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# Special assistance for the economic recovery and reconstruction of the Democratic Republic of the Congo

**Report of the Secretary-General**\*

#### Summary

Pursuant to General Assembly resolution 56/100 of 14 December 2001, the present report describes the financial and material assistance provided by the United Nations system to the process of economic revival and reconstruction in the Democratic Republic of the Congo. This assistance was provided in a context where the political and economic situation in the Democratic Republic of the Congo afforded the activities of the United Nations system some room for manoeuvre: the ceasefire was being broadly observed, and the Government was applying with some success a programme of stabilization and economic reform.

However, in the areas of governance and human development the situation has remained disquieting. There is still much to be done to implement the new institutional order advocated in the Lusaka Agreement and thereby to ensure lasting peace and the reunification of the country. The aftermath of the two wars, combined with the structural imbalances in the economy, kept the majority of Congolese in vulnerable and difficult circumstances characterized by malnutrition, low purchasing power, high morbidity and falling school attendance.

Faced with these challenges, United Nations organizations have contributed technical, financial and material assistance to the Democratic Republic of the Congo in the three key areas identified in General Assembly resolution 56/100, namely, the restoration of security and a lasting peace; emergency assistance to populations in distress; and economic recovery and reconstruction.

<sup>\*</sup> The delay in submission of this report is due to the time required for the necessary prior approvals.

For this purpose, and in order to improve its support for the efforts of the Government and the other development partners of the Democratic Republic of the Congo, the United Nations organizations have opted for a consciously proactive approach, with the following three components: a capacity for immediate response to the most acute forms of vulnerability, through a strategy of presence and mobility; advocating initiatives of common interest "imposed" on each of the belligerents as causes in the national interest; and support for sustainable and structural approaches, both at the macroeconomic level and addressed to communities and groups capable of drawing up a crisis management strategy suited to them.

Support for the restoration of peace and security has consisted of promoting human rights and the culture of peace through training activities or institutional support for ad hoc systems, both public and private. The United Nations system, working with other development partners (non-governmental organizations and bilateral cooperation agencies) has also regularly argued in favour of the Congolese responses to the crisis, for the sake of national unity and a united humanitarian effort. The various protagonists have thus been made aware of the need to join forces at national level in order to combat epidemics and disease (through national or regional immunization days, the rebuilding of health centres, etc.), ignorance (nationwide coverage of secondary school leaving examinations available, refurbishment of schools, etc.), and the isolation of population groups (restarting river traffic, repairing communication routes, etc.).

Against a background of localized conflicts and the after-effects of earlier clashes, in 2001 the United Nations system continued its humanitarian interventions, and reaffirmed its commitment to civilian victims. This assistance was hindered to some extent by the sheer size of the country, the dispersal of the population and the relative absence of statistical data. By developing a capacity for immediate response based on strategies of presence and mobility, the United Nations organizations, within their respective mandates, have been able to bring humanitarian workers into contact with the target populations (by sending humanitarian convoys and "peace barges", etc.) and to underpin micro-strategies for ending the crisis. These actions have been carried on in conjunction with structural responses geared to economic recovery and reconstruction.

With regard to reconstructing the Democratic Republic of the Congo, the United Nations system intends to use the encouraging signs of progress that were apparent in 2001 in order to consolidate the achievements of its past and present activities, and to take account of the new context prevailing there. The priority aim of future system activities will be to support the process of transition towards political normalization and economic reconstruction. Three priority areas have been identified for this purpose:

Promotion of democratic governance by providing support for the electoral process, for development management capabilities and for reunifying the administration;

Combating poverty by providing back-up for both national and community strategies for ending the crisis;

Support for the mobilization of resources on the basis of the strategy and policy frameworks drawn up by the Government, and through mechanisms such as advisory groups, thematic and/or sectoral meetings, etc.

## I. Introduction

1. The present report is submitted in accordance with the provisions of General Assembly resolution 56/100 of 14 December 2001, requiring the Secretary-General to report to the Assembly at its fifty-seventh session on action taken by the United Nations system to assist the Democratic Republic of the Congo in its efforts to restore peace and security, bring emergency aid to people in need and embark on the process of economic recovery and reconstruction.

