

Executive Summary

In resolution A/RES/60/180, the Peacebuilding Commission (PBC) was mandated to bring together all relevant actors to marshal resources and to advise on and propose integrated strategies for post conflict peace building and recovery. The same document recognized that support from the Peacebuilding Support Office (PBSO) could include gathering and analyzing information related to the availability of financial resources.

This mapping exercise offers details on the resources and gaps for peacebuilding in Central African Republic (CAR). This exercise should assist the country-specific meetings in the elaboration of an integrated peacebuilding strategy, and contribute to improved resource mobilization and coordination of the international community's support to the country.

The document consists of two distinct parts. Part 1 describes the economic environment, the main plans and frameworks and related resource mobilization efforts and gaps. Part II gives an assessment of gaps related to various peacebuilding areas as well as suggestions for support. Projects are listed in annex, with frequent references throughout the document.

This document was prepared with inputs from the United Nations System including BONUCA and UNDP-CAR, as well as Belgium, Canada, Denmark, France, Germany, Japan, the Netherlands, Norway, the United Kingdom and the European Commission*.

* Information sources can be found at the end of the document

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The Government of the Central African Republic

OVERVIEW OF RESOURCES

1.1 Domestic Resources

A) Macroeconomic environment

The Central African Republic* (CAR) had the fifth slowest growth rate in Sub-Saharan Africa between 1996 and 2005 (less than 0.85% per annum). Real GDP growth was almost nil in 2000-2002 and fell to -4.6% in 2003. 67% of CAR citizens live below the absolute poverty line of \$1 a day.

Economic performance has improved since 2004. Real GDP grew by 4.2% in 2007, exports increased and inflation was kept low, creating a more favorable environment for recovery. Growth was expected to reach 3 1/2% (IMF estimate) in 2008, but this may be negatively impacted, also in 2009, by the international economic and financial downturn.

The authorities are also making progress on structural reforms, including reforms of the

tax and customs administration, as well as measures to improve governance and transparency (IMF). As a result, fiscal revenue increased steadily from 2004 to 2008, while government payroll decreased.

Yet the fiscal situation remains precarious due

- EC support, in the 9th European Development Fund (EDF), focuses on transport and infrastructure, budgetary aid and institution-building. The current indicative program under the 10th EDF (2008-2013, €137m) focuses on Development Hubs, and a substantial amount is earmarked for budget support.
- UN activities in the CAR have steadily increased since 2004. UNDP-CAR continued to expand in 2007, with programme expenditures of \$20.3m — over twice as much as in 2004. Funding has stepped in 2008 including with the PBF (\$10m), the Common Humanitarian Fund and the Emergency Response Fund, as detailed in the following paragraphs.
- France provides support for security sector reform, rule of law and governance programs mainly, which included in 2008 significant technical assistance.
- A Joint Interim Strategy Note was prepared by the World Bank and AfDB in 2007, on the basis of which the AfDB announced (15 October 2008) that further support would be brought for the economic reform program for 2009-2010.

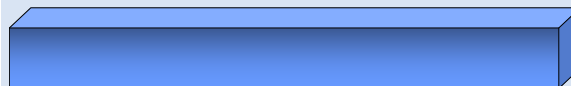
Yet the possible negative impact of the international financial and economic downturn could exert a negative impact on aid in 2009-2010.

B) Humanitarian Assistance

A mid-year review for the Consolidated Appeal Process (CAP) was prepared in June 2008. \$114m are needed for 2008, and \$71m had been committed by June 2008. This amount increased to \$106m in December 2008, or more than 9/10th of funding requirements (see graph below). New resources for humanitarian assistance have been provided in 2007-2008 by:

- The Central Emergency Response Fund (CERF) through 8 projects in 2008 totaling \$3.38 million in the areas of health, protection of IDPs, water & sanitation and support services.
- The Emergency Response Fund, with \$5.78 m in funding in 2007.
- A Common Humanitarian Fund, with \$2.1m in resources mainly provided by the Netherlands and Ireland. 17 projects were funded so far in the areas of health, education, food security and recovery.

