

Background paper on the Central African Republic

Executive Summary

This paper has been prepared to assist the discussions of the Central African Republic Country Specific Meeting of the Peacebuilding Commission (PBC). It provides a brief overview of the current political, security, economic, and social context in the Central African Republic (CAR), examines the existing national framework documents, and highlights some peacebuilding priorities and challenges. The paper also lists the regional and international initiatives.

CAR faces a daunting array of challenges, in the political, security, humanitarian and development sectors. The government has developed plans and strategies in response to many of these challenges.

In the short to medium term PBC's engagement could focus on addressing the most immediate priorities for peacebuilding as they have emerged from discussions with the authorities of the Central African Republic and the local and international donor community during the recent visit of the CSM Chair to the Central African Republic from 10-11 July 2008 and on supporting the inclusive political dialogue. These priorities are: (1) support for effective, accountable, and sustainable national security sector, (2) reinforcing of the rule of law, including respect for human rights, and good governance, and (3) the establishment of development poles. The importance of focusing initially on those peacebuilding priorities derives from the fact that they hold the key to stabilizing the country and laying the foundation for sustained peace, which in turn will put the country on a path of recovery, sustained growth and development. Moreover, the crucial task of building state institutions for effective political and economic governance will critically depend on progress in institution-building to support security sector, rule of law and human rights.

As the PBC will have addressed the more immediate challenges, the PBC could progressively take up other priorities in the context of the broader role the PBC can play in ensuring that peacebuilding priorities complement existing national strategies, in identifying the gaps in programmes needed to strengthen the peacebuilding agenda, in increasing regional and international attention toward the country and in contributing to support national efforts to undertake the essential tasks of promoting national reconciliation, strengthening peace and political stability, building institutions for public administration and

I. Introduction

1. In a letter dated 6 March 2008, the Minister of Foreign Affairs, Regional Integration and Francophonie of the Central African Republic (CAR) requested the Chairpers

8. As discussions continued on the organization of the inclusive political dialogue, the Government concluded separate peace agreements with the Democratic and Popular Forces of the CAR (FDPC) in Syrte, in February 2007, and with the Union of Democratic and Republican Forces (UFDR) in Birao, in April 2007. The Government's separate peace agreement with the Popular Army for the Restoration of Democracy (APRD) was signed in Libreville, in May 2008, following the recommendation of the Dialogue Preparatory Committee (CPDPI). Also, at the recommendation of CPDPI, the Government concluded a Comprehensive Peace Agreement with APRD and UFDR in Libreville, in June 2008. The two latest agreements are important preconditions for the Inclusive Dialogue and the comprehensive peace agreement remains open for signature by other politico-military groups.

9. In early August, most of the key stakeholders in the dialogue process, including the main coalition of opposition parties (UFVN) and politico-military groups, announced their withdrawal from the peace process over their dissatisfaction with the three draft amnesty laws tabled before the Parliament by the CAR Government. The bills were viewed by these stakeholders as being contrary to the spirit of the Libreville accords and the recommendations of the Dialogue Preparatory Committee which, among other things, provided for amnesty to leaders of rebel groups to enable them participate in the inclusive dialogue.

10. In addition to internal political and security challenges, potential external threats subsist, as the CAR is exposed to the effects of conflict in neighbouring countries of Chad, Sudan and the Democratic Republic of the Congo. In an effort to address the regional security concerns, on 25 September 2007 the UN Security Council adopted resolution 1778, authorizing the deployment of a multidimensional presence in eastern Chad and the north. The DemouderR v5ae

employment opportunities as well as produce adequate stream of revenue to finance government's recurring expenditure.

15. Even though the economic performance of the last two years is encouraging, it remains fragile because the low level of economic and human capital and the vulnerability of the country to adverse and exogenous factors, such as the increase of oil prices or the ongoing food crisis. Real GDP grew by 4.2 percent in 2007 and is expected to grow by about 4.9 percent in 2008. Growth should be even higher to rapidly reverse the socioeconomic indicators and facilitate the catching up process. Infrastructure, road networks in particular, is weak and many parts of the country are cut from the capital during the rainy season. Major electricity and water shortages persist among the limited beneficiary population.

16. Therefore short and medium term challenges for the country will continue to require immediate, sustained and significant external resources. In this regard, during the first half of 2007, more Official Development Assistance (ODA) was received than in the whole of 2006. Despite this improvement, CAR remains somewhat of an "aid orphan" for several reasons: there are very few bilateral donors; looking at aid per capita, the country ranks particularly low (\$32 per capita in 2007); and bilateral and multilateral partners do not plan to increase their respective CAR country envelopes in the coming years. At the same time, aid also faces strong absorption capacity constraints and because the CAR has very low government revenues, there is an indirect risk of a dampening effect by aid on domestic revenue mobilization.

17. CAR engaged in a series of reforms in various sectors, to create conditions for return to socio-political stability and to send signals of good governance in the economic and financial sectors while providing some peace dividends for the population. Three economic and recovery programmes were formulated and successfully implemented since 2005. These programmes are two post conflict programmes, an interim strategy programme and a Poverty Reduction programme underway. The fiscal position also improved owing to expenditure control and efforts to enhance domestic revenue mobilization. Fiscal revenue increased steadily from 2004 to 2008; the government payroll decreased by almost 21% from 2004 to 2006, while tax receipts increased significantly. In 2008-2009, the government will continue having difficulty clearing salary arrears within the public service, but it is forecasted that the fiscal deficit will be contained to less than to 3 percent of GDP in 2008.

18. In September 2007, the World Bank's International Development Association (IDA) and the International Monetary Fund (IMF) determined that the CAR qualified for debt relief under the enhanced Heavily Indebted Poor Countries (HIPC) Initiative and had reached the decision point under the Initiative. To qualify for irrevocable debt relief at completion, the government was required to implement a broad set of reforms, in particular to accelerate efforts to strengthen public financial management. The government is expected to continue to put into action an economic programme supported by the IMF's Poverty Reduction and Growth Facility (PRGF), and continue implementing its PRSP. In addition, the CAR will be eligible for Multilateral Debt Relief Initiative assistance when it reaches HIPC completion point. Resolution of the domestic debt overhang is also a pressing issue, as public sector domestic debt amounts to about 23 percent of GDP. About 60 percent of domestic debt is arrears (mostly salaries); many civil servants are owed several years of salary.

19. The humanitarian crisis caused in the CAR by violence in regions affected by rebellious attacks and government armed forces retaliation, hit more than 1 million highly vulnerable people due to disease, malnutrition and insecurity. Some 300,000 people are displaced internally and in neighboring countries. Most have sought refuge in urban areas where they have been cut off from their livelihoods. The economic and social situation of the displaced people needs to be addressed urgently in the framework of wide integrated national and regional programmes that combine efforts in three interrelated sectors: Security, Peace and Development.

20. Overall, and despite major political and security challenges, the Central African Republic has made encouraging progress on economic and fiscal reforms. While the budgetary situation is still very fragile, improvements should be pursued.

III. Existing national frameworks and plans: an entry point for peacebuilding efforts

21. The government of CAR, with the support of other st

'high' or 'medium'. US\$ 114 million are needed for the CAP in 2008, and US\$ 70 million had been committed by June 2008.

27. The CAR was declared eligible to receive Peacebuilding Fund (PBF) support in January 2008 to help address priorities essential for the consolidation of its peace. While the political situation in country remains complex, underlined among other issues by weak State capacity, recurrent instability and lawlessness; the conclusion of a Ceasefire Agree provided a new opportunity for enhanced peacebuilding support. The priority plan, developed in consultation with BONUCA and the UN Country Team, was approved in May 2008 for the amount of US\$ 10 million, identifies three short-term priority areas for PBF funding: i) *security sector reform*; ii) *promoting good governance, decentralization and public services provision*; and iii) *revitalization of communities affected by conflict*.

IV. Peacebuilding priorities and challenges

28. CAR faces a daunting array of challenges in the political, security, humanitarian and development spheres. As noted above, the government has developed plans or strategies with the support of the international community, in response to many of these challenges. In order to add valu

government and the commitment of authorities and international actors to rebuilding the country. The Dialogue Preparatory Committee (CPDPI), a process supported in part by the Peacebuilding Fund, has prepared a consensual framework for the dialogue around three themes: (i) politics and governance, (ii) security situation and armed groups, and (iii) social and economic development. In an effort to ensure participation of all groups in the reconciliation process, the Committee also defined the following national priorities: (i) good governance, (ii) strict respect for human rights, (iii) fight against impunity, and (iv) lasting peace with all armed groups. In the next few months, every effort must be made to successfully complete the inclusive national dialogue and implement the agreements reached.

A. Support for an effective, accountable and sustainable National Security Sector

33. A strong security environment is necessary for the establishment of inclusive development in the CAR. Security sector reform in the CAR is aimed at restructuring domestic security and justice services into a coherent set of organizations that work together to uphold the law, promote good governance and human rights, and foster development. The National SSR Seminar in April 2008 resulted in a comprehensive report *Crucial Steps: Security Sector Reform in Central African Republic* which offers proposed solutions and a projected two-year reform schedule for the security sector. In particular, the restructuring of the security institutions, professionalizing and deploying the police and gendarmerie in the interior of the country, ensuring the completion of DDR, and enhancing prison and penitentiary capacity are imperatives in the reform process. The PBC efforts should support the implementation of this two year reform schedule, including through resource mobilization and effective coordination of international support. Furthermore, strengthening the civilian oversight of the security sector, particularly through the parliamentary committees, and encouraging responsible civil society will be critical in ensuring accountability and achieving effective SSR.

B. Reinforcing the rule of law, including respect for human rights, and good governance

34. Restoring good governance and the rule of law is a major challenge in the CAR. The weakness of justice and public administration institutions represents a particularly acute challenge to state and human security. The country's public administration is marked by destroyed infrastructure, salary arrears, and inefficiency. In this context and to bring public services closer to the vulnerable population groups throughout the country, it is an urgent priority to strengthen the democratic and state institutions, by enforcing the capacity-building of local administration and through development and training of a cadre of qualified personnel in the state and local institutions.

35. Moreover, an emphasis must be placed on restoring accountability and transparency of public finance management. The stabilization of public finance involving a three-prong effort should aim at improving the

boosted, infrastructures will be set up and minimal security services will be established in order to create an anchor for extension of state authority in the area.

V. Conclusions

38. Although there is much work to be done in the CAR, there is currently a unique window of opportunity. Relevant actors must capitalize on the commitment of the government and international donors, the comprehensive peace agreement, the Inclusive Political Dialogue, and the strategic frameworks addressing security, poverty reduction and humanitarian aid. Support already being provided through the PBF can play a crucial role in catalyzing and sustaining the momentum of the peace process in CAR, and to this end will go a long way to complement other efforts of the development community in consolidating the peace and creating early peace dividends.

39. In the short to medium term PBC's engagement could focus on addressing the most immediate priorities for peacebuilding as they have emerged from discussions with the authorities of the Central African Republic and the local and international donor community during the recent visit of the CSM Chair to the Central African Republic from 10-11 July 2008 and on supporting the inclusive political dialogue. These priorities are: (1) support for effective, accountable, and sustainable national security sector, (2) reinforcing of the rule of law, including respect for human rights, and good governance and (3) building minimum state authority throughout the country through the establishment of development poles. The importance of focusing initially on those peacebuilding priorities derives from the fact that they hold the key to stabilizing the country and laying the foundation for sustained peace, which in turn will put the country on a path of recovery, sustained growth and development. Moreover, the crucial task of building state institutions for effective political and economic governance will

Annex I

Regional and international initiatives on CAR¹

CAR has received various forms of international and regional support throughout the past decade. On the request of the President of CAR following military mutinies in 1996, the leaders of Gabon, Burkina Faso, Chad, and Mali visited Bangui to mediate a truce – the Bangui Agreements. An **Inter-African Mission to Monitor the Implementation of the Bangui Agreement (MISAB)** comprised of 800 troops to oversee the agreement from 1997 to 1998. MISAB was under Gabonese command and logistically supported from France. The UN coalition was approved by the UN Security Council with Resolution 1125 and provided with a Chapter VII mandate.

With the end of MISAB, the Security Council on 15 April 1998 established the **UN mission in the Central African Republic, MINURCA** under Resolution 1159. MINURCA, a 1,350-strong force was mandated to assist in maintaining and enhancing security and stability in Bangui and surrounding areas; assist in disarmament programmes; assist in capacity-building of national police; and help facilitate preparations for elections. Under Security Council Resolution 1271, MINURCA's mandate was extended until February 2000 with a view to ensure a short and gradual transition from United Nations peacekeeping to a post-conflict peacebuilding presence.

In a report on the activities in the CAR, the Secretary General stated in 2000 that international and regional efforts had provided CAR with much needed stability and that the government would have to build on these gains. In a separate report in 2000, the Secretary General reported that the **United Nations Peacebuilding Support Office in the Central African Republic (BONUCA)** would take over from MINURCA to provide assistance in the peacebuilding effort. The principal mission of BONUCA, is to support the government's efforts to consolidate peace and national reconciliation, strengthen democratic institutions and facilitate the mobilization at the international level of political support and resources for national reconstruction and economic recovery in the country. In addition, BONUCA is mandated to promote public awareness of human rights issues in the country and monitor developments in this field.

In 2002, after an unsuccessful military coup attempt in 2001, the **Force Multinationale en Centrafrique (FOMUC)** was created to restore security in Bangui. Originally under the umbrella of the Community of Sahel Saharan States (CEN-SAD), then under the Economic and Monetary Community of Central Africa (CEMAC), and on 12 July 2008 was transferred to Economic Community of Central African States (ECCAS). Its current strength of 380 troops will be increased to 500 with the deployment of 119-strong Cameroonian contingent. FOMUC now patrols the area around Kaga-Bandoro, Bozoum, and Paoua in the northwest.

On 25 September 2007, the Security Council Resolution 1778, approved the creation of a multidimensional presence alongