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**THE DEMOCRATIC
REPUBLIC OF THE
CONGO**

**Major Challenges Impede
Efforts to Achieve U.S.
Policy Objectives;
Systematic Assessment of
Progress Is Needed**

Statement of David Gootnick, Director
International Affairs and Trade



Highlights of [GAO-08-562T](#), testimony before the Congressional Human Rights Caucus

Why GAO Did This Study

During the last decade, conflict in the Democratic Republic of the Congo (DRC)—one of the world’s poorest countries—led directly or indirectly to the deaths of an estimated 5.4 million Congolese. A U.S.-supported peace process began in 2001, and the country’s first democratically elected president in 40 years was inaugurated in 2006. However, conflict in the country has continued.

In enacting the Democratic Republic of the Congo Relief, Security, and Democracy Promotion Act of 2006 (the Act), Congress established 15 U.S. policy objectives that address humanitarian, social development, economic and natural resource management, governance, and security concerns in the DRC. The Act mandated that GAO review U.S. programs in the DRC that support these policy objectives. In this testimony, based on its December 2007 report, GAO identifies (1) U.S. programs and activities that support the Act’s objectives, (2) major challenges hindering the accomplishment of the objectives. For its report, GAO obtained and analyzed program documents for seven U.S. agencies—the Departments of Agriculture (USDA), Defense (DOD), Health and Human Services (HHS), Labor (DOL), State, and the Treasury and the U.S. Agency for International Development (USAID). GAO also met with officials of these agencies and nongovernmental organizations (NGO) active in the DRC.

www.gao.gov/cgi-bin/gettrpt?GAO-08-562T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact David Gootnick at (202) 512-3194 or gootnickd@gao.gov.

DEMOCRATIC REPUBLIC OF THE CONGO

Major Challenges Impede Efforts to Achieve U.S. Policy Objectives; Systematic Assessment of Progress Is Needed

What GAO Found

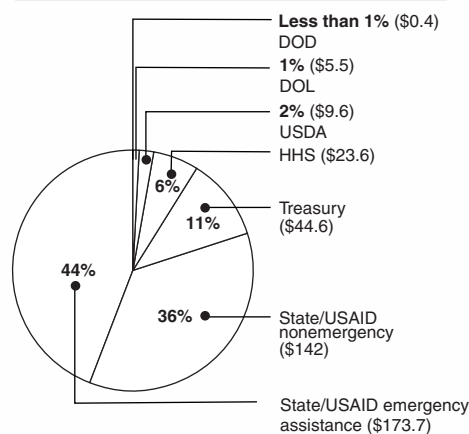
In fiscal years 2006 and 2007, respectively, seven agencies allocated a total of about \$217.9 million and \$181.5 million for the DRC. About 70 percent of these funds supported the Act’s humanitarian and social development objectives and about 30 percent supported its economic and natural resource management, governance, and security objectives. Agencies’ programs and activities included, for example, USAID’s provision of emergency supplies, food, and water and sanitation improvements to vulnerable populations; Treasury’s provision of interim debt relief; and State’s provision of training and other assistance for professionalizing members of the DRC’s military.

Several major, interrelated challenges—an unstable security environment, weak governance, mismanagement of natural resources, and lack of basic infrastructure—have impeded efforts to achieve the Act’s policy objectives. For instance, weak and abusive DRC security forces have worsened humanitarian and social problems, forcing U.S. and NGO staff to curtail some efforts. At the same time, corruption and other governance problems have impeded efforts to reform the security sector and hold human rights violators accountable. Meanwhile, mismanagement of natural resources has fueled continued conflict and corruption, and a lack of basic infrastructure has hindered progress in humanitarian, developmental, and governance programs.

The U.S. government has not established a process to assess overall progress toward the Act’s policy objectives. As a result, it cannot be assured that it has allocated U.S. resources in the most effective manner. In its December 2007 report, GAO recommended that the Secretary of State work with the heads of the other agencies implementing programs in the DRC to develop a plan for systematically assessing the U.S. government’s overall progress in achieving the Act’s policy objectives. State agreed with GAO’s recommendation.

U.S. Funding Allocations for the DRC, Fiscal Years 2006-2007

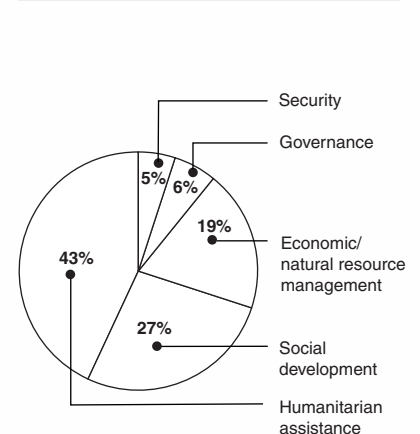
Funding allocations by agency



Dollars in millions

Sources: (Left to right); GAO analysis of executive agencies’ data; GAO analysis of executive branch data.

Funding allocations by category



Members of the Congressional Human Rights Caucus:

Thank you for the opportunity to discuss our work on U.S. assistance in the Democratic of the Congo (DRC). Because of its large size, central location in sub-Saharan Africa, and abundant natural resources, the DRC is important to the stability of central Africa and the interests of the United States. However, since achieving independence in 1960, the DRC—one of the world’s poorest countries—has suffered from despotic rule, underdevelopment, and economic problems. Further, during the last decade, conflict in the DRC resulted directly or indirectly in the deaths of an estimated 5.4 million Congolese.

