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Abbreviations and Acronyms

| | |
|---------|--|
| AC | Advisory Committee |
| AFDL | Alliance des Forces Démocratiques pour la Libération du Congo-Zaire |
| AU | African Union |
| AIDS | Acquired Immune Deficiency Syndrome |
| BP | Bank Procedure |
| CAR | Central African Republic |
| DDR | Disarmament, Demobilization and Reintegration |
| DDRRR | Disarmament, Demobilization, Reintegration, Resettlement or Repatriation |
| DRC | Democratic Republic of Congo |
| DRP | Demobilization and Reintegration Program |
| EA | Environmental Assessment |
| FMR | Financial Monitoring Reports |
| GDP | Gross Domestic Product |
| FAO | Food and Agriculture Organization |
| HIV | Human Immunodeficiency Virus |
| ICD | Inter-Congolese Dialogue |
| IBRD | International Bank for Reconstruction and Development |
| ID | Identification Document |
| IDA | International Development Association |
| IDP | Internally Displaced Person |
| ILO | International Labor Organization |
| JMC | Joint Military Commission |
| MDRP | Multi-Country Demobilization and Reintegration Program |
| MDTF | Multi-Donor Trust Fund |
| MINURCA | Mission des Nations Unies en République Centrafricaine |
| MIS | Management Information System |
| MONUC | United Nations Organization Mission to Congo |
| NGO | Non-Governmental Organization |
| OAU | Organization of African Unity |
| OP | Operational Policy |
| PCF | Post-Conflict Fund |
| PRSP | Poverty Reduction Strategy Paper |
| RDRP | Rwanda Demobilization and Reintegration Program |
| RPA | Rwanda Patriotic Army |
| SADC | Southern African Development Community |
| SC | MDTF Sub-Committee |
| TCG | Technical Coordination Group |
| UN | United Nations |
| UNDP | United Nations Development Programme |
| UNDPA | United Nations Department of Political Affairs |
| UNDPKO | United Nations Department for Peacekeeping Operations |
| UNHCR | Office of the United Nations High Commissioner for Refugees |
| UNICEF | United Nations Children's Fund |
| UNITA | União Nacional para a Independência Total de Angola |
| UNSC | United Nations Security Council |
| VCT | Voluntary Counseling and Testing |
| WFP | World Food Programme |

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A two-phased approach had initially been pursued with a focus during the first phase on Burundi, the Republic of Congo, the Democratic Republic of Congo, Rwanda and Uganda. The events in Angola in late February 2002 demanded a shift in approach, leading to the inclusion of Angola, Namibia and Zimbabwe from the outset.

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Executive Summary

Purpose. This document first outlines a comprehensive strategy for disarmament, demobilization and reintegration (DDR) activities in the greater Great Lakes region of central Africa. For the purposes of this strategy, the greater Great Lakes region comprises all those countries involved in or affected by one or more conflicts in central Africa. These include: the People's Republic of Angola, the Republic of Burundi, the Central African Republic, the Republic of Congo, the Democratic Republic of Congo, the Republic of Namibia, the Republic of Rwanda, the Republic of Uganda, and Zimbabwe. The document then develops the Multi-Country Demobilization and Reintegration Program (MDRP), which operationalizes the strategy by outlining measures to structure and channel international assistance in support of efforts that assist ex-combatants to return to peaceful, sustainable livelihoods.

Regional Strategy

Objective. The objective of this strategy is to enhance the prospects for stabilization and recovery in the region. The strategy's main premise is that the disarmament, demobilization and reintegration of ex-combatants is necessary to establishing peace and restoring security, which are in turn pre-conditions for sustainable growth and poverty reduction.

Peace and stability initiatives. The conflicts in the region are the result of a complex interaction of domestic and cross-border factors in several countries of the region. Several peace initiatives, often led by African leaders, have sought to foster peaceful settlements among the parties. The international community has supported the various ceasefire and peace agreements through several measures, including United Nations Security Council resolutions, the deployment of United Nations peacekeeping missions, high-level diplomatic visits to the region, and political pressure to diffuse tensions.

Complementary efforts. Extensive efforts by regional bodies and the international community are underway in the security, political and economic recovery spheres. The regional DDR strategy needs to be seen within the broader context of these efforts for peace and stability. The strategy aims to complement regional and national peace initiatives by providing support for the social and reintegration of ex-combatants. The strategy cannot substitute for political solutions to the conflicts.

Multi-Country Program

Rationale and objective. In view of the interlinked nature of the conflicts in the region, the international community supports a regional DDR strategy and program as a framework to encourage regional stakeholders to proceed rapidly with demobilization. A common regional framework would help the international community to provide timely and flexible support. Governments in the region have also expressed their support for a regional framework. The program objectives are to (i) provide a comprehensive framework for DDR efforts, (ii) establish a consistent mechanism for donor coordination and resource mobilization, and (iii) serve as a platform for national consultative processes.

Eligibility. Countries in the greater Great Lakes region would qualify for support from the MDRP on the basis of several general and country-level eligibility criteria. Foremost among these are government participation in the regional peace process and the adoption of key policy measures. In view of the importance of flexibility and timeliness of financing to exploit emerging opportunities, the country-level criteria focus on the establishment of appropriate institutional arrangements and the elaboration of a national program in consultation with the international community.

Costs and target groups. The MDRP would amount to an estimated \$500 million and consist of four components: (i) national programs (\$446.5 million); special projects (\$37.5 million); regional activities (\$5.5 million), and program management (\$10.5 million). There would be two principle financing windows: (i) credits on standard IDA terms up to \$150 million and (ii) a Multi-Donor Trust Fund (MDTF) for an estimated \$350 million. The program would be implemented over a period of five years from 2002 to 2006. Preliminary figures indicate that potentially 350,000 ex-combatants would be demobilized and reintegrated under the MDRP. This figure includes both former members of national armies and members of irregular armed groups.

Partnerships. The strategy has been designed on the basic premise that no single donor or agency can address the complexity of DDR issues in the region. From the outset, therefore, interested donor and agency partners collaborated closely to develop a comprehensive joint strategy. The specific contributions of partners (donors, UN agencies and local and international NGOs) to the DDR process would be based on their respective comparative advantages and may differ from country to country.

Institutional arrangements for the strategy would facilitate the participation of national, regional and international stakeholders. Two committees would be established: one for addressing policy issues under the program and one for MDTF financing issues. In addition, a regional technical coordination group consisting of program managers would assist in harmonizing individual DDR efforts. Continued dialogue among stakeholder focal points would also ensure regular cooperation at the technical level.

World Bank Involvement

The World Bank's role in implementing the strategy and program would be three-fold: (i) as manager of the MDRP Secretariat; (ii) as administrator of the MDTF; and (iii) as co-financier of national programs. Given the high risk post-conflict environment, extra efforts would be undertaken by task teams to ensure that for each World Bank and MDTF-funded operation, the specific financial management, procurement and disbursement arrangements are in accordance with World Bank's guidelines and procedures.

Greater Great Lakes Regional Strategy for Demobilization and Reintegration

Confidence building is more difficult than spreading hate, and, yet, there is no reason to believe that an intelligent combination of economic support and friendly, but persistent, international pressure could not contribute to reconcile former adversaries.¹

1 Objectives

1. This document first outlines a comprehensive strategy for disarmament, demobilization and reintegration (DDR) activities in the greater Great Lakes region of central Africa.^{2,3} It then develops the Multi-Country Demobilization and Reintegration Program (MDRP) which operationalizes the strategy by outlining measures to structure and channel international assistance in support of efforts that assist ex-combatants to return to peaceful, sustainable livelihoods. The strategy and program adopt a multi-country approach and provide a regional framework as an incentive to allow countries disengage concurrently from interconnected conflicts.

2. The strategy's main premise is that the disarmament, demobilization and reintegration of ex-combatants is necessary to establishing peace and restoring security, which are in turn a pre-condition for sustainable growth and poverty reduction. The *strategic objective* is thus to enhance the prospects for stabilization and recovery in the region. The strategy seeks to complement and reinforce efforts by the international community in the political, security and recovery spheres.

3. The *program objectives* are to:

- (i) provide a comprehensive regional framework for DDR efforts for both government and irregular⁴ forces;

¹ Special Coordinator of the Stability Pact. 2 ½ Years of Stability Pact, p. 13.

² For the purposes of this strategy, the greater Great Lakes region comprises all those countries involved in or affected by one or more conflicts in central Africa. These include: the People's Republic of Angola, the Republic of Burundi, the Central African Republic, the Republic of Congo, the Democratic Republic of Congo, the Republic of Namibia, the Republic of Rwanda, the Republic of Uganda, and Zimbabwe. Tanzania and Zambia have been affected by the inflow of refugees from neighboring countries. However, neither country has actively engaged in fighting, built up its military as a result of such conflict or is party to a peace or ceasefire agreement.

³ In accordance with Operational Policy 2.30, the World Bank will not provide direct support to the disarmament of ex-combatants, neither through lending operations nor through the Multi-Donor Trust Fund.

⁴ For the purposes of this document, the term "government forces" includes the conventional forces of the two main Congolese opposition movements while the term "irregular forces" includes armed groups operating through guerilla warfare and community self-defense groups.

- (ii) establish a single mechanism for donor coordination and resource mobilization; and
- (iii) serve as a platform for national consultative processes that lead to the formulation of national demobilization and reintegration programs (DRPs).

4. The strategy and program, if successfully implemented, would have a significant impact on reducing poverty by helping to consolidate peace, building confidence among governments in the region, helping to free up national resources for investment in economic and social sectors, attracting foreign capital, investing in the human capital of ex-combatants, and enhancing capacities for development at the community level.

2 Social and Economic Impact of Conflicts

5. *Social impact.* The human impact of the conflicts in the region has been appalling. Although reliable figures are unavailable, the overall number of casualties in the last ten years may well reach two million, exceeding that of any other contemporary conflict. The greater Great Lakes region has also been particularly affected by the internal movement and exile of large populations. By the turn of the century, possibly as many as 10 million people have been either internally displaced or sought refuge in another country (Table 1).

Table 1: Population Flows in the Greater Great Lakes Region⁵

| Country | Internally displaced | % pop. | Refugees in other countries | % pop. | Refugees from other countries | % pop. |
|----------|----------------------|--------|-----------------------------|--------|-------------------------------|--------|
| Angola | 4,100,000 | 32.0 | 142,552 | 1.1 | | |
| Burundi | 633,000 | 9.0 | 371,553 | 5.4 | 28,251 | 0.4 |
| CAR | | | | | 48,958 | 1.3 |
| Congo | 150,000 | 5.0 | 20,799 | 0.7 | 110,425 | 3.7 |
| DRC | 2,000,000 | 4.0 | 252,382 | 0.5 | | |
| Namibia | | | | | | |
| Rwanda | 600,000 | 7.0 | 56,686 | 0.6 | 34,100 | 0.4 |
| Uganda | 560,000 | 2.5 | 5,780 | 0.0 | 177,916 | 0.8 |
| Zambia | | | | | 268,767 | 2.6 |
| Zimbabwe | | | | | | |
| Tanzania | | | | | 652,535 | 1.9 |
| Total | 8,043,000 | 6.0 | 849,752 | 0.6 | 1,320,952 | 1.0 |

Sources: UNHCR, Global IDP Project.

6. These displaced populations often live in squalid conditions marked by a lack of personal security, fragile food security and an absence of basic health and education services. Moreover, the mingling of combatants with civilian displaced often negatively

⁵ Most country data are reported for the second half of 2001. In some countries, the numbers are only a rough estimate of the possible range of persons internally displaced. The Global IDP Database has in most of these instances calculated a median figure using the highest and lowest available estimates.

affects living conditions and security in the host communities, even when substantial humanitarian assistance is provided. Finally, displaced populations tend to be at a greater risk of sexually transmitted infections, including HIV/AIDS.

7. In terms of measurable social indicators, the countries in the greater Great Lakes region fare somewhat worse than sub-Saharan Africa (see Annex 2).⁶ On a country-by-country basis, Angola and the DRC have been most severely affected. The most recent estimates for the infant mortality rate are 124 and 161 per 1,000 live births. In both countries, over one-third of children under 5 are malnourished. Available data also paint a dismal picture in Burundi where gross primary enrolment reaches only 51 percent and life expectancy is as low as 42 years.

8. *Economic impact.* Throughout the region, investment and trade have declined significantly, labor and goods markets have been fragmented, subsistence agriculture has been disrupted in large areas, and often coercive competition for the extraction of natural resources persists and continues to fuel conflict. Physical infrastructure – transport, energy, telecommunications, public buildings and housing – has deteriorated significantly due to fighting and a lack of maintenance associated with insecurity. Government institutions have collapsed in some countries, and are barely functioning in others.

9. The economic impact is impossible to quantify but aggregate data provide a snapshot of recent developments. In 2000, gross national income in the greater Great Lakes region was estimated to be \$250 per capita, compared to \$470 per capita for sub-Saharan Africa. Having had annual growth rates above those of sub-Saharan Africa in the 1980s, the greater Great Lakes region has lagged behind markedly throughout the 1990s. At the same time, inflation rates and budget deficits have been far higher. Aggregate data conceal marked differences between individual countries. For instance, GDP per capita in 2000 shrank by 7.3 percent in Zimbabwe while increasing by 4.5 percent in the Republic of Congo (Congo-Brazzaville).⁷ Also in 2000, inflation was as low as 1 percent in Rwanda but reached 550 percent in the DRC.

10. *Fiscal impact.* Data on defense expenditure are scant and often unreliable.⁸ Despite these limitations, the evolution of defense expenditure since the latter half of the 1990s is a clear reflection of the security environment in the greater Great Lakes region (Table 2). For instance, in Angola, the share of recurrent defense expenditure in total recurrent expenditure jumped from 13 percent in 1997 to 34 percent in 1998 as a result of the collapse of the country's peace process and renewed war in the DRC. In Rwanda and Burundi, the share of defense in recurrent government expenditure remained at high levels throughout the latter half of the 1990s. In Uganda, the share of defense in total recurrent expenditure increased by 50 percent in 1998/99 (from 12 to 18 percent) in response to the outbreak of war in the DRC.

⁶ It should be noted however that recent and reliable data are not available for many countries in the region.

⁷ See Annex 2 for detailed data.

⁸ Portions of defense expenditure are often kept off-budget and some of the revenue allocated to the defense sector may be held in extra-budgetary accounts or accounts outside the country.

Table 2: Defense Expenditure (in percent of recurrent government expenditure)

| Country 1/ | 1997 | 1998 | 1999 | 2000 | 2001 |
|--------------------------|------|------|------|------|------|
| Angola | 13% | 34% | 31% | 15% | .. |
| Burundi | 28% | 27% | 25% | 26% | .. |
| Central African Republic | 7% | 5% | 5% | 6% | 6% |
| Congo | .. | .. | .. | .. | .. |
| DRC 2/ | .. | .. | .. | .. | 28% |
| Namibia | 6% | 7% | 6% | 7% | 7% |
| Rwanda | .. | 36% | 31% | 27% | 24% |
| Uganda | 15% | 12% | 18% | 13% | 10% |
| Zimbabwe | 9% | 13% | 9% | 9% | 8% |

1/ Because of different definitions of the defense sector, data are not comparable across countries.

2/ In percent of total expenditure.

Source: International Monetary Fund and World Bank.

12. As a result of conflict, governments also face a collapse of the revenue base both through displacement and the disruption of economic activity and trade. High military expenditures are thus a drain on the national budget and contribute to fiscal deficits. For instance, in 2000, only Angola and Congo-Brazzaville had small overall surpluses, mainly as a result of higher oil prices.

3 Regional Conflicts in Context

13. The conflicts in the region are the result of a complex interaction of internal factors such as demographic changes, poverty, unemployment, feasibility of predation of natural resources, exclusionary policies and discrimination, mismanagement of economic rents, erosion of the state, and easy access to small arms.⁹ However, these conflicts are also interlinked by a number of factors that transcend the boundaries of sovereign states.

14. *Irregular forces.* As a result of previous civil wars, lack of political rights, or as a way to gain political power, most countries in the greater Great Lakes region have been confronting insurgencies perpetrated by irregular forces. While these groups vary in size and fighting capability, they inflict economic destruction and uproot large populations. These armed groups are often based outside their country of origin and sometimes receive support from the host country or simply escape host government control. The presence of armed groups based in a neighboring country often prompts threatened governments to intervene outside their territory, risking inter-state disputes.

15. For instance, since the genocide in Rwanda in 1994, successive governments in Zaïre/DRC are said to have provided supplies to rebel groups from neighboring countries. The intent to stop rebel attacks on their territories was proclaimed to be the primary goal of the Rwandan and Ugandan governments when they supported the Alliance des Forces

⁹ Michailof, Serge, et. al. 2002.

Démocratiques pour la Libération du Congo-Zaïre (AFDL) in 1996 and in 1998 entered the DRC in support of rebel movements opposed to the Kinshasa government.

16. *Military alliances.* There are several formal and informal military alliances between governments in the greater Great Lakes region, leading them to intervene if an allied government faces foreign aggression, or insurgency. These alliances are based on historic ties, defense calculations and economic self-interest. They led Angola, Namibia, and Zimbabwe to send troops in support of the DRC government against the Rwanda-Uganda offensive in 1998. The governments of the Central African Republic (CAR) and the DRC have signed defense pacts that allowed DRC troops to use CAR territory to evade rebel attacks in northern DRC.

17. Angola's support helped the government of Congo-Brazzaville to defeat rebel militias in 1998/99. Angola also supported successive DRC governments with the aim to ensure the DRC's cooperation in preventing UNITA rebels to use the DRC territory. Zimbabwe's military presence in the DRC followed a defense pact and mutual military assistance agreement between the two governments. Namibia's support to the Angolan government is based on alliances dating back to Namibia's liberation struggle as well as on a cooperation pact to fight rebel activities in both countries.

18. These alliances complicate conflict resolution efforts in the region. Because the alliances are fragile, re-alignment of previous allies can further escalate a conflict. For example, the animosity between the former allies Rwanda and Uganda culminated in open conflict in the eastern DRC and heightened tension along their common border.