These activities and funding mechanisms highlight the important share of humanitarian aid in the CAR. As early recovery needs increase in the absence of enhanced donor support, further coordination will be needed to implement peacebuilding strategies.



C) Peacebuilding Fund

\$10 million from the Peacebuilding Fund was allocated to CAR after the country was declared eligible by the Secretary-General.

The Priority Plan, finalized in June 2008, identified three priority areas on the basis of which projects are being selected by the National Steering Committee:

(I) Security Sector Reform, including DDR: the PBF will target areas identified during the

On 12 November 2008, 9 PBF projects (table above) were selected—they are described in detail in the complete project lists that follow. Two additional UNHCR projects are also being considered.

More information, including the interim priority plan, are available on the PBF website (www.unpbf.org).

Support to the Inclusive Political Dialogue

\$0.8m were allocated through the Peacebuilding Fund's "emergency window" in October 2007 to support the organization of the Inclusive Political Dialogue in the CAR. Through this arrangement, the PBF resources were used to fund the work of the Dialogue Preparatory Committee from January to April 2008.

The Preparatory Committee prepared a comprehensive report, which mapped the dialogue preparatory process, and proposed an agenda for the dialogue and its possible outcomes. PBF funds have also been used for organizing three meetings of the Follow-up Committee to the Libreville Comprehensive Peace Agreement held in Libreville in August, September and October 2008.

The balance of resources for this emergency window project could be used to provide financial support for the participants during the Inclusive Political Dialogue meetings in December 2008.

D) Plans, Frameworks & Round Table

CAR PRSP 2008-2010

A Poverty Reduction Strategy Paper (PRSP) for 2008-2010 was prepared in 2007. The poverty reduction strategy focuses on the following four pillars:

(i)

following areas: a) Reinforcement of the institutional framework and capacities for formulating management policies and implementation; and b) Infrastructure



