing the Basarwa. Then, we re-

located these people outside the game reserve: we built clinics and schools, we helped them relocate, compensated them, and gave them livestock. But after a while, a few wanted to go back to the park to hunt. That was no longer possible. We gave them everything, but to live outside the park: it was no longer sustainable to look after them in the park. There have been imperfections, but our policy was meant to improve their life. Finally, Survival International has made the accusation that we moved the Basarwa because we wanted to allow further mining exploitations in the area. This is false: whenever we have mined we have built a settlement. The day we want to mine in the CKGR we will build a new settlement.

# One of the unintended consequences of being a middle-income country is that you don't receive much international aid.

When we raise our voice about aid, debt relief, better terms of access to international trade, we often do this on behalf of all developing countries. As Botswana we really cannot complain too much: at present we are even failing to meet our beef quota into the EU. But of course we understand that other ACP countries may have concerns about bananas, sugar, and other commodities. We may be a middle income country, but we are still a small country, with major disadvantages. We are seriously affected by HIV-AIDS. I made an appeal to the United Nations during the Millennium Summit. The international community has been very responsive; the private sector, especially in the US, has been very generous to us. But we still need help. We are still short of nurses, pharmacists, health technicians, and doctors. Of course, our health facilities are currently overwhelmed and indeed we have developed a programme for those patients who are not very sick and can be cared for at home: we provide them with all the medicines, and at the same time we train their families. But still, we need aid, we need technical assistance, capacity building: this is our major request.

### HIV/AIDS is definitely the greatest challenge for Botswana in the near future...

Yes, HIV/AIDS is a major threat. It reverses some of the achievements we reached in the past decades. We are losing too many people, and we are also losing those people that we have educated abroad, at very great expense. We have about 800 students in the UK, a similar number in the US and in Australia, and about 5,000 students in South Africa. We pay for everything. When these people die, not only do we lose our family and friends, but also the entire economy of Botswana suffers from these losses.

# Striving for sustained economic diversification: manufacturing or financial services?

Botswana has recorded impressive growth rates since independence. However, much of this growth is due to the rapid expansion of only one sector, the mining sector, and government has been largely financed by the proceeds of mineral revenues. As a consequence, the economy remains vulnerable to the vagaries of diamonds. This dependence on a single sector has led the government to pursue a policy of diversifying the economy.

When Botswana became independent in 1966, beef was the only significant export. The agriculture sector accounted for some 40 per cent of GDP. The discovery of diamonds changed this picture completely and the early dominance of agriculture was quickly reversed. Today, the mining sector accounts for about 35 per cent of GDP, with diamonds contributing to about 94 per cent of the total mining share. Botswana also produces other minerals, including copper and nickel, soda ash and salt. Other sectors of the economy have also performed relatively well, in part as a result of Botswana's market friendly environment, sound macroeconomic policies, strong currency, controlled inflation, and social and infrastructural investments. The manufacturing sector, which accounts for about four per cent of GDP, suffered a setback in 1999 due to the closure of the country's main automobile assembly plant, following the liquidation of the Hyundai assembly plant. The decline in agriculture is not across the board. The livestock sector involves about 80 per cent of Botswana's rural population; beef still remains a major foreign exchange earner after diamonds. The services sector has boomed along with the economy: tourism and the financial services sector have been identified as having important economic potential for Botswana.

#### The need to diversify

The central policy thrust for Botswana's development planning process, especially in the past three National Development Plans, has been economic diversification away from dependence on diamonds. "The need to diversify the economy is justified for several reasons. Amongst the most important is the need to avoid the high risks associated with prices and demand patterns for that commodity; to prevent external shocks, whether in the markets for that particular commodity or as part of broader economic cycles; to increase employment, since, being highly capital intensive, mining has not made a significant contribution to employment", explains Linah Mohohlo, governor of the Bank of Botswana.

Diversification is especially critical for small economies like Botswana. "With constraints imposed by economies of scale effects, small economies tend to be constrained by the size of their markets, hence the range of goods that they can produce for the domestic economy is limited", says Baledzi Gaolathe, Minister of Finance and Development Planning. Along the same lines, Elias Dewah, Executive Director of BOCCIM (the organisation representing the private sector), complains about the pace of delivery of services: "the



domestic market is too fragile. We should do everything possible to accommodate foreign investors. The government should strive to create a conducive climate for investment. It has done a lot, but much still remains to be done in reducing bureaucratic and administrative burdens on new businesses". In this context, Botswana initiated a privatisation programme in 2000 out of a desire to improve efficiency in service delivery and from the need to create further opportunities for growth of the private sector.

#### Support for manufacturing

The participation of the indigenous business class in the economic miracle has been modest. Even though the government has implemented, for almost twenty years, a Financial Assistance Policy (FAP) to promote private sector investment and employment creation in a wide range of economic activities, especially the promotion of manufacturing, the impetus gained from FAP was short-lived as some of the industries established under the scheme could not survive without subsidies. The fourth review of FAP completed in March 2000, was very critical, identifying problems of fraud, abuse, inadequate administrative and monitoring capacity, and an outdated structure of incentives. Following this The diamond industry has been key to Botswana's economic success. But dependence on a single commodity is not a sustainable basis for the economy, and the government is stressing the need for diversification.

> within five years of commencing operations due to lack of marketing and managerial skills, and CEDA support is intended to addresses this. In order to promote manufactured exports and to attract foreign investment, the Government established in 1998 the Botswana Export Development and Investment Authority (BEDIA). BEDIA faces a range of challenges in attracting FDI, including the high cost of utilities, especially water, a shortage of skilled workers, perceived low labour productivity, and high transportation costs. In order to facilitate the identification of opportunities by investors, it has developed a list of sectors on which to

> > focus its investment promotion

efforts. The sectors that are cur-

review, the scheme was abolished.

The government decided to

introduce a new scheme, the

Citizen Entrepreneurial Develop-

ment Agency (CEDA), which

provides financing to citizens'

businesses in the form of sub-

sidised loans and risk-sharing, as

opposed to outright grants. This

scheme is meant to develop an

entrepreneurial culture which

could allow Batswana to partici-

pate meaningfully in every aspect

of the economy. In fact, data

show that about 80 per cent of

local enterprises cease trading

rently promoted include textiles and garments, tannery and leather products, jewellery, glasses, and information technology. "Despite objective constraints, BEDIA has already been instrumental in the establishment of 14 manufacturing companies in the country", says Mmasekgoa Masire-Mwamba, BEDIA chief executive officer. "These companies have already created about 2,000 new jobs. Seven more companies are expected to start operations during the course of 2003. BEDIA has also recently established a one-stop service centre to assist investors in obtaining the necessary clearances, such as residence permits, work permits, customs, industrial land, licenses. The services sector has now attracted more attention from government." She adds, "I don't

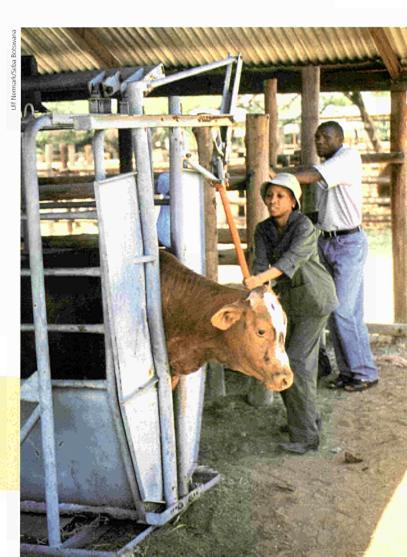
Beef remains a major foreign exchange earner after diamonds: under the Beef Protocol, an amount of up to 18,916 tonnes per annum of Botswana beef, can, until 2008, enter the EU market with a rebate of 90 per cent of the EU beef exports import levy. think it is a matter of choosing between the two. We have the raw material, why can't we manufacture it? It is true, there are some problems, but with a strong commitment from government they may be overcome".