## **II.** General situation of the Democratic Republic of the Congo

### A. Political and security situation

2. For almost the whole of the past six years the Democratic Republic of the Congo has been the subject of two wars, both of which started in the east, in 1996 and 1998. The war which broke out in 1998 is the more destructive and deadly, with over three million dead from the direct or indirect effects of the war, and about 2.5 million displaced persons. It has also led to a de facto partition of the country into zones under the control of the Government and the rebel movements respectively.

#### Inter-Congolese dialogue

3. On 21 January 2001, the Government of the Democratic Republic of the Congo began to implement the Lusaka Agreement of 10 July 1999, involving observance of the ceasefire, the partial withdrawal of foreign troops and the deployment of MONUC troops. As part of the same process, the inter-Congolese dialogue was held at Sun City (South Africa), over a period of 52 days, from 25 February to 18 April 2002. At the end of the dialogue the delegates adopted by consensus some thirty resolutions on political, economic, financial, humanitarian, social and cultural questions, and also on questions of defence, security, peace and reconciliation.

4. However, the key question of power-sharing during the transitional period has not been resolved. A partial agreement was signed between the Government of the Democratic Republic of the Congo and the Mouvement de libération du Congo (MLC) on an arrangement for sharing power by consensus for a transitional period of 30 months. The text of the agreement was co-signed by a majority of the delegates, except for those from the Rassemblement congolais pour la démocratie (RCD-Goma) and a handful of large political parties.

#### Military and security situation

5. On 30 July 2002 a peace agreement between the Democratic Republic of the Congo and Rwanda was signed in Pretoria (South Africa) by Presidents Joseph Kabila and Paul Kagame, providing that the Interahamwe and ex-FAR would be disarmed, moved to assembly areas and repatriated to Rwanda within 90 days, in exchange for the complete withdrawal of Rwandan troops from the Democratic Republic of the Congo.

6. In August 2002 a peace agreement between the Democratic Republic of the Congo and Uganda was signed at Luanda, Angola, by Presidents Yoweri Museveni

and Joseph Kabila. This agreement provides for the withdrawal of Ugandan troops from the Democratic Republic of the Congo, the resumption of cooperation and the normalization of diplomatic relations between the signatory countries.

#### **B.** Economic and social situation

7. **Growth.** Since 2001 there has been a slight increase in economic activity. The most recent figures from the Central Bank indicate a growth rate of around 3 per cent for the period 2001-2002. The quickening pace of economic activity is due mainly to the increased output of diamonds (9 per cent), cobalt (140 per cent), coffee (18 per cent), undressed timber (130 per cent) and cement (15 per cent). However, these indicators relate only to the part of the country under Government control. It should also be pointed out that with the decline in the formal sector of the economy, the informal sector has become more dynamic, but so far there has been no thorough methodical study of the latter's contribution to national output.

8. **Inflation.** Since the economic liberalization measures adopted in early 2001, which included the policy of transparent pricing of oil products, inflation has slowed down. The overall inflation rate dropped from 552.55 per cent in 2000 to 403.60 per cent in 2001. Between April 2001 and April 2002 it was only 42.9 per cent. However, this is only an average for price movements, encompassing significant discrepancies between the trends for different categories of expenditure. The highest inflation figure during the first quarter of 2002 was 8.1 per cent for furniture and for household and housekeeping items. This is followed by education (6.7 per cent), food (5.3 per cent), health care (4.4 per cent) and clothing (3.1 per cent).

9. **Exchange rate.** The Congolese franc has been relatively stable since the previous policy of strict control of foreign exchange and the exchange rate was abandoned in early 2001. The gap between the official and the parallel exchange rates has almost been closed, and the rate is no longer subject to major fluctuations. On 31 December 2001 there were 313.58 Congolese francs to the United States dollar; parity reached a record level of 397.90 at the end of February 2002, and fell again to 318.92 on 31 March. It should be noted that the new exchange rate policy is among the measures introduced under the interim reinforced programme, implemented by the Government with the support of IMF.

10. **Public finance.** The first budget in the Democratic Republic of the Congo since May 1997 was adopted in the financial year 2001. However, in the early part of the year there were major difficulties in executing the budget; revenue was low and expenditure ceilings were exceeded. Efforts to reform public finance began in June 2001, under the interim reinforced programme, and resulted in a considerable improvement in the State's management of its finances. By the end of December 2001, there was a Government deficit of CGF\* 796.973 million, compared with 11,986 million one year earlier.