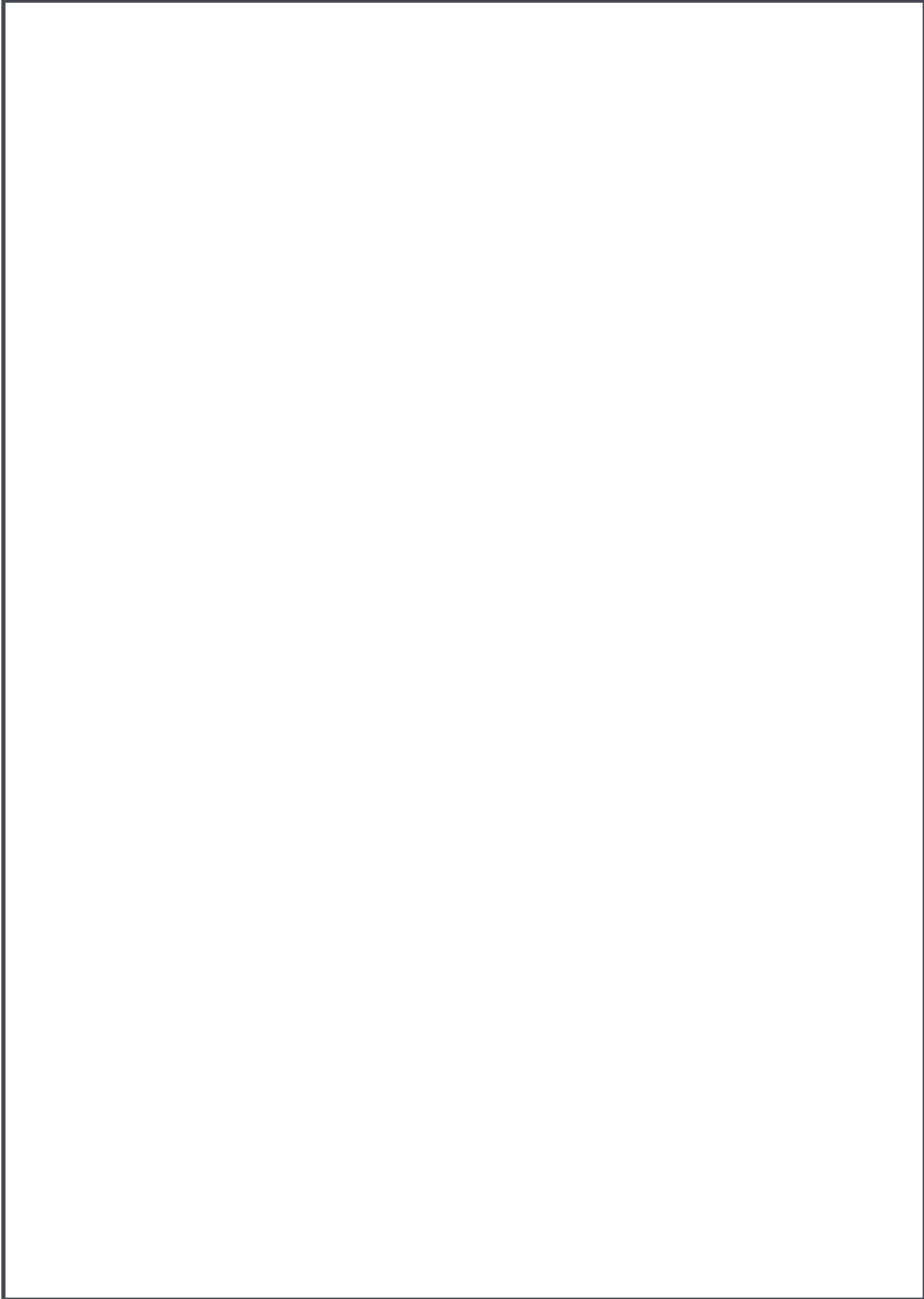
PRIORITY AREAS

PRIORITY AREAS : SUPPORT BY BILATERAL AND MULTILATERAL PARTNERS

Priority Areas (indicative)	Multilateral Partners (\$M)										Bilateral Partners (\$M)									
	World Bank	AfDB	BONUCA	ERF	CHF	EC	PBF	OIF	UNDP	African Union	Belgium	Canada	China	France	Germany	Ireland	Japan	Netherlands	United States	
1. Security Sector Reform																				
Capacity Building for Security Forces including equipment and training			x			x								xxx	xx			xx	x	
Security Sector Reform						xx								xxx						
DDR								x				*		xx						
2. Good Governance and the Rule of Law																				
Good governance, Public Finance	xxx	xxxx		x		xxx							xx							
Strengthening the Rule of Law						xxxx					*		xx					x		
Human Rights, Gender, Democracy, Civil Society						xx							xx							
3. Revitalization of the Economy and Services																				
Development Hubs	x					xxxx					*									
Water and Sanitation	xxxx	x			x	xxx							x							
Basic Infrastructure	xxx	x			x	xxxx						x	xxxx							
Private sector, agriculture, mining and forests	x	x			xxxx	x							x	xx		**				
Employment	x												xx						x	

xxxx >10M
xxx \$5-10 M
xx \$1-5 M
x <\$1M

* Multi-country programs
** Food aid



Security Sector Reform (SSR)

Plans— 1) A SSR Seminar was held on 14-18 April 2008 in the Central African Republic. The Government endorsed a two-year reform plan and a Sectoral Committee was set up. The UNDP and the EC committed, at the end of the Seminar, to support SSR and set up a team of experts to finalize a global strategy and promote its implementation. International partners have started to put together the expert team and the necessary resources. Since then, the implementation of the operational conclusions has incurred delays.

2) A White Paper on the restructuring of the defense forces, training and equipment of defense and security forces was also prepared.

3) A draft Law on Military Programming for 2009-2013 was submitted to Parliament.

Resources - Support is provided mainly by France for military and security cooperation, the European Commission and the United States. The PBF

Plans - 1) UNDAF's Axis 1 focuses on the Reinforcement of Democratic Governance and Respect of Human Rights.