#### Foreign trade

The regional and international economic environment is critical to Botswana's drive towards economic diversification. Botswana is a signatory to a series of agreements that bind signatories to open up their domestic markets to allow competition from foreign producers. Botswana has been, since its inception in 1910, a member of the Southern African Customs Union (SACU), which includes Lesotho, Namibia Swaziland, and South Africa. The SACU market is the main source of imports for Botswana and is also the largest market for the country's non-traditional exports, such as textiles and clothing. A revised agreement was signed in October 2002; the new agreement incorporates a new revenue-sharing formula through which members will share the customs duty revenue in proportion to their intra-SACU imports.

Botswana is also a member of the Southern African Development Community (SADC), which comprises 14 countries. In 2000, SADC member states launched a Protocol on Trade and Cooperation, which provides for progressive integration culminating in the formation of a Free Trade Area. This protocol is expected to increase intra-regional trade from its current level of 22 per cent to about 35 per cent by 2008.

Botswana is a signatory of the Cotonou Agreement with the European Union, which, on the trade front, allows for tariff-free entry of ACP countries' goods into the European



#### \_country report: Botswana



market subject to some generous quotas. For example, under the Beef Protocol Botswana's beef exports, up to an amount of 18,916 tonnes per annum until 2008, can enter the EU market with a rebate of 90 per cent of the EU import levy. The beef industry is managed by the Botswana Meat Commission (BMC), a parastatal established in 1965. BMC handles all exports of beef, its by-products, processed meats, and live cattle, subject to certain criteria.

New opportunities for textile development and apparel goods are offered by the amended African Growth and Opportunities Act (AGOA). This is an agreement between the US and sub-Saharan African countries aimed at offering beneficiary countries increased market access to the US. At first, Botswana was not allowed to benefit from AGOA's provisions since its per capita income GNP exceeded US\$1,500. Under the new AGOA II, Botswana has been granted less developed country beneficiary status. However, this dispensation will only run until 2004. In an effort to improve market access, Botswana, together with other SACU countries, will enter into negotiations with the US government during 2003-04 to create a free trade agreement between SACU and the US. Meanwhile, Botswana and the ACP countries will negotiate free trade arrangements with the EU, which will replace the current nonreciprocal trade arrangements in 2008.

#### A financial services hub

In the past few years, the importance of an effective financial sector for the attainment of sustainable economic diversification has been acknowledged by government. The financial system in Botswana is characterised by efficient institutions and infrastructure of a high standard with good telecommunications facilities and institutional support mechanisms. According to Minister Gaolathe, "the financial services sector is the most global of internationally traded business and the requirements for participation fit in well with Botswana's other strengths. These requirements include adherence to open market economic norms; a stable exchange rate regime; a good telecommunications infrastructure; a well-educated and trainable pool of people, a first class regulatory regime and a welcoming approach to inward investment". Furthermore, the two major rating agencies (Standard and Poors and Moody's) have given Botswana an investment grade sovereign credit higher than any other sub-Saharan country.

Against this background the government decided to set up an International Financial Services Centre (IFSC) in order to carry out business across a range of financial sectors. The government had two main objectives in establishing the IFSC: firstly, creating an active and substantive financial centre which could generate job opportunities for an increasing flow of well educated graduates; secondly, as a platform to develop new skills and technology to link Botswana with major international institutions in globally traded businesses.

"In order to attract investors, we had to create a series of incentives, including a corporate tax rate of 15 per cent until 2020; exemption from withholding tax in Botswana; use of double taxation treaty network. The reason to have a corporate tax rate of 15 per cent is to avoid being seen as a tax haven," says Alan Boshwaen, Chief Executive Officer of IFSC.

The marketing programme of the IFSC project has been implemented with the focus on large financial institutions, the major taxation practices and legal firms. The government is determined to make the IFSC work, seeing it as a sustainable way of reducing the dependence on the mineral sector. "So far I am satisfied. We have already attracted nine companies and a total of 13 have been approved by the projects' certification committee", concludes Mr Boshwaen.

#### A war to win

The challenges of economic diversification remain largely to be met. The export base is still heavily concentrated, and therefore vulnerable to market changes. While it is true that the mining sector has supported a broad range of developments, it has contributed marginally to the objective of employment creation. The government has started several initiatives to support diversification; some of these have shown positive results, but some assistance schemes have been criticised as fostering further dependence on government. Although much reliance has been placed on manufacturing in recent years, FDI in the manufacturing sector has grown more slowly than in other sectors. BEDIA has some limited success in attracting foreign investors. It is clear that the private business sector will also have to play a meaningful role as a lead agent in the development of the economy. An alternative to manufacturing is focusing on services, where Botswana might have an effective comparative advantage. But this is not a choice between the two sectors; rather, it is manufacturing and services.

Thus, there are several challenges to success in economic diversification. However, overshadowing all future developments, economic diversification and social well-being is the possible impact of the HIV/AIDS pandemic. Given current trends, it is estimated that there will be 33 per cent less economic growth by the year 2020 than would have been the case without HIV/AIDS. The government budget will be reduced by over 20 per cent through increased expenditure on health and welfare services and reduced revenues from income and tax. In the words of Minister Gaolathe, "the impact of HIV/AIDS on the economy and the society can be devastating; hence the resolve of government to give it the highest priority. This is a war that we cannot afford to lose." ■ MC

# Opening the telecommunications sector to competition and new technologies

Since the mid-1990s, Botswana has pursued a policy of telecommunications expansion and liberalisation to ensure that the country's pace of economic growth is not constrained by an inefficient telecommunications network. The government has invested significantly in this sector and, as a result, Botswana has one of the most developed telecommunications networks in Africa.

The development of the telecommunications sector in Botswana has been unprecedented in the past decade. For most of the post-independence period, many communications activities were carried out through South Africa. As such dependency had negative implications in terms of efficient delivery of services and forced reliance on the apartheid regime then governing South Africa, Botswana decided to develop its own telecommunications network. Thus, in 1980, the Botswana Telecommunications Corporation (BTC) was established as a parastatal. Over the years, BTC has emerged as a leader in service provision and technology in sub-Saharan Africa, with a telecommunications infrastructure that is one of the most modern in Africa.

#### **Telecommunications reform**

The major reform, though, came in 1996 when the BTC monopoly over the provision of telecommunications services was ended. In that year, the Botswana Telecommunications Authority (BTA) was created with the responsibility of licensing operators in the country. The telecommunications reform, which aimed at enhancing competition in the market through a liberal regulatory framework, is often considered a model for other African states. Its success is largely due to the effectiveness of the BTA, which indeed enjoys substantial freedom in licensing operators and in establishing and financing its operational budget.

However, some people have questioned this reform, claiming that it reflected the ambiguities and diverse interests within government regarding telecommunications matters. If one side fought to respond to an increasingly organised private sector demand for better quality and variety of services, another side tried to protect the BTC constituency.

As a result of the reform, fixed-line services were kept under

the monopoly of BTC, whereas the cellular phone and internet sectors have been liberalised.