According to the Department of State, Western aid to the DRC fell in the early 1990s because of concerns about human rights abuses and the need for internal reforms, but the United States began to increase its support in 2001 after the initiation of U.S.-supported peace talks. A transitional DRC government was installed in 2003, and the country’s first democratically elected president in 40 years was inaugurated in December 2006. However, conflict in the country has continued. In December 2006, Congress enacted the DRC Relief, Security, and Democracy Promotion Act of 2006 (the Act),¹ establishing 15 policy objectives related to humanitarian, social development, economic and natural resource, governance, and security concerns in the DRC. The Act mandated that GAO review U.S. programs in the DRC that support these policy objectives.

My statement today is based on our December 2007 report² that identified (1) U.S. programs and activities that support the Act’s objectives,³ (2) major impediments hindering accomplishment of these objectives, and (3) U.S. efforts to assess progress toward accomplishing the objectives.⁴ (See app. I for a description of our methodology.)

¹Pub. L. No. 109-456, 120 Stat. 3384.

²GAO, *Democratic Republic of the Congo: Systematic Assessment Is Needed to Determine Agencies’ Progress toward U.S. Policy Objectives*, [GAO-08-188](#) (Washington, D.C.: Dec. 2007).

³We grouped the Act’s 15 objectives in five categories: humanitarian, social development, economic and natural resource management, governance, and security.

⁴Because the Act directed us to review actions taken by U.S. agencies to achieve its objectives, we focused on the fiscal year in which the Act was enacted and, for context, the fiscal year before its enactment.

Summary

U.S. agencies have implemented a number of programs and activities that support the Act's policy objectives. In fiscal years 2006 and 2007, respectively, USDA, DOD, HHS, DOL, State, Treasury, and USAID allocated a total of about \$217.9 million and \$181.5 million for the DRC. About 70 percent of the funds supported the Act's humanitarian and social development objectives and about 30 percent of the funds supported the Act's economic and natural resources, governance, and security objectives. The agencies' programs and activities have included, for example, USAID's provision of emergency supplies, food, and water and sanitation improvements to vulnerable populations; Treasury's provision of interim debt relief; and State's provision of training and other assistance aimed at professionalizing members of the DRC's military.

Several major challenges impede U.S. efforts to achieve the Act's policy objectives, according to U.S., nongovernmental organization (NGO), and other officials and experts: (1) unstable security environment, (2) weak governance and widespread corruption, (3) mismanagement of natural resources, and (4) lack of basic infrastructure. These challenges are interrelated and have hindered progress in multiple areas. For instance, weak and abusive DRC security forces have worsened humanitarian and social problems, forcing U.S. and NGO staff to curtail some efforts; the lack of security has also discouraged investment, negatively affecting the country's economic potential. At the same time, corruption and other governance problems have impeded efforts to reform the security sector and hold human rights violators accountable and have discouraged private-sector investment, thus hindering economic growth. Meanwhile, mismanagement of the DRC's natural resources has fueled continued conflict and corruption, and a lack of basic infrastructure, such as buildings, equipment, and roads, has hindered progress in humanitarian, developmental, and governance programs.

The U.S. government has not established a process to assess overall progress toward achieving the Act's policy objectives in the DRC. Although State and the National Security Council (NSC) have developed mechanisms to coordinate executive branch agencies' activities in the DRC, neither of these mechanisms systematically assesses overall progress. As a result, the U.S. government cannot be fully assured that it has allocated its resources in the DRC in the most effective manner. To ensure a basis for informed decisions regarding U.S. allocations for assistance in the DRC as well as any needed bilateral or multilateral actions, we recommended in our 2007 report that the Secretary of State work with the heads of the other U.S. agencies implementing programs in the DRC to develop a plan for systematically assessing the extent to which

the U.S. government as a whole is making progress in achieving the Act's policy objectives. State agreed with our recommendation.

Background

The DRC's size, location, and wealth of natural resources contribute to its importance to U.S. interests in the region. With an area of more than 900,000 square miles, the DRC is roughly the size of the United States east of the Mississippi River. Located in the center of Africa, the DRC borders nine nations. Its abundant natural resources, which constitute its primary export products, include 34 percent of the world's cobalt reserves, 10 percent of the world's copper reserves, and 64 percent of the world's coltan reserves, as well as diamonds, gold, cassiterite, and other minerals. Moreover, the DRC's rain forests provide 8 percent of the world's carbon.⁵

The DRC has had a turbulent history. In 1965, fewer than 5 years after the nation achieved independence from Belgium, a military regime seized control of the DRC and ruled, often brutally, for more than 3 decades. It was toppled in 1997 by a coalition of internal groups and neighboring countries to the east, including Rwanda and Uganda, after dissident Rwandan groups began operating in the DRC. Subsequent efforts by a new DRC government to secure the withdrawal of Rwandan and Ugandan troops prompted a second war in 1998 that eventually drew the armies of three more African nations into the DRC. Beginning in 1999, a United Nations (UN) peacekeeping force was deployed to the DRC. After a series of U.S.-supported peace talks that began in 2001, the other nations withdrew all or most of their troops and an interim government was established. Elections held in 2006 with logistical support provided by UN peacekeepers culminated in the December 6, 2006, inauguration of the DRC's first democratically elected president in more than 40 years. However, conflict in the DRC has continued. According to the International Rescue Committee, from 1998 through 2007, 5.4 million Congolese died as the direct or indirect consequence of conflict in the country, with an estimated 2.1 million of those deaths since 2002.