19. *Warfare for economic purposes.* As in other conflicts, economic interests are also intertwined with warfare in the greater Great Lakes region. Several governments and armed forces are said to have commercial interests in the DRC. Such economic rents may be an incentive for some groups to perpetuate conflict and may increase political resistance to a withdrawal of foreign forces.¹⁰

20. *Refugee flows.* The presence of large uprooted populations outside their country of origin provides opportunities for armed groups to use refugee camps as shields against military attacks, to profit from humanitarian aid, and to recruit new members, if necessary by force. This was the case in the camps in eastern Zaïre after the Rwandan genocide, making it possible for members of the former Rwandan army (Forces Armées Rwandaises-FAR) and allied militia (*interahamwe*) to regroup and start their incursions into Rwanda. Burundian armed groups are also said to use refugee camps in Tanzania as safe havens to launch attacks into Burundi and as recruitment centers for new members.

21. *Ethnic dispersion.* The presence of significant populations of different ethnic groups across national borders further complicates the conflicts. For example, the security and political recognition of populations such as the *Banyamulenge*, a group of Rwandan origin but for generations resident in the DRC, is a central concern for the Inter-Congolese Dialogue (ICD) as well as the government of Rwanda.

¹⁰ United Nations, 2001a.

22. The main policy implication drawn from the cross-border factors that underlie the conflicts in the region is that a solely country focused approach to resolving conflict and planning DDR activities is likely to be inadequate. As the continuation of the conflicts taking place in any given country's territory depends on the actions of neighboring governments as well as of armed groups that ignore state boundaries, a long-term strategy to restore security in the region needs to address the linkages. The regional DDR strategy forms an integral part of this overall approach.

4 Initiatives for Peace and Stability

23. Addressing the multiple conflicts in the region, several initiatives have sought to reach peaceful settlements among the parties, resulting in numerous ceasefire and peace agreements and improving prospects for peace and stability. Most of these agreements have been brokered by African leaders, demonstrating their determination to reverse the proliferation of conflicts plaguing the continent. The major agreements have been supported by the international community through United Nations Security Council (UNSC) resolutions.

4.1 National efforts

24. *Democratic Republic of Congo.* Progress has been made towards the implementation of the Lusaka Ceasefire Agreement that was signed in July 1999. This agreement is supported by UNSC resolution 1258 (1999). Its center pieces are (i) the organization of the Inter-Congolese Dialogue, (ii) the disarmament and demobilization of foreign armed groups, and (iii) the withdrawal of foreign troops.

25. Governments signatory to the agreement are participating in the Joint Military Commission (JMC), established under the agreement to implement its military provisions (facilitation and verification of the ceasefire, disengagement of forces, foreign troop withdrawal, etc.). Since its deployment in November 1999, the United Nations Organization Mission to Congo (MONUC) plays the central role in these activities (see Chapter 4.3). To date, Angola, Namibia and Uganda have pulled all or part of their military forces out of the DRC.¹¹ Rwanda has withdrawn its troops in some positions up to or over 200 kilometers from the frontline, compared to the 15 kilometers stipulated in the Lusaka agreement.

26. The ICD, which is mediated by former Botswana President, Sir Ketumile Masire, has recently been re-initiated with broad-based meetings of political stakeholders in South Africa. The ICD is the mechanism for a national dialogue to reach a political agreement on a transitional government, and hence to reach a final peace settlement for the country. As stated in the Lusaka agreement, it also determines the composition of a unified national army including government and rebel forces, and the subsequent restructuring of and demobilization from this unified force.

¹¹ The government of Chad had also sent troops in 1998 support of the DRC government but withdrew all of its forces before the signing of the Lusaka agreement.

27. The ICD is a delicate process, as it addresses the participation of the Congolese parties to the conflict in the political future of the country. A Declaration of Commitment has been agreed by the parties regarding the respect of civil liberties and political rights, the withdrawal of foreign troops, the protection of natural resources from illegal exploitation, and the reconstruction process. Despite mistrust and mutual accusations of ceasefire violations, talks have continued and are being closely monitored by the international community.

28. *Burundi.* The Arusha Peace and Reconciliation Agreement was signed in August 2000. It is supported by UNSC resolution 1286 (2000). A new and politically more inclusive government assumed office in November 2001, after extensive mediation efforts by former South African President Nelson Mandela. The South African government is also providing an 800-member strong protection force for political leaders who returned from exile to participate in the transition government.

29. Whilst significant insecurity persists in many parts of Burundi, there is increased hope that a negotiated settlement is within reach. South Africa's Deputy President Jacob Zuma, Gabon's President Omar Bongo and the Organization of African Unity (OAU), among others, have facilitated talks with Burundian rebel groups to secure a ceasefire and facilitate their participation in the peace process. An accord with the armed groups would lead to the unification of forces, army restructuring and subsequent demobilization as envisaged under the Arusha agreement.

30. *Rwanda.* The implementation of the Arusha Peace Accords of 1993 was derailed by the 1994 genocide. However, these accords are still considered the reference documents for the transition to peace, especially with respect to the structure of a coalition government. Another key provision of the accords was the restructuring of the armed forces through the integration of members of the Rwandese Patriotic Army (RPA) into the Forces Armées Rwandaises. This principle of ethnic representation has been upheld by the post-war government, which has incorporated an estimated 15,000 ex-FAR since 1995. In addition, over 18,000 soldiers were demobilized during the first stage of the Rwanda Demobilization and Reintegration Program (RDRP).

31. As part of the second stage of the RDRP, which is currently under preparation, the government plans to demobilize 20,000 RPA soldiers and incorporate another 5,000 combatants from armed groups into the army. As a sign of its commitment to the Lusaka agreement, the government has recently demobilized and reintegrated almost 2,000 members of armed groups (of whom over 250 children) who had infiltrated Rwanda and been captured by the RPA in May 2001. This demobilization took place in a structured process consistent with the planned RDRP. The declared willingness of the Rwandan government to welcome back Rwandan armed groups operating in the DRC is the basis for MONUC's voluntary approach to disarmament, demobilization and repatriation.

32. *Congo-Brazzaville.* After almost a decade of intermittent violence, the conflict in Congo-Brazzaville has come to an end with the Pointe-Noire Cessation of Hostilities Agreement and the Brazzaville Ceasefire Accord which were signed in November and December 1999, respectively. These agreements ended hostilities between the different

militias and government forces and laid the ground for the establishment of a national dialogue to prepare a new constitution. The constitution was approved in a referendum in January 2002. A fundamental element of the Pointe-Noire/Brazzaville agreements is the demobilization and reintegration of ex-militia members as well as the re-organization of the Congolese military. Through a project sponsored by the United Nations Development Programme (UNDP), 7,000 militia have already been demobilized and 11,000 arms collected. Army restructuring and demobilization of the remaining militias have yet to commence.

33. *Central African Republic.* Following the military mutiny of 1996, a National Reconciliation Pact in Bangui was signed in 1997 through a regional initiative of the governments of Burkina Faso, Chad, Gabon and Mali. These Bangui Accords were supported by UNSC resolution 1182 (1998), leading to the deployment of a peacekeeping force (Mission des Nations Unies en République Centrafricaine; MINURCA). Despite a strong commitment by the international community and legislative elections and presidential elections in 1998 and 1999, insecurity persisted and culminated in two coup attempts during 2001. These events underlined the importance of the restructuring of the armed forces and demobilization of ex-combatants as mandated in the Bangui accords. UNDP supported the preparation of a national DRP, the implementation of which was derailed by the coup attempts during 2001.

34. *Angola.* Efforts to bring the Angolan conflict to an end have been unsuccessful for a long time. The Bicesse Agreements signed by the two negotiating parties, the Angolan government and UNITA, in 1991, and supported by numerous UNSC resolutions, provided a chance for peace. UNITA's decision to renew the fighting after it lost presidential elections in 1992 ended the peace process and led the parties to seek a military victory. Another peace accord, the 1994 Lusaka Protocol, was also not fully implemented.

35. After protracted fighting that has left millions of Angolans uprooted, the recent death of UNITA's long-time leader Jonas Savimbi and the military successes of the Angolan Armed Forces have improved the chances of finally bringing an end to the civil war. Any ceasefire agreement would probably lead to the demobilization and reintegration of large numbers of combatants. Any renewed DRP, however, would have to learn from the experiences of failed DDR efforts in Angola in the early 1990s.

4.2 Toward a Regional Approach

36. Some initiatives have already been launched to bring these individual efforts together in a comprehensive regional approach. The regional DDR strategy and program can provide an important impetus to these initiatives. The most promising initiative for a permanent resolution of the conflicts in the greater Great Lakes region is the proposed "International Conference on Peace, Security, Democracy and Development in the Great Lakes Region" under the sponsorship of the United Nations and the Organization of African Unity/African Union (AU). The Conference would bring together heads of states

in the region as well as non-state actors with the overall goal of laying the foundations (through the adoption of principles and programs) for sustainable peace.

37. This multi-country initiative would engage countries in a long-term peace-building process, which should culminate in a regional peace and security agreement. The conference is modeled along the structure of the South Eastern Europe Stability Pact which rests on three pillars: (i) human rights and democratization; (ii) economic reconstruction, development and cooperation; and (iii) security and defense issues. The international community would be expected to participate and pledge its support to the recommendations and concrete initiatives put forward by the Conference. The Conference is currently at the conceptual stage, requiring for its implementation the joint effort by regional actors and the international community.

38. The peace and security architecture was a central theme of the African Development Forum 2002 on “Defining Priorities for Regional Integration”, recently organized by the Economic Commission for Africa. Given the clear link between peace and development, the forum took stock of the successes and failures of the peace and security architecture on the continent and examined how this architecture could be rationalized and harmonized to ensure the necessary conditions to accelerate the establishment of an accelerated African Union.

39. Another relevant regional initiative is the “Nairobi Declaration on the Problem of the Proliferation of Illicit Small Arms and Light Weapons in the Great Lakes Region and the Horn of Africa”, signed in March 2000 by ten countries from the Horn and Great Lakes regions. The declaration envisages the sharing of information and cooperation in matters relating to illicit small arms and light weapons and the exercising of effective control over the possession and transfer of small arms and light weapons through measures such as the strengthening and coordination of controls on civilian arms possession and the strengthening of sub-regional cooperation among police, intelligence, customs, and border control officials. A framework of actions for states in the region was agreed upon in November 2000. The declaration and action plan are supported by a UNDP initiative for addressing small arms proliferation in the Great Lakes region.

4.3 Response by the International Community

40. Any emerging opportunity to make peace has a higher probability to succeed if it receives the strong political and financial support of the international community. Although the international response to the needs of different peace processes in the region has been uneven, the international community is increasingly committed to supporting the different ceasefire and peace agreements, and is supporting reconstruction efforts in several countries. The numerous efforts by international actors include the following.

41. *Assistance to peace efforts.* The international community is actively supporting the implementation of the Lusaka Ceasefire Agreement. MONUC has been established and deployed in the DRC to monitor the ceasefire, promote disarmament and demobilization of foreign armed groups and verify the withdrawal of foreign troops.

MONUC has recently been mandated to initiate phase III of its deployment, which includes an expansion of activities in support of the voluntary disarmament and demobilization of members of armed groups from neighboring countries operating in the DRC, and their repatriation to their countries of origin or their resettlement within the DRC or in third countries.¹² To this end, MONUC has established a DDR unit in Kinshasa with sub-offices in several DRC locations and in Kigali. The United Nations Department of Peacekeeping Operations (UNDPKO) has established a Planning and Management Task Force at headquarters level with a view to coordinating international efforts in support of the peace process in the DRC.

42. Bilateral donors are vigorously promoting the regional peace process. For instance, in November 2001, a ministerial delegation of the European Union visited the DRC and six other countries in the region to advocate the beginning of the demobilization and reintegration of ex-combatants and to initiate the ICD, and to discuss cooperation between the European Union and the DRC. Also in November 2001, the Presidents of Rwanda and Uganda met in the London under the sponsorship of the Government of the United Kingdom with the aim of concluding a non-interference agreement between the two countries.

43. In January 2002, the Ministers for Foreign Affairs of France and the United Kingdom traveled to the DRC, Burundi, Rwanda, and Uganda to support the peace process, express concerns regarding delays in implementation, and solidify the adoption of a common approach within the international community. In February 2002, the development ministers of the Netherlands, Norway and the United Kingdom visited the region to discuss progress made on implementing the Lusaka and Arusha accords as well as donor support to, and coordination of the peace process with government and non-government representatives. Also in February, the President of the United States met with his Angolan counterpart and stressed the urgent need to reach a peaceful resolution of the Angolan conflict.

44. *Assistance to demobilization and reintegration efforts.* After failed attempts in the early 1990s in Angola (1992) and Rwanda (1994), the international community is already providing assistance to several national DDR initiatives in the region. The United Nations Development Programme led efforts to provide assistance to stage I (1997-2001) of the Rwanda Demobilization and Reintegration Program, has been providing support to a disarmament and demobilization project in Congo-Brazzaville, and has helped prepare a DRP in CAR. The United Nations Children's Fund (UNICEF) has provided assistance for the demobilization and reintegration of child soldiers in the DRC and Rwanda.

45. Through a Post-Conflict Fund (PCF) grant by the World Bank, the International Labor Organization (ILO) has helped the Government of the DRC to initiate a pilot project for the demobilization and reintegration of vulnerable ex-combatants (handicapped, chronically ill, female and child combatants) in the DRC. Also in the

¹² These activities are also known as "DDRRR": disarmament, demobilization, reintegration, repatriation or resettlement.

DRC, MONUC has initiated screening activities to verify the status of self-proclaimed members of foreign armed groups.

46. The World Bank is leading efforts together with other partners for stage II of the RDRP and is financing a government-implemented reintegration project in Congo-Brazzaville. The World Bank has also been providing technical and financial assistance to DDR preparation in Burundi and the DRC. Various bilateral and multilateral donors have been providing financial assistance to DDR efforts in the region, such as the European Commission in Congo-Brazzaville, the United Kingdom in Rwanda, and Belgium in the DRC.

47. The coordination of efforts by different donors and agencies within a country has recently been deepened, as evidenced by the regular interaction among partners in the Congo-Brazzaville and Rwanda programs. However, the initiatives to date have been insufficient in scope and financing, which is in good part due to donor reluctance to provide large-scale assistance in a region still marred by insecurity. The international community strongly supports a regional approach to DDR as it promises to overcome some of the inherent limitations of national programs.

5 Complementary Efforts

48. The regional DDR strategy does not intend to substitute for a political solution to the conflicts in the greater Great Lakes region. Rather, it aims to complement regional and national peace initiatives by helping to provide incentives for peace and a structured DDR process.

49. While the strategy is focused on regional DDR activities, coordination is necessary to ensure that the MDRP does not operate in a political vacuum. Otherwise, the strategy may be inconsistent with political agreements and timetables or inadvertently give wrong signals of support to belligerents in the absence of progress in the peace process. In this respect, recent experience in South Eastern Europe that aims at regional integration and collaboration in the recovery, political and security areas, points to the importance of links to efforts aimed at enhancing security and reconstructing shattered economies.

5.1 Security

50. Coordination in the following four security areas is of immediate relevance for the implementation and success of the MDRP: (i) local security; (ii) security sector reform; (iii) civilian disarmament; and (iv) involuntary disarmament.

51. *Local security.* As DDR operations in other countries have demonstrated, locations for disarmament and demobilization centers need to be accessible, and the personal security of ex-combatants in the communities of settlement needs to be ensured. In eastern DRC, MONUC would be tasked with providing local security for the DDR process. In countries without UN peacekeeping missions, national governments would

have primary responsibility, assisted by the international community as appropriate (human rights monitors, etc.).

52. *Security sector reform.* Security sector reform is beyond the scope of the regional strategy and program but is often closely linked with a national DRP. Because of the political sensitivity associated with this area, collaboration with bilateral donors is vital. In particular, bilateral donors are in a better position to verify that no new recruitment takes place after demobilization and that the reduction in force is achieved as planned. It should be noted that in cases where peace accords foresee the unification of forces to be followed by demobilization, national DRPs will lead to a reduction in force and in the defense budget over time.

53. Bilateral support could also be provided for activities including army restructuring after an integration of forces (such as in Burundi and the DRC), civil-military relations, public expenditure management, and capacity building of national armed forces. Demobilization would, therefore, be accompanied by an increased focus of DDR partners on accountability, comprehensiveness and transparency in the public expenditure management process for military expenditure.

54. *Civilian disarmament.* Another important link to demobilization is with civilian disarmament. UNDP has developed an integrated strategy to address small arms proliferation in the Great Lakes region in support of the Nairobi Declaration. This strategy comprises four objectives: (i) integrate development related aspects of small arms problems into agreed international community policies and development programs in the Great Lakes; (ii) raise national and international awareness of the humanitarian impact, and wider socioeconomic and development costs of small arms problems in the region; (iii) strengthen capacities to analyze and assess small arms proliferation, and develop comprehensive small arms control and reduction strategies; and (iv) design and implement country and regional programs in the Great Lakes to address small arms proliferation from a development perspective. The MDRP would seek close collaboration with this initiative.

55. *Involuntary disarmament.* The most critical element for sustainable peace in the DRC that has not yet been addressed, is the potential need to coercively disarm some portion of the armed groups, once the voluntary DDR process is concluded. The principle of complete disarmament of armed groups is established in the Lusaka agreement. However, the mandate of MONUC remains limited to voluntary disarmament and the international community has not made any efforts to consider options for enforcing disarmament in the DRC. Within its guiding principles and target group coverage, the MDRP would support any eventual solution implemented under the Lusaka agreement.

5.2 Economic and Social Recovery

56. Development assistance to the countries in the greater Great Lakes region is a reflection of the sociopolitical developments. It has been uneven between countries but for the region as a whole, fell from \$3.7 billion in 1994 to \$2.2 billion in 1999. Limited recovery assistance has been provided during conflict periods. However, it is only since

the positive developments in several countries (Burundi, Congo-Brazzaville, DRC) in 2000/01 that larger-scale support is being prepared.

57. In order to minimize the gap between humanitarian and reconstruction assistance, the international community has aimed at a comprehensive and joint approach to re-engagement. The most noteworthy examples of such cooperation have been the Joint Assessment Mission to Rwanda in 1996 following the return of a large number of refugees, and the multi-donor/agency mission to Congo-Brazzaville after the cessation of hostilities in 2000. The donor conferences for Burundi in 2000 and 2001 after the signing of the Peace and Reconciliation Agreement and the inauguration of the transitional government, respectively, are another sign of the commitment of the international community to support post-conflict economic and social recovery.

58. Though increasingly coordinated at the country level, assistance to economic and social reconstruction has generally not been coordinated across countries. Donor assistance tends to be focused on country-level strategies. However, regional integration in Africa is receiving greater attention. The Economic Commission for Africa recently hosted the third African Development Forum on “Defining Priorities for Regional Integration”. The World Bank has launched a Regional Integration Assistance Strategy for West Africa in 2001 and is reviewing options for a similar approach for East Africa. The regional DDR strategy and program could provide an impetus to further develop these efforts with a view to adopting a regional approach to economic and social recovery.