11. **Foreign trade.** In foreign trade, there has been a downward trend in both exports and imports, and a marked reduction in trade surpluses. The country's exports were worth \$1,448.9 million in 1997, falling to \$823.5 million by the end of

<sup>\*</sup> Congolese franc.

2000 and rising again to \$883 million in 2001. The deficit on current transactions represents approximately 4.5 per cent of GDP for the period under review, and the overall balance of payments deficit is around 8.5 per cent of GDP.

12. **External debt.** As at 30 June 2001 the country's stock of foreign debt stood at \$12.6 billion. This figure will have to be revised upwards because of accumulating interest. On the same date arrears of debt, both interest and principal, came to \$9.6 billion. It should be noted that unlike last year, the servicing of foreign debt was guaranteed in 2001 because of the monthly appropriation provided for in the interim programme. Between June and October 2001, a total of \$1.6 million was paid out to multinational institutions and international organizations as commission, interest and contributions. However, this remains a crushing debt burden, and in spite of its enormous potential, the country is classified among the most highly indebted poor countries.

13. Social and humanitarian situation. In spite of the political and economic improvements noted above, the social and humanitarian situation in the Democratic Republic of the Congo continues to be worrying because of the same factors as those mentioned in previous reports, namely: (a) the lack of access by the poorest people to health and education services and to drinking water, because of the low level of public expenditure and of foreign aid allocated to the social sector; (b) life expectancy among the Congolese, affected by the resurgence of diseases which were formerly under control, and by the HIV/AIDS pandemic, where the incidence is higher than the African average, especially among urban populations; (c) the low proportion of displaced persons receiving assistance from the international community (38 per cent in 2000), owing to the unceasing and uncontrolled movement of increasing numbers of the population, caused by the wars (by the end of 2000, over 2 million people had been displaced from their homes and dispersed throughout the country); (d) environmental degradation, and degradation of the habitat in general, resulting in natural disasters such as soil erosion, floods and deforestation. In January 2002, the town of Goma was 20 per cent to 40 per cent destroyed when Nyirangongo volcano erupted, leaving about 14,000 families, or 80,000 to 100,000 people, completely destitute.

14. Economic measures and options. In order to stabilize the economy, in 2001 the Government adopted some bold measures, such as executing the budget for 2001 on a cash basis, letting the currency float, freeing interest rates and enacting a new banking law. These measures were brought together under the interim reinforced programme, endorsed by IMF for the period June 2001 to March 2002, with the aim of stemming hyper-inflation, stabilizing macroeconomic indicators and creating conditions for renewed growth and economic reconstruction. In parallel with these measures, the Government had implemented a series of reforms: the controls on diamond trading were lifted in February and a true-price policy for oil products was introduced in May. The evaluation by IMF of the implementation of the interim programme was considered satisfactory. Thanks to strict budgetary discipline and monetary and pricing policies compatible with the chosen objectives, this programme has made it possible to break the inflationary spiral and bring about a marked reduction in the distortions which were still apparent in the economy. It has also provided a framework for the following: (a) the exchange policy, with the new regulations to liberalize currency exchange (decree law no. 004/2001 of 31 January 2001); (b) the policy for mining and investment, with the new code on mining and investment; (c) the pricing policy, with the strengthening of the regime introduced

by Order no. 83/026 of 12 September 1983 on the liberalization of prices, accompanied by a posteriori controls.

15. Official development assistance. According to initial estimates, official development assistance to the Democratic Republic of the Congo amounted to \$184 million in 2000 and \$243 million in 2001. Despite this significant upturn of around 58 per cent, humanitarian aid remains the principal form of assistance granted to the Democratic Republic of the Congo. This trend dates back to the 1990s, when the Democratic Republic of the Congo went into a lasting crisis, marked by social unrest, looting and armed conflicts leading to a freeze on structural cooperation. However, since September 2001, there has been a gradual re-emergence of this form of cooperation. The successful macroeconomic management reforms mentioned earlier have secured the resumption of macroeconomic dialogue between the Democratic Republic of the Congo and the Bretton Woods institutions. IMF has provided its support to the Government in setting up a three-year programme. The World Bank has donated \$50 million to the Government, and helped it to develop an emergency, multisectoral programme for rehabilitation and reconstruction, at an estimated cost of \$1,700 million. The World Bank, in cooperation with UNDP, has helped the Government to draft an interim Poverty Reduction Strategy Paper and agreed to provide it with a loan of \$450 million, \$300 million of which has been earmarked to go towards paying off arrears in foreign debt payments.