The DRC suffers from a wide range of problems, including acute poverty and limited economic prospects. It is one of the poorest and least

⁵Coltan and cassiterite are metals used in the electronics industry.

developed countries in the world:⁶ the current life expectancy is 43 years, in part because the DRC suffers from high rates of tuberculosis, HIV/AIDS, and malaria. USAID reports that 2 of every 10 children born in the DRC die before their fifth birthday and that the maternal death rate is the world's highest. An international group of donor nations recently concluded that the DRC's educational system is failing and that most rural children do not attend school. In addition, wars and turmoil have reduced its economy to dependence on subsistence agriculture and informal activities. The DRC's prospects are also encumbered by an external debt load of around \$8 billion,⁷ which is three times greater than the level of debt that the World Bank and the IMF consider sustainable. Moreover, the DRC has not fully qualified for debt relief under the enhanced Heavily Indebted Poor Country (HIPC) initiative.⁸

The DRC receives assistance from a number of donor nations and organizations. During 2004 and 2005, the 10 largest donors to the DRC were the World Bank's International Development Association, the European Commission, Japan, Belgium, the United Kingdom, the United States, France, Germany, the IMF, and the Netherlands. The United States' goal for its assistance to the DRC, as characterized by State, is to strengthen the process of internal reconciliation and democratization to promote a stable, developing, and democratic DRC.⁹ As described by the Assistant Secretary of State for African Affairs, U.S. policy is to support, but not lead, the efforts of the DRC to address its problems.

⁶The DRC was ranked 167th of 177 nations surveyed by the UN Development Program in terms of life expectancy, education, and standard of living, and its ranking on these measures has declined by more than 10 percent over the past decade. The Fund for Peace ranked the DRC second, after Sudan, in its Failed States Index.

⁷We state external debt in present value terms, which take into account the sum of all future debt-service obligations (interest and principal) on existing debt, discounted at the market interest rate.

⁸The DRC qualified for partial debt relief in 2003 through HIPC, a joint bilateral and multilateral effort to relieve poor countries of debt to promote long-term economic growth and debt sustainability. In qualifying for HIPC, the DRC has been able to receive interim debt relief, primarily in terms of lower debt-service payments. The DRC must meet certain additional criteria before its debt is fully reduced through HIPC.

⁹State has also reported that the United States is seeking to ensure that the DRC professionalizes its security forces and is at peace; develops democratic institutions; supports private-sector economic growth and achieves macroeconomic stability; meets the basic needs of its people; and, with its international partners, provides relief in humanitarian crises.

Table 1 shows the Act's 15 U.S. policy objectives for the DRC, linked to the five categories of assistance—humanitarian, social development, economic and natural resource management, governance, and security.

Table 1: Policy Objectives in the DRC Relief, Security, and Democracy Promotion Act of 2006, by Category

Policy objective	Category
Help promote, reinvigorate, and support the political process in the DRC to press all parties in the Transitional National Government and the succeeding government to implement fully and to institutionalize mechanisms—including national and international election observers, fair and transparent voter registration procedures, and a significant civic awareness and public education campaign created for the July 30, 2006—elections and future elections in the DRC to ensure that elections are carried out in a fair and democratic manner.	Governance
Urge the DRC government to recognize and act upon its responsibilities to immediately bring discipline to its security forces; hold those individuals responsible for atrocities and other human rights violations, particularly the rape of women and girls as an act of war, accountable and bring such individuals to justice.	Governance, security
Help ensure that, once a stable national government is established in the DRC, it is committed to multiparty democracy, open and transparent governance, respect for human rights and religious freedom, ending the violence throughout the country, promoting peace and stability with its neighbors, rehabilitating the national judicial system and enhancing the rule of law, combating corruption, instituting economic reforms to promote development, and creating an environment to promote private investment.	Governance, economic and natural resource management
Assist the DRC government as it seeks to meet the basic needs of its citizens, including security, safety, and access to health care, education, food, shelter, and clean drinking water.	Humanitarian, social development, and security
Support security sector reform by assisting the DRC government to establish a viable and professional national army and police force that respects human rights and the rule of law, is under effective civilian control, and possesses a viable presence throughout the entire country, provided the DRC meets all requirements for U.S. military assistance under existing law.	Security
Help expedite planning and implementation of programs associated with the disarmament, demobilization, repatriation, reintegration, and rehabilitation process in the DRC.	Security
Support efforts of the DRC government, the UN peacekeeping force, and other entities, as appropriate, to disarm, demobilize, and repatriate the Democratic Forces for the Liberation of Rwanda and other illegally armed groups.	Security
Make all efforts to ensure that the DRC government (a) is committed to responsible and transparent management of natural resources across the country; and (b) takes active measures to (i) promote economic development; (ii) hold accountable individuals who illegally exploit the country's natural resources; and (iii) implement the Extractive Industries Transparency Initiative by enacting laws requiring disclosure and independent auditing of company payments and government receipts for natural resource extraction.	Economic and natural resource management
Promote a viable civil society and to enhance nongovernmental organizations and institutions, including religious organizations, the media, political parties, trade unions, and trade and business associations, that can act as a stabilizing force and effective check on the government.	Governance