In 1998 two mobile cellular operators – Mascom and Vista – started their operations. The number of subscribers rose from zero in 1998 to 380,290 in 2002; prices were lowered, and services improved. However, the widespread adoption of cell phone usage by

After performing poorly in the past few years, the Botswana Telecommunications Corporation started an Integrated Transformation Plan in May 2002 to return to profitability within a period of three years before it is privatised. members of the general public has led to a serious reduction in the amount of disposable income available to many individuals.

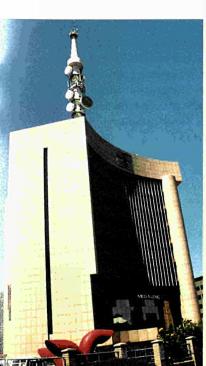
Although it is not used to its full potential, the internet industry has also experienced significant growth. Private internet access is still limited, but many Batswana have access to the internet at work or school, or in internet cafés, whose number has grown in the past two years. E-commerce has also been introduced, and the number of Botswana websites is rising, but the majority of businesses are not yet making full use of the recent technological innovations.

#### A knowledge-based society

Botswana aspires to utilising the best information technology (I.T.) to enable it to become a leader in the production and dissemination of information. "Botswana wants to be comparable to Europe, Asia, and America. With our digital readiness we want to attract international call centres, data back-up services; we want to compete with Asia on development of software and hardware applications. We have already put in place the right policies to attract foreign investment, but these are no longer comparative advantages. We have to go beyond. This is why digital readiness is so important to diversify the economy. We must also build a skilled and competitive workforce, and we are doing that. No country in the world can match us in the amount of money we are spending on human resource development," says Minister Boyce Sebetela, head of the new Ministry of Communications, Science and Technology, created in recognition of the importance that the current government places on the I.T. sector.

Minister of Finance and Development Planning, Baledzi Gaolathe, says that the government will "accelerate the implementation of the Science and Technology Policy. As part of this effort, the government is in the process of developing a national research, science and technology plan to guide the implementation of the Science and Technology Policy to make Botswana a knowledge-based society and a major participant in the competitive world". If these policies are successfully implemented, Botswana's economy will have made remarkable progress in improving its competitiveness in the global arena.

But Botswana is not only seeking to develop its communications capacity; it is also trying to ensure that all villages have access to computer-based communications networks. "The government has funded a Rural Telecommunication Programme to provide services to the rural areas. We are just about to complete the connection of 147 small villages. During the next six years we will connect 200 villages. We are striking a balance between creating a modern economy supported by state-of-the-art, multiservice I.T. networks, and the need to introduce rural communities to these new technologies. We do this because we want a more equitable distribution of access to resources," explains Minister Sebetela.



## The tourism industry: from high value/low volume to ecotourism

In the past years, the number of tourist arrivals in Botswana has grown substantially. This rapid expansion points to the considerable potential for the sector to contribute to economic diversification. Furthermore, since independence Botswana has pursued a policy of deep commitment to the conservation of its wildlife and heritage resources.

According to the World Tourism Organisation, world-wide tourism arrivals declined by 0.6 per cent in 2001, probably due to the impact of the September 11 terrorist attacks in the United States. Africa experienced a 4.6 per cent increase, but its market share remains quite low (4.5 per cent). South Africa is still the most important destination on the continent, although it suffered a 1.5 per cent decrease in arrivals. As for Botswana, tourism has grown steadily over the past few years. Despite some concerns about instability in the region (e.g., Zimbabwe), and the bad publicity the country received due to the relocation

The Okavango Delta in the north of Botswana, a large wetland surrounded by the Kalahari desert, provides a freshwater haven for some of the most spectacular wildlife in the world.

of the Basarwa from the Central Kalahari Game Reserve, the number of arrivals in Botswana has not declined. Tourism arrivals grew from 572,000 in 1997 to 923,000 in 2001, thus contributing substantially to the national economy (however, still representing less than five per cent of Gross National Product [GNP] in 2001/02). "These trends confirm that tourism can be used as one of the tools for the diversification of the economy. Tourism has managed to reach second position in terms of its contribution to total GNP", says Penelomi Venson, Minister for Environment, Wildlife and Tourism.

#### **Conservation and sustainability**

Botswana possesses a vast abundance of wildlife and natural resources. Seventeen per cent of its land has been set aside for the maintenance and development of national parks and wildlife sanctuaries, and a further twenty per cent of land has been allowed for wildlife management areas. The main tourism assets include the Okavango Delta, which is the world's largest inland delta, and the Chobe National Park, which is renowned for its large elephant herds. Abundant wildlife is also found in community conservation areas and wildlife sanctuaries, which are now managed by the local communities.

Conscious of its over-dependence on diamonds, since the early 1990s the government has encouraged tourism as a major engine for economic growth, adopting a "high valuelow volume" approach. The emphasis is on catering for a limited number of affluent visitors. This policy, intended to minimise the negative impact of tourism on the environment, faces several challenges. First, as most of the money for tourist packages is paid outside of Botswana, the local economy retains only less than a third of the total amount of money that tourists pay to visit Botswana. Furthermore, the growth of tourism in the major tourist attractions, especially in the Okavango Delta, is characterised by so-called "enclave tourism". Hotels, lodges, and camps are established to meet the needs of foreign tourists and usually fail to take into consideration the needs of the local population.

#### Expanding the tourism offer

In the past few years, as most of the main tourist attractions could not sustain further growth, but there was a desire to increase economic gains from the tourism industry, it was necessary to expand the tourism offer. Furthermore, some of Botswana's rural areas and biospheres are unsuited to high value "lodge style" tourism, but can appeal to visitors with eco-friendly interests. In 2001, a national ecotourism strategy Elephants have been fully protected since 1989 after widespread poaching jeopardised elephant populations throughout Africa and Asia. The Conference of Parties of the "Convention on International Trade in Endangered Species of Wild Fauna and Flora" (CITES), during its meeting in Harare in 1997, agreed that for those countries with healthy elephant populations (Botswana, Namibia, South Africa, and Zimbabwe) the elephant could be "down-listed" from Appendix I (trade of animal products is not allowed) to Appendix II (trade is possible under certain circumstances). As a result, CITES authorised three countries - Botswana,



Namibia and Zimbabwe – to sell a portion of their stock of ivory. In view of the Conference of Parties held in Santiago, Chile, in November 2002, Kenya and India proposed to "up-list" the elephant population of the three southern African countries, alleging that poaching posed a serious threat to the survival of elephants.

Botswana has the largest elephant population in the world. It has grown from 40,000 in 1980 to 120,000 today, with a growth rate of more than five per cent per annum. This rapid growth has caused several problems for the rural population (destruction of crops caused by straying, competition for living space, hungry elephants raiding farmland etc). A range of measures has been taken to address this issue: the rate paid for damages has recently increased; electrified game-proof fences are being constructed; rural communities are being trained in animal control techniques. Furthermore, the ivory that Botswana intended to trade is already in government storage and has been acquired from management activities as well as from natural mortalities.