16. **Macroeconomic dialogue.** In the main, the resumption of official cooperation is organized by a periodic consultative body comprised of donors and chaired by the World Bank. Within this framework, three meetings have taken place since July 2001, alternating between Paris and Brussels, to provide donors with information concerning the economic and financial situation of the Democratic Republic of the Congo. These meetings have been well attended by the country's bilateral and multilateral partners: the December 2001 session thus brought together representatives from several countries and international organizations. At the July meeting, donors announced the release of funds amounting to \$240 million to support the interim reinforced programme. Regrettably, however, the significant payments promised have yet to materialize.

## **III.** Major constraints and challenges

#### A. Challenges relating to governance

17. **Process of political normalization.** As mentioned previously, the political situation remains closely tied to the issue of setting up both a new institutional framework and a national army. There are two opposing camps over this issue: on one hand, the alliance between the signatories of the Sun City Agreement and, on the other, those who refused to sign that agreement (Rassemblement congolais pour la démocratie and a fringe group of the unarmed political opposition). Negotiations are taking place with a view to reconciling the two sides, using a participatory, consensus-building approach. These negotiations must be pursued, at the risk of delaying or even jeopardizing the reunification and reconstruction of the country.

18. Situation concerning the respect for human rights. The human rights situation, which is precarious enough during more peaceful times owing to a long tradition of neglect for such rights, has further deteriorated. There have been many

atrocities and violations of the right to life, including violations directly linked to the conflict and affecting the most vulnerable sections of the population (clashes between two MLC factions in May 2002 in Orientale Province), and numerous abuses (arrests and illegal detentions, violations of political rights and violations of the freedoms of association and the press) perpetrated by government agents and rebel movements alike. A decree has been signed, proclaiming a general amnesty, which has led to the release of numerous prisoners, mainly in Kinshasa. However, arrests have continued since the decree was promulgated, and it has been implemented only in part; some of the persons concerned have continued to be detained. A National Human Rights Conference, organized by the Government with support from the international community, including the field office of the Office of the High Commissioner for Human Rights and other United Nations agencies (UNDP, UNICEF), brought together 429 delegates, representing public institutions and civil society organizations from all of the country's provinces. A national plan of action for the promotion and protection of human rights and the Congolese Charter of Human Rights were adopted.

#### B. Challenges relating to sustainable human development

19. Human poverty. The social and humanitarian situation remained a matter of great concern in the Democratic Republic of the Congo throughout 2001. A recent study showed that most of the population lives on the equivalent of \$0.2 per person per day, and consumes less than two thirds of the calories necessary to stay healthy. According to statistics from the World Food Programme (WFP) and the Food and Agriculture Organization (FAO), approximately 17 million Congolese people, or about one third of the total population of the country suffer from food insecurity and have critical food needs. The reasons given to account for this are, inter alia, the prolonged displacement of populations, the breakdown of traditional food supply sources and the weakness of purchasing power. In the UNDP Human Development Report 2001, the human development index of the Democratic Republic of the Congo is calculated at 0.429, which means that it is ranked 142nd out of 162 countries, and that it is one of the countries with the lowest human development levels. Thus, human development trends point to a worsening monetary poverty situation caused, inter alia, by administrative and economic misgovernance. The contribution of community and informal sector dynamics to alleviating this problem is insufficient to make any significant progress in reducing human poverty.

20. **HIV/AIDS, the environment and conflicts.** Given the speed with which it has spread and its devastating impact on economic and social activity, the HIV/AIDS pandemic has created specific development problems, the significance of which is not accurately reflected in the statistics available. According to estimates from the Office for the Coordination of the National Programme to Combat AIDS, published in 2000, the rate of AIDS infection among adults between the ages of 15 and 49 years stands at five per cent. These estimates are well below the national reality: in some areas of the country, particularly in those ravaged by conflict, the prevalence rate is between 25 and 35 per cent. Conflicts have also had a serious impact on the environment: wildlife and vegetation have suffered extensive damage since 1994, with the movement of refugees and displaced persons having led to problems of erosion, deforestation, poaching and immense pressure on natural resources, such as the minerals from the national parks.