6 Demobilization as a Precondition for Stability and Recovery

59. Years of conflict have led to an enlargement of government and irregular forces throughout the region. Their demobilization and reintegration is a central component for enhancing the prospects for recovery and sustainable development. DRPs are focused on former combatants, who are mostly able-bodied, young men. In most post-conflict situations, a number of other groups (including female-headed households, orphans, refugees and displaced persons, etc.) may be more vulnerable and have fewer economic opportunities. However, structured DDR assistance to ex-combatants is critical, as unaided, disaffected ex-combatants can pose a threat to stability and could potentially undermine the transition to peace.

60. In addition, the importance of security for short-term survival and medium-term recovery has been expressed forcefully by communities during the preparation of Poverty Reduction Strategy Papers (PRSPs) in Burundi, Rwanda and other countries. However, although security, and thus structured DDR of ex-combatants, are a priority for poverty reduction, governments in the region are confronted with a series of issues which cannot easily be resolved within a national context:

- (i) Governments must be confident that their national security will not be compromised by a significant reduction in force. In an environment characterized by continuing instability within and between several countries and a low degree of

trust among parties, governments are reluctant to reduce their military capability unilaterally. DRPs may thus fall victim to a security dilemma, with each country waiting for its neighbors to take the first step.

- (ii) National DRPs struggle to ensure the disarmament and demobilization of hostile armed groups based in foreign countries. These groups constitute one of the greatest threats to the regional stabilization process. This challenge is compounded by the fact that several of these groups operate in areas beyond the control of the authorities of their host states.
- (iii) In the absence of peace and stability in the region, economic reintegration opportunities are limited. Investor confidence remains weak and most countries are thus not in a position to attain the levels of economic growth that would generate the jobs needed to offer sustainable livelihood alternatives to their ex-combatants.
- (iv) External funding has been limited, as donors have been reluctant to support programs in the absence of a regional framework.

62. *Rationale for a multi-country approach.* In view of the interlinked nature of the conflicts in the region, the international community supports a regional DDR strategy and program as a framework to encourage regional governments to move ahead rapidly with demobilization and to enable the international community to provide timely and flexible support. Governments also recognize the regional dimension of these challenges and have expressed their support for a regional DDR framework. The strategy and program are therefore anchored in regional ownership. A multi-country approach has the following advantages:

- (i) *Confidence-building:* a coordinated regional approach to DDR would build confidence and allow for mutual disengagement, by improving transparency across programs and encouraging cooperation among participating countries.
- (ii) *Harmonization:* collaboration between key regional and international actors would facilitate a harmonization of approaches and enhance consistency in the treatment of ex-combatants of all parties to the conflicts.¹³
- (iii) *Knowledge sharing:* the regional approach would facilitate knowledge sharing and capacity-building across country level DDR efforts.
- (iv) *Special projects:* the regional approach would facilitate the disarmament and demobilization and reintegration of irregular forces operating in areas outside of the control of national authorities. Furthermore, it would facilitate the provision of resettlement assistance in third countries to ex-combatants who will not return to their country of origin.
- (v) *Resource allocation:* by providing an overall framework for the entire region, the program would facilitate the optimization of resource allocation across countries.

¹³ Consistency in treatment does not imply equal benefits across countries (see Annex 3, Attachment C).

63. The regional strategy and program would thus send a strong signal to all parties to the conflicts in the greater Great Lakes region that the international community is ready to support the regional peace process by offering an alternative to combatants who are willing to lay down their arms. DDR planning can therefore be undertaken even when the peace process is still fragile. Although the environment remains risky, the strategy and program themselves can contribute to a stabilization of the situation. In the absence of the complementary political, security and reconstruction efforts however, the strategy and programs are unlikely to accomplish their objectives.

7 Lessons Learned

7.1 South-Eastern Europe Stability Pact

64. Despite the different political and historical context in the Balkans, and although being implemented not without problems, important lessons can be drawn from the South Eastern Europe Stability Pact which was launched in July 1999. The Stability Pact provides a comprehensive framework: political, economic/social and security. In summary, the key lessons learned are:

- (i) conflict prevention and peace building can be successful only if a holistic approach that addresses in parallel three key areas is pursued: the creation of a secure environment (including DDR), the promotion of participatory systems of government, and the promotion of economic and social well-being. Only if there is progress in all three areas can a self-sustaining process of stabilization and peace be achieved;
- (ii) these activities need to be embedded in a regional approach that takes account of the legitimate concerns and capabilities of neighboring countries. Regional cooperation is a prerequisite for any successful peace building operation; and
- (iii) strong incentives need to be offered to implement the necessary and often painful reforms as well as to foster regional cooperation.

65. Other important lessons that have informed the development of the regional DDR strategy and the design of the MDRP include the following:

- (i) *Resource mobilization.* The Stability Pact was instrumental in mobilizing continued support and new commitments for the region. The collaborative effort to harmonize policies and create synergies has also resulted in more efficient and coherent international approaches.
- (ii) *Benefits of cooperation.* The Stability Pact has given evidence that cooperation serves the mutual interests of all participating countries. Cooperation is also a step towards solving the economic challenges facing the region. Regional integration enables companies to exploit economies of scale, encourages inward and foreign investment, facilitates macroeconomic policy coordination and stimulates growth. At the same time, regional coherence is instrumental in avoiding further political

and economic divergence within the region as a potential new source of instability.

- (iii) *Incentives.* The international community needs to consider new instruments to compensate for the opportunity costs of regional cooperation as well as incentives that reward progress. There is a need to translate the principles of the Stability Pact into concrete results on the ground quickly.
- (iv) *Ownership.* Countries in the region have taken a lead role in many sectors of the Stability Pact operation. This is important because viable solutions can only be achieved through enhanced local ownership. As a result, the Stability Pact will aim to transfer more functions to the region.
- (v) *Speed in delivery.* The efficiency and credibility of the Stability Pact have suffered from a gap between political commitments by Stability Pact partners and progress on the ground. The role of donors is often constrained by their limited capacity, time-consuming administrative procedures and a lack of transparency in its management. Unfulfilled promises are a strong source of disappointment that damage the credibility of the international community.
- (vi) *Coordination.* Projects are often not consistent with a coherent reform strategy and are poorly coordinated with other donors. “Crowding out and beauty contests between organizations are still a significant problem, reflecting the desire by individual partners to gain influence on key sectors or mere visibility. Results will be very difficult to obtain without a more strategic approach.”¹⁴

7.2 Regional Initiatives in Africa

66. The strategy has sought to integrate lessons learned from multi-country initiatives led by the World Bank in Africa, in particular the Onchocerciasis (river blindness) Control Program and the Multi-Country HIV/AIDS Program. Some of these lessons also point to key challenges for the implementation phase of the MDRP.

- (i) *Effectiveness of broad partnerships.* Partnerships which bundle distinct comparative advantages can yield substantial synergies. The close involvement of bilateral and UN partners may facilitate the identification and resolution of political issues that could arise during implementation.
- (ii) *Critical mass.* The breadth of partnerships and the scale of resources provided can greatly enhance the visibility of the program. Scale will in turn attract further donor resources.
- (iii) *Grant resources.* The availability of a significant level of grant resources is critical. Grant resources can provide additional flexibility, leverage credit financing and facilitate the expansion of the partner base. The World Bank should also make use of its own sources of grant financing wherever possible.

¹⁴ Special Coordinator of the Stability Pact. 2 ½ Years of Stability Pact, p. 13.

- (iv) *Pooling of resources.* The pooling of resources at a regional level, with no earmarking of contributions to a particular country or component, can help to reduce the politicization of program support, reduce the scope for a duplication of donor efforts, reduce the administrative burden of donors on implementing governments, and enhance flexibility across countries.
- (v) *Coordination.* Ensuring effective coordination among partners is a challenging endeavor. The development of a common vision, the establishment of coordination mechanisms, clear communication channels and joint supervision missions can help to ensure close and productive collaboration during program design and implementation.
- (vi) *Competitive pressure.* Multi-country operations create positive peer pressure on the countries and their program staff.
- (vii) *Design features.* National ownership, flexibility and adaptation to local conditions are essential. A streamlined preparation process and simplified approval procedures have proven critical to facilitate a rapid response.
- (viii) *Implementation.* The same level of support needs to be provided during implementation as during preparation. Partner field offices should be fully involved in country-level efforts. Staff continuity and strong management involvement have proven critical to success. The complexity and partnership demands of regional programs call for significant supervision commitment and the deployment of high quality staff from involved partners.
- (ix) *Capacity building.* Because of weak capacities, funding has been slow to reach implementing agencies and communities. There is thus an immediate need for targeted capacity-building to enhance government implementation capacity at the central and local levels.
- (x) *Communication strategy.* Misperceptions regarding the objectives of activities, the responsibilities of beneficiaries, and the channels for accessing benefits are common. Extensive publicity about the program is therefore critical.
- (xi) *Integrated approach.* In order to provide quick assistance, program activities may not be properly integrated into medium-term expenditure frameworks or sector-wide approaches. Caution needs to be exerted that short-term emergency efforts do not contradict long-term development approaches.
- (xii) *Monitoring and evaluation.* Strong monitoring and evaluation of national programs and regional efforts are important in order to measure the effectiveness of assistance, identify areas that require modification or improvement, and measure the degree of coordination on the ground. In addition, timely and systematic reporting of monitoring and evaluation data are important to ensure continued partner financing support.

- (xiii) *Knowledge management.* The development of a knowledge management strategy and systems on the basis of implementation experience and monitoring and evaluation data can help to ensure that best practices are identified, shared and incorporated in subsequent activities.

7.3 Disarmament, Demobilization and Reintegration Programs

67. Based on information from DDR operations and a review of relevant experiences in African countries and elsewhere, the following best practices were identified and integrated into program design.

68. *Disarmament* of ex-combatants should be a distinct phase without directly associated benefits to avoid giving the impression that a DRP is a weapons buy-back program that rewards ex-combatants for handing over weapons. Disarmament refers to the collection, control and disposal of small arms, ammunition, explosives and light and heavy weapons. Experience suggests that the weapons the quality and caliber of the weapons improves as disarmament proceeds and mutual trust and confidence are gradually built. Ideally, arms should be destroyed as soon as possible after they are collected, but the government involved may choose to retain some of the weapons. The best confidence-building measure for disarmament is a manifestly fair process, well-planned and executed with transparent monitoring and verification.

69. *Demobilization.* This phase is short but logistically complex. The successful implementation of demobilization activities is a precondition for the subsequent provision of targeted reinsertion and reintegration assistance. Key demobilization activities include the distribution of non-transferable ID cards, the collection of socioeconomic data and the establishment of a database on the beneficiary population. Furthermore, the assembly of ex-combatants during the demobilization phase provides a good opportunity for health counseling and HIV/AIDS education and voluntary testing, as well as the dissemination of information about program benefits and civilian life. Particular attention needs to be paid to clear eligibility criteria and screening processes to avoid targeting errors.

70. *Reinsertion.* Upon demobilization, the ex-combatants lose their source of (formal or informal) income. Experience indicates that they are usually in a vulnerable financial situation until they can generate income. During this period (the “*reinsertion*” phase), ex-combatants require a transitional safety net to cover their families’ basic material needs. The objective of this transitional assistance would be to enable the ex-combatants to return to their community and to sustain themselves and their families for a limited period immediately following demobilization. Lessons from previous programs suggest that cash assistance is often preferable to in-kind support, as it maximizes beneficiary choice and reduces administrative costs.

71. Mindful of the possible leakages that can undermine cash payment systems, DRPs have instituted a number of safeguards in relation to reinsertion benefits payments. These include making payments to ex-combatants only in their region of return (and not at the time of demobilization), developing a robust ID system that is difficult to forge and can accommodate digital pictures in a master database, installing a management information

system that links payments to the ID database, and verifying eligibility for both reinsertion payments and reintegration assistance through this database. Experience has shown that if a sufficiently robust management information system linked to the demobilization ID system is established for the program then leakages in cash payments can be kept at a minimal level.

72. *Economic reintegration.* Ex-combatants are often a high-risk group due to their familiarity with weapons and violence. Where this is the case, targeted support is advisable to help them establish sustainable livelihoods. In order to be relevant and cost-effective, such assistance should be tailored to their socioeconomic profile and adjusted to the economic environment. Female ex-combatants often require customized support to establish sustainable livelihoods.

73. In general, ex-combatants should receive no more support than is necessary to help them attain the general standard of living of the communities into which they reintegrate. Furthermore, reintegration assistance should be limited in time to avoid the creation of a dependency syndrome. Information, counseling and referral services can assist ex-combatants to assess their livelihood options and find employment. Apprenticeships in the informal sector combine the benefits of vocational training and employment and are thus preferable to training only. Micro-projects can help ex-combatants secure their economic independence and self-employment. They are, however, also complex interventions that require significant administrative capacity and a stable market environment.

74. Ultimately, ex-combatants are reintegrated into a broader economic context. The creation of viable long-term employment opportunities for ex-combatants is closely linked to private sector growth and associated employment generation. It should be noted that ex-combatants themselves can provide a significant human resource contribution to the civilian economy.

75. *Social reintegration.* Social reintegration is often eased by the support of an extended family network. Therefore, ex-combatants should be encouraged to reintegrate in the vicinity of their extended families. Informal networks of ex-combatants – discussion groups, ex-combatants associations, joint economic ventures – are important elements to successful economic and social reintegration. Efforts to structure assistance to ex-combatants such that communities of return benefit can offer incentives for collaboration and acceptance, thereby strengthening social capital. Care should be taken to prevent the stigmatization of ex-combatants as unfit for military service or as conveyers of disease and violence. Community sensitization and information efforts are paramount in this regard. The fears of communities related to the return of ex-combatants should also be addressed.

76. *Institutional issues.* Program coordination by one civilian agency with overall program responsibility, balanced by decentralization of implementation to regions and communities makes for a powerful institutional arrangement. Where possible, existing implementation capacities should be leveraged. The employment of ex-combatants as counselors and field staff can facilitate reintegration.

8 Multi-Country Program for Demobilization and Reintegration

77. The MDRP would seek to operationalize the regional DDR strategy. As such, it consists of a set of guiding principles in support of national programs, special projects and regional activities, provides criteria for country participation, and outlines a process for developing, financing, implementing and monitoring DDR activities in the region. In response to the complexity and unpredictability of the conflicts in the region, the MDRP is designed to allow for considerable flexibility in the provision of DDR assistance. It does not seek to pre-determine or standardize the content of specific activities. Annex 3 elaborates the MDRP in detail.

8.1 Coverage and Implementation Period

78. *Geographic coverage and eligibility criteria.* 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: the People's Republic of Angola, the Republic of Burundi, the Central African Republic, the Republic of Congo, the Democratic Republic of Congo, the Republic of Namibia, the Republic of Rwanda, the Republic of Uganda, and Zimbabwe.

79. Countries in the region would qualify for support from the MDRP on the basis of their fulfillment of several general and country-level eligibility criteria. Foremost among these are government participation in the regional peace process. Key policy and institutional arrangements must also be in place. In view of the importance of flexibility and timeliness of financing to exploit emerging opportunities, the country-level eligibility criteria focus on the establishment of appropriate implementation arrangements, the elaboration of a national program in consultation with the international community, and the establishment of appropriate fiduciary and safeguards measures.

80. *Beneficiary target groups.* Preliminary figures indicate that potentially 350,000 ex-combatants could be demobilized and reintegrated under the MDRP. This figure includes both ex-military and members of irregular forces. The screening of ex-combatants for war crimes would be an important activity and would be undertaken by national programs in coordination with relevant national and international authorities (for example, MONUC, the International Criminal Tribunal for Rwanda). Ex-combatants who are found to have committed war crimes would not be eligible for assistance in any national program or special project.

81. *Sequencing.* National programs would commence once all eligibility criteria have been fulfilled. The sequencing of the demobilization from government forces and irregular forces would be determined on a case-by-case basis. For instance, in the DRC, vulnerable combatants are already being demobilized by the government. In Rwanda under stage II of the RDRP, the demobilization of armed groups has preceded that of regular forces. In both cases, particular attention needs to be paid to maintain consistency of approaches. The exact phasing in of national programs cannot yet be determined but is

likely to be undertaken progressively.¹⁵ Conversely, special projects are expected to start early in the MDRP, with a special emphasis on eastern DRC.

82. *Implementation period.* The program would be implemented over a period of five years from 2002 to 2006. On the basis of DRP experience to date, each national program is expected to last approximately 3.5 years, of which the first six months would be used for program preparation.

8.2 Program Components

83. The MDRP is estimated to amount to \$500 million and consist of four components: (i) national programs; (ii) special projects; (iii) regional activities; and (iv) program management. National programs would amount to an estimated \$446.5 million and contain up to six components: (i) disarmament¹⁶; (ii) demobilization; (iii) reinsertion; (iv) reintegration; (v) support to special groups; and (vi) program implementation. HIV/AIDS prevention and mitigation measures would be included during both the demobilization and the reintegration phase.

84. Special projects would amount to approximately \$37.5 million and include (i) support to special target groups (for instance, the resettlement of ex-combatants who will not return to their country of origin in third countries) and (ii) demobilization and reintegration activities carried out in areas of a participating country outside the control of the relevant government. By its very nature, the MDRP addresses several issues which cannot be addressed solely through parallel efforts. Regional activities that are essential for the MDRP to achieve its objectives consist of, among others, regional knowledge sharing, capacity building and the establishment of a harmonized data base. They amount to an estimated \$5.5 million. Program management would reach about \$10.5 million and cover the costs of the MDRP Secretariat and trust fund administration.

8.3 Estimated Costs and Financing

85. There would be two principal financing windows for the MDRP: (i) World Bank loans or credits¹⁷ and (ii) a Multi-Donor Trust Fund (MDTF), which is the preferred mechanism to consolidate and channel donor contributions.^{18,19} The timing of support is

¹⁵ Annex 3, Attachment B provides a financing plan on the basis of assumed starting dates for each national program.

¹⁶ Disarmament is the critical first step in the DDR process. It is therefore included in the strategy for the sake of comprehensiveness. The MDRP and MDTF will not finance the disarmament of combatants.

¹⁷ With a per capita income of \$2,060 in 2000, Namibia could request an IBRD loan. All other countries would qualify for IDA credits on standard IDA terms (interest-free with 40 years maturity, including a 10 year grace period).