In order to find a solution for the elephant issue, Botswana presented a proposal to CITES, which was approved with minor amendments. As a result, Botswana will be allowed to: a) trade in hunting trophies for non-commercial purposes; b) trade in live animals for commercial purposes to appropriate and acceptable destinations, as determined by the national legislation of the country of import; c) trade in leather goods for non-commercial purposes; d) trade in hides; e) trade in registered stocks of raw ivory (whole tusks and pieces) of Botswana origin and owned by the government of Botswana for commercial purposes only, to CITES-approved trading partners that will not re-export the ivory. An initial amount of not more than 20 tonnes of ivory may be traded, but not before May 2004.

was developed. According to the International Ecotourism Society, ecotourism is defined as "responsible travel to natural areas, that conserves the environment and sustains the well being of local people". The objective of the ecotourism strategy is to diversify tourism by opening up new areas of the country and adding new components to include cultural, historical, and archaeological attractions. This in turn brings development in rural and remote areas and creates new opportunities for generating employment and income. "Our aim is to educate both the visitors and local communities about the importance of conserving natural and cultural resources", explains Minister Venson, who also pointed out that the collaboration between the Ministry of Trade and Ministry of Tourism is very important in this respect. "Until some months ago there was only one Ministry dealing with trade and tourism. Government felt that to improve the efficiency and effectiveness of service delivery, tourism needed to be dealt with by a separate Ministry. The two Ministries continue to collaborate and indeed we have a programme on producing crafts. The active involvement of host communities in all aspects of the industry's management and development is a common strategy accepted by both Ministries".

#### An aggressive marketing strategy

In order to promote its tourism internationally, Botswana is now engaged in an aggressive marketing

strategy. "In the past few years, several initiatives have been taken to make Botswana a more attractive tourist destination, including advertising in international media and participating at major international tourism fairs", says Odirile Merafhe, executive director of HATAB, the organisation representing the interests of the private sector in the hotel and tourism sector. However, warns Beatrice Selotlegeng, deputy general manager of Air Botswana, "tourism outside well-established infrastructures is not going to make it if you don't upgrade the transport sector. Tourists want to arrive at their destination as soon as possible. Air Botswana is playing its role: we have now introduced some direct flights from Johannesburg to Kasane so that international tourists no longer need to go through Zimbabwe or Gaborone if they want to reach the major attractions in the north. But the other components of the transport sector are relevant too: roads should also be improved."

By encouraging high quality tourism with the aim of respecting the environment in world heritage sites, and by supporting ecotourism projects in which private investors work with local communities, the government is trying to promote tourism on a sustainable rather than a short-term basis. The expansion and development of new tourism attractions will enable more opportunities to be provided for all segments of tourists.

## An opposition point of view: A somewhat different development strategy

Even though Botswana has a multiparty system, no turnover of government has taken place since independence in 1966. The opposition has so far failed to present itself as an alternative to the ruling party. This is primarily due to internal fights, splits, lack of financial resources, and the electoral system which tends to favour the incumbent Botswana Democratic Party (BDP). In this interview, Nehemiah Modupule, member of Parliament representing the Botswana National Front (BNF) and new leader of the opposition, discusses a development strategy which is somewhat different from the direction taken by the BDP.

Two of the most important factors relating to the party system in Botswana in recent years have been the continuous steady decline in the BDP share of the vote and the

increasing clustering of the opposition vote around the BNF. Following the end of the Cold War, the BNF has changed its socialist ideology to pursue a social democratic programme. It now recognises the role of the private sector in economic development, but still subscribes to an economy based on a strong public sector.

#### The opposition is often accused of being too weak and fragmented. What is your opinion?

It is true that we have had this problem of fragmentation. But we must look at the cause of it. I often say that Botswana is a rich country with poor people. When we contest the ruling party in the elections, we have no funds as opposition. We must use our own money, and if we are not elect-



Nehemiah Modubule joined BNF in 1974 when he was still a student. In 1994 he formed the United Socialist Party, which in 1998 merged into the BNF. Member of Parliament for the first time in 1999, he has recently been chosen as leader of the opposition.

if in 1999 we had used proportional representation, the BDP would have won 22 seats, and the opposition 18 seats. With the current system the BDP has 33 seats and the

opposition only seven. Thus you hear that the opposition is weak. Also, according to a recent study conducted by the Independent Electoral Commission, 73 per cent of the Botswana people are in favour of the proportional system. The government is resistant to changing it, but I am convinced that eventually they will change.

#### In the past the opposition has questioned the impartiality of the Independent Electoral Commission (IEC)...

We fought for an independent electoral commission. They have put a building somewhere, but the IEC still reports to the President of the Republic. That is not independence. The President has interests in the elections. As it

ed that means that we have lost a lot of money. Funding is a major concern for the functioning of a true democracy. We have been calling for public funding of political parties. The government is resisting. We cannot campaign without money. The ruling party has been fortunate enough to be funded from outside; but the law says that sources are not to be disclosed.

### Is lack of funding the only cause that prevented the opposition from going to power?

There is another major cause: the electoral system. At the moment we use a first-past-the-post system. We believe that proportional representation is a better system to reflect in parliament the popular vote. Let me give you some figures: stands now, it is not independent at all.

#### The next elections will be in 2004. If the ruling party does not have a majority of seats, would you be able to form a stable government with the other opposition parties?

If we go to the elections as fragmented as we are now, there is no hope of winning the elections. We can only hope to increase the number of seats in Parliament, but winning the elections will just be an illusion. I am confident though, and in fact at the moment we are trying to develop a sort of working relationship with the other opposition parties so that in case we win the elections there is some sort of mechanism in place to allow us to form a new government.

#### \_Botswana

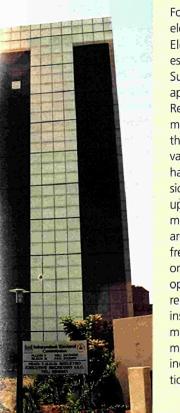
# What are the main differences between the ruling party and the opposition as regards economic and social development?

There are many differences. We firmly believe the state must play a role in the economy. The current government does not think so. Botswana is a very young economy, which still needs to be assisted by the state. The government wants to move away from this approach and we are against it: the time is not ripe. We are against privatisation. If we leave things totally to the private sector, with no government involvement, we see problems. There are certain industries and sectors that cannot be privatised and must be run by the government, or at least the government must have a hand in those sectors. For instance, we cannot let water go to the private sector.

Let me give you two more examples of some major differences between the BDP and the BNF. For a long time we have been advocating that people who are 18 years old should be allowed to vote. The government was against it, but eventually they accepted it. We advocated for free education. The government never had a policy of free education. We have been successful in persuading the BDP to provide free education for Botswana, but now they are talking about re-introducing school fees. In a country where 43 per cent of the population is 15 years and below, with 36.5 per cent living below the poverty line, we cannot think of re-introducing school fees.

#### One of the major concerns of the current government is diversifying the economy. Do you think they are pursuing the right policies? What is your recipe if you win the elections?

First let me say that the government over the years has focused too much on diamonds, which may not end, but we can't depend too much on markets that we are not able to control. I am not denying that the government has tried hard to diversify the economy. However, there is a sector that for a long time they have neglected: agriculture. Botswana is totally dependent on foreign countries for its food, mostly on South Africa. We believe that we should engage in a very



Following a national referendum on electoral reforms, the Independent Electoral Commission (IEC) was established in 1997 to replace the Supervisor of Elections (SE). Directly appointed by the President of the Republic, the SE headed a government department and presented the findings of his office to the relevant minister. The IEC, on the other hand, consists of seven commissioners, selected from a list drawn up by an all-party conference. Its mandate is to ensure that elections are conducted efficiently, properly, freely and fairly. However, its autonomy has been questioned by the opposition for several reasons: it reports to the office of the President instead of to the parliament; it has mainly inherited the staff of the former SE; it does not have complete independence over the administration of its funds.



revolutionary policy in the agricultural sector. We must have dams and irrigation schemes so that we are self-sufficient in food production. We can have so many other industries from agriculture. We don't see why we cannot do this: we have the land; we are not rich in water, but we do have it.