2) PRSP Pillar 3 includes a key effect on "more effective democratic institutions and security". In this regard, the CAR Government's poverty reduction strategy includes a focus on Governance & the Rule of Law – through programs geared to the strengthening of political and judicial governance, improvement of e

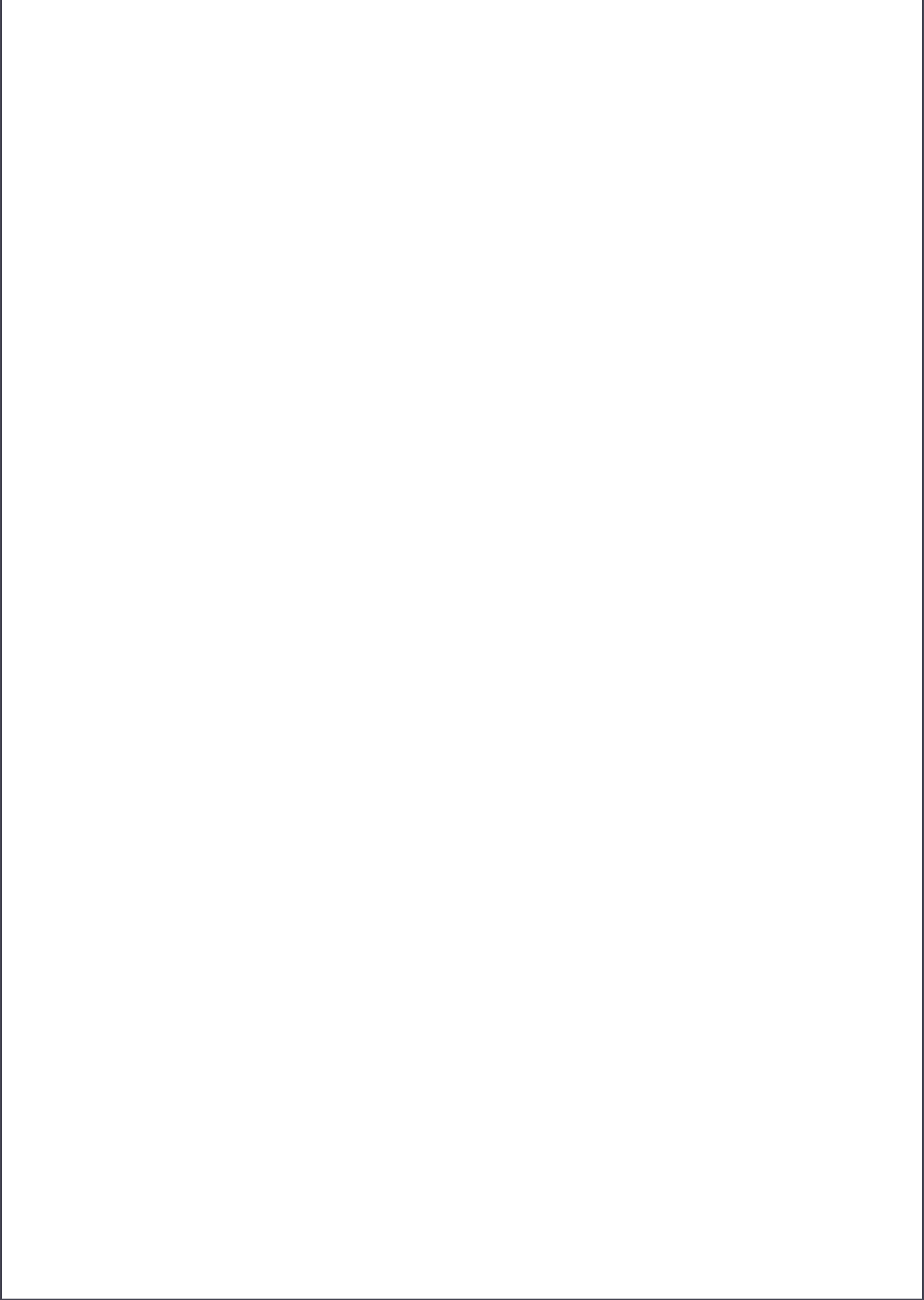
Suggestions - The government highlighted needs in the following areas:

A) the Judicial sector for training, equipment and infrastructure, to complement existing projects (#39 to 42) for: (i) Development of a strategic framework and plan of action for the justice system; (ii) Specialized legal training; (iii) Establishment of a change management mechanism; (iv) Computerization of the criminal records Department; (v) Provision of training equipment to courts; and (vi) Specialized training for judicial and prison personnel.

