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U.S. Senate Committee on Foreign **Relations**
Subcommittee on African Affairs
Chairman Feingold

“Exploring U.S. Policy Options toward Zimbabwe’s **Transition**”
September 30, 2009

Good morning, Mr. Chairman, Ranking Senator Isakson, and Members of the Subcommittee. Thank you for the opportunity to testify on U.S. policy options for Zimbabwe’s transition and on how the U.S. Agency for International Development (USAID) is confronting challenges and promoting progress.

As my colleagues from the Departments of State and Treasury have already highlighted Zimbabwe’s troubled history and provided the context for our need to deliver targeted assistance to the people of Zimbabwe and reform-minded elements of the transitional government, I will focus my remarks on USAID-related matters.

To date in FY 2009, the U.S. Government has provided approximately \$313 million for health, vulnerable population protection, agriculture and food security, economic recovery and market systems, humanitarian coordination, water, sanitation, and hygiene (WASH) programs, as well as emergency relief supplies and food assistance in Zimbabwe. In addition, funding has included support for civil society strengthening; support to help fulfill the terms of the Global Political Agreement (GPA) (e.g. resources for the constitution-making process); programs to demonstrate responsible governance (e.g. improving the public outreach capacity of the Office of the Prime Minister); assistance to non-governmental

monitoring of compliance of all parties to the GPA; and support for independent media.

The USG is the leading food assistance donor to Zimbabwe. To date in FY 2009, USAID's Food for Peace program has provided nearly 190,000 metric tons of P.L. 480 Title II emergency food assistance, valued at more than \$166 million, through the World Food Program and the Consortium for Southern Africa Food Emergency (C-SAFE). I would also highlight the provision by our Office of Foreign Disaster Assistance's (OFDA) of nearly \$31 million in FY 2009 for emergency humanitarian assistance and our Office of Transition Initiative's funding for transitional support in FY 2009 of \$4.58 million.

In addition, OFDA committed more than \$7.3 million in emergency assistance this year for Zimbabwe's cholera outbreak to support the provision of emergency relief supplies for affected populations, humanitarian coordination and information management, health programs, WASH interventions, and hygiene promotion and social mobilization activities. OFDA has also committed more than \$8.5 million for other WASH programming to date in FY 2009 to improve community resilience to cholera and other waterborne diseases and to help mitigate a potential recurrence of cholera later in 2009. To date in FY 2009, OFDA has contributed nearly \$9 million for agriculture and food security programming, including the construction and rehabilitation of water catchment structures, training in conservation farming, distribution of agricultural inputs, and improvement of livestock health. In addition, to complement agriculture and food security programming, OFDA has committed more than \$2.5 million for regional food procurement and distribution in Zimbabwe in FY 2009.

The \$73 million in funding for Zimbabwe pledged by President Obama during Prime Minister Tsvangirai's recent visit to the U.S. includes significant interagency funding for HIV/AIDS programs through PEPFAR (\$46.5 million). It also expands existing USAID programs in: parliamentary strengthening (\$2.4 million); elections and constitution making (\$3.2 million); rule of law (\$3.8 million); consensus-building (\$2.7 million); media (\$1.5 million); victims of torture (\$1.9 million); civil society/local government capacity building (\$5.8 million); maternal and child health, including tuberculosis (\$4.1 million); and family planning (\$1.2 million).

The President also indicated a desire to assist with education and agriculture, both of which are being addressed through new programs. One million dollars is currently being programmed in support of textbook procurement and distribution. In the agricultural sector, \$26 million is currently being programmed for a loan guarantee program to provide inputs to farmers and to support farmer training, market linkage development, and supply of inputs in out-years. These new activities, as well as family planning activities, required waivers of Section 620(q) of the Foreign Assistance Act and the Brooke Amendment, found in Section 7012 of the FY 2009 Department of State, Foreign Operations and Related Programs Appropriations Act ("FOAA"), both of which prohibit assistance to countries in default on USAID loans, such as Zimbabwe. With the signing of the waivers on September 9th, these activities can proceed. We believe that these programs in agriculture, education, and family planning will rapidly yield results to demonstrate the benefits of pursuing reform.