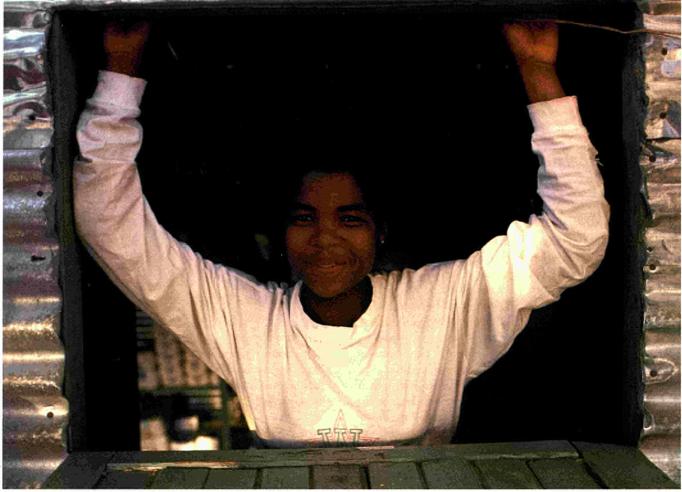
#### One of the most controversial issues in the past two years has been the relocation of Basarwa people. Do you have anything in common with the accusations of Survival International against the current government?

As BNF, we said several times that the Basarwa relocation exercise was not done properly. Those people were not given enough time to think about their future. It was not easy for them: they were asked to completely change their culture, the way they have been living for centuries. I was in the Central Kalahari Game Reserve and I had the opportunity to talk to some people. They were not happy. We are not saying that the development of Basarwa is not correct. We are just criticising the government for not being patient, for not being able to show the advantages Basarwa would have enjoyed in the new settlements. For this reason, our approach as opposition is different from that of Survival International, which links the Basarwa issue to mining exploitation. We are not doing that. Basarwa ought to be developed like any other Motswana in this country. We have nothing to do with Survival International; they are talking about diamonds, we are talking about human rights and development.

#### What is your approach to international matters? Are there any substantial differences between the ruling party and the opposition?

No, there is not much difference in foreign policy. We share the same ideas about being part of the non-aligned movement. We cannot complain about their foreign trade policies. They have tried to defend our national interest. However, in a true democratic system, the opposition should be involved, or at least consulted, on matters of national interest. This has not happened in this country.

But let me say that we talk about free trade and opening borders, but if we don't work harder to develop the necessary human resources skills, Botswana will not be able to improve its status or even retain its current position in the global arena. It all depends on us, the people of Botswana, but in particular on what the government that wins the elections in 2004 will do for this country.



### Participatory development: the context of democratic governance in Botswana

The Constitution of Botswana stresses the separation of the state from civil society and guarantees citizens free political activity, freedom of speech, association, and religion. This is at least what the Constitution says. But has the government created the necessary climate to allow civil society organisations to articulate their programmes and play a constructive role in fostering a culture of openness, tolerance and accountability?

Botswana has a multiparty system and a strong decentralisation programme; nonetheless, it is one of the few countries that has built a liberal democracy whilst its civil society is weak. Although in the past few years legislative and practical developments have provided for increased participation, civil society, apart from a few exceptions, has not been able to influence public policy and exert democratic pressure on the state. Three reasons have been given: cultural, historical, and political.

#### The traditional system

Most politicians in Botswana maintain that the country's democracy is rooted in the political culture, which is democratic by nature. Therefore, the perception that civil society is weak does not take into consideration the tradition of consultation and participation embedded in the national consciousness. The basic institution of this democratic system was the kgotla (a public meeting place where people met to discuss issues of public interest).

However, the kgotla was used to mobilise consensus, to test public acceptance of issues already discussed between the chief and his advisers. The majority of people were not able to make a significant contribution to the discussions: women, young people, and minorities were excluded or expected to remain silent. More generally, the Tswana culture did not recognise the importance of groups: the only social groups acknowledged were families and, to an extent, ethnic groups, although they depended on chiefs. For all these reasons, Keboitse Machangana, who has been very active in the women's movement in Botswana, concludes that "this traditional system is one of the reasons why civil society is weak today. Women and young people, if invited, were allowed only to listen; also in the kgotla it was difficult to question the chief. Today, many Batswana still look at government from that angle: if you live in a culture where you don't feel it appropriate to question the authority, the emergence of a vibrant civil society is not possible. This kind of culture is now going away but it is still there."

#### Smooth transition and state efficiency

Civil society is generally very active and provides an alternative to the state as an agent for development under two circumstances: when states fail to deliver what they are expected to and during civil and political unrest. Botswana is an exceptional case: from an economic and social point of view, its human development record is impressive; from a political point of view, it has maintained a democratic environment. Furthermore, "unlike our neighbouring countries, Botswana was never involved in a liberation struggle. Transition from colonialism to independence was quite smooth. If you look at civil society in South Africa, Namibia, and Zimbabwe, it is very vibrant, but only because those countries have experienced civil unrest of some kind," says Keboitse Machangana.

One of the unintended consequences of the efficiency of Botswana's welfare system is that citizens have high expectations of government. "The effectiveness of government in delivering social services is positive on the one hand, but on the other hand has created a culture of dependency: the government provides almost everything for free. As a result, people are not willing to be makers of their own destiny. If you want people to participate you need to do a lot of groundwork, motivate them, convince them that they are able to influence political decisions, and that they are not only a number for the statistics," explains Ketlomilwe Moletsane, executive secretary of the Botswana Council of NGOs (BOCONGO), the umbrella organisation formed in 1995 to coordinate the NGO movement and facilitate the establishment of an enabling environment for NGOs.

#### Lack of a policy framework

Without questioning whether what was provided was the right thing for its people, the government did not develop a policy towards civil society. On the contrary, for many years it accused civil society organisations of introducing a culture alien to Botswana's society and even labelled them promoters of foreign interests or as being infiltrated by the opposition.

It was only in the late 1990s that this political climate changed. In 2000, the Ministry of Labour and Home Affairs produced a draft National Policy on Non-Governmental Organisations, intended to establish a general framework in order to harmonise the various polices that impact the NGO sector. This process is still underway. "Our collaboration with the government is not well defined, it is an ad hoc relationship. There is a proposal to regulate this field, but it is sitting somewhere within government. We have submitted our inputs, now it depends on the will of the Government," says Mr Moletsane.

The fact that there is not yet a policy framework does not prevent dialogue. For Keboitse Machangana, "in general, the environment is conducive for civil society to operate well. Unlike other countries in the region the government seems to be receptive; we are able to discuss issues with them; they organise meetings and we are free to express ourselves. But being involved in all fora is also a way of making us ineffective. On the one hand, for example when we draw up a plan for gender equality, we believe that the government is listening to us, but when it comes to allocation of resources, the government is not responsive". Lack of adequate government funding combined with the decline in donor support (major international donors have pulled out based on the assumption that Botswana has its own resources to meet the development targets) is the major challenge that civil society faces today in Botswana. "Some NGOs are funded by government, but this depends on the activity of the individual NGO and on the relationship that it has built over time with the government. However, funds coming from government are not coordinated. There is not a budget line in the national budget for NGO activities: different ministries provide some support for individual NGOs from their budget lines," explains Mr Moletsane.