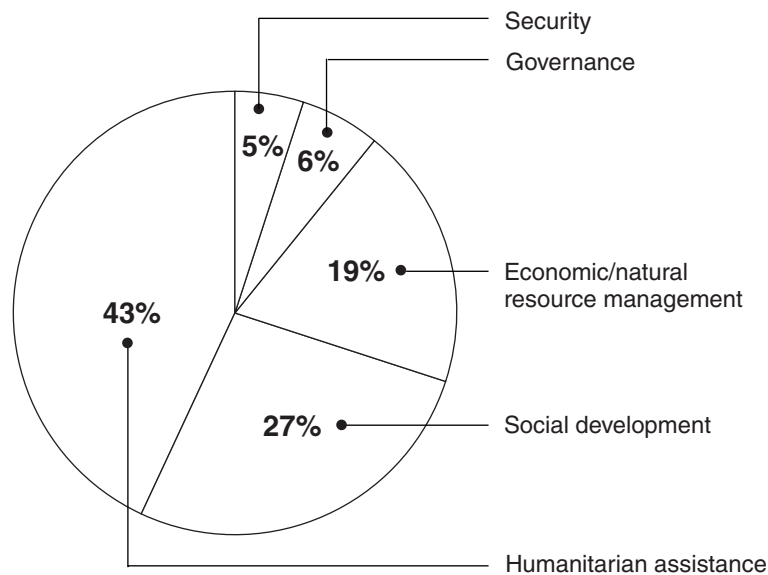
Policy objective	Category
Help rebuild and enhance infrastructure, communications, and other mechanisms that will increase the ability of the central government to manage internal affairs, encourage economic development, and facilitate relief efforts of humanitarian organizations.	Humanitarian, social development
Help halt the high prevalence of sexual abuse and violence perpetrated against women and children in the DRC and mitigate the detrimental effects from acts of this type of violence by undertaking health, education, and psycho-social support programs.	Social development
Work aggressively on a bilateral basis to urge governments of countries contributing troops to MONUC to enact and enforce laws on trafficking in persons and sexual abuse that meet international standards, promote codes of conduct for troops serving as part of UN peacekeeping missions, and immediately investigate and punish citizens who are responsible for abuses in the DRC.	Security
Assist the DRC as it undertakes steps to (a) protect internally displaced persons and refugees in the DRC and border regions from all forms of violence, including gender-based violence and other human rights abuses; (b) address other basic needs of vulnerable populations with the goal of allowing these conflict-affected individuals to ultimately return to their homes; and (c) assess the magnitude of the problem of orphans from conflict and HIV/AIDS in the DRC and work to establish a program of national support.	Security, social development, humanitarian
Engage with governments working to promote peace and security throughout the DRC and hold accountable individuals, entities, and countries working to destabilize the country.	Security
Promote appropriate use of the forests of the DRC in a manner that benefits the rural populations in that country who depend on the forests for their livelihoods and protects national and environmental interests.	Economic and natural resource management

Source: GAO analysis of Section 102 of the DRC Relief, Security, and Democracy Promotion Act of 2006.

U.S. Programs and Activities That Support the Act's Policy Objectives

U.S. agencies have implemented a number of programs and activities that support the Act's policy objectives. In fiscal years 2006 and 2007, about 70 percent of U.S. funding for the DRC was allocated for programs that would support the Act's emergency humanitarian and social development objectives and about 30 percent was allocated for programs and activities that would support the Act's economic, governance, and security objectives (see fig. 1).

Figure 1: Allocation of U.S. Funding for the DRC by Category, Fiscal Years 2006-2007



Dollars in millions

Fiscal year	Social					Total
	Humanitarian	development	Economic	Governance	Security	
2006	\$85.3	\$51.9	\$66.4 ^a	\$7.5	\$6.9	\$217.9
2007	88.4	58.2	9.6	14.5	10.8	\$181.5
Total	\$173.7	\$110.1	\$76.0	\$22.1	\$17.7	\$399.4

Source: GAO analysis of executive branch data.