21. **Constraints on the activities of the United Nations system.** The activities of the United Nations system in the Democratic Republic of the Congo have come up against a number of problems in carrying out their activities, in particular: (a) the insecurity of civilians and United Nations staff: while violence against civilians has been referred to earlier in the report, it should be noted that international officials in particular have suffered from increasing levels of insecurity in some large towns; (b) the inaccessibility of many of the persons affected by war and other vulnerable groups, especially those situated along the front; also central to the problem are the size of the area that needs to be covered and the poor state of socio-economic and transport infrastructure, which push up the cost of operations; (c) the lack of resources effectively mobilized for humanitarian and rehabilitation efforts, owing to the reluctance of partners to honour their commitments, which are linked to the progress of the Inter-Congolese dialogue; and (d) the limitations of the humanitarian response, given the extent of the needs.

## IV. Cooperation between the Democratic Republic of the Congo and the United Nations system

22. The encouraging developments in the national context have created the prospect of emergence from crisis but a lasting recovery will require the support of all development partners, including the Bretton Woods institutions. In fact, most of the partners appear to be on the verge of taking up again or strengthening their cooperation programmes with the Democratic Republic of the Congo, in the light of the steps taken by the Government to promote political openness, liberalization and economic reform.

23. In full awareness of this somewhat narrow room for manoeuvre — the first such opportunity in three years — United Nations agencies have provided financial and material assistance to the Democratic Republic of the Congo in the three main areas described in General Assembly resolution 56/100, namely:

- The restoration of security and a lasting peace
- Emergency assistance to populations in distress
- Economic recovery and reconstruction.

24. To achieve these objectives, United Nations agencies in the Democratic Republic of the Congo have opted for a consciously proactive strategy, with the following three components: (a) a capacity for immediate response to the most acute forms of vulnerability, through a strategy of presence and mobility; (b) advocacy for initiatives of general interest which are "imposed" on each of the belligerents as "common causes"; and (c) support for sustainable and structural approaches, both at the macroeconomic level and addressed to communities and groups capable of drawing up a crisis response strategy suited to them. This support has spread to issues of governance and respect for basic human rights.

## A. Support from the United Nations system for the restoration of peace and security in the Democratic Republic of the Congo

25. Support for implementation of the Lusaka Agreement. Consultations between the United Nations and regional leaders, in coordination with the secretariat of the African Union, took place within the framework of meetings of the Political Committee on the Implementation of the Lusaka Ceasefire Agreement, which comprises representatives of MONUC and the African Union. The most recent meeting of the Political Committee took place in Luanda, and was attended by the Special Representative of the Secretary-General as well and the members of the most recent Security Council mission to the Great Lakes region from 27 April to 7 May 2002. Among other things, the participants carried out an assessment of the progress made in implementing Security Council resolution 1399 (2002). They noted the low level of implementation. Nevertheless, the Security Council mission welcomed the commitment of the Political Committee towards implementing the resolution. However, the combined efforts of the United Nations Secretary-General and President Thabo Mbeki led to the signing of a peace agreement between President Paul Kagame and President Joseph Kabila in July 2002.

26. **Promotion of human rights and the culture of peace.** The United Nations system has provided support to national institutions and civil society organizations with a view to promoting the culture of peace, improving the administration of justice and enhancing the protection of human rights. A number of activities have been carried out to achieve these objectives:

(a) The Office of the High Commissioner for Human Rights, with financial support from the European Commission, has been conducting an initiative since October 2001 to assist the Ministry of Human Rights in matters such as the National Plan of Action for the promotion and protection of human rights;

(b) In cooperation with the MONUC Human Rights Section and other United Nations agencies, the Office of the High Commissioner for Human Rights has carried out a number of training activities for various target groups: lawyers and magistrates, human rights activists and media professionals;

(c) In the context of the national institutional strengthening and capacitybuilding programme, UNDP has helped to disseminate the resolutions and recommendations of the National Human Rights Conference to police, armed and security forces in Kinshasa and the provinces;

(d) After a series of consultations between the Ministry of the Interior and the Office of the United Nations High Commissioner for Refugees, a draft law on refugees was presented to the Government for submission to the Constituent and Legislative Assembly/Transitional Parliament.