#### What development paradigm?

A number of writers and reports from international organisations maintain that the country's human rights record is good. A success story is in the area of women's rights, where the leading NGO Emang Basadi (which means "Stand up women for your rights") has had a significant impact on public policy related to the rights of women.

However, Ditshwanelo, the Botswana Council for Human Rights, has complained about alleged violations of human rights. "Violations don't need to be blatant; repression may happen in a less obvious way. Unless a person is tortured and beaten up so that you can see injuries and wounds you don't say that there is a violation of human rights: that is a northern perspective of Africa."

Ditswanelo has been very active on the issue of minority rights, and in particular the relocation of Basarwa from the Central Kalahari Game Reserve (CKGR). "Under the current development paradigm, the government can move people claiming that all Batswana have the right to progress. But is the development paradigm of the government appropriate? Does it really serve the needs of people? There are increasing numbers of voices coming from minority groups who want to be recognised and want to enjoy the gains that Botswana has achieved over the years: there are too many people who are not benefiting from diamonds. True participation in democracy is not the only issue, it is part of a general question: What is wrong with our development model if so many people live below the poverty line?", wonders Ditswanelo's director Alice Mgowe.

#### Limits to freedom of press

The media has a central role to play in a democracy. In addition to its normal functions of educating and informing people, media can play an intermediary role between state and citizenry, providing public arenas for political participation and promoting accountability of ruling elites. But sometimes the media cannot carry out these functions because of harassment or legislative restrictions. Botswana's Constitution does not provide explicit protection for press freedom, but such freedom is embraced under freedom of expression. The government generally respects these rights; however, on certain occasions, it has attempted to limit freedom of the press. For instance in 1997, it tried to impose a controversial mass media communications bill which was designed to give the state a strong control over the media. This was abandoned following vigorous protests in and outside the country. However, in November 2001, the government tried to introduce a revised bill. The bill proposed the establishment of a statutory Press Council, compulsory registration of all print media in the country, the establishment of accreditation of



journalists and the issuing of press cards. "Nothing has been finalised yet. We have been in consultation and dialogue with media for a long time. As a government we are responsible for the freedoms and rights of individuals in the nation. And if the media abuse their freedom and impinge on the rights of other individuals, I think we should intervene. Of course, they would like to shy away from everything they perceive as control," explains Botswana's Vice President Ian Khama. In response to government's concerns, in November 2002, the local media established a self-regulatory Press Council. "That was a great step towards the realisation of an independent and self-regulatory press in Botswana. One of the tasks of this Council is to receive petitions from the public about the performance of the press and, where necessary, apply appropriate remedies and sanctions," explains Clara Olson, chair of this new Press Council.

#### Print and broadcast media

For the first 15 years after independence, the government dominated the country's media. The Daily News was the only paper available: it is still free of change and carries almost only government news and announcements. Over the years, a number of newspapers and magazines has emerged. "Today, media face many challenges, mainly related to lack of resources. The independent media are not eligible for government financial assistance. This is due to the fact that the government does not see the independent press as a viable industry, capable of producing employment and generating exports," explains Modise Maphanyane, Director of the Botswana chapter of the Media Institute of Southern Africa (MISA).

As for broadcast media, currently only Radio Botswana (RB1 and RB2), which is directly controlled by the government, transmits nationwide. As a consequence of the fact that in 1998 the Botswana Telecommunication Authority (BTA) started liberalising broadcasting, the first ever privately owned radio station (Yarona FM) was created in the country. Soon afterwards another radio was created in Gabarone (Gabz FM). The first national television station, Botswana Television (BTV), started its activities only in 2000; a wider programme of channels is available through a satellite system, but their cost is high and most of the population cannot afford it.

It is often said that weak civil society and weak mass media are found together. Civil society groups grow and become politically relevant to the extent that they are allowed to dialogue with political leaders on behalf of the people they represent. Botswana's government has tried for more than two years to pass two laws to regulate the media and civil society sectors, without being successful. One of the areas of focus in the Vision 2016 is the creation of an open, democratic and accountable nation: the best way to achieve such a goal is by nurturing civic empowerment.

The House of Chiefs is made up of 15 members: the hereditary chiefs of Botswana's eight traditional tribes as set out in the Constitution, members as of right, and seven elected members. It must be consulted when the Constitution is reviewed, and when consideration is being given to the law on customs, family and personal law, the system of land ownership, and certain aspects of civil law. Earlier this year, history was re-written when a woman was elected as chair of the House of Chiefs. Kgosi Mosadi Seboko of Balete, the first woman paramount chief, has also become the first woman chair of the male-dominated House.

The House of Chiefs still exerts significant influence, as chiefs regularly consult their tribes in the course of traditional assemblies (Kgotla). In many ways, thus, it is a unique institution that enables Botswana to undergo a managed transition into modernity by preserving traditional forms of solidarity and adherence, and simultaneously preventing the latter from fragmenting the country along tribal lines.

According to Kgosi Seboko, "historically chiefs have played an important role towards the attainment of nationhood in Botswana. Today, they still have significant influence and authority at the grassroots level on all aspects of tribal and community welfare. They also have responsibility for the environment. Chiefs are also instrumental in the fight against HIV/AIDS, by changing attitudes about sex. They are also best placed to carry out the advocacy, promotion and preservation of culture. Many people, especially in developing countries, tend to mistake westernisation with globalisation. Unfortunately, due to this lack of understanding, they have abandoned their cultures and norms. We must not lose our uniqueness and identity. But perhaps the biggest contribution of chiefs to present-day Botswana laying a foundation for democracy to take root in Botswana's society. This takes place through unique conflict resolution and peace strategies: *Ntwa kgolo ke ya molomo* – which means disputes are best settled through discussion, not war."

### **EC-Botswana** cooperation

# "Don't leave us in the middle of the river"

The role of external assistance in Botswana was considerable for a long time in the post-independence period. In recent years, most donors have withdrawn their assistance as a consequence of the economic success of Botswana. External assistance is now only a very small component of the country's economy. The European Union (EU) has maintained its support and a new agreement, which was signed in April 2002 to cover the period 2002-2007, makes up to €91 million available in two different allocations. A significant part of this assistance will be utilised for human resource development, in recognition that a shortage of skilled citizens is a principal constraint to development.

Botswana is often cited as a development "success story" that has managed its aid resources effectively. At independence, as the country was one of the poorest in the world, the government relied on foreign aid for all of its budgetary capital expenditures and a large part of recurrent expenditure. International aid was a crucial resource that was used strategically to develop the physical and social infrastructure. At that time, aid provided 45 per cent of total government expenditure; it was still nearly 20 per cent in 1982, but has fallen dramatically to less than five per cent since Botswana was classified as a middle-income country in 1992.

#### Victim of its own success

In contrast to many other countries in Africa, external assistance is today only a small component of Botswana's economy. Most international donors, like the US and Canada, have ended their previously substantial programmes. As for the EU, most Member States have left the country: now, only Germany and Britain still have some relatively important programmes. The European Community, on the other hand, is a substantial provider of development assistance to Botswana.

Several policy makers in Botswana regret the departure of international donors. Mompati Merafhe, Minister of Foreign Affairs and International Cooperation, says that "donors should not have withdrawn their support. We still need help. If at the EC level that has not happened, it is at the bilateral level, with a number of European countries, that we feel penalised. These countries say that they cannot provide aid to a country like Botswana, because its economy is doing well. We don't subscribe to that view. We should not be penalised by our own success. Actually, we should be rewarded for our good performance".

### Support under the Lomé Conventions and the Cotonou Agreement

Within the frameworks of the 6th, 7th, and 8th European Development Funds (EDF), Botswana has received a total of €100.5 million in development financing. EC-Botswana cooperation has focused mainly on vocational and technical education and training, and natural resources and the environment.

One example of an environmental project funded by the EC, which developed from a community based initiative, is

the eco-tourism campsite at the remote Lekhubu Island. The local community formed the Gaing O Trust to protect and preserve this environment, at risk from unregistered visitors damaging the ancient baobab trees on this granite outcrop, which is surrounded by vast salt pans, the remains of an inland sea which long since dried up and disappeared.

As a response to the shortage of training places, and the mismatch between skills acquired and skills required by the labour market, the new Gaborone Technical College has been designed, built, equipped and commissioned into service as a joint venture between the EC and the Government of Botswana. A similar college is planned for Francistown.

According to Claudia Wiedey, Head of the EU Delegation in Botswana, "these interventions will directly contribute to Botswana's economic diversification policy and this is why the Government and the European Community jointly and wholeheartedly decided to continue cooperation in this area under EDF9". The new Country Strategy Paper and National Indicative Programme (CSP/NIP) was signed in April 2002 for the period 2002-2007. The total indicative resource allocation is €91: €39 million for programmable resources plus €52 million for unforeseen needs. "The fact that we already know the amount of resources available is very important for



With a new building, state-of-the-art equipment and a revitalised curriculum, the Gaborone Technical College provides young people with skills that will equip them for the modern workplace or self employment

#### \_country report: Botswana

us. We cannot complain about our relationship with the EU, which understands our development priorities better than other donors do. In the past we used to complain about delays in getting responses on projects already agreed. But now, under EDF9, I see some changes. Also, the EU Delegation has more competencies, and this allows us to move faster", says Baledzi Gaolathe, Minister of Finance and Development Planning, who is also the National Authorising Officer (NAO) in Botswana.

Human Resources Development (HRD) is the single focal sector of the CSP/NIP and will receive the bulk of the available funding. HRD will support Botswana's policies for diversification of the economy, creation of employment opportunities, reduction of poverty and addressing the problems related to HIV/AIDS. The remaining funds will be used for development in other areas such as natural resource conservation and management, community based initiatives to enhance rural livelihoods, the campaign against HIV/AIDS, trade development and regional integration.

In addition to EDF funds, the European Investment Bank (EIB) over the years has financed large infrastructure projects in the water and power sectors, thereby assisting Botswana in maintaining high standards in the provision of basic infrastructure.

#### The Beef Protocol

Botswana has also benefited from the Beef Protocol. Since 1975 the country has been able to sell beef and veal to the EU market at a substantial reduction in customs duty. Botswana enjoys a higher quota than other countries in the region, but has not been able to take full advantage of these arrangements. This is partially due to natural forces such as droughts, but also to the stringent health and quality requirements that the EU imposes on producers. "The beef protocol is definitely one of the most successful areas of cooperation between the EU and Botswana. So far we have been happy with it, but sometimes we complain about the strictness of the rules", says Minister Gaolathe.

This preferential access was rolled over under the Cotonou Agreement; the new agreement thus secures the current levels until 1 January 2008.

Access to the EU markets is dependent upon the provision of satisfactory disease control measures that restrict the



Veterinary cordon fences and control points have been erected throughout the country in the past years to control the movement of animals and meat products.

movement of livestock, and on regular inspections of abattoirs. The construction of veterinary disease control fences, recently intensified because of an outbreak of foot and mouth disease in the country, is primarily intended to safeguard Botswana's beef export industry. However, such fences, which bisect huge wildlife areas, are criticised by environmentalists because of the widespread damage they cause to the wildlife populations.

#### Support for mineral diversification

The EU has supported economic diversification and initiatives to reduce dependence on the diamond sector. Botswana has benefited twice from Sysmin support under the 6th and 7th EDFs. Even though the Cotonou Agreement does not retain the Sysmin facility, the same idea has been incorporated into the indicative allocation for unforeseen needs, which allows a more flexible utilisation. In February 2003, a new financing agreement was signed to provide  $\leq 30$  million to assist BCL Limited (a mining consortium owned partly by the private sector and partly by the government) in the expansion of the Tati Mine at Francistown and in the orderly phasing out of its coppernickel mining operations in Selebie Phikwe.

Botswana is a middle income country. However, given the challenges that the country is facing because of the HIV/AIDS pandemic, and considering that a large part of the population is still living below the poverty line, it was premature for donors to have pulled out. In the words of Minister Gaolathe, "donors have helped us starting to cross a river; now they cannot leave us in the middle of it".

#### SADC Investment Promotion Programme (ESIPP)

The Southern Africa Development Community (SADC) is a regional organisation comprising 14 member states. The Secretariat and Headquarters are located in Gaborone and, for this reason, the EU Delegation in Botswana has a coordinating role in the management of relations and implementation of programmes between the EU and SADC which are detailed in the Regional Strategy Programme and Indicative Paper signed in Maputo in November 2002.

The EU-SADC Investment Promotion Programme (ESIPP) is a major new initiative with funding of  $\in$ 18 million over a three-year period, with a possible extension of a further two years. Signed in December 2002, the primary objective of ESIPP is to pro-

mote the SADC region to both EU and third country investors as an attractive option by important collaboration in the areas of private sector development, investment, and technical and economic support. ESIPP initiatives to link the private sector in SADC, EU and third countries are expected to increase Foreign Direct Investment (FDI) within the SADC region.

ESIPP will institute forums and capacity building with private and state owned investment promotion bodies with SADC, focusing on five key sectors, identified as: agro-industry, mining, light engineering, construction materials and tourism.

# Low cost hearing aids for the developing world

According to the World Health Organisation (WHO), more than 250 million people in the world have a disabling degree of hearing impairment; the burden is estimated to be approximately twice as large in developing countries as in developed countries. The total world production of hearing aids is less than one-fortieth of global needs, but only 25 per cent of the present annual production is distributed in developing countries. One of the microprojects financed by the European Union has helped Godisa, a non profit organisation, to provide low cost hearing aids for developing countries.

In 1992, SolarAid-Camphill in collaboration with the Botswana Technology Centre (BOTEC), set out to manufacture a low cost body-worn hearing aid, the SolarAid, which could be used by hearing impaired people living in Africa and other parts of the developing world. But in 2001, the World Health Organisation (WHO) issued a series of guidelines recommending that smaller models of the Behind-The-Ear (BTE) type should replace body-worn models.

SolarAid was thus changed into Godisa, which means in Setswana "do something that helps others to grow". Godisa is located in Otse, a village just outside Gaborone; its objective is to develop low cost technologies for third world countries and to create employment and training opportunities for hearing disabled people. It is one of a number of workshops in the Camphill Community Trust, a Botswana non-profit organisation that educates, accommodates, trains, and employs people with disability.



Godisa manufactures three kinds of hearing aids, which use regular zinc air or rechargeable batteries. Thanks to this solar power battery recharger, batteries can be charged up to 300 times.

Hearing aids are currently largely available on the market but they are inappropriate for the living conditions of developing countries, where batteries are expensive and hard to find, especially for people living in rural areas. "We sell our hearing aid for about  $\in$ 50. The same hearing aid with the exact same components sold in Europe costs  $\in$ 200. But the major problem in developing countries is related to batteries. The cost for batteries for one year would be between  $\in$ 50 and  $\in$ 200

and they last between four and eight days. This is a fortune for a developing country", says Howard Weinstein, a development worker from Canada, with a past as a successful entrepreneur, who came to Botswana as a volunteer in 2002.