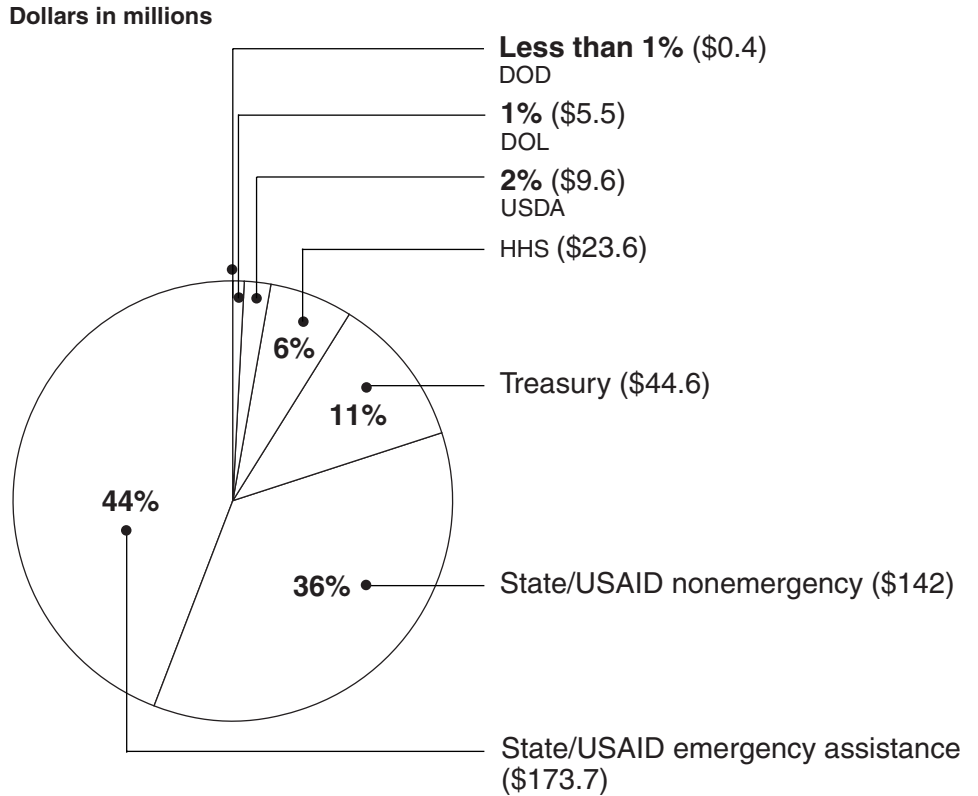
Notes: Because of rounding, figures in rows and columns may not sum to totals shown.

^aIncludes \$44.6 million allocated by the Treasury to help address costs of DRC debt relief. The DRC has received interim debt relief but must meet additional criteria before its debt is fully reduced.

Seven U.S. agencies—USDA, DOD, HHS, DOL, State, Treasury, and USAID—allocated about \$217.9 million and \$181.5 million for aid to the DRC in fiscal years 2006 and 2007, respectively, with State and USAID providing the majority of these funds (see fig. 2).¹⁰

¹⁰We did not determine the extent to which the agencies had obligated and expended the funds they allocated. In addition to providing the funding shown, the United States also contributed funds to international organizations that conducted activities in the DRC during 2006 and 2007. For example, it contributed about \$236 million and \$300 million in fiscal years 2006 and 2007, respectively, for the support of UN peacekeeping activities in the DRC. As one of the largest donors to the DRC, the World Bank has funded a wide range of programs—including macroeconomic management, infrastructure, and disarmament, demobilization, and reintegration of militia fighters—that have totaled around \$366 million in fiscal year 2006 and \$180 million in fiscal year 2007. The United States provides around 14 percent of donor funds to the World Bank for such operations. It is also the largest contributor to the Global Fund to Fight AIDS, Tuberculosis and Malaria, which is active in the DRC.

Figure 2: Allocation of U.S. Funding for the DRC by Agency, Fiscal Years 2006-2007



Source: GAO analysis of executive agencies' data.

Note: According to HHS, its Centers for Disease Control and Prevention (CDC) obligates funds for projects that are part of research that can be conducted in different countries, rather than allocating funds by country. Our summary figures incorporate total CDC funding for the DRC for the 2 years depicted. For fiscal year 2008, State and USAID estimate that they will allocate a total of \$105.6 million for the DRC, and for fiscal year 2009, they are requesting a total of \$95.1 million. The Treasury requested \$178.3 million for fiscal year 2008 in the event that the DRC qualifies for debt relief. OPIC has approved \$400 million in financing and insurance for a U.S. company to invest in the DRC's mining sector and will seek fiscal year 2008 funding to support this project.

Examples of U.S. agencies' programs and activities in each category include the following (see app. II for more information).

Humanitarian. USAID and State have provided humanitarian assistance to help the DRC meet its citizens' and vulnerable populations' basic needs.

- USAID has provided emergency assistance to vulnerable populations in the DRC. Working primarily through the UN World Food Program and an NGO, USAID has supported distribution of food to internally displaced

persons; people infected with, and orphans affected by, HIV/AIDS; and victims of sexual abuse by soldiers. Working primarily through NGOs, USAID has provided emergency supplies, health care, nutrition programs, water and sanitation improvements, food, and agricultural assistance to other vulnerable populations, such as malnourished children and war-affected populations.

- USAID has provided emergency assistance to support road rehabilitation and bridge reconstruction projects; schools; and the socioeconomic reintegration of ex-child soldiers, adult combatants, and their families.
- State has provided humanitarian assistance to help repatriate, integrate, and resettle refugees in the DRC. In fiscal year 2007, this assistance was implemented primarily by the UN High Commissioner on Refugees, other international organizations, and NGOs.

Social development. USAID, HHS, and DOL have provided assistance to support the Act's social development and rehabilitation objectives.

- USAID has worked through NGOs to improve education, health care, and family planning. For instance, USAID has funded efforts to reduce abandonment of children; provide psychosocial support, medical assistance, and reintegration support to survivors of sexual and gender-based violence in the eastern DRC; train teachers; and increase access to education for vulnerable children.
- USAID has funded efforts to train medical staff and nurses in the management of primary health care, distribute bed nets to prevent the spread of malaria and polio, provide family planning services, and support voluntary counseling and testing centers for HIV/AIDS.
- HHS has allocated funds for immunization against, and the surveillance and control of, infectious diseases such as polio, measles, and HIV/AIDS.
- DOL has allocated funds to address children's involvement in mining and related services, small-scale commerce, child soldiering, and other forms of child labor in the DRC.