27. **Raising awareness of common causes at the national level.** The United Nations, in cooperation with other development partners (non-governmental organizations, bilateral cooperation), has acted in support of national responses to the crisis that take an approach based on national unity and human solidarity, in contrast to the deepening of divisions and perpetration of acts of violence that jeopardize the very foundations of the country and the conception of the State. The United Nations has attempted to raise the awareness of the various protagonists of the need to join forces at the national level and promote the common causes of

education, health, movement of persons and goods, and national unity. A number of activities have been conducted or supported by involving national parties from both sides of the front:

(a) UNICEF has assisted both the Government and the warring parties with the demobilization of child soldiers and family reunification (approximately 800 unaccompanied children have been taken into care, 207 child soldiers from the Congolese Armed Forces (FAC) have been demobilized, 165 child soldiers and members of the Congolese militia deported to Uganda have been demobilized and repatriated, 104 other child soldiers were demobilized from the Mushaki camp in April 2002);

(b) The United Nations system, with the Office of the High Commissioner for Human Rights playing the leading role, has taken steps to protect, train and raise the awareness of members of local non-governmental organizations and human rights activists, sent missions to the field (including that of the Special Rapporteur on the situation of human rights in the Democratic Republic of the Congo), and made visits to prisons in government-controlled towns (Mbuji-Mayi, Lubumbashi, Likasi, Matadi, Boma) and rebel-controlled ones (Bukavu, Bunia, Kindu, Maniema, Butembo, Kisangani);

(c) The Office for the Coordination of Humanitarian Affairs (OCHA), together with other United Nations agencies, including MONUC, assisted with the organization of national secondary school examinations, involving over 50,000 pupils living in rebel-controlled areas who, if successful, will be awarded a diploma recognized by the Congolese Ministry of Education; two workshops were organized concerning the educational and food security sectors with a view to consolidating and promoting peace in the context of crisis and humanitarian emergency; other workshops are scheduled to take place concerning essential areas of everyday Congolese life (health, media, justice, transport and the protection of civilians);

(d) WHO and UNICEF have pooled their efforts with other agencies and organizations to ensure the successful organization of national polio vaccination days (12,348,473 children under the age of five years were vaccinated);

(e) The International Labour Organization (ILO), with financial support from the World Bank, has launched a programme for the economic rehabilitation of vulnerable groups and former combatants (800 vulnerable persons, including 300 young former combatants will benefit from these rehabilitation programmes).

## **B.** Humanitarian assistance provided by the United Nations system in the Democratic Republic of the Congo

28. Against a background of localized conflicts and the after-effects of earlier clashes, in 2001 the United Nations system continued its humanitarian operations by reaffirming its commitment to civilian victims. This approach is a response to the need to free humanitarian workers from a certain degree of immobility caused by the sheer size of the country, the dispersal of the population and the relative absence of statistical data. Immediate responses have therefore been based on presence and mobility strategies designed to bring humanitarian workers into contact with target sections of the population and to underpin microstrategies for ending the crisis.

29. Humanitarian and peace convoys to areas in the vicinity of the target sections of the population. The United Nations system coordinated the organization of "humanitarian corridors" along which a variety of products could be escorted and foodstuffs from areas where they were in surplus could be sent to areas where they were scarce, and which made it possible to actually open the river to commercial traffic. Several convoys have been arranged as a result: (a) on 10 June 2001, the first MONUC ship left Mbandaka for Kisangani, under the protection of a Uruguayan detachment of MONUC, carrying a consignment of 527 tons of supplies from WFP for Congolese areas under the control of the rebels; (b) on 31 July 2001, a humanitarian river convoy, nicknamed "Bateau Boboto", jointly organized by several partners (FAO, Office for the Coordination of Humanitarian Affairs, MONUC, Coopération technique belge, WFP, UNICEF, MEMISA/Belgium and Centre de développement intégral de Bwamanda) left Kinshasa for the northern part of the Equator province, carrying 650 tons of vital supplies (medicine, fuel, medical equipment, food, school stationery, building materials, clothing, seed and agricultural implements); (c) return of the "Bateau Boboto" one month later with 800 tons of maize as aid for the needy in Kinshasa; (d) on 8 February 2002, a humanitarian river convoy left for Sankuru with 700 tons of vital supplies; (e) on 29 April 2002, a humanitarian river convoy organized by the technical group (United Nations agencies/MONUC/donors/international non-governmental organizations) carrying more than 1,000 tons of essential commodities, left Kinshasa for Kisangani, putting in at Bumba, Lisala and Isangi on the way. These convoys, whose purpose was to relieve humanitarian emergencies, were co-financed by the United Nations Emergency Fund and managed by the Office for the Coordination of Humanitarian Affairs.

30. The United Nations Inter-agency Consolidated Appeal. Given the progress achieved under the Lusaka Agreement and in anticipation of the operation for disarmament, demobilization, repatriation, reintegration and resettlement, backed by the phase 3 deployment of MONUC, the United Nations and its partners have drawn up the Common Humanitarian Action Plan (CHAP) for 2002 (2002 consolidated appeals process). Another aim of the consolidated appeal is the extension of activities to all peace zones through microprojects to revive the economy. As at 5 May 2002, the donor response amounted to almost 13 per cent of the total \$194,140,365 required for all the projects proposed by United Nations agencies and non-governmental organizations. After the eruption of the volcano near Goma, a new request was submitted for \$14,763,221, thus bringing the total amount of funds requested under the 2002 consolidated appeal to \$208,903,586.

#### C. Support from the United Nations system for the economic recovery and reconstruction of the Democratic Republic of the Congo

31. Various United Nations bodies have endeavoured in their respective fields to offer carefully planned responses in order to reintroduce sustainable measures to revive the economy and rebuild the country. Although immediate action is called for, it is necessary to retain a logical approach aimed at long-term structural reforms and institutional support, including support for national strategies to end the crisis (institutional capacity-building and assistance for the growth and poverty reduction programme).

32. **Support for microstrategies and activities to end the crisis.** Microstrategies to end the crisis focusing mainly on activities to rehabilitate infrastructures, generate income or build community capacities have been drawn up. In the provinces affected by the conflicts, the purpose of action by the United Nations system has also been to bring about inter-community reconciliation and socio-economic reintegration through inter-ethnic projects and projects supporting communities able to receive demobilized soldiers. Several initiatives have therefore received assistance from the outset:

(a) UNICEF has financed the rebuilding of schools destroyed by the eruption of Nyiragongo, thereby enabling 24,000 pupils to resume their education;

(b) UNDP, together with the United Nations Office for Project Services (UNOPS) and FAO, provided grants, micro-loans and training in Kinshasa and seven other provinces, including those in the east under rebel control, to enable local communities to draw up and implement community projects for the rehabilitation of basic socio-economic infrastructures or pertaining to rural or urban development.

33. **Combination of humanitarian aspects and development.** The setting of common objectives (through joint documents, thematic groups and meetings between MONUC and United Nations agencies) not only enables the Organization to secure the requisite funds and impetus for "classical" national programmes, but also serves as the reintegration component of the disarmament, demobilization and reintegration programme. In order to pursue both overall objectives, agencies in the system had to be flexible in implementing their programmes, so as to ensure that national programmes were in step with advances in the disarmament, demobilization, repatriation, reintegration and resettlement programme. Several agencies are therefore combining emergency assistance with more long-term schemes:

(a) UNDP is contemplating possible adjustments to its programme to incorporate the reintegration of demobilized troops. The community capacity-building programme will include demobilized soldiers and their families in the target sections of the population;

(b) UNESCO, acting through the non-governmental organization Association philanthropique des mamans du Congo (Aphilma), has initiated educational activities for displaced girls in the Democratic Republic of the Congo;

(c) WFP has continued the implementation of its "Protracted Relief and Recovery Operation" which, for the year 2002, will provide \$35,581,255 and 60,652 tons of assistance for 1,290,830 persons, including persons displaced by the war, refugees and other categories of persons affected by the war.

34. **Support for national reconstruction strategies and strategies to end the crisis.** United Nations agencies have helped the Government to draw up or implement development strategies consonant with the macroeconomic and sectoral dialogue with the Bretton Woods institutions. This dialogue is a factor influencing three main strategies: the Poverty Reduction Strategy Paper; the Emergency Multisectoral Rehabilitation and Reconstruction Programme and the National Emergency Capacity-Building Programme. United Nations agencies have launched a variety of initiatives in the context of these strategies:

(a) In December 2001, ILO launched a participatory process for the formulation of an emergency programme to create jobs and generate income, which establishes a link between the employment programme and the Poverty Reduction Strategy Paper;

(b) FAO helped the Government to work out the medium-term rural development strategy which was used as a basis for identifying and evaluating the agricultural component of the Emergency Multisectoral Rehabilitation and Reconstruction Programme;

(c) UNDP continued to supply support for the National Institutional Capacity-Building Programme in the fields of resuming the collection and processing of statistics (drawing up of rudimentary national accounts for 2000 and an outline table of State financial operations for 2000), policy and strategy formulation (backing for the participatory process preceding the formulation of the Poverty Reduction Strategy Paper and steps towards the improvement of budgetary procedures), the coordination and mobilization of outside assistance (drafting of a handbook on the rules and procedures of the main donors and sponsors in the Democratic Republic of the Congo) and the improvement of administrative and judicial governance.