¹⁸ There may also be parallel financing by donors not able to participate in the MDTF. In this case, relevant donors would be encouraged to follow the MDRP guiding principles and, to the extent possible, to synchronize implementation arrangements in order to ensure program integrity and consistency of beneficiary treatment.

critical in all DDR programs. Financing arrangements through the MDTF and IDA would be designed to ensure the rapid availability of funds.

86. Donor contributions would amount to an estimated \$350 million, or 70 percent of overall costs. The World Bank's contribution to the MDRP is expected to be approximately \$150 million, or 30 percent of overall costs (Table 3). The mix of credit/loan and grant financing would be similar for all individual national programs.²⁰ The World Bank would finance national programs only, upon request by client governments. The MDTF would co-finance national programs and also finance special projects, regional activities and program management.

Table 3: MDRP Financing Plan (in million \$ and percent)

| Source | National Programs | Special Projects | Regional Activities | Program Manage. | Total | Percent |
|---------------------------|-------------------|------------------|---------------------|-----------------|-------|---------|
| World Bank | 150.0 | - | - | - | 150.0 | 30 |
| Multi-Donor Trust Fund 1/ | 296.5 | 37.5 | 5.5 | 10.5 | 350.0 | 70 |
| Total | 446.5 | 37.5 | 5.5 | 10.5 | 500.0 | 100 |

1/ Including parallel financing.

87. *Multi-Donor Trust Fund.* At the request of donors, and in consultation with governments in the Region, a multi-donor trust fund would be established to mobilize grant resources from the donor community for the purpose of implementing the MDRP. Such a consolidated funding mechanism would help to: ensure comprehensive and well-coordinated donor support to the program, facilitate the involvement of donors that might otherwise not be able to participate, minimize duplication of efforts, reduce the administrative burden on governments through the application of one set of implementation procedures, and strengthen program ownership on the part of governments.

88. The main administrative characteristics of the MDTF would be typical of other multi-donor trust funds in that: funds are co-mingled and non-tied (though donor preferences can be recognized), expenditures are shared proportionally by all donors based on the level of contribution, and investment income is credited to the trust fund principal. The World Bank would administer the MDTF.

9 Partnerships

89. The strategy has been designed on the basic premise that no single donor or agency can address the complexity of DDR issues in the region. From the outset, therefore, interested donor and agency partners collaborated closely to develop a

¹⁹ Client governments would finance all taxes levied in the country on works, goods and services for the respective program. Their counterpart contribution would depend on their respective framework for World Bank assistance.

²⁰ In general, a higher donor grant contribution would be preferable. However, the World Bank being the lender of last resort, may consider increasing its contribution for individual programs provided that an acceptable level of burden sharing among donors is achieved.

consistent strategy and design the multi-country program. Numerous bilateral and regional meetings have been held and two technical consultations organized in Brussels in December 2001 and in Washington in February 2002. These partnership efforts are critical to the success of the strategy and program would be carried forward to and further strengthened during the implementation phase.

90. The commitment of national governments to create an environment conducive to DDR and to attract the necessary support from the international community throughout program design and implementation is key to success. National governments would therefore be central partners in the MDRP.

91. The specific contributions of the actors involved (donors, UN agencies and NGOs) would be based on their respective comparative advantages. Within the broad areas of peace and stability, program implementation, and security, the actual roles that partners would play for the DDR process may differ from country to country and would also depend on the demands and preferences of the governments leading the respective national program. Particular coordination mechanisms would be worked out during MDRP implementation.

Peace and stability

92. The important relationship between the wider peace initiatives and the regional strategy has been highlighted in Chapter 4. In this context, MONUC is the key international mechanism to assist in the peace efforts in the DRC and a key partner to the MDRP. MONUC has been mandated by the Security Council to initiate the voluntary disarmament and demobilization of foreign armed groups in the DRC and to repatriate them to their country of origin. To achieve this, MONUC is collaborating closely with the Government of Rwanda and the World Bank regarding the return of Rwandan armed groups to Rwanda and their structured reintegration within the framework of the Rwanda Demobilization and Reintegration Program. MONUC is also the interlocutor with, and conduit of information about the strategy and program to, the Joint Military Commission.

93. Another important partner, the United Nations Department of Peacekeeping Operations, has the key coordinating role for the DRC, a function operationalized through the Planning and Management Task Force. Furthermore, UNDPKO can facilitate information flow on the strategy and program to and from the Security Council. UNDPKO and the United Nations Department of Political Affairs (UNDPA) would also provide critical policy support in other countries, such as Burundi.

Program implementation

94. The implementation of DDR activities in the region faces particular challenges, such as weak local capacity, a lack of legitimacy of local authorities, and a distrust between parties to the conflict. The engagement of UN agencies and NGOs is thus important in order to strengthen capacities, facilitate implementation of national programs and special projects, and implement individual projects directly in eastern DRC where no central authority is in place. Regarding eastern DRC, UNDP and UNICEF are

agencies with a particular comparative advantage, building on their presence on the ground and extensive involvement in related activities in the greater Great Lakes region

95. Because of their technical capacities, community orientation and knowledge of the local environment, international NGOs are expected to be actively engaged in project execution. The twinning with local NGOs would help enhance local implementation capacity and hence program sustainability. In areas outside government control, UNDP input is deemed especially critical to coordinate project execution by other UN agencies (ILO, World Food Programme-WFP, etc.), international and local NGOs and bilateral project implementing agencies.

96. The World Bank can complement these activities through its technical expertise in DRPs, a focus on national ownership, financial leverage, and an ability to monitor expenditure data with a view to optimizing the use of resources for reconstruction and development. Furthermore, the World Bank's emphasis on compliance with acceptable standards for resources management helps reinforce financial discipline by recipient governments.

Security sector

97. Partnerships are essential for establishing links to the security sector. In particular, collaboration between national DRPs, security sector reform and civilian arms reduction efforts would reduce the risk that the short-term gains from demobilization be lost in the longer-term. Through direct assistance to the security sector, bilateral donors would help to ensure that demobilization effectively contributes to a demilitarization of the region. UNDP, through the implementation of its small arms reduction project, is in a unique position to establish synergies with civilian disarmament (see Chapter 5.1).

10 Benefits and Risks

10.1 Benefits

98. A multi-country approach would have several advantages, including enhanced effectiveness of the international response, greater coherence among DDR activities, the facilitation of positive feedback relationships among DDR activities in the region, the provision of similar incentives for all parties to the conflict to pursue peaceful strategies, the ability to address the regional externalities associated with some individual programs, enhanced transparency of closely related DDR activities, and the facilitation of knowledge-sharing and training across DDR implementers. Last but not least, a regional strategy may serve as a confidence-building measure.

99. The MDRP would help regional governments to consolidate the regional peace process by providing combatants an alternative to warfare. It would aid the stabilization process by supporting the demobilization and facilitating the sustainable reintegration of ex-combatants. Another benefit would be the freeing up of resources currently allocated to the defense sector. The anticipated reduction in defense expenditures would expedite

economic recovery and allow governments to restore expenditure levels in the social sectors in line with their poverty reduction strategies.

10.2 Risks and Mitigation Measures

100. Demobilization and reintegration programs in post-conflict environments are high-risk enterprises. They are often designed and implemented in volatile environments. Implementation progress can easily be reversed by political or security factors over which the international community may have little influence. The regional DDR strategy would seek to mitigate this risk by unifying the international community under a common framework. A closely aligned group of partners with distinct comparative advantages (for instance, multilateral institutions for financing and technical expertise and bilateral partners with political and security influence), can enhance the likelihood of program success. While each national program would be characterized by discrete national risks and benefits (see Annex 3, Attachment C), there are risks common to all of these programs. These call for common mitigation measures.

101. *Reversal of the peace processes.* The risk of resistance to a complete withdrawal of foreign troops from the DRC and of a collapse of the peace processes and a full-scale resumption of hostilities within or between specific countries cannot be ruled out. In the event of delayed withdrawal or renewed conflict, demobilized soldiers could be remobilized. This would reverse the impact of the DRPs and could happen even if most DDR activities were implemented effectively. This risk is inherent in DRPs in early post-conflict environments. Strong national and international political commitment and close partnerships with political and security actors upfront and during implementation would be essential to identifying and responding to such challenges.

103. *Moral hazard.* The provision of financial assistance for national programs may be perceived as a reduction of the costs of war to governments. Furthermore, at the level of the individual, the provision of relatively substantial benefits may be seen as a reward for violence and potentially provide incentives for young men to join armed groups in case of renewed tension. This risk is also inherent in all DRPs. It would be addressed on a country-by-country basis, since situations (and hence perceptions) vary. Support to countries would be conditional upon, and not replace, a demonstrated commitment to peace and stability.

104. Timely support to DRPs is critical before sustainable large-scale economic recovery efforts can be implemented effectively. The level and nature of support for ex-combatants should be sufficient to ensure their sustainable reintegration, but limited in order to maintain fairness with other vulnerable groups. Where feasible and appropriate, benefits would be spread in the communities where ex-combatants are reintegrated. Possible reintegration assistance would also encourage community participation in order to provide incentives for, and demonstrate the benefits of peace and reconciliation. Effective coordination between early development and humanitarian programs, including programs for the reintegration of refugees and internally displaced, is essential to ensure that no group is neglected.

105. *Funding gap.* The program would seek to mobilize 70 percent of its funding from the donor community through the MDTF. There is a risk that donors may not be able to provide sufficient resources to fully cover the funding gap. However, donor and UN partners have closely collaborated to date to ensure broad-based support to, and adequate financial assistance for the MDRP. The MDTF Sub-Committee would review financing needs semi-annually to identify possible funding shortfalls. If sufficient donor funds were not forthcoming, program parameters would be adjusted to the available resources.

106. *Lack of coordination.* Key actors in the international community may be reluctant to be coordinated by the MDRP Advisory Committee (MDRP/AC) and Secretariat. Donors may prefer parallel financing to enhance the visibility of their efforts or may not be able to contribute to the MDTF for legal reasons. UN agencies may undertake parallel fundraising to main their institutional independence. This lack of coordination would put MDRP partners at considerable reputational risk. Broad-based participation and ownership by donor and UN partners should minimize the risks of uncoordinated action.

107. *Risks of non-engagement.* In the case of the Great Lakes Region, there is a broad consensus within the international community that short of an aggressive series of DRPs, the continued presence of irregular forces would prevent the sustainable return of peace and stability in the region. In the absence of credible DRPs, the risk of a persistence or even escalation of conflict in the region, with important externalities for the whole of Africa, is likely. Further destabilization would jeopardize ever more development efforts. The likely cost of non-intervention is therefore expected to outweigh the cost of intervention.

11 Exit Strategy

108. Given the fragile political and security context, an exit strategy is required to limit the loss of reputation and financial resources to the international community should conflict(s) re-escalate. The exit strategy would consist of incremental disengagement measures depending on the severity of the setbacks encountered by the program. Disengagement steps would include a revision of the implementation schedule, a revision of the planned interventions, and the partial or full suspension of activities.

109. Factors to be taken into account when considering a disengagement from the MDRP would include: (i) a collapse of the regional peace process; (ii) a withdrawal of the international community from the regional political and security stabilization process; (iii) a lack of political will among countries in the region to proceed with DDR activities; and (iv) a lack of commitment by the international community to utilize the MDRP framework.

110. At the level of national programs or special projects, factors to withdraw MDRP support would be linked to the continued fulfillment of eligibility criteria, including: (i) a lack of political will to support the regional peace process; (ii) a breakdown in security that undermines program activities and endangers implementation; (iii) a lack of political will to initiate or continue with DDR activities; (iv) actions undertaken by governments

that put the achievement of DRP objectives at risk; (v) significant beneficiary targeting leakages; and (vi) significant financial management failures.

111. In view of the fragility and complexity of the regional peace process, flexibility in the implementation of the MDRP is critical. Decisions about adjustments in MDRP scope and orientation or about disengagement would therefore be made upon the recommendation of the MDRP/AC on the basis of an assessment of the probability of successful MDRP implementation in view of evolving risks in a dynamic environment.

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Peace accords

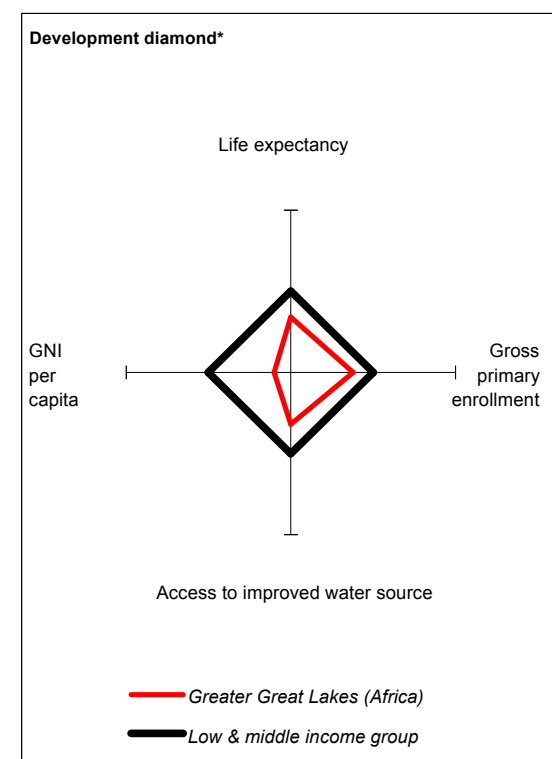
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Annex 2: Regional Economic and Social Indicators

| | Greater Great Lakes | Sub Saharan Africa |
|--|---------------------|--------------------|
| POVERTY and SOCIAL | | |
| 2000 | | |
| Population, mid-year (<i>millions</i>) | 122.7 | 658.9 |
| GNI per capita (<i>Atlas method, US\$</i>) | 250 | 470 |
| GNI (<i>Atlas method, US\$ billions</i>) | 30.2 | 309.9 |
| Average annual growth, 1994-00 | | |
| Population (%) | 2.9 | 2.6 |
| Labor force (%) | 2.8 | 2.6 |
| Most recent estimate (latest year available, 1994-00) | | |
| Poverty (<i>% of population below national poverty line</i>) | .. | .. |
| Urban population (<i>% of total population</i>) | 27 | 34 |
| Life expectancy at birth (<i>years</i>) | 44 | 47 |
| Infant mortality (<i>per 1,000 live births</i>) | 92 | 91 |
| Child malnutrition (<i>% of children under 5</i>) | .. | .. |
| Access to an improved water source (<i>% of population</i>)* | 50 | 55 |
| Illiteracy (<i>% of population age 15+</i>) | 34 | 39 |
| Gross primary enrollment (<i>% of school-age population</i>) | 81 | 78 |
| Male | 85 | 85 |
| Female | 76 | 72 |



* The diamond shows four key indicators in the greater Great Lakes region compared with the income-group average.

| STRUCTURE of the ECONOMY | Greater Great Lakes | | | | Sub-Saharan Africa | | | |
|--------------------------------|---------------------|---------|------|------|--------------------|---------|------|------|
| | 1980-90 | 1990-00 | 1999 | 2000 | 1980-90 | 1990-00 | 1999 | 2000 |
| <i>(average annual growth)</i> | | | | | | | | |
| Agriculture | 2.1 | 1.7 | .. | .. | 2.3 | 2.8 | 3.9 | 4.2 |
| Industry | 2.5 | 1.8 | 3.7 | 0.5 | 1.2 | 1.6 | 1.0 | 2.9 |
| Manufacturing | 2.2 | 2.0 | 0.9 | -3.3 | 1.7 | 1.6 | 1.1 | 3.1 |
| Services | 2.4 | 0.0 | 2.0 | 1.3 | 2.4 | 2.6 | 3.0 | 2.9 |
| Private consumption | 2.4 | 3.6 | 3.3 | .. | 1.6 | 2.4 | 0.3 | -2.0 |
| General government consumption | 3.0 | -3.0 | -1.3 | .. | 2.7 | 1.5 | 3.8 | 10.9 |
| Gross domestic investment | -3.2 | 1.9 | -2.1 | -3.4 | -3.9 | 3.4 | 2.0 | 7.6 |
| Imports of goods and services | 4.1 | 3.1 | .. | .. | -2.8 | 5.1 | 1.0 | 5.6 |

| KEY ECONOMIC RATIOS and LONG-TERM TRENDS | Greater Great Lakes | | | | Sub-Saharan Africa | | | |
|---|----------------------------|----------------|-------------|-------------|---------------------------|----------------|-------------|-------------|
| | 1980 | 1990 | 1999 | 2000 | 1980 | 1990 | 1999 | 2000 |
| GDP (<i>US\$ billions</i>) | 37.6 | 43.2 | 33.0 | 38.8 | 271.2 | 297.6 | 319.6 | 322.6 |
| Gross domestic investment/GDP | 16.0 | 16.0 | 20.0 | 17.8 | 21.9 | 14.7 | 17.4 | 17.2 |
| Exports of goods and services/GDP | 28.9 | 26.1 | 39.8 | 33.3 | 32.1 | 27.2 | 28.5 | 31.9 |
| Gross domestic savings/GDP | 13.9 | 13.4 | 15.2 | 15.9 | 23.5 | 16.3 | 14.8 | 16.6 |
| Gross national savings/GDP | .. | 10.8 | 10.7 | 10.5 | 20.6 | 13.2 | 12.4 | 14.0 |
| Current account balance/GDP | -2.8 | -5.0 | -9.1 | -1.5 | -0.3 | -2.4 | -5.4 | -2.4 |
| Interest payments/GDP | 0.7 | 1.2 | 1.0 | 0.8 | 0.9 | 1.5 | 1.1 | 1.0 |
| Total debt/GDP | 22.2 | 74.0 | 120.6 | 96.7 | 22.4 | 59.4 | 67.7 | 66.9 |
| Total debt service/exports | 9.8 | 15.7 | 13.5 | 11.1 | 7.4 | 13.0 | 13.8 | 10.5 |
| | 1980-90 | 1990-00 | 1999 | 2000 | 1980-90 | 1990-00 | 1999 | 2000 |
| <i>(average annual growth)</i> | | | | | | | | |
| GDP | 2.6 | 1.5 | 2.8 | 1.4 | 1.6 | 2.5 | 2.4 | 3.1 |
| GDP per capita | -0.5 | -1.4 | 0.2 | -1.1 | -1.2 | -0.1 | 0.0 | 0.6 |
| Exports of goods and services | 5.4 | 4.9 | 9.6 | -1.8 | 2.3 | 4.7 | 1.1 | 4.1 |

| PRICES and GOVERNMENT FINANCE | Greater Great Lakes | | | | Sub-Saharan Africa | | | |
|--|---------------------|------|------|-------|--------------------|------|------|------|
| | 1980 | 1990 | 1999 | 2000 | 1980 | 1990 | 1999 | 2000 |
| <i>Domestic prices</i> (% change) | | | | | | | | |
| Consumer prices | .. | 5.6 | 3.3 | 7.8 | .. | 11.5 | 4.0 | 5.3 |
| Implicit GDP deflator | 17.3 | 10.8 | 6.1 | 16.0 | 14.6 | 9.0 | 5.4 | 6.8 |
| <i>Government finance</i> (% of GDP, includes current grants) | | | | | | | | |
| Current revenue | .. | 21.7 | 24.6 | 25.8 | .. | 22.8 | 26.0 | 26.1 |
| Current budget balance | .. | -1.9 | -1.9 | -3.7 | .. | -0.2 | 1.5 | 2.5 |
| Overall surplus/deficit | .. | -8.5 | -8.3 | -10.0 | .. | -5.5 | -5.4 | -4.4 |

3/20/02

Note: 2000 data are preliminary estimates.