Economic and natural resource management. Treasury, USAID, State, and USDA have provided support for the Act's economic objectives.

- Treasury has worked with the World Bank and the IMF to relieve the DRC of some of its foreign debt. The United States provided the DRC interim debt relief (primarily through reduced interest payments) in fiscal years

2005 through 2007, following the DRC's admittance into the HIPC debt relief program. Once the DRC qualifies for the completion of its HIPC debt relief, Treasury plans to pay the budgetary costs of fully relieving the DRC's \$1.3 billion debt to the United States.¹¹

- USAID has allocated funds to support sustainable natural resource management, forest protection, and biodiversity in the DRC through the Central African Regional Program for the Environment.
- State has supported efforts to promote transparency in the DRC's natural resource sector by serving as the U.S. representative to the Kimberley Process Certification Scheme, which deals with rough diamond trade,¹² and to the Extractive Industries Transparency Initiative (EITI).¹³
- USDA has allocated funds to improve agricultural productivity, increase rural market development, provide credit for agribusiness and rural infrastructure, and increase access to potable water and water for irrigation in the DRC.

Governance. USAID and State have allocated funds for programs that support the Act's governance objectives.

- USAID has allocated funds to organize itinerant court sessions intended to bring justice institutions closer to citizens, facilitate greater access to justice for vulnerable people, and provide quality legal assistance to the population in relatively inaccessible parts of the DRC.
- USAID has supported an NGO's establishment of democracy resource centers to assist political party leaders, civic activists, elected local and national officials, and government institutions in promoting good governance and democracy.

¹¹Treasury estimates that the budgetary cost of reducing the \$1.3 billion of DRC bilateral debt owed to the United States is about \$300 million, based on the Office of Management and Budget's Circular Number A-11. According to Treasury officials, Treasury intends to use \$44.6 million allocated in fiscal year 2006, about \$80 million in previously appropriated funds, and about \$178 million in fiscal year 2008 funds.

¹²The Kimberley Process Certification Scheme aims to control the international rough diamond trade and assure customers that diamonds purchased have not helped to finance violent conflicts.

¹³Under EITI, countries publish and verify payments and government revenues in the natural resource sector.

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- USAID, to promote judicial independence, supported an NGO's efforts by fostering improvements to the DRC's legal framework, such as laws on sexual violence and the rights of women, and providing legal assistance activities for victims of sexual and gender-based violence.
 - State allocated funds in 2006 for more than 30 programs by the National Endowment for Democracy, including programs aimed at informing women of their rights, addressing issues of abuse and corruption, and promoting political participation.

Security. State, USAID, and DOD have provided security-related assistance in the DRC.

- State has facilitated a multinational forum, the Tripartite Plus Commission, for the DRC and nations on its troubled eastern border—Uganda, Rwanda, and Burundi—to discuss regional security issues, including militias operating illegally in the eastern DRC.
- USAID has launched programs to promote the reintegration of some former fighters into Congolese society.
- State is refurbishing the DRC's military officer training school and training multiple levels of the military, including brigade- and battalion-staff level officers, on military justice reform, civil-military relations, and other issues of concern.

Major Challenges Hindering Achievement of the Act's Policy Objectives in the DRC

U.S., NGO, and other officials and experts identified several major challenges that are impeding U.S. efforts to achieve the Act's policy objectives. These challenges include (1) an unstable security environment, (2) weak governance and widespread corruption, (3) mismanagement of natural resources, and (4) lack of basic infrastructure.¹⁴ Because these challenges are interrelated, they negatively impact progress in multiple areas.

- **Unstable security environment.** The DRC's weak and abusive security forces have been unable to quell continuing militia activities in

¹⁴In addition to the challenges in the DRC that we describe, the NGO representatives who participated in our round-table session identified challenges outside the DRC relating to the level of U.S. engagement and commitment in the DRC as well as to the prioritization of U.S. resources and the lack of demonstrated results.

the DRC's eastern regions, where security worsened during 2007. For example, the UN reported that the DRC army is responsible for 40 percent of recently reported human rights violations—including rapes, mass killings of civilians, and summary executions—and DRC police and other security forces have killed and tortured civilians with total impunity.¹⁵ State reported that government and other armed forces in the DRC have committed a wide range of human rights abuses, including forcing children into the security forces.¹⁶ Further, the DRC's unstable security situation has worsened the DRC's humanitarian and social problems and impeded efforts to address these problems. For instance, U.S. agency officials reported that the conflict has forced them to curtail some emergency assistance programs, and NGOs implementing development and humanitarian assistance activities in the DRC reported that the lack of security has resulted in attacks on their staff or led them to suspend site visits and cancel and reschedule work. In addition, the DRC's unstable security situation has negatively affected the country's economic potential by discouraging investment, which in turn could worsen security through renewed conflict.¹⁷

- **Weak governance and corruption.** By many accounts, corruption in the DRC is widespread. For example, Transparency International's 2007 Corruption Perceptions Index identifies the DRC as one of the 10th most corrupt countries in the world.¹⁸ Further, weak governance and corruption in the DRC have hindered efforts to reform the security sector and hold human rights violators accountable. For instance,

¹⁵Office of the UN High Commissioner for Human Rights, MONUC Human Rights Division, *The Human Rights Situation in the Democratic Republic of Congo (DRC) during the period of July to December 2006* (Feb. 8, 2007).