Other new activities this year will focus on reviving the ailing public health system through provision of training, supplies, equipment, and services. In this regard,

earlier this year, USAID mobilized an additional \$2 million in urgent funding to address increasing concerns that measles and malaria epidemics were imminent. To prevent these epidemics and reduce the potential for increased maternal and child mortality, USAID supported a measles immunization and vitamin A campaign; procuring the commodities needed to improve maternal and child health, such as syringes, IVs, and gloves; and funding the training, logistics, management, and social mobilization needed to effectively implement these programs. In collaboration with the UK's Department for International Development, USAID also provided emergency funding for an indoor residual spray program, where teams were quickly mobilized in 20 high-risk districts. The teams sprayed more than 600,000 structures, protecting nearly a million people from malaria.

Under the GPA signed September 15, 2008, Zimbabwe's leaders have broadly agreed to pursue economic recovery, land reform, a new constitution, freedom of expression and political association, nondiscrimination, justice and national healing, free and fair elections, and the restoration of the rule of law. The extent to which the repressive elements within the government respect the terms of this agreement, however, remains a source of concern.

USAID is responding by: assisting in drafting the new constitution; assisting in the reform of governmental institutions and processes; strengthening local government and Parliament; addressing emergency health needs; and providing a humanitarian safety-net for those most affected by economic instability.

To help prepare for new elections, , USAID will help civil society pursue electoral law reform and provide training on parallel vote tabulation, a system that was

instrumental in limiting the ruling party's ability to manipulate polling data during the March 2008 elections. Furthermore, USAID will help democratic political parties rebuild their structures after the movement of many key members into government service and further losses as a result of inter-election violence. If possible, assistance will also be extended to support the development and reform of electoral systems.

To support economic stabilization and recovery, USAID will help small farmers and improve agricultural production through access to credit, skills development, establishment of market linkages, strengthening of agricultural institutions, and a better overall enabling environment. Implementation of these activities was made possible through the recent approval of limited waivers to the section 620(q) and Brooke Amendment restrictions. As conditions permit broader USG engagement, USAID is prepared to expand its assistance to include public financial management technical assistance (macroeconomic reform) and the private sector.

USAID, in consultation with other donors and the U.S. Embassy in Harare remains diligent in ensuring that none of our assistance is diverted or misused by Robert Mugabe and his associates. All USAID assistance is carefully targeted to support reformers within the government and civil society. No funds go directly to the transitional government as support is delivered in the form of goods and services through grantees and contractors hired and monitored in compliance with standard U.S. Government procurement procedures. U.S. Government sanctions against designated individuals and institutions are carefully observed in the award of contracts and grants and the designation of beneficiaries of assistance.

The consultation process includes all major donors present in Zimbabwe who meet on a weekly basis to review the operating environment, assess progress, discuss challenges, and modify a collective approach to providing assistance ensuring consistency between donor programs. Consistent with the strongly unified position on the concept of “Humanitarian Plus” of the donor community, USAID’s programs are centered around safeguarding the Zimbabwean people, supporting the transitional government’s ability to meet its commitments under the GPA and to respond to the needs of its people, and enhancing the likelihood of free and fair elections within two years. Specifically, USAID efforts focus on re-establishing and strengthening democratic institutions, processes, and systems; providing social assistance to protect vulnerable people during the transition; and supporting economic revitalization, especially in the agricultural sector. All of the activities being implemented are done in close consultation with Congress, State and Treasury Departments and the National Security Council and are consistent with the U.S. Government’s overall strategy in this transition period.