B) Civil Service, to redefine the regulatory framework of the Civil Service, while encouraging the return of expatriate skills.

C) State institutions, the Constitutional Court, National Assembly, the Economic and Social Council, Haut Conseil de la Médiation, Haut Conseil de la Communication, which all require support according to the government. Part of the support should come through the new Democratic Governance framework (#34).

- In this regard, UNDP is looking to finance this Democratic Governance and Decentralization Program (#34, \$16.7m for 2008-2011). Funding is also needed for a program on strengthening the Rule of Law through support to the justice system and security, which illustrates how linkages with security objectives can be developed (see #42, \$12.15m required, including \$1.7m for 2008-2009).
- A World Bank project on Enhancing Governance and Economic Management Systems is under preparation its successful implementation and support could help the authorities to pave the way for HIPC completion.
- The newly established Permanent Anti-corruption Committee set-up in the Prime Minister's Office could be further supported.
-



programs also support municipal development through strengthening of democracy, governance and decentralization (# 77, multi-country support).

The World Bank plans to set up an Emergency Local Development project (\$8m, Board consideration early 2009) to support the Government's efforts.

Suggestions - Several areas could be supported in the context of the Development Hubs. Development Hubs can contribute to bringing early peace dividends, as their activities can start immediately after a successful Inclusive Political Dialogue:

- Priorities in the context of Development Hubs include the following (Government presentation to the PBC, 8 Oct. 2008): a) infrastructure to improve transportation networks; b) improving of the environment for the population, through sanitation, road -building, repair of secondary roads, low-cost housing; c) supply of electricity and water; d) education and health; and e) the agricultural sector.
- Support could be mobilized for the growth and sustainability of Development Hubs toward additional geographic areas. Gaps exist for the Eastern part of the country, which could be supported if additional resources are mobilized.
- As noted by the government (presentation to the PBC, 8 Oct. 2008), some projects could support the reorganization of management structures within communities, to ensure effective participation by populations at the grass-roots level. The EC intends to start such activities in 2009 (#69).
- Synergies should be sought between Development Hubs and actions aimed at restoring security and promoting good governance.
- Local development expertise could usefully support the Development Hubs (such as with UNCDF). At the decentralized level, low qualification of the administration in management and accounting and the lack of coordination represent a challenge for the elaboration and implementation of local development plans.
- Adequate legislation and policies are still needed for effective decentralization.

ANNEX

PROJECT / PROGRAM LIST

	<p>8 Engineering of Defense Ministry of Defense</p>	<p>\$0.58m (2005-2009)</p>	<p>Provide Ministry of Defense with a permanent technical military advisor (rank of General Officer). Advisor supports the drafting of Law on Military Programming.</p>
	<p>9 Support to the restructuring of Armed Forces</p>	<p>\$6.1m (2005-2009 renewed for 2009-2012)</p>	<p>Support restructuring of Armed Forces by providing equipment and rehabilitating the chains of command. In addition to the u</p>

Priority II - A) Projects on improving state governance			
Funding	Project Title / Implementing Partners	Financial commitment / timeframe	Description
African Dev. Fund (ADF)	26 Economic Planning Capacity Rehabilitation Project (PARCPE) ADF / UNDP / Ministry of Planning	\$5.1 m Required Funds: \$5.3 m (2006-2009)	Contribute to the rehabilitation of the economic planning system by building capacity in macro-economic and sectoral planning, PRSP monitoring, debt management, preparation of national accounts and data collection.
EC	27 Capacities of the National Assembly (PARCAN) National Assembly	\$0.65m (2008-2010)	The program supports human and material capacity-building in the National Assembly to strengthen its ability to draft laws, vote and control governmental activity.