¹⁶State Department Bureau of Democracy, Human Rights, and Labor, *Country Reports on Human Rights Practices* (Washington, D.C., March 6, 2007).

¹⁷The DRC country assistance framework document notes that an additional 2 percent of economic growth sustained over 10 years could reduce the risk of renewed civil war by about one-third. See also Paul Collier and Anke Hoeffler, "Greed and Grievance in Civil War," *Oxford Economic Papers*, vol. 56 (2004). Other researchers have estimated that a democratic nation is roughly 10 times more likely to be overthrown if its economy experiences negative growth 2 years in a row; see Adam Przeworski, Michael E. Alvarez, José Antonio Cheibub, and Fernando Limongi, *Democracy and Development: Political Institutions and Well-Being in the World, 1950-1990* (Cambridge, United Kingdom: Cambridge University Press, 2000).

¹⁸The DRC, with three other countries, has a score of 1.9 on the corruption index's 10-point scale, in which a score of zero would be given for a highly corrupt state and 10 would be given for a "clean" state. The index includes 179 nations (see http://www.transparency.org/policy_research/surveys_indices/cpi/2007).

according to U.S. officials, the DRC lacks a government office with clear authority on security issues, and efforts to reform the DRC's police may be impeded by lack of support from corrupt DRC institutions. According to NGO representatives, the lack of an effective judiciary impedes efforts to hold human rights violators accountable for their actions, which in turn promotes a "culture of impunity." Moreover, governance problems have hindered efforts to implement economic reforms required for debt relief and promote economic growth. For example, according to Treasury officials and IMF documents, the government's lack of commitment to meet certain requirements has jeopardized the DRC's ability to receive some interim debt relief, qualify for full debt relief, and improve the country's overall economic prospects.¹⁹ Finally, the judiciary's ineffective enforcement of commercial contracts in the DRC has likely discouraged private sector investment and hence economic growth. The World Bank rated the DRC's enforcement of contracts as among the weakest in the world, such that a company might need to expend roughly 150 percent of a typical contract's value to ensure enforcement through court proceedings.

- **Mismanagement of natural resources.** Governance and capacity challenges in the DRC have limited the ability of international donors, NGOs, and the DRC government to improve natural resource management. For example, the Kimberley Process Certification Scheme has criticized the DRC for weak internal controls, customs capacity, and ability to track diamonds extracted by large number of self-employed miners.²⁰ According to U.S. and NGO officials, the DRC also conducted a national mining contract review without publishing its terms of reference or all of the contracts or clearly defining the role of civil society representatives. Further, mismanagement of the DRC's natural resources has fueled continued conflict and corruption.

¹⁹To receive the estimated \$6.3 billion in debt relief for which it may qualify under HIPC, the DRC must meet various conditions that include satisfactory macroeconomic performance under an IMF-supported program, improved public sector management, and implementation of structural reforms. Although donors had expected the DRC to qualify for full debt relief in 2006, the government instead fell into arrears and failed to implement needed policies; as a result, the IMF has suspended its program assistance to the DRC in 2007. Having determined that the DRC cannot sustain its current debt levels, the IMF is consulting with the DRC regarding a new debt-relief program, according to Treasury officials. However, the DRC will not qualify for full debt relief until at least 2009.

²⁰These challenges are common to many developing country members. For further discussion of such challenges, see GAO, *International Trade: Critical Issues Remain in Deterring Conflict Diamond Trade*, [GAO-02-678](#) (Washington, D.C.: June 14, 2002).

According to U.S. officials, international donors, and NGOs, the DRC's abundant natural resources fuel conflict between neighboring countries' militias and armed domestic factions and foster corruption among government officials.

- **Lack of basic infrastructure.** The DRC lacks many key elements of basic infrastructure, such as buildings, equipment, and transportation. For example, according to a recent study by 17 donor nations, no roads link 9 of the DRC's 10 provincial capitals to the national capital and no roads link the DRC's northern and southern regions or its eastern and western regions. International observers have reported that the DRC's educational and penal infrastructures are dilapidated, and an international group of donor nations stated that the DRC's electrification, communications, and supplies of clean water have major deficiencies. Moreover, the DRC's lack of basic infrastructure has hindered progress in humanitarian, developmental, and governance programs. According to U.S. officials, the lack of an adequate in-country transportation system increases the time required to get supplies to those in need and, according to U.S. and NGO officials, increases the expense or difficulty associated with their programs. International donors and organizations said that the lack of infrastructure has made economic development impossible in many areas and may stifle the potential for economic growth and private sector activity in most DRC provinces.

U.S. Efforts to Assess Overall Progress toward Achieving the Act's Policy Objectives

Although U.S. agencies monitor their efforts in the DRC, the U.S. government has not established a process to assess overall progress toward achieving the Act's policy objectives in the DRC. Further, although State and NSC have developed mechanisms to coordinate some of the agencies' activities in the DRC, neither mechanism systematically assesses overall progress.