The United States is part of a closely coordinated donor group—along with the United Kingdom, the European Commission, Canada, Sweden, Norway, Denmark, Australia, Germany, France, Switzerland and the Netherlands—that has agreed on five principles, and associated benchmarks, to guide our re-engagement with the transitional Government of Zimbabwe:

1. Full and equal access to humanitarian assistance
2. Commitment to macroeconomic stabilization
3. Restoration of rule of law
4. Commitment to democratic processes and respect for human rights
5. Commitment to timely elections with international observers

The donors have agreed to retain targeted sanctions on President Mugabe and Zimbabwe African National Union-Patriotic Front (ZANU-PF) hardliners until a credible reform-minded government is evident. They have also agreed that while transitional assistance is scaling up, none of this will be delivered in the form of budget support or directly through the government. True and full re-engagement, typified by full sustainable development and cooperation programs can only begin when the entire government takes clear steps toward meeting donor principles on democracy, rule of law, and economic stabilization.

As USAID implements its transitional assistance programs, we are planning for contingencies. All activities are implemented through non-governmental organizations or contractors and can be suspended rapidly if the situation warrants such action. If the unity government were to fail, we would rapidly scale back our programs to only support reformists outside the government and address the most pressing humanitarian needs. Some programming now under the rubric of humanitarian plus, such as education and agriculture, might be suspended. We are following a pragmatic approach in Zimbabwe, looking for opportunities to strengthen people's resolve and to maintain the forward momentum of democratization and reform. We believe that positive change will come from the expansion of opportunity and demonstrable improvements in people's lives. We will endeavor to continue to support this change within the parameters of U.S. policy.

There have been improvements since the formation of the transitional government in February, but enormous challenges remain. U.S. support is critical to help reformers in the transitional government move Zimbabwe toward recovery and

legitimate democratic governance defined by a constitution and elections. In the aftermath of last year's flawed elections, some signs of reform have emerged. Ministers from the Movement for Democratic Change (MDC) party—and even some ZANU-PF officials—are working hard to bring much needed services to the people. At the same time, there are strong opponents to reform who seek to undermine the power-sharing agreement and discredit reformists.

Due to U.S. and others' assistance, the humanitarian situation in Zimbabwe has improved since the end of the massive cholera outbreak a few months ago and an improved harvest in 2009 as compared to 2008. However, deteriorating or nonfunctional water and sanitation infrastructure requires major rehabilitation, the health system is in the early stages of the recovery process after public hospitals were forced to close last year, a gap continues to exist in agricultural inputs for the current planting season, and the potential exists for spread of H1N1, or swine flu, after health authorities reported the first laboratory-confirmed cases in Zimbabwe in August. In addition, the USAID-funded Famine Early Warning Systems Network (FEWS NET) estimates that between 2 million and 2.4 million people are likely to be food-insecure during the peak hunger period, which typically lasts from January to March.

The education sector witnessed dramatic deterioration in 2008 as a result of the prolonged and violent election period, teacher strikes and the hyperinflationary environment. A large number of schools were closed for much of the year. However, the transitional government has clearly indicated commitment towards education and most schools resumed teaching in 2009. Currently, the sector is characterized by severe shortages of essential supplies including textbooks, reduced accessibility due to high staff turnover, destabilized planning and

management capacities, and inconsistent availability of teachers, who in the past few months have intermittently gone on strike over low wages.

This administration appreciates and understands ongoing concerns over the lack of progress in democracy, governance, and human rights. This administration is in full agreement that it is premature to re-engage the Government of Zimbabwe with a full development assistance program. However, we believe that there is also a risk of doing too little. The support USAID is providing and has proposed to provide to reform-minded elements of the transitional government and the broader community is critical if the people of Zimbabwe are to believe that change can be achieved through an accountable government.

Thank you, Mr. Chairman, Ranking Senator Isakson, and members of the Subcommittee for your continued interest, and for the commitment you have shown to the Zimbabwean people. I welcome any questions you might have.