The greater Great Lakes region includes Angola, Burundi, Central African Republic, Republic of Congo, Democratic Republic of Congo, Namibia, Rwanda, Uganda, and Zimbabwe. Sub-Saharan Africa includes all 47 sub-Saharan African countries.

Inflation figures are median values. Balance of payments items excluding exports and imports are simple sums and may not reconcile.

Source: Development Economics central database.

| POVERTY and SOCIAL | Angola | Burundi | CAR | DRC | Congo | Namibia | Rwanda | Uganda | Zimbabwe |
|--|---------------|----------------|------------|------------|--------------|----------------|---------------|---------------|-----------------|
| 2000 | | | | | | | | | |
| Population, mid-year (millions) | 12.7 | 6.8 | 3.6 | 51.4 | 2.9 | 1.7 | 8.5 | 22.2 | 12.6 |
| GNI per capita (Atlas method, US\$) | 240 | 110 | 290 | 90 | 630 | 2,060 | 230 | 300 | 460 |
| GNI (Atlas method, US\$ billions) | 3.1 | 0.75 | 1.0 | 4.5 | 1.8 | 3.6 | 2.0 | 6.8 | 5.8 |
| Average annual growth, 1994-00 | | | | | | | | | |
| Population (%) | 3.0 | 2.0 | 1.8 | 3.0 | 2.7 | 2.4 | 5.2 | 3.0 | 2.6 |
| Labor force (%) | 3.0 | 2.4 | .. | 2.8 | 2.7 | 2.4 | 2.3 | 2.7 | 2.2 |
| Most recent estimate (latest year available, 1994-00) | | | | | | | | | |
| Poverty (% of population below national poverty line) | .. | .. | .. | .. | .. | .. | 65 | 35 | 64 |
| Urban population (% of total population) | 34 | 9 | 41 | .. | 63 | 31 | 6 | 13 | 31 |
| Life expectancy at birth (years) | 47 | 42 | 44 | 46 | 48 | 54 | 49 | 42 | 58 |
| Infant mortality (per 1,000 live births) | 124 | 105 | 98 | 161 | 89 | 67 | 107 | 97 | 56 |
| Child malnutrition (% of children under 5) | 35 | .. | 23 | 34 | .. | 26 | 29 | 26 | 16 |
| Access to an improved water source (% of pop.) | 32 | .. | .. | .. | 51 | 60 | 44 | 52 | 36 |
| Illiteracy (% of population age 15+) | 58 | 52 | 53 | 33 | 19 | 18 | 36 | 38 | 15 |
| Gross primary enrollment (% of school-age pop.) | 88 | 51 | .. | 61 | 114 | 131 | 97 | 122 | 119 |
| Male | .. | 55 | .. | 72 | 120 | 129 | .. | 129 | 123 |
| Female | .. | 46 | .. | 50 | 109 | 132 | .. | 114 | 114 |

| KEY ECONOMIC RATIOS and LONG-TERM TRENDS (2000) | Angola | Burundi | CAR | DRC | Congo | Namibia | Rwanda | Uganda | Zimbabwe |
|--|---------------|----------------|-------------|-------------|--------------|----------------|---------------|---------------|-----------------|
| GDP (US\$ billions) | 8.8 | 0.69 | 0.97 | 4.5 | 2.8 | 3.5 | 1.8 | 6.2 | 7.2 |
| Gross domestic investment/GDP | 28.3 | 9.0 | 10.7 | 23.6 | 17.3 | 23.8 | 15.7 | 18.1 | 2.0 |
| Exports of goods and services/GDP | 90.2 | 9.0 | 18.3 | 18.1 | 83.2 | 49.0 | 6.3 | 10.1 | 30.3 |
| Gross domestic savings/GDP | 44.2 | -5.6 | 3.9 | 14.9 | 60.7 | 16.6 | -1.1 | 2.6 | 5.4 |
| Gross national savings/GDP | -1.0 | 9.5 | 4.1 | .. | 19.0 | 29.3 | 12.7 | 10.6 | 0.0 |
| Current account balance/GDP | 0.0 | -7.4 | -6.7 | -17.4 | -11.5 | 5.5 | -2.5 | -13.9 | -2.0 |
| Interest payments/GDP | 3.1 | 1.4 | 2.3 | .. | 14.5 | 1.0 | 0.7 | 0.7 | 2.0 |
| Total debt/GDP | 117.5 | 161.7 | 88.0 | 251.3 | 187.3 | 4.9 | 77.0 | 59.1 | 54.5 |
| Total debt service/exports | 14.6 | 42.0 | 16.3 | 3.3 | 21.0 | 1.8 | 46.9 | 25.5 | 27.3 |
| <i>(average annual growth)</i> | 2000 | 2000 | 2000 | 2000 | 2000 | 2000 | 2000 | 2000 | 2000 |
| GDP | 2.1 | 0.3 | 4.1 | -4.3 | 7.6 | 3.9 | 5.2 | 4.4 | -5.5 |
| GDP per capita | -0.8 | -1.6 | 3.1 | -7.1 | 4.5 | 1.6 | 2.7 | 1.1 | -7.3 |
| Exports of goods and services | -6.9 | 31.7 | 19.7 | .. | 4.0 | 10.3 | -2.9 | -0.7 | -16.1 |
| STRUCTURE of the ECONOMY (2000) | Angola | Burundi | CAR | DRC | Congo | Namibia | Rwanda | Uganda | Zimbabwe |
| <i>(average annual growth)</i> | | | | | | | | | |
| Agriculture | 9.3 | 3.8 | 6.2 | -5.5 | 8.4 | 5.3 | 8.0 | 4.1 | 5.0 |
| Industry | 1.9 | 4.1 | 9.1 | -10.2 | 4.4 | 5.9 | 2.7 | 6.5 | 7.4 |
| Manufacturing | 8.9 | .. | 11.6 | 3.0 | 20.9 | 6.7 | 2.3 | 1.9 | 8.0 |
| Services | 2.7 | 3.5 | 10.8 | -2.3 | 12.6 | 3.4 | 3.7 | 5.3 | -11.6 |
| Private consumption | .. | 4.8 | -3.2 | .. | 20.1 | -0.9 | 3.2 | 0.9 | 15.6 |
| General government consumption | .. | -22.7 | 2.5 | .. | 2.8 | -0.3 | 2.0 | 4.6 | -0.6 |
| Gross domestic investment | .. | 8.5 | 0.6 | .. | -10.1 | 9.8 | -5.5 | 30.5 | -5.5 |
| Imports of goods and services | 17.5 | 40.3 | 7.9 | .. | 3.0 | 5.0 | -6.8 | 6.3 | -20.5 |

| PRICES and GOVERNMENT FINANCE (2000) | Angola | Burundi | CAR | DRC | Congo | Namibia | Rwanda | Uganda | Zimbabwe |
|---|---------------|----------------|------------|------------|--------------|----------------|---------------|---------------|-----------------|
| <i>Domestic prices</i> | | | | | | | | | |
| <i>(% change)</i> | | | | | | | | | |
| Consumer prices | 344.4 | 15.5 | 2.3 | 553.7 | 0.3 | 9.3 | 3.9 | 6.3 | 80.3 |
| Implicit GDP deflator | 402.0 | 22.9 | 1.6 | 550.0 | 44.6 | 9.5 | 1.0 | 3.0 | 59.9 |
| <i>Government finance</i> | | | | | | | | | |
| <i>(% of GDP, includes current grants)</i> | | | | | | | | | |
| Current revenue | 55.7 | 19.0 | 9.5 | 4.2 | 27.0 | 31.6 | 19.6 | 10.8 | 27.5 |
| Current budget balance | 13.0 | 0.4 | 0.6 | -6.3 | 8.2 | 1.4 | 6.5 | 0.4 | -18.1 |
| Overall surplus/deficit | 0.2 | -2.1 | -9.1 | -3.9 | 1.1 | -3.0 | -0.3 | -9.0 | -19.4 |

Annex 3: Multi-Country Demobilization and Reintegration Program

112. The program objectives are to (i) provide a comprehensive regional framework for DDR efforts, (ii) establish a consistent mechanism for donor coordination and resource mobilization, and (iii) serve as a platform for national consultative processes. The basic parameters of the MDRP are outlined in Chapter 8. This annex provides an in-depth presentation of the program.

1. Eligibility criteria

113. To be eligible for receiving assistance under the MDRP, each country would be required to fulfill the following criteria:

General criteria

- (i) *Affected by conflict.* Being involved in or directly affected by one or more of the conflicts in the greater Great Lakes region;
- (ii) *Participation in the regional peace process.* Signature of applicable peace/ceasefire accord(s) (e.g., Lusaka, Arusha, Brazzaville/Pointe Noire), and participation in the institutions established under the accord(s).

Country-level criteria

- (i) *Preparation of a national DRP as a result of the conflict(s).* This would typically be demonstrated by a coherent national program developed in consultation with national stakeholders and the international community. It could also be demonstrated by launching a credible program development process, with a clear roadmap and timetable in place;
- (ii) *Establishment of a suitable institutional structure.* Governments would establish flexible implementation arrangements with significant planning, coordination and monitoring capacity and with appropriate participation of relevant political and security stakeholders²¹;
- (iii) *A letter of demobilization policy outlining government commitment.* Governments would prepare a letter in which they outline their commitments to the regional peace process, demobilization and reintegration, security sector reform (including plans for future military size and budget, military unification and restructuring where relevant) and fiscal plans for social expenditure.; and
- (iv) *Establishment of appropriate safeguards and fiduciary measures.* Governments would provide assurances and monitoring measures to ensure consistency with environmental and social safeguards. In addition, governments would establish satisfactory financial management and procurement arrangements.²²

²¹ For more details, see Attachment C, Chapter 3.

²² For more details, see Attachment C, Chapters 3 and 5; Attachment D; and Attachment F, chapters 3-6.

114. The eligibility for special projects would be assessed on a case-by-case basis. Main criteria would include the appropriateness of the proposed activity in the given socio-political context and its technical and financial soundness.

2. Beneficiaries

115. An estimated 350,000 ex-combatants would benefit from the MDRP (Table 4).

Table 4: Estimated MDRP Target Group

| Country | Estimated Number |
|------------------------------|------------------|
| Angola | 75,000 |
| Burundi | 60,000 |
| CAR | 2,000 |
| Congo-Brazzaville | 8,000 |
| Democratic Republic of Congo | 80,000 |
| Namibia | 3,000 |
| Rwanda | 65,000 |
| Uganda | 25,000 |
| Zimbabwe | 10,000 |
| National programs | 328,000 |
| Special cases 1/ | 25,000 |
| Total | 353,000 |

Note: The demobilization phase would not be necessary for all countries. A significant number of combatants have already been demobilized in Rwanda and Congo-Brazzaville.

In the DRC, community self-help armed groups may not require formal demobilization.

1/ Including ex-combatants settling in third countries and ex-combatants demobilized in areas outside government control.

Source: Rädä Barnen and staff estimates.

116. The identification of ex-combatants raises particular challenges. Soldiers from government forces would be demobilized on the basis of technical criteria determined by national armies and/or peace agreements. Such criteria could include voluntary termination, age and medical reasons (disability, chronic illness, etc.). The identification of a member of irregular forces and the verification of his/her status of combatant are an essential task to avoid that non-combatants benefit from the MDRP.

117. Criteria for the identification of combatant status could include self-identification, proven affiliation with a known armed group, and/or proof of military ability (e.g., weapons handling). Especially for special projects involving irregular forces, utmost attention would need to be paid to avoiding that the project provides perverse incentives, i.e. that individuals or groups arm themselves to subsequently benefit from a program of “demobilization”. Specific criteria would be elaborated for each national program and special project and be rigorously and systematically applied.

118. A non-transferable identification system and a beneficiary database would be developed for each national program and special project. These databases would be harmonized so as to reduce the risk that ex-combatants benefit from several DDR activities.

3. Guiding Principles

119. The regional approach is built on a number of guiding principles:

- (i) *National ownership*: The MDRP would promote country ownership for national programs.
- (ii) *Confidence-building*: the MDRP would encourage transparency of DDR efforts in the region. External monitoring and evaluation would take place across borders;
- (iii) *Harmonization of DDR activities*: the MDRP would encourage collaboration among key actors in order to harmonize approaches across national programs and special projects. However, each operation would be designed and implemented to address the particular local needs and contexts;
- (vi) *Knowledge sharing*: the MDRP would encourage knowledge sharing and training across national programs and special projects;
- (iv) *Optimization of external assistance*: the MDRP would seek to ensure consistency of approaches irrespective of the source of funding;
- (v) *Special target groups*: the identification of third countries would be undertaken with the explicit support of the receiving countries' governments and relevant local administrations and communities;
- (vi) *Special projects*: the MDRP would facilitate the provision of assistance in areas not controlled by national authorities. National authorities would be consulted prior to the initiation of any such activities;
- (vii) *Coordination with reconstruction efforts*: the regional approach would seek to optimize linkages between reintegration activities for ex-combatants and related community recovery and refugee reintegration activities;
- (viii) *Transparency*: the MDRP would require a high level of transparency in the financial and procurement management systems of national programs and special projects.
- (ix) *Flexibility*: the MDRP would maintain a high degree of flexibility to respond to emerging needs in a timely manner.

4. Program Components

120. The MDRP would consist of four components: (i) national programs; (ii) special projects; (iii) regional activities; and (iv) program management.²³

²³ Program management is described in Section 6.2.

4.1 National programs

121. National programs would contain up to six components: (i) disarmament, (ii) demobilization; (iii) reinsertion; (iv) reintegration; (v) support to special groups; and (vi) implementation arrangements. HIV/AIDS prevention and mitigation measures would be included during both the demobilization and the reintegration phase. The actual composition of national programs would be determined by the specific sociopolitical context and the socioeconomic profile of ex-combatants. Guidelines for national programs are provided in Attachment C.

4.2 Special projects

122. The category of special projects includes (i) support to special target groups (e.g., the resettlement of ex-combatants who do not return to their country of origin, in third countries) and (ii) activities carried out in parts of a participating country outside the control of the relevant government. These activities would be designed and implemented according to local needs yet in consultation with the national authorities. UN agencies and NGOs able to operate in areas beyond state control would be encouraged to develop and execute relevant activities within the framework of the MDRP. These activities would be financed through the MDTF.

123. In both cases, the guiding principles for national programs would apply to the extent possible in order to retain consistency, build confidence, and ensure transparency. However, these activities may require greater flexibility in design and implementation. For instance, in both cases a greater focus on reintegration aspects, as well as on information and communication, may be required.

124. *Ex-combatants settling in third countries.* The MDRP would support the settlement in other African countries of ex-combatants who do not return to their countries of origin but are not suspects of genocide. Countries for settlement would be identified in consultation with interested governments and regional bodies (for example, the Southern African Development Community and the OAU/AU). The resettlement would be undertaken by specialized agencies, such as the Office of the United Nations High Commissioner for Refugees (UNHCR). Relevant national and international authorities would be involved in screening these ex-combatants to prevent perpetrators of war crimes from benefiting.

125. *Activities in areas outside government control.* This case applies in particular to the eastern DRC. In line with the concerned parties' commitment to the Lusaka agreement, emergency community-based reintegration activities may be necessary for groups that are not signatories of the Agreement. The demobilization and reintegration of child soldiers in these areas would also be a priority. However, it would be critically important that these efforts do not negatively impact on the ICD process.

4.3 Regional Activities

126. By its very nature, the MDRP addresses issues which cannot be addressed solely through parallel country-level efforts. Regional activities are essential for the MDRP to

achieve its objectives. They would be managed by the MDRP Secretariat and would inform the MDRP Advisory Committee of required course corrections. Regional activities would include, among others:

- (i) cross-border information and sensitization campaigns to appraise combatant groups of the options being developed under the MDRP and associated national programs and special projects;
- (ii) timely and action oriented knowledge generation and research to deepen the understanding of cross-border and cross-sectoral DDR issues (for instance, access to land, gender dimensions, mutual impact of MDRP and national programs and special projects);
- (iii) regional technical knowledge sharing, capacity building and joint analysis among participating national programs through semi-annual meetings of the regional Technical Coordination Group (see Section xxx); and
- (iv) harmonization of data bases for national programs and special projects to avoid that ex-combatants cross borders to benefit from various DDR operations. This would include harmonization with MONUC's DDRRR data base.

5. Program Costs

127. The MDRP is estimated to cost \$500 million. National programs are expected to amount to \$446.5 million, special projects to \$37.5 million and regional activities and program management costs to \$5.5 million and \$10.5 million, respectively (Table 5).²⁴ Overall program cost estimates would be adjusted in line with overall beneficiary numbers and actual unit costs.

Table 5: Estimated MDRP Costs

| Component | Program Cost (millions \$) | Percent |
|--------------------------|----------------------------|---------|
| 1. National programs | 446.5 | 89 |
| 2. Special projects | 37.5 | 8 |
| 3. Regional activities | 5.5 | 1 |
| 4. Program management 1/ | 10.5 | 2 |
| Total (estimated) | 500.0 | 100 |

1/ The World Bank estimates that up to \$5 million of its own resources would be dedicated to national program appraisal and supervision over the life of the program.

128. Costs for national programs and special projects are based on estimated average costs of \$1,500 per ex-combatant beneficiary (Table 6). These average unit costs are based on international DDR experience and on anticipated higher logistics costs in the DRC and in Angola. It is important that unit costs per ex-combatant are consistent within countries, not necessarily across countries. Furthermore, support to ex-combatants should be commensurate with assistance to other war-affected populations. Actual costs for each

²⁴ See Attachment B for further details.

national program and special project would therefore be determined on the basis of local needs.²⁵

Table 6: Calculation of Unit Costs

| Component | Unit Cost (\$) | Percent |
|-------------------|----------------|---------|
| Disarmament 1/ | NA | - |
| Demobilization | 200 | 13 |
| Reinsertion | 400 | 27 |
| Reintegration 2/ | 800 | 53 |
| Operating costs | 100 | 7 |
| Total (estimated) | 1,500 | 100 |

1/ Disarmament would be financed through assessed contributions to UN peacekeeping operations (where UN peacekeeping missions are involved) or be undertaken by national governments.

2/ Includes support to special groups (child-ex-combatants, etc.).

6. Institutional and Implementation Arrangements

6.1 Institutional Arrangements

129. Institutional arrangements for the MDRP aim at a broad participation of national, regional and international stakeholders while avoiding the creation of a bureaucratic layer that inhibits rapid implementation. Two committees would be established: one for policy issues under the program and one (a sub-committee) for MDTF financing issues. In addition, a technical coordination group consisting of program managers would assist in harmonizing individual country DDR efforts. Continued dialogue among stakeholder focal points would ensure regular cooperation at the technical level.

130. *Advisory Committee.* An MDRP Advisory Committee (MDRP/AC) would be established to help ensure the MDRP's links to the overall peace process and to facilitate the participation of key stakeholders in the program's planning and implementation. The MDRP/AC would comprise national governments, all interested donor representatives, key UN partners including MONUC, representatives of regional bodies such as SADC and the OAU/AU, and an NGO representative. The chair of the MDRP/AC would rotate with each meeting with the MDRP Secretariat taking responsibility for organization and technical support to ensure continuity and consistency.

131. The MDRP/AC would meet every six months to: (i) review progress under the MDRP; (ii) review the work program for the upcoming period; and (iii) discuss the eligibility of new proposed national programs for MDRP support. Periodic progress reports on national programs and special projects financed under the MDRP and MDTF would be submitted to committee members.

132. *MDTF Sub-Committee.* Associated to the MDRP/AC, an MDTF Sub-Committee (MDTF/SC) would be established to oversee the utilization of MDTF resources. All

²⁵ For instance, actual costs for the second stage of the Rwanda Demobilization and Reintegration Program have been established at \$800 per beneficiary.

donors contributing to the MDTF would be members of the MDTF/SC, which would be chaired by the World Bank. Other members of the MDRP/AC would be invited to MDTF/SC meetings as observers. The MDTF/SC would meet in conjunction with the MDRP/AC to: (i) review the utilization of MDTF resources to date; (ii) assess the need to redistribute resources between national programs; and (iii) raise additional resources as required. The final decision on the use of trust fund resources would rest with the World Bank as MDTF administrator.

133. *Technical coordination group.* A Technical Coordination Group (TCG) would be established under the MDRP, comprising senior technical and management staff from participating national programs and special projects as well as the MDRP Secretariat. The TCG would meet semi-annually to review the implementation status of the strategy and regional program, share information on progress on DDR activities, exchange lessons learned, and explore opportunities for technical cooperation.

134. *Focal points.* Interested partners have identified technical focal points who would be responsible for ensuring on-going links and lines of communications. They would inform partners about their respective agency's activities in the region. Focal points would undertake joint supervision missions, prepare reports to the MDRP/AC and also carry out a mid-term review and a final evaluation mission.

6.2 Program Management

135. The MDRP would be managed by a small Secretariat at the World Bank, which would include four DDR specialists from interested donors and agencies.²⁶ The MDRP Secretariat would coordinate international efforts under the MDRP and administer the MDTF. It would report to the MDRP/AC and to World Bank management. Specific responsibilities would include, among others:

- (i) organization of meetings of the MDRP/AC, the MDTF/SC, and the TCG;
- (ii) organization of identification, supervision and evaluation missions by focal points.
- (iii) resource mobilization for national programs and special projects within the MDRP framework. To this end, an MDRP financing database would be established to facilitate the tracking of resources;
- (iv) establishment of a comprehensive data base on beneficiaries of national programs and special projects;
- (v) provision of guidelines and technical advisory services for national planners;
- (vi) recruitment of consultants to carry out regional activities;
- (vii) coordination with security and political stakeholders represented in the MDRP/AC to ensure complementarity with MDRP activities;

²⁶ Two DDR specialists would be stationed in Washington DC whilst two more would be located in the region. The DDR specialists would report directly to the Secretariat.

- (viii) consolidated progress reporting of DDR activities in order to enable stakeholders to assess MDRP progress; and
- (ix) development and execution of a communication and sensitization strategy for the MDRP.

136. DDR specialists located in the region would perform the role of MDRP coordinators. Their responsibilities would include:

- (i) *for the MDRP*: helping supervise the MDRP; enhancing coordination on cross-border issues; monitoring MDRP indicators; liaising with national programs; monitoring MDTF disbursements; serving as a resource base for national governments during the entire project cycle; and being the technical interlocutor with donors and UN agencies.
- (ii) *for national programs and special projects*: helping prepare country-level DDR activities; technical backstopping of country programs; assisting in technical donor/agency coordination; supporting partner field offices; providing on-the-job training to national program staff; and helping supervise national program and special projects.

137. Program management costs would amount to approximately \$10.5 million over five years, or 2.1 percent of MDRP costs. Table 7 provides a breakdown of costs to the MDRP, which would be reviewed annually by the MDTF/SC and reassessed according to MDRP implementation needs. The World Bank would commission independent reviews at mid-term and at program completion to assess management performance.

Table 7: MDRP Secretariat Costs

| Cost Element | Est. cost | Percent |
|---------------------------------|------------|---------|
| Incremental cost for World Bank | 2,821,000 | 27 |
| Partner DDR specialists (4) | 4,065,600 | 39 |
| Consultants | 576,000 | 6 |
| Meeting organization | 500,000 | 5 |
| Independent management reviews | 400,000 | 4 |
| World Bank core support 1/ | 2,100,000 | 20 |
| Total (estimated) | 10,462,600 | 100 |

1/ Disbursement, legal and accounting services.

6.3 Program Implementation

138. *Identification of national programs*. The following sequence would be established for national programs under the MDRP. Any country that fulfills the general criteria outlined in Section 1 could request technical and financial assistance to prepare a national demobilization and reintegration program. Focal points of interested donor and UN partners would undertake an identification mission to assess the country's needs and eligibility in principle for MDRP assistance.

139. The report of the joint mission would be discussed by the MDRP/AC, which would also make a recommendation concerning the country's eligibility for MDRP assistance. Subsequently, the MDTF/SC would consider the possibility of investing MDTF resources should there be reasonable assurance that the eligibility criteria will be met by the time the program has been prepared.

140. Individual national programs would then be prepared, appraised and supervised by national authorities and stakeholders supported by interested donor and agency partners. In parallel, the World Bank may prepare a loan/credit to co-finance a national program in accordance with the its Transitional Support Strategy or Country Assistance Strategy for the respective country. The assessment of whether eligibility criteria have been met and whether operations can be launched in the country would be taken by key program partners at the country level.

141. *Identification of special projects.* The procedure would differ for special projects to be financed under the MDTF. Agencies could submit project proposals, which could be jointly finalized during a mission of interested focal points. These proposals would include the role of individual agencies and of NGOs for project implementation. The joint mission, in consultation with the respective partner field offices, would assess the feasibility of the proposed activities in the given socio-political context. Project approval provided would be provided in line with MDRP/AC guidance.

142. *Relationship with ongoing activities.* UNDP, the World Bank and other partners are already engaged in a number of DDR activities in the region that complement the MDRP (see Chapter 4.3). In case a country requested additional assistance through the MDRP, or if a special project were proposed, a two-pronged approach would be followed: (i) partner focal points would undertake an identification mission to review the situation regarding DDR; and (ii) the ongoing activities would be fitted into the national or local DDR framework and adapted as appropriate.

143. *Communications strategy.* All stakeholders need to reach a comparable level of knowledge. For instance, Security Council members may need to be aware of MDRP activities for their deliberations. Members of irregular forces need to gain an understanding of the principles and objectives of the MDRP and country-level efforts, rather than seeing demobilization as a threat. Sensitization and information are important complementary activities to be undertaken by the MDRP Secretariat as well as focal points. The Secretariat would develop and implement a communications strategy through different media, for instance Radio Okapi (the MONUC radio station in the DRC) and the internet.

144. *Financial management, procurement and auditing.* Financial management and procurement arrangements for MDTF and World Bank funded activities would follow standard World Bank procedures and provide for adequate flexibility and responsiveness to ensure rapid implementation. Specific arrangements would be established and summarized in an implementation manual. These arrangements would be based on reviews and assessments of the particular needs, capacities and risks of each national program or special project, and would be indicated in the relevant project document and

loan/credit or grant agreement. Procedures would be harmonized to the extent possible to allow for the consolidation of financial information across activities. Procedures would be adjusted over time as needed (see also Attachment F).

145. In cases where UN agencies are implementing entities for MDTF grants, World Bank procurement procedures, which are comparable to those of UN agencies, would be applied. Specific procedures and prior review thresholds would be adapted to the special nature of the project area and executing agency.

146. The World Bank would execute regional activities and program management and would apply its financial management and procurement guidelines. It would include financial reports in the periodic reports to be submitted to the MDTF/SC. The MDTF would be audited annually according to established World Bank procedures. National programs and special projects would be subject to annual, or more frequent, audits depending on the risks and need for timely information.

7.3 Supervision, Monitoring and Evaluation

147. Ongoing supervision would be undertaken by the DDR specialists posted in the region. In addition, focal points would undertake a joint program supervision mission in preparation of the semi-annual MDRP/AC meetings.²⁷ Supervision activities would monitor MDRP progress and measure success on the basis of a set of indicators (Table 8) related to progress on the implementation of national programs²⁸ and special projects, the participation of the international community in the MDRP, the MDRP's impact on the stabilization of the Region, and the performance of the World Bank in administering the MDTF. The Secretariat would prepare periodic progress reports for discussion by MDRP/AC members. (A logical framework is provided in Attachment A.)

148. Given the innovative nature of the MDRP, joint reviews would also focus on knowledge sharing and key strategic issues linking the MDRP to the wider peace process. To ensure independence and broad ownership of the results, the reviews would be conducted jointly by donors and UN partners, representatives of regional bodies, and national program representatives. Through the involvement of regional stakeholders, monitoring and evaluation would also be valuable in contributing to confidence building for those who have not yet decided to join the DDR process.

²⁷ MDRP supervision missions would not assess individual national programs or special projects in detail. Supervision missions for these activities may be undertaken at the same time.

²⁸ Performance criteria reflecting local circumstances would be included in each national program and special project. In accordance with World Bank policies, performance monitoring of government expenditures under national programs would not include military expenditures but focus on social sector expenditures.

Table 8: Key Monitoring Indicators

| |
|--|
| <p>A. Strategy Indicators</p> <ol style="list-style-type: none"> 1. Reduction in the number of internally displaced and refugees. 2. Restoration of free movement of goods and persons within and between countries. 3. Evolution of social expenditures in participating countries, including in relation to security spending. <p>B. Program Indicators</p> <ol style="list-style-type: none"> 4. Percent of DDR activities undertaken in the region within the framework of the MDRP. 5. Percent of DDR resources channeled through the regional MDTF. 6. Degree of harmonization of national programs. <p>C. Output Indicators</p> <ol style="list-style-type: none"> 7. Number of ex-combatants demobilized and receiving assistance through national programs. 8. Number of ex-combatants demobilized and receiving assistance through special projects. 9. Effectiveness of technical knowledge sharing activities. 10. Efficient organization of joint missions and preparation of reports. |
|--|

149. The reviews would produce feedback for three purposes: (i) to assess the appropriateness of the regional DDR approach in light of the evolving sociopolitical situation; (ii) to guide fine-tuning of MDRP design and implementation and draw lessons for future country participants; and (iii) to help inform the use of a multi-country approach for similar situations with regional dimensions and sharing the experience with other partners. The outcome of the reviews would be presented to MDRP/AC members for discussion, and would be disseminated widely to countries and other partners. Regional workshops would also be held to discuss the findings and their implications with participating countries.

Attachment A: Logical Framework

| Narrative Summary | Key Monitoring Indicators | Monitoring and Evaluation | Critical Assumptions |
|---|--|---|--|
| <p>Strategy Objective Enhance the prospects for stabilization and recovery in the greater Great Lakes region.</p> | <ul style="list-style-type: none"> • Reduction in the number of internally displaced and refugees • Restoration of free movement of goods and persons within and between countries • Evolution of social expenditures in participating countries, including in relation to security spending. | <ul style="list-style-type: none"> • UNHCR and Global IDP Project reports. • UN Secretary General and Security Council reports. • Country program monitoring and evaluation reports • Public expenditure reviews. | <ul style="list-style-type: none"> • Governments in the region undertake all efforts necessary to bring the conflicts to an end. • Regional bodies and the international community undertake complementary efforts in the political, security and reconstruction areas. |
| <p>Program Objectives</p> <ol style="list-style-type: none"> 1. Provide a comprehensive regional framework for DDR efforts for both government and irregular forces. 2. Establish a consistent mechanism for donor coordination and resource mobilization. 3. Serve as a platform for national consultative processes that lead to the formulation of national demobilization and reintegration programs. | <ol style="list-style-type: none"> 1. Number of international stakeholders participating in MDRP coordination mechanism; percent of DDR activities in the region undertaken within MDRP framework. 2. Percent of DDR resources channeled through the MDTF; degree of variance between resource requirements and resource availability. 3. Degree of harmonization of national programs | <ul style="list-style-type: none"> • Minutes of MDRP/AC meetings. • Reports of joint MDRP supervision missions. • Periodic MDRP and MDTF progress reports. • National program monitoring and evaluation reports. | <p>(Objective to Goal)</p> <ul style="list-style-type: none"> • Governments and other parties to the conflicts are committed to finding a peaceful solution to the conflicts. <p>The international community is committed to supporting the regional stabilization process.</p> |
| <p>Outputs:</p> <ol style="list-style-type: none"> 1. National programs prepared and implemented. 2. Special projects prepared and implemented. 3. Regional activities carried out in support of national programs and special projects. 4. MDRP and MDTF implemented in coordination with all partners. | <ol style="list-style-type: none"> 1. Number of ex-combatants demobilized and receiving reinsertion and reintegration assistance through national programs, and number of such programs. 2. Number of ex-combatants demobilized and receiving reinsertion and reintegration assistance through special projects, and number of such projects. 3. Harmonized data bases; frequency and effectiveness of technical knowledge sharing activities. 4. Efficient organization of joint missions and preparation of reports; effectiveness of technical support. | <ul style="list-style-type: none"> • Minutes of MDRP/AC meetings. • Minutes of TCG meetings. • Reports of joint MDRP supervision missions. • Periodic MDRP and MDTF progress reports. • National program monitoring and evaluation reports. • Independent management reviews. | <p>(Outputs to Objective)</p> <ul style="list-style-type: none"> • Donors and agencies view the MDRP as the coordination mechanism for all DDR activities in the region. • Donors allocate resources to the MDRP via the MDTF and in sufficient amounts. • Governments in the region interested in supporting a coordinated approach to DDR in the region. |

| Narrative Summary | Key Monitoring Indicators | Monitoring and Evaluation | Critical Assumptions |
|---|---|---|--|
| <p>Program Components</p> <ol style="list-style-type: none"> 1. National programs 2. Special projects 3. Regional activities 4. Program management | <ol style="list-style-type: none"> 1. \$446.5 million 2. \$37.5 million 3. \$5.5 million 4. \$10.5 million. | <ul style="list-style-type: none"> • MDTF financial progress reports. • IDA disbursement rates. • Periodic audit reports. • Independent management reviews. | <p>(Components to Output)</p> <ul style="list-style-type: none"> • Regional governments are prepared and have the institutional capacity to implement national programs. • Regional governments are willing to permit DDR activities in areas beyond their control. • Third countries are willing to absorb ex-combatants who do not return to their country of origin. • Donors are willing to finance DDR activities in the region. • Donors and agencies provide staff support to the MDRP Secretariat. |

Attachment B: Estimated Program Costs

| | 2002/1 | 2002/2 | 2003/1 | 2003/2 | 2004/1 | 2004/2 | 2005/1 | 2005/2 | 2006/1 | 2006/2 | Total |
|---------------------|-----------|-------------------|-------------------|------------------|------------------|------------|------------|------------|-----------|-----------|-------------|
| National programs | | | | | | | | | | | |
| Angola | - | 5,625,000 | 22,500,000 | 22,500,000 | 22,500,000 | 16,875,000 | 11,250,000 | 11,250,000 | - | - | 112,500,000 |
| Burundi | - | 4,500,000 | 18,000,000 | 18,000,000 | 18,000,000 | 13,500,000 | 9,000,000 | 9,000,000 | - | - | 90,000,000 |
| CAR | - | - | 150,000 | 600,000 | 600,000 | 600,000 | 450,000 | 300,000 | 300,000 | - | 3,000,000 |
| Congo | - | - | 600,000 | 2,400,000 | 2,400,000 | 2,400,000 | 1,800,000 | 1,200,000 | 1,200,000 | - | 12,000,000 |
| DRC | - | 6,000,000 | 24,000,000 | 24,000,000 | 24,000,000 | 18,000,000 | 12,000,000 | 12,000,000 | - | - | 120,000,000 |
| Namibia | - | 225,000 | 900,000 | 900,000 | 900,000 | 675,000 | 450,000 | 450,000 | - | - | 4,500,000 |
| Rwanda | 2,600,000 | 10,400,000 | 10,400,000 | 10,400,000 | 7,800,000 | 5,200,000 | 5,200,000 | - | - | - | 52,000,000 |
| Uganda | - | 1,875,000 | 7,500,000 | 7,500,000 | 7,500,000 | 5,625,000 | 3,750,000 | 3,750,000 | - | - | 37,500,000 |
| Zimbabwe | - | - | - | 750,000 | 3,000,000 | 3,000,000 | 3,000,000 | 2,250,000 | 1,500,000 | 1,500,000 | 15,000,000 |
| sub-total | 2,600,000 | 28,625,000 | 84,050,000 | 87,050,000 | 86,700,000 | 65,875,000 | 46,900,000 | 40,200,000 | 3,000,000 | 1,500,000 | 446,500,000 |
| Special cases | 3,750,000 | 7,500,000 | 7,500,000 | 5,625,000 | 5,625,000 | 3,750,000 | 3,750,000 | - | - | - | 37,500,000 |
| Regional activities | 275,000 | 330,000 | 715,000 | 715,000 | 715,000 | 715,000 | 715,000 | 715,000 | 275,000 | 330,000 | 5,500,000 |
| Program management | 525,000 | 630,000 | 1,365,000 | 1,365,000 | 1,365,000 | 1,365,000 | 1,365,000 | 1,365,000 | 525,000 | 630,000 | 10,500,000 |
| MDRP total | 7,150,000 | 37,085,000 | 93,630,000 | 94,755,000 | 94,405,000 | 71,705,000 | 52,730,000 | 42,280,000 | 3,800,000 | 2,460,000 | 500,000,000 |

Numbers in bold indicate the estimated starting date of each national program.

| | 2002 | 2003 | 2004 | 2005 | 2006 | total |
|------------|------------|-------------|-------------|------------|-----------|-------------|
| MDRP total | 44,235,000 | 188,385,000 | 166,110,000 | 95,010,000 | 6,260,000 | 500,000,000 |

Attachment C: Guidelines for National Programs²⁹

1. Guiding Principles

150. The national programs would be guided by the following principles.

- (i) *Support to national ownership of programs.* Most successful DDR programs have been based on strong national political will and ownership. The MDRP would support national programs tailored to the requirements of a given country. To optimize flexibility and to exploit emerging opportunities, the timing of national programs would be determined by national leaders in consultation with international partners;
- (ii) *Support to comprehensive programs.* Within each country, the MDRP would support the establishment of a single national program. Fragmentation and duplication of efforts would be discouraged. National programs would seek to address the needs of all ex-combatants of that country;
- (iii) *Beneficiary involvement.* Beneficiaries from all sides should be included in program design and implementation from the outset.
- (iv) *Participation.* The successful economic and social reintegration of former combatants requires the involvement of local authorities and communities. The participation of communities is important not only for program implementation but also for stability. The MDRP would encourage their participation, and also strengthen their capacities where needed;
- (v) *Coordination and partnerships.* The roles and responsibilities of international actors would be determined on a case-by-case basis for each national program. Partnerships with political and security actors, especially those involved in the crafting and implementation of peace agreements, would be critical; and
- (vi) *Links to economic reconstruction efforts.* DRPs would be implemented in the context of broader reconstruction efforts. They would be encouraged to coordinate and link closely with such efforts in order to benefit from associated employment opportunities and to contribute actively to local reconciliation and recovery efforts.