B) Projects on strengthening the rule of law			
Funding	Project Title & Implementing Partners	Financial commitment / timeframe	Description
EC	38 Support to Mediation COOPI / National Mediation Council	\$1.48 m (€1.1 m*)	Reinforce institutional capacities of the National Council of Mediation in its functions of Ombudsman and Mediator. * Instrument of Stability
	39 Reform of the Judiciary Ministry of Justice	\$13.5 m (€ 10 m) under preparation (2008-2010)	Support 3 branches of the administration: (1) Police: strengthen individual and institutional capacities, add equipment and update legal texts; (2) Judiciary: training, capacity-building, judicial assistance; (3) Prison administration: modernize prisons to conform to international standards. Build new prisons, train personnel and update legal texts. Also applicable to Priority Area 1, section a.

France

IRC	49 Training with Civil Society and Government on Human Rights	N/A Ongoing	Training on Human Rights, Rule of Law and International Human Rights (Nana Gribizi and Ouham Pende)
	50 Expression & Reconciliation UNESCO	\$0.37 m Total budget: \$0.41 m including PBF: \$0.37 m	Promote dialogue and reconciliation at the local level. (P11-D3)
	51 Community Radios UNESCO	\$0.32 m Total budget: \$0.85 m including PBF: \$0.83m	Strengthen community radios as a permanent mechanism of social dialogue and reconciliation.
PBF	52 Support to women leaders in conflict zones UNDP / UNIFEM	\$0.39 m Budget: \$0.49 m PBF: \$0.39 m	Prevention and fight against gender-based violence; strengthen advocacy groups for women's rights, and promote and protect women's rights, leadership and participation in the political process.
	53 Promoting the autonomy of women affected by conflict UNFPA	\$0.69 m Total budget: \$0.7 m	(P5-D2)

PBF /African Union
OIF

54 Inclusive Political Dialogue
BONUCA

PRIORITY AREA III: ESTABLISHMENT OF DEVELOPMENT HUBS

Funding	Project Title & Implementing Partners	Financial commitment / timeframe	Description
	56 Recovery—Access to Basic Services ACTED	\$0.15M	

References

Sources of data on Economic Situation

Government

- Development Assistance Database CAR
- Presentation to the PBC, 8 Oct. 2008

UN / UNDP

- 2007 Annual Report, UNDP CAR
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- UNDAF 2007/2011
- Coordinated Aid Programme for CAR (2008)
- CAP for CAR (2008) - Mid-Year Review

IMF

- September 26, 2008 -- Press Release: Statement by an IMF Staff Mission at the Conclusion of a Visit to the Central African Republic
- July 03, 2008 -- CAR: 2d Review Under the Three-Year Arrangement Under the Poverty Reduction and Growth Facility, Requests for Waivers of Nonobservance of Performance Criteria and Augmentation of Access, and Financing Assurance Review - Staff Report; Press Release on the Executive Board Discussion; and Statement by the Executive Director for the Central African Republic
- June 03, 2008 -- Central African Republic -- Letter of Intent, Memorandum of Economic and Financial Policies, and Technical Memorandum of Understanding, June 03, 2008
- World Economic Outlook Database

World Bank

- Interim PRSP for the Central African Republic
- Regional Integration Assistance Strategy for the Central African Republic, 2003-2008
- Country Assistance Strategy

OECD

- Ensuring Fragile States Are Not Left Behind: 2007 Resource Allocations Report
- Ensuring Fragile States Are Not Left Behind 2007
- Development Database on Aid from DAC Members: DAC online

Sources of Project Descriptions

Inputs were provided by the UN, Belgium, Canada, Denmark, France, Germany, Japan, Netherlands, Norway, United Kingdom, European Commission, World Bank

Useful Websites

Ministry of Planning: www.minplan-rca.org

UNDP CAR: www.cf.undp.org

HDPT CAR: <http://hdptcar.net>

PBF : www.unpbf.org

World Bank: www.worldbank.org/cf

IMF: www.imf.org/external/country/cafr/index.htm



Peacebuilding Support Office

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