## V. Prospects for reconstruction

35. Guidelines for the action to be taken by the United Nations system in particular fields. With regard to reconstructing the Democratic Republic of the Congo, the United Nations system intends to use the encouraging signs of progress that were apparent in 2001 in order to consolidate the achievements of its past and present activities and take account of the new context. The priority aim of future system activities will be to support the process of transition towards political normalization and economic reconstruction. Three priority areas have been identified for this purpose: (a) the promotion of democratic governance by providing support for the electoral process, for strengthening development and management capabilities for reunifying the administration; (b) support for the mobilization of resources on the basis of the strategy and policy frameworks drawn up by the Government, and through various mechanisms — donor's meetings, advisory groups and local consultation and coordination machinery; and (c) combating poverty by supporting national and community strategies for ending the crisis. At the global and regional level, the content of activities and programmes will reflect the development goals adopted at the Millennium Summit and the guidelines contained in the New Partnership for Africa's Development (NEPAD).

36. **Support for democratic governance and combating poverty.** The abovementioned guidelines tie in with those of the Common Country Assessment made since May 2001 in preparation for the document currently being drafted by the United Nations Development Assistance Framework. The issues on which attention will focus in the future have been determined by these guidelines and account will likewise be taken of any developments which occur after the publication of the document. The Framework document will set out, inter alia, five strategic courses of action: (a) combating poverty; (b) governance and human rights; (c) HIV/AIDS; (d) peace and security; and (e) rehabilitation and emergency assistance. The same topics are to be found in the assistance programmes of the United Nations system, which have been formulated with the close cooperation of the Congolese Government.

37. Support for resource mobilization. The most recent meeting held in Paris opened up some very encouraging prospects in terms of the resumption of formal cooperation between the Democratic Republic of the Congo and its chief multilateral and bilateral partners. In fact, this meeting served as a preliminary gathering of the Advisory Group at which the participants examined the economic progress of the Democratic Republic of the Congo, development aid, the thorny question of debt and the means of giving the country more assistance. Participants expressed their satisfaction with the efficient implementation of the economic programme, as outlined in the IMF evaluation. They also considered the headway made in the inter-Congolese dialogue at Sun City to be encouraging and a decisive and necessary step towards a blanket solution of the political problems of the Democratic Republic of the Congo. They were, however, concerned that a failure to meet urgent humanitarian needs might jeopardize a smooth transition. All participants were in favour of the strategic framework constituted by the Poverty Reduction Strategy Paper and many delegations expressed their intention to contribute to the implementation of the Emergency Multisectoral Rehabilitation and Reconstruction Programme and to the Multi-Country Greater Great Lakes Regional Demobilization and Reintegration Programme. Similarly, several delegations said that they were prepared to contribute in the form of a credit linked to the settlement of the arrears on the debt. This preliminary encounter of the Advisory Group will be followed by a formal meeting of the Advisory Group in October or November 2002.

38. **Consultation and coordination machinery.** A coordination mechanism which UNDP and the World Bank proposed to all sponsors present in the Democratic Republic of the Congo, as a follow-up to the meetings in Paris and Brussels and in an attempt to avoid the dissipation of efforts and create synergies between the measures taken by various stakeholders in development, was well received at the information meeting of the partners of the Democratic Republic of the Congo held in Paris in May 2002.

#### **VI. Recommendations**

39. The Secretary-General:

(a) Invites the development partners to support the transitional institutions which will be set up under a comprehensive political agreement in order to lay the foundations for good governance;

(b) Encourages the Government to pursue the implementation of economic reforms aimed at stabilizing the macroeconomic framework so that conditions can be created for sustainable economic growth;

(c) Encourages the international community to support the disarmament, demobilization and reintegration programme for ex-combatants;

(d) Invites the international community to support the Trust Fund set up by the World Bank in order in order to settle the arrears on the Congolese debt.