In order to solve the battery problem, Godisa, with the funding assistance of the European Union, has developed a solar charger that will be used to recharge the BTE hearing aid. Godisa is not just the only manufacturer of hearing aids in Africa, but it is also the only manufacturer of hearing aids in the world to have the training and empowering of hearing disabled people as part of its mission. At the moment, it employs 14 people, 10 of whom are either deaf



Workers at Godisa assembling hearing aids.

or physically challenged. "They are fabulous workers. Their level of concentration and hand-eye coordination is far superior. Each person can make 20-25 hearing aids a day. Providing low cost hearing aids and employing hearing impaired people is essential to prevent these people from becoming a burden to their family and in the long run to the community and the national economy", says Modesta, the general manager, who is learning from Howard how to run an international sustainable business.

The next challenge for Godisa is to better market its product in the world. At the moment there is an agent in South Africa who covers three other countries in Southern Africa. There are also agents or distributors set up in Zimbabwe, Angola, Malawi, Zambia, and Tanzania, as well as in Thailand, Vietnam, Hong Kong and China. Normal retailers are obviously not interested as they make a lot of money selling batteries. For this reason, efforts will be concentrated on contacting NGOs and charitable organisations that already buy hearing aids for developing countries. Godisa is also starting to teach low cost earmould techniques so that people from other countries in Africa can learn how to make low cost hearing aids with low cost equipment. "Our mission is to provide low cost technologies for developing countries. We don't care if someone copies our model and makes their hearing aids. More people could enjoy low cost hearing aids. I have seen some studies that judge developing countries on how many patents they have got. That is a very elitist way of measuring development. If we patented this, we would have defeated our purpose,"concludes Howard. MC

# Botswana



#### **General Information**

Area (square km):	600,370 1.6		
Population (million):			
Capital:	Gaborone		
Major towns:	Francistown, Selebi Phikwe, Molepolole, Kanye, Maun, Serowe, Lobatse, Mahalapye		
Religions:	Indigenous beliefs (85%), Christian (15%)		
Languages:	English (official), Setswana		
People:	Tswana (79%), Kalanga (11%); Basarwa (3%), other (7%)		
Political structure			
Official name:	Republic of Botswana		
Government type:	Parliamentary republic President: Festus Mogae (both head of state and government) since 1 April 1998		
Constitution:	March 1965, effective 30 September 1966		
Legislative branch:	The Botswana Parliament consists of an elective National Assembly with legislative powers and a consultative House of Chiefs which acts as an advisory body. The		
	National Assembly is composed of 40 members directly elected by popular vote and four appointed by the majority party; members serve five-year terms. The House of Chiefs is a 15 member advisory body.		
Political parties:	Botswana Democratic Party (BDP); Botswana National Front (BNF); Botswana Congress Party (BCP); Botswana Alliance Movement (BAM), New Democratic Front (NDF).		
Legal system:	Based on Roman-Dutch law and customary law		
Economy			
Currency:	Pula (1 Pula = €0.179284)		
GDP per capita:	Purchasing power parity-US\$7,800 (2001 est.)		
GDP breakdown by sector:	Agriculture 2.4%; industry 38.9%; services 58.6% (2001 est.)		
GDP growth rate:	4.7% (2001 est.)		
Total exports in 2001 in US \$ million	2,817 of which diamonds 1,507; copper and nickel, 58; manufactures, 30		
Total imports in 2001 in US \$ million	2,409 of which food 335; fuel and energy 117; capital goods 834		
Unemployment rate:	15.8% (September 2000)		
Foreign Direct Investment			
as a percentage of GDP:	2.4%		
Inflation rate:	6.6% (2001 est.)		
Social Indicators			
Human development index rating:	0.577 (126th out of 173 countries)		
Population growth rate:	1.7%		
Income poverty:	47%		
Adult literacy rates:	75.6%		
Life expectancy at birth:	40,3 (UNDP)		
Infant mortality per 1.000 births:	58		
Urban population:	49%		
HIV/AIDS adult prevalence rate:	38,8% (UNAIDS).		

Sources: World Bank (2003), UNDP (2002), CIA World Fact Book (2002), European Commission, UNAIDS.



Austria Belgium Denmark Finland France Germany Greece Ireland Italy Luxembourg Netherlands Portugal Spain Sweden United Kingdom France Territorial collectivities Mayotte

#### St Pierre and Miquelon Overseas territories New Caledonia and dependencies French Polynesia French Southern and Antarctic territories Wallis and Futuna islands Netherlands Overseas countries Netherlands Antilles: Bonaire, Curaçao, St Martin,

Saba, St Eustache Aruba

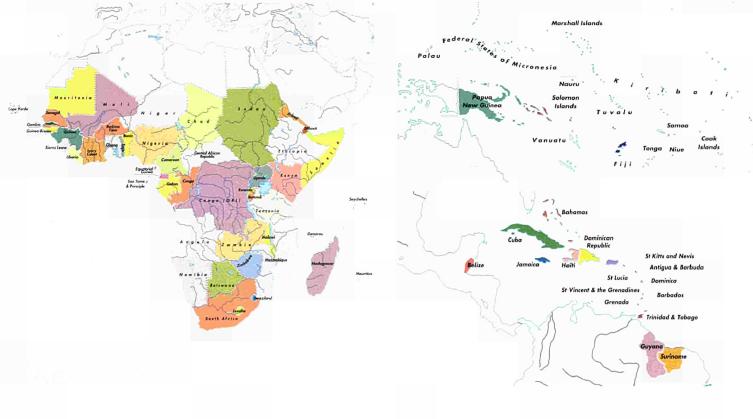
#### Denmark

Country having special relations with Denmark Greenland

#### United Kingdom

Overseas countries and territories Anguilla British Antarctic Territory British Indian Ocean Territory British Virgin Islands Cayman Islands Falkland Islands Southern Sandwich Islands and dependencies Montserrat Pitcairn Island St Helena and dependencies Turks and Caicos Islands

Tobago



Angola	Dominica	Malawi	Senegal
Antigua and Barbuda	Dominican Republic	Mali	Seychelles
Bahamas	Equatorial Guinea	Marshall islands	Sierra Leone
Barbados	Eritrea	Mauritania	Solomon Islands
Belize	Ethiopia	Mauritius	Somalia
Benin	Fiji	Micronesia	South Africa
Botswana	Gabon	Mozambique	Sudan
Burkina Faso	Gambia	Namibia	Suriname
Burundi	Ghana	Nauru	Swaziland
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Central African Republic	Guinea Bissau	Niue	Tonga
Chad	Guyana	Palau	Trinidad & Tobage
Comoros	Haiti	Papua New Guinea	Tuvalu
Congo	Jamaica	Rwanda	Uganda
Cook Islands	Kenya	St Kitts and Nevis	Vanuatu
Côte d'Ivoire	Kiribati	St Lucia	Zambia
Cuba*	Lesotho	St Vincent and the Grenadines	Zimbabwe
Democratic Republic of Congo	Liberia	Samoa	

Djibouti Madagascar São Tomé and Principe

\* Cuba was admitted as a new member of the ACP group in December 2000, but is not a signatory of the Cotonou Agreement.

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Published by the Directorate General for Development, European Commission, B-1049 Brussels http://europa.eu.int/comm/development/body/publications/ publications\_courier\_en.cfm