Some of the key agencies involved in the DRC monitor their respective programs. For example, USAID's Office of Foreign Disaster Assistance (OFDA) has two program officers in the DRC who regularly visit project sites and publish quarterly reports on OFDA activities. Their partner

organizations, or implementers, also provide reports and updates on their projects.²¹

However, the executive branch has not established a governmentwide process to use such information for an assessment of overall U.S. progress in the DRC. Although State and NSC have developed mechanisms aimed at providing some degree of coordination among executive branch agencies active in the DRC, neither mechanism currently provides for the systematic assessment of overall U.S. progress toward its goals.

- In 2006, to ensure that foreign assistance, including assistance provided to the DRC, is used as effectively as possible to meet broad foreign policy objectives, the Secretary of State appointed a Director of Foreign Assistance (DFA), who also serves as the Administrator of USAID.²² Under DFA's guidance, State and USAID have begun to develop a joint planning and budgeting process that, according to State officials, may eventually assess all U.S. foreign assistance. However, as of February 2008, the Office of the DFA had not completed its DRC operations plan for fiscal year 2007, which ended on September 30, 2007.
- To focus attention on issues affecting the Great Lakes region of central Africa, which encompasses the DRC, the National Security Council established an interagency working group, comprising officials from DOD, State, and USAID. The group's mission is to establish a coordinated approach, policies, and actions to address issues, such as security, in the DRC and other countries in the region. However, according to NSC and State officials, the group has not developed systematic tools for assessing the impact of all U.S. agencies' efforts to achieve the Act's objectives. Also, the group does not include several agencies providing assistance to the DRC, such as DOL, HHS, and USDA.

²¹For example, in one report, OFDA noted that work conditions are extremely difficult because many health centers are accessible only by foot and that the local population is often too fearful of attacks by armed groups operating in the area to make full use of the centers

²²DFA is charged with developing a coordinated U.S. government foreign assistance strategy; creating and directing consolidated policy, planning, budget, and implementation mechanisms and staff functions required to provide umbrella leadership to foreign assistance; and providing guidance to foreign assistance delivered through other agencies and entities of the U.S. government, including the Millennium Challenge Corporation and the Office of the Global AIDS Coordinator.

The lack of a governmentwide process for assessing its overall progress in the DRC limits the U.S. government's ability to ensure that it has allocated its resources in the most effective manner. At the same time, given the DRC's significance to Africa's stability, the scope, complexity, and urgency of the challenges to achieving U.S. policy objectives in the DRC warrant a governmentwide response. To ensure a basis for informed decisions regarding U.S. allocations for assistance in the DRC as well as any needed bilateral or multilateral actions, we recommended in December 2007 that the Secretary of State, through the Director of Foreign Assistance, work with the heads of the other U.S. agencies implementing programs and activities in the DRC to develop a plan for systematically assessing the extent to which the U.S. government as a whole is making progress in achieving the Act's policy objectives. Commenting on a draft of our 2007 report, State endorsed our recommendation, noting that it would likely be met as DFA's joint planning and budgeting processes are extended to include all U.S. agencies engaged in the DRC.²³

This completes my prepared statement. I would be happy to respond to any questions that Members of the Caucus may have at this time.

²³See [GAO-08-188](#), appendix III, for State's comments regarding a draft of our report.

Appendix I: Objectives, Scope, and Methodology

For our December 2007 report, we identified (1) U.S. programs and activities that support the objectives of the DRC Relief, Security, and Democracy Promotion Act of 2006 (the Act),¹ (2) major challenges hindering accomplishment of these objectives, and (3) U.S. efforts to assess progress toward accomplishing these objectives.

To identify U.S. programs and activities that support the Act's objectives, we analyzed policy, planning, budget, and programming documents describing U.S. policies and programs in the DRC provided by key U.S. agencies—the Departments of Agriculture (USDA), Defense (DOD), Labor (DOL), Health and Human Services (HHS), State, and the Treasury; the Overseas Private Investment Corporation (OPIC); and the U.S. Agency for International Development (USAID). We identified the amount of funding each agency allocated for its DRC programs in fiscal years 2006 and 2007; we did not determine the extent to which each agency obligated or expended its allocated funds. We also met with representatives from each of these agencies, the National Security Council (NSC), nongovernmental organizations (NGO), and other organizations with expertise on DRC-related issues.

To identify key impediments hindering accomplishment of the Act's policy objectives, we analyzed relevant policy and program documents; interviewed U.S. agency officials; conducted a round-table session with a nonprobability sample of 11 NGOs with a broad range of experience and expertise implementing programs and projects in the DRC; and interviewed representatives from other organizations with experience in the DRC.

To identify U.S. efforts to assess progress toward accomplishing the Act's policy objectives, we reviewed U.S. agency assessments and implementation documents. Although we did not travel to the DRC, we conducted several telephone interviews with U.S. embassy and USAID mission staff in the DRC.

We conducted this performance audit from May 2007 to December 2007, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence

¹Pub. L. No. 109-456, 120 Stat. 3384.

obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: GAO Contact and Staff Acknowledgements

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Staff Acknowledgements

In addition to the contact named above, Zina Merritt (Assistant Director), Pierre Toureille, Kristy Kennedy, Kendall Schaefer, Martin De Alteriis, Michael Hoffman, Reid Lowe, and Farhanaz Kermalli made key contributions to this report. Grace Lui provided technical assistance.

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