2. Program Components

151. National programs would generally contain six components: (i) disarmament; (ii) demobilization; (iii) reinsertion; (iv) reintegration; (v) support to special groups; and (vi) implementation arrangements. HIV/AIDS prevention and mitigation measures would be included during both the demobilization and the reintegration phase. The actual composition of national programs would be determined by the specific sociopolitical context and the socioeconomic profile of ex-combatants.

²⁹ These guidelines apply irrespective of the source of funding and would, to the extent possible, also apply to special projects.

152. *Disarmament.* Procedures for disarmament would be adapted to the specific situations of soldiers and members of irregular forces. Soldiers would be disarmed by the national army before entering the demobilization process. The international community may observe this process to enhance confidence. Members of irregular forces would be disarmed in special disarmament centers before being transferred to demobilization centers. They would be expected to surrender all weapons and munitions and provide verifiable information relating to arms caches and/or inside working knowledge of their group. They would also surrender shared weapons when surrendering in groups. Disarmament of irregular forces would be undertaken by MONUC in the DRC or any other UN or regional body mandated with this activity. Each combatant would be given a receipt for the weapon(s) handed over. Arms would be destroyed as they are collected, although the government involved may choose to retain some of the weapons.

153. *Demobilization.* Demobilization would be expected to be undertaken over a period of 36 months for all countries. To the extent possible, demobilization procedures for regular soldiers and members of irregular forces would be similar. Demobilization would include the following activities:

- (i) assembly in discharge centers (cantonment);
- (ii) verification of ex-combatant status and provision of non-transferable ID cards;
- (iii) capture of socio-economic data;
- (iv) pre-discharge orientation for transition to civilian life;
- (v) health screening and voluntary HIV/AIDS counseling and testing (VCT);
- (vi) addressing the special needs of female and child ex-combatants; and
- (vii) facilitation of transport to areas of return.

154. *Reinsertion.* Depending on the specific context, a transitional safety net assistance would be provided to support ex-combatants for a limited period following their return to civilian life. National programs would finance its provision – monetary and/or in-kind – where necessary. The reinsertion assistance would typically be calculated to cover the basic needs of an ex-combatant household (e.g., rent of accommodation, medical care, food, children’s education, and basic household items) for a period of 6-12 months following demobilization. To encourage the appropriate use of the reinsertion assistance, the programs would provide extensive counseling prior to demobilization and after arrival in the community of settlement.

155. A robust ID system would be developed and a management information system prepared that links payments to the ID database. Monitoring surveys on the receipt and use of funds would also be undertaken. Where cash payments are involved, the capacity of the banking system would be assessed and alternatives identified when needed. In-kind support would be considered in the instance where program funding is constrained and a specific donor (for instance, WFP) would provide and oversee the delivery of a particular item (such as food).

156. *Reintegration.* The national programs would provide economic and social reintegration assistance to help ex-combatants establish sustainable livelihoods. Several guiding principles would apply for reintegration assistance: (i) it would seek to minimize market distortions and maximize beneficiary choice; (ii) it would strive to provide assistance that leads to sustainable livelihoods, (iii) it would seek to involve communities of settlement and foster reconciliation; and (iv) to the extent possible, it would be provided in such a way that it would benefit the wider community.

- (i) *Economic reintegration.* Ex-combatants would be afforded an opportunity to obtain assistance to help them attain sustainable livelihoods. Ex-combatants would be equally eligible irrespective of rank or former military affiliation, and they would be allowed to choose their reintegration destination freely. In principle, the programs would give preference to reintegration assistance that also benefits the ex-combatant's community of return.

Reintegration support would build on existing capacities rather than create new structures although in instances where capacities are severely limited, the establishment of new structures would be considered. The absorption capacity of the local economy and labor market of several of the countries concerned is generally weak and therefore deserves specific attention.

Reintegration assistance would be offered in different forms, including the following: provision of information, counseling and referral services; micro-projects (including agricultural and non-farm income-generating activities); provision of access to vocational training, formal and informal apprenticeship schemes and educational opportunities; employment; housing; provision of seeds and tools; and facilitation of access to land.

- (ii) *Social reintegration.* Where necessary, social reintegration assistance would seek to foster reconciliation between ex-combatants and civilians in their communities of settlement. Specific activities to be carried out under this rubric could include: (i) information and sensitization of ex-combatants, communities and society-at-large through outreach services, including training of counselors; (ii) specialized counseling; (iii) strengthening of community services; and (iv) public awareness and sensitization campaigns.

157. *Special target groups.* Special groups include those ex-combatants who are female, children, disabled or chronically ill.

- (i) *Gender.* Given experiences of other DRPs, national programs would provide targeted support for the social and economic reintegration of female ex-combatants. Specific measures would, for example, include: ensuring that the special needs of female ex-combatants are taken into account in the demobilization centers; ensuring that all benefits for ex-combatants are equal for and equally accessible to men and women; encouraging implementing partners to ensure that their reintegration support measures facilitate the participation of female ex-combatants; encouraging female ex-combatants to participate in

existing women’s associations; and monitoring the impact of the program on partners of ex-combatants and women in communities of return and bringing emerging problems to the attention of the respective authorities.

- (i) *Disabled ex-combatants.*³⁰ National programs would provide assistance to disabled ex-combatants depending on the degree of disability. Where necessary, they would reinforce relevant medical facilities to provide systematic prosthetic and physiotherapy services, including maintenance of prosthetic devices. In addition, they would seek to provide specialized economic reintegration assistance, to help disabled ex-combatants attain sustainable livelihoods. In cases where ex-combatants are too disabled to pursue economic activities themselves, national programs could permit the deferral of program benefits to a family member identified by the ex-combatant.
- (ii) *Chronically-ill ex-combatants.* National programs would also seek to address the medical needs of chronically ill ex-combatants. The program would endeavor to ensure to the extent possible, access to medical care and counseling for chronically ill ex-combatants for a limited period of time after demobilization. In cases where ex-combatants are too ill to pursue economic activities themselves, national programs could permit the deferral of program benefits to a family member identified by the ex-combatant.
- (iii) *Child ex-combatants.* Child ex-combatants among irregular forces would likely represent a significant target group for national programs under the MDRP.^{31,32} Under the MDRP demobilization process, children would be afforded priority assistance. Within the framework of national programs, demobilization would be a civilian exercise conducted by child protection agencies and specialized NGOs in collaboration with the respective governments. Child ex-combatants would be identified through a specific screening procedure. They would be separated from adult ex-combatants and from the military environment as soon as possible.

Reintegration support for children would address the long-term prospects of a child’s livelihood and would be family-friendly and community-oriented. Assistance would be based on a medium-term commitment rather than remain focused on an immediate reward.³³ Assistance would include, in consultation with the child, family tracing and reunification, community reintegration, trauma counseling and psychosocial care, and facilitation of access to education (formal as well as non-formal) and vocational training in communities of settlement.

³⁰ Disability is defined here as the functional limitation within an individual caused by physical, mental or sensory impairment.

³¹ “A child soldier is any person under eighteen years of age who is part of any regular or irregular armed force or group. This includes those who are forcibly recruited as well as those who join voluntarily. All child or adolescent participants regardless of function – cooks, porters, messengers, girls used as “wives,” and other support functions – are included as well as those considered combatants” (UNICEF, 1999).

³² Child soldiers would benefit under the MDRP either through existing national programs, or otherwise through special projects.

³³ Contribution by UNICEF and the Office of the Special Representative for Children and Armed Conflict to UNDPKO, 2000.

If reintegration support created the perception that child ex-combatants are receiving special or privileged treatment, it might unwittingly entice large numbers of children to join the military. Reintegration assistance would therefore seek to meet the particular needs of child ex-combatants without engendering fear or resentment on the part of their communities and society in general.

- (iv) *Dependents.* Dependents of ex-combatants returning as refugees or internally displaced would follow the provisions of the relevant repatriation program. Close links would be established between programs for ex-combatants and returning refugees and IDPs to avoid targeting errors.

158. *HIV/AIDS prevention and mitigation measures.* National programs under the MDRP would contain an HIV/AIDS component. The objective would be to provide sensitization and offer VCT to ex-combatants during demobilization as well as follow-up activities in communities of settlement. The MDRP would coordinate closely with the national AIDS programs or similar efforts to assume responsibility for counseling and treatment of ex-combatants and their families during the program's reintegration phase.

3. Institutional and Implementation Arrangements

159. Although implementation arrangements may vary from country to country, their design would follow similar principles. A typical national DRP would include all or most of the following implementation arrangements:

- (i) A coordinating body at the highest level of government with participation from key national stakeholders. Such a body would usually develop the national DRP strategy and policies and oversee national program elaboration and implementation.
- (ii) A program implementation unit reporting to the coordinating body. The program implementation unit would be responsible for program design and management, the coordination of the implementation of individual activities, procurement and financial management, contracting of implementing partners, and monitoring and evaluation. It would be supported by a decentralized structure of field offices to bring the program closer to the beneficiaries.
- (iii) Implementing partners, including government entities, international organizations, civil society and private sector organizations, local and international NGOs as well as community-based groups. These partners would execute individual DDR activities that are consistent with the national program.

160. Each national program would be prepared by national authorities and stakeholders in collaboration with the international community. Preparatory activities would include, among others: a socioeconomic profile of ex-combatants; studies on the economic opportunity structure in the communities of settlement and on the needs of special target groups; and programs of pre-discharge orientation and community sensitization.

161. In each country, the program implementation unit would prepare a program implementation manual which would specify, among others, the detailed rules and

processes for demobilization; the criteria, procedures and terms and conditions of reinsertion and reintegration assistance to ex-combatants; flow of funds to ex-combatants and verification of the use of such funds by ex-combatants for the intended purposes; and details of arrangements for procurement, financial management, disbursement and environmental and social monitoring.

162. In general, responsibility for country-level program coordination would be vested in the program implementation unit. To this end, it would establish a system to coordinate and monitor implementation progress at all levels, according to agreed-upon performance indicators. It would also establish and chair a committee to coordinate donor assistance to the program.

163. *Safeguards to ensure the proper use of funds.* Safeguards would be built into each program to ensure that funds are utilized for the purposes intended:

- (i) Disbursement would be linked to national program performance as measured by key performance indicators;
- (ii) External audits would be undertaken at least annually to verify appropriate use of funds;
- (iii) A non-transferable photograph ID would be provided to each ex-combatant. This would be used to verify ex-combatants' eligibility for assistance;
- (iv) A management information system would be established to enable the program implementation unit to track program implementation at central and local levels;
- (v) Regular surveys of a representative subset of beneficiaries would track program delivery and use of funds by ex-combatants; and
- (vi) Semi-annual supervision missions would be carried out by donor and UN partners in collaboration with national authorities.

164. *Institutional support and capacity building.* Staff development at the central and local levels would be critical for effective program implementation. An assessment of local-level implementation capacity needs would be carried out and a training program developed accordingly. Staff at all levels would undergo training as necessary.

165. The program implementation unit would sub-contract the implementation of specific activities (for instance, HIV/AIDS VCT and child ex-combatants reintegration) and of decentralized reintegration activities to specialized international organizations, NGOs, community-based groups and local governments with a view to enhance program effectiveness. Targeted capacity-building of partner organizations, including local governments and communities, would be undertaken as required to attain the objectives of the national programs.

166. Local and/or expatriate technical assistance may be required for longer-term and short-term assignments throughout implementation. Consultancies may be required on an ongoing basis, especially for external audits and independent annual evaluations. Targeted technical assistance may also be needed for HIV/AIDS activities and the special

target groups component (child ex-combatants, disabled ex-combatants). The program implementation unit may sub-contract activities, including for administration and management of funds, in part or as a whole to specialized implementers.

4. Supervision, Monitoring and Evaluation

167. *Supervision.* Because of their scope, financial requirements and regional dimension, national programs would require intensive supervision. Partner field offices would provide continual support and supervision at the country level. Staff covering the key fiduciary areas (financial management, procurement) would be permanent members of supervision teams and provide close support. Supervision of national programs would be conducted jointly by supporting partners. Each operation would include frequent workshops and review exercises to ensure ongoing learning-by-doing.

168. *Monitoring and evaluation.* Effective measurement of DRP performance requires sustained and extensive monitoring and evaluation of a broad range of measures. This would also facilitate learning as well as program modifications based on lessons learned. National programs would invest substantially in establishing or strengthening local monitoring and evaluation capacity and a process of stakeholder and beneficiary assessments. Performance indicators for national programs would be tailored to the specific context and objectives.

169. Monitoring and evaluation of the national programs would consider the following elements:

- (i) Early indicators on program effectiveness would be needed in real time to improve service delivery;
- (ii) The emphasis on multi-sectoral approaches and multiple implementation channels would require more monitoring and evaluation at the community level;
- (iii) Beneficiary and stakeholder involvement would be enhanced if the monitoring and evaluation systems were complemented by a continuous process of social impact monitoring; and
- (iv) The monitoring and evaluation system would be organized as a management tool for all concerned stakeholders and operate on a network basis to facilitate sharing of lessons learned.

170. Independent evaluations of national programs would be carried out annually. These evaluations would focus on the timeliness and quality of assistance provided to ex-combatants, the impact on the allocation of national budgetary resources, and the contribution to the consolidation of regional and national stability. An analysis of the databases and existing administrative records and reports would establish to what extent the program as such as well as the individual components have achieved their objectives. As the integration of ex-combatants into communities is a major factor for the long-term success of the program, a beneficiary assessment would also be carried out consisting of participant observation and key informant and focal group interviews. It would be directed

towards the ex-combatants and their families as primary and the communities as secondary beneficiaries.

5. Environmental and Social Aspects

171. Continuous monitoring would be essential to assess the environmental and social impact of DDR operations on ex-combatants and their families and communities. The MDRP would ensure that national programs are processed and implemented according to standard safeguards policies and procedures. Each national program would be assessed as to its potential effects on the environment and the social fabric. Particular issues of concern are involuntary resettlement or displacement and potentially adverse environmental effects, such as from medical waste of HIV/AIDS testing materials or from small-scale infrastructure and income-generating sub-projects. Guidelines for identifying and mitigating possible negative impacts are included in Attachment D. These guidelines would apply to national programs as well as to special projects.

6. Risks and Mitigation Measures

172. The major *program-specific risks* are as follows:

- (i) Program resources are diverted toward defense spending. Appropriate safeguards with respect to financial management, procurement and disbursement would be developed to avoid any such misuse of program resources;
- (ii) Savings from demobilization do not translate into increased spending in the social sectors. Government expenditures would be carefully monitored by the World Bank and the International Monetary Fund in the context of their assistance programs;
- (iii) Ex-combatants are forcibly resettled or land is forcibly redistributed as a result of demobilization. Continuous social and environmental monitoring would be undertaken to examine settlement patterns and access to land. In case of forced resettlement or forced land distribution, a resettlement framework or resettlement action plan would be prepared and implemented;
- (iv) Given the limited human resource capacity in the public and private sectors, implementation is unsatisfactory. The programs would carefully monitor implementation progress and the reintegration experiences of ex-combatants. The program implementation units would be reinforced with qualified staff and/or external technical assistance, and the programs would invest in strengthening the capacities of local governments and local implementing partners;
- (v) HIV/AIDS spreads via the programs. The HIV/AIDS prevention and mitigation measures included in the programs' design would mitigate this risk significantly; and

- (vi) Program activities cannot be carried out due to local insecurity. In this case, the possibility of alternative implementation arrangements would be explored, but project execution may need be delayed until the situation improves.

Attachment D: Addressing Environmental and Social Risks

| Category of ex-combatant | Possibly eligible countries | Principles | Support measures | Risks and triggers | Possible mitigating actions |
|--|--|---|--|--|--|
| Demobilization and reintegration of government forces | <ol style="list-style-type: none"> 1. Angola 2. Burundi 3. CAR 4. Congo 5. DRC 6. Namibia 7. Rwanda 8. Uganda 9. Zimbabwe | <ul style="list-style-type: none"> • Individual choice of community of settlement. • Individual choice of reintegration support. | <ul style="list-style-type: none"> • Reinsertion: transitional safety net (cash and/or in-kind) to facilitate settlement. • Reintegration: menu of options (training, employment, micro-projects, etc.). | <p>Reinsertion:</p> <ul style="list-style-type: none"> • forced settlement • forced land redistribution. <p>Reintegration:</p> <ul style="list-style-type: none"> • sub-projects with negative environmental and social impact. | <p>Reinsertion:</p> <ul style="list-style-type: none"> • continuous environmental and social monitoring • if triggered, preparation and implementation of resettlement framework or resettlement action plan. <p>Reintegration:</p> <ul style="list-style-type: none"> • adequate training of staff • environmental screening of all sub-project proposals • if impact, appropriate mitigation measures and disclosure. |
| Demobilization and reintegration of irregular forces in country of origin | <ol style="list-style-type: none"> 1. Angola 2. Burundi 3. CAR 4. Congo 5. DRC 6. Rwanda 7. Uganda | See above. | See above. | See above. | See above. |
| Demobilization and reintegration of irregular forces outside country of origin | <ol style="list-style-type: none"> 1. Angolans in DRC 2. Burundians in DRC 3. Burundians in Tanzania 4. DR Congolese in Congo 5. Rwandans in Congo 6. Rwandans in DRC 7. Rwandans in Tanzania 8. Ugandans in DRC | <ul style="list-style-type: none"> • Voluntary return to country of origin: see above. • Settlement in host country or third country: see above | See above, plus repatriation to country of origin or relocation to third country. | <ul style="list-style-type: none"> • Voluntary return to country of origin: see above. • Settlement in host country or third country: see above, plus selection of settlement site without consultation of new host community. | See above. |

Attachment E: Multi-Donor Trust Fund Overview

A. Overview

173. The Multi-Country Demobilization and Reintegration Program would be financed through two separate but complementary windows: World Bank funds of up to \$150 million and a Multi-Donor Trust Fund of \$350 million. It is also likely that there would be parallel support of individual DDR activities. The MDTF would specifically finance activities to: (i) demobilize government and irregular forces engaged in the conflict(s); (ii) provide temporary reinsertion benefits to ex-combatants; (iii) help in the social and economic reintegration of ex-combatants, including special target groups; (iv) support special regional activities; and (v) manage and monitor the implementation of DDR activities in support of the MDRP. This annex provides an overview of the MDTF.

B. Specific Arrangements

174. *Governance.* Donors approved the establishment of the MDRP Advisory Committee (MDRP/AC) to help ensure the MDRP's links to the regional peace process and to facilitate the participation of key stakeholders in the program's implementation. Associated to the MDRP/AC, an MDTF Sub-Committee (MDTF/SC) would be established to oversee the utilization of regional MDTF resources.³⁴

175. *Program execution.* In general, the program implementation units of the eligible national governments would be responsible for the overall management of national programs and therefore be the recipients of MDTF grants. UN agencies and other organizations would act as executing agencies and grant recipients for special projects.³⁵ The World Bank would have responsibility to execute regional activities and program management under the trust fund.

176. Grant agreements would be prepared between the World Bank as MDTF administrator and the recipients. These agreements would outline the activities, cost categories and level of expenses to be financed, and the standard procurement and financial management procedures to be used for project implementation. The MDTF grants with recipient countries would apply the same financial management and procurement guidelines and procedures as the parallel World Bank loans/credits. In the case of special projects, standard World Bank procedures, similar to those of UN agencies, would apply with specific thresholds and prior review ceilings adapted to the special nature of the recipient and the emergency nature of DDR operations.

177. *Financing flexibility.* Given the continuing uncertainty concerning the security situation in the greater Great Lakes region, the actual demobilization calendar, and lack of data about the exact number of the members of irregular forces and the timing of their repatriation, the MDRP would need to retain considerable implementation and financial

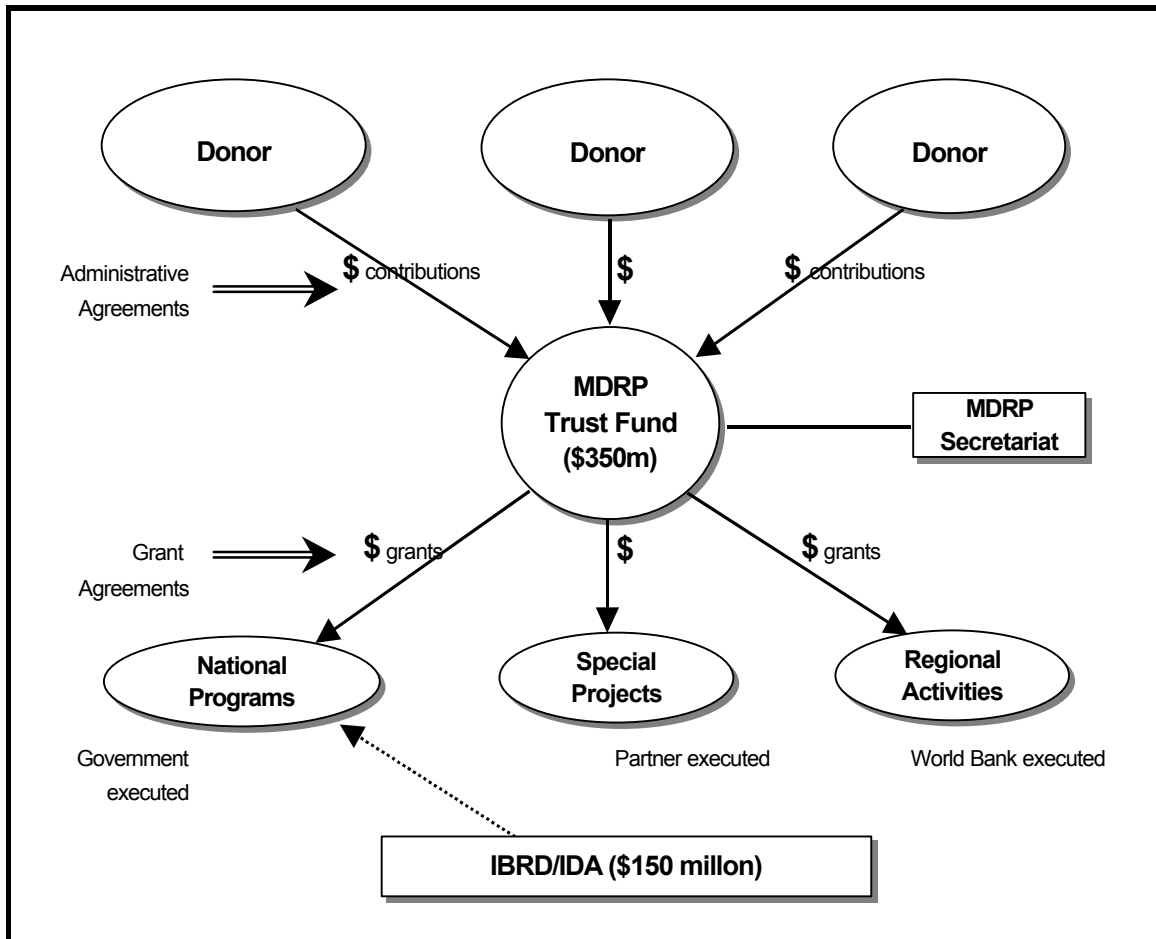
³⁴ See Attachment 3, Section 6 for a detailed description of MDRP institutional arrangements.

³⁵ The number of grant agreements for special projects is expected to be small. Local and international NGOs would be implementing partners of UN agencies.

flexibility. Therefore, the definition of activities and eligible expenditures under the MDTF would be broad to allow substantial variation.

178. Chart 3 illustrates the flow of funds for the MDRP through the Trust Fund as well as from the World Bank.

Chart 3: Multi-donor Trust Fund Schematic Drawing



179. *Trust fund administration.* As is normally the case with multi-donor trust funds, resources from all donors would be pooled in a single Trust Fund account. Therefore, earmarking of funds for specific countries, program activities, or cost categories would be discouraged. However, donor preferences for supporting specific areas of interest within the context of the MDRP can be recognized in the administrative agreements between the World Bank and the donor.

180. The costs of coordinating the MDRP and administering the MDTF are estimated at \$10.5 million, equivalent to 2.1 percent of MDRP program cost and 3.0 percent of the

MDTF.³⁶ All interest and investment income earned on contributions to the MDTF would be added to the principal balance. An annual audit of the World Bank's overall management of trust funds will be carried out by the World Bank's external auditors at the expense of the World Bank; the report would be shared with all trust fund donors. Specific audits of donor contributions to the MDRP/TF can be undertaken at the request and expense of the donor. Independent management reviews would be undertaken at mid-term and at program end.

³⁶ A detailed breakdown is provided in Attachment 3, Section 6.2.

Attachment F: World Bank Assistance

1. Rationale for IDA Involvement

181. Progress towards peace and stability in the region is a pre-condition for a return to economic growth and the implementation of poverty reduction strategies. These in turn are conditions for the effective implementation of the World Bank's overall assistance program in the region. DRPs are therefore already an integral part of the World Bank's transitional support strategies and country assistance strategies for countries. Building on a variety of country-level initiatives, the World Bank has joined donor and UN partners and governments in the region to prepare the regional DDR strategy and program.

182. The World Bank's role in the implementation of the MDRP would be three-fold: (i) as manager of the MDRP Secretariat; (ii) as administrator of the MTDF; and (iii) as co-financier of national programs. This attachment provides guidance to the eventual IDA engagement in national programs.³⁷

2. Fiduciary Responsibilities

184. IDA's requirements for fiduciary safeguards are provided for under various operational policies and procedures, standard clauses in credit agreements and guidelines issued to operational staff from time to time. All of these have the underlying objective to ensure that IDA funds are adequately managed and used for the purposes intended, that proper accounting records and documents are maintained for all expenditures, and that these are audited at least once a year by external independent auditors.

185. One of the key criteria for every IDA credit would be to ensure that the specific financial management, procurement and disbursement arrangements are consistent with the its guidelines and procedures. Given the high-risk post-conflict environment, extra efforts would be undertaken by task teams to ensure adherence to these principles. The main procedures and safeguards currently followed by IDA are summarized below.

186. *Choice of lending instrument.* The choice of World Bank lending instrument for national programs financed under the MDRP would depend on the circumstances in a given country. The application of the World Bank's emergency assistance under Operational Policy (OP) 8.50 would be assessed on the basis of the required criteria, including impact on economic priorities and investment programs, frequency, and expected economic benefits. In general, the World Bank would aim at providing a rapid response to emerging needs while maintaining its focus on fiduciary responsibilities.

³⁷ These requirements would be applicable irrespective of the choice of lending instrument, unless otherwise stated. World Bank financing would be contingent upon the fulfillment of the general and country-specific criteria as presented in Annex 3, Section 1. The guidelines focus on IDA credits but would apply equally to IBRD.

3. Financial Management

187. IDA's requirements for financial management are stated in Operational Policy (OP) and Bank Procedures (BP) 10.02 of August 1997. Implementation of OP/BP 10.02 is ensured through World Bank accredited Financial Management Specialists (FMS). The FMS would be involved from the preparatory stage onwards to make sure that the government takes appropriate actions for adequate financial management of IDA funds. The focus would generally be on timely recruitment of qualified financial staff (assisted by consultants as needed) who would be responsible for establishing adequate procedures and controls for the use of project resources, and for maintaining an appropriate accounting system. A confirmation by the FMS that the Government has taken the required action for a financial management system would be a condition of credit effectiveness.

188. *The World Bank as trust fund administrator.* The administrative agreements with MDTF donors would describe the eligible expenditures to be financed under the trust fund as well as the standard provisions for the use and disbursement of funds and for the procurement of goods and services. Individual grant agreements between recipient governments or, for special projects, partner organizations, would highlight the specific financial management, procurement and disbursement arrangements consistent with the guidelines and procedures of the World Bank. The specific arrangements (procurement methods, prior review thresholds, authorized allocation for special accounts, etc.) would be established based on reviews and assessments of the particular needs, capacities and risks of each country operation, and would be indicated in the grant agreement and implementation manual.

189. *Annual external audits.* All IDA credit agreements contain a standard clause requiring projects to have their annual financial statements audited by an independent auditor acceptable to IDA and submit the audit report within six months following the fiscal year end of the project. This requirement is closely followed up with a data base which captures performance of all projects as regards submission of annual audit reports. Under the MDRP, depending on the country context, audits at shorter intervals may be required. The FMS would follow up on the main findings reported by the auditors as well as with projects that fall into arrears regarding the submission of their annual audit reports.

190. *Periodic Financial Management Reports (FMRs).* Under procedures commenced recently, all investment projects are required to submit quarterly FMRs with information on: (i) use of IDA funds for project activities; (ii) progress on physical outputs of the project; and (iii) main procurement activities under the project. Given the fact that this is a relatively new activity, World Bank FMS are also engaged in assisting the Governments in completing FMRs and bringing these up to standards acceptable to IDA.

192. *Safeguards for cash payments to beneficiaries.* Evidence from different countries suggests that with appropriate counseling, ex-combatants use cash payments to meet their basic needs. Should national programs be supported by an IDA credit with a fast-disbursing component under OP 8.50, several safeguards would be utilized to ensure

complete and accurate payment of funds: (i) tracking of payments distribution through the financial database as part of the Management Information System (MIS); (ii) registration at the local program office; (iii) unique photo ID card; and (iv) representative sampling of beneficiaries to verify receipt and use of payment (see also Chapter 7.3 and Annex 3, Attachment C).

4. Disbursement

193. Specific disbursement procedures would be developed for each national program based on its particular situation and design, taking into consideration IDA's disbursement policies and procedures. The key considerations for the disbursement procedures would be: (i) a link between physical progress and program expenditures; (ii) the need for a sufficient balance in the Special Account for decentralized and urgent activities; and (iii) an efficient and effective flow of funds to meet the needs of the project during a relatively short implementation period.

194. *IDA funds.* National programs that are able to submit satisfactory quarterly FMRs, may be allowed an option to request withdrawals in quarterly tranches based on the FMRs and projections of funds required. IDA credits processed under OP 8.50 may contain a quick disbursing component to finance a positive list of imports. Upon receipt of the proceeds of the credit under this component, the foreign currency would be converted into local currency and be deposited in a separate account. The government would ensure that all such funds would be used exclusively for expenses under the national program, according to the provisions of the program implementation manual. Retroactive financing may also apply.

195. Funds other than under the quick disbursing component would be disbursed through Special Account procedures. Prior to credit effectiveness, the government would open a Special Account in which IDA would deposit an initial advance sufficient to cover three to four months resource requirements. At least once a month a withdrawal request for replenishment of the Special Account would be submitted accompanied by Statement of Expenditures (SOEs) detailing the program expenditures incurred for which replenishment is being requested, and a bank reconciliation statement which accounts for the balance available in the Special Account.

196. The detailed accounting documentation (receipts, invoices and vouchers) would be retained by the program implementation unit and be subject to annual external audits. The auditors would be required to provide an opinion on the reliability of SOEs, and whether the Special Account has been properly used for eligible program expenditures.

197. *MDTF funds.* Disbursements from the MDTF to national programs would also be based on FMR, thus avoiding high cash balances when program progress is behind schedule. At the same time, disbursements could be made from the MDTF to finance urgent demobilization and reintegration even if the country where in arrears to the World Bank and could not draw on IDA resources.

5. Procurement

199. IDA financing agreements for each individual national program would include the general provision that procurement of all goods and works would be undertaken in accordance with the *Guidelines for Procurement under IBRD Loans and IDA Credits* published in January 1995, as revised periodically. Consultant services contracts financed by IDA would be procured in accordance with the Bank's *Guidelines for the Selection of Consultants by World Bank Borrowers* published in January 1997, as revised periodically. Such agreements would also indicate the thresholds and specific procedures to be used for procurement (International Competitive Bidding, National Competitive Bidding, National Shopping, etc).

200. Given the need for timeliness and flexibility in response to emerging opportunities, and to facilitate speedy procurement of items required urgently, some of the critical requirements could be obtained on a fast track basis. For example, drugs necessary for VCT in the demobilization phase could be obtained directly from United Nations agencies (UNFPA, WHO). Furthermore, and based on experience from similar operations in Africa, higher thresholds and simpler procurement methods (national and international shopping) may be applied. Moreover, greater emphasis would be placed on post reviews and audits.

201. Given the nature of DRPs, most of the funds under national programs would be utilized for community-level reinsertion and reintegration assistance to ex-combatants. Hence, it is unlikely that funds would be used for any large contracts for goods or works. Depending upon the context and circumstances of each program, goods and services may be required mainly for setting up of the program implementation unit (including staff, office equipment, vehicles, etc.), audits and studies and evaluations.

202. The procurement arrangements for each country would be based on a procurement capacity assessment to be carried out during appraisal. Country-specific action plans would be developed, including prior and post review thresholds. Procurement plans would be elaborated for the first year of operation based on a specific work plan. These procedures would also apply for the use of MDTF resources for national programs.

6. Environmental and Social Aspects

203. For each national program, the task team would prepare an Integrated Safeguards Data Sheet (ISDS) for review by Africa Region's safeguards team and assignment of both the environmental assessment (EA) category under OP 4.01 and the overall safeguard category for the activities proposed. When national program activities trigger any of the World Bank's safeguard policies, a country-specific assessment would be undertaken and plans would be developed to comply with the provisions of the respective safeguard policies. It is expected that in most cases appropriate actions could be addressed in an environmental and social management plan or framework, including a resettlement plan or framework where needed. If the country-specific program were categorized A, a full EA would be required.

204. The timing of the preparation and disclosure of safeguards documentation would depend on whether the program is processed normally as a sector investment project or under OP 8.50 as an emergency assistance project. Under normal processing, the safeguards documentation would be prepared, reviewed and disclosed, both in-country and at the World Bank's Infoshop, prior to appraisal as required under the World Bank's policies. In the case of processing under OP 8.50, safeguards documentation would be expected to be prepared by program inception or as agreed to in the ISDS according to the urgency of the particular situation. The safeguards documentation would be reviewed and disclosed both in-country and at the Infoshop as soon as it becomes available. Under both normal and OP 8.50 processing, detailed environmental and social management procedures would be spelled out in the program implementation manual.

Annex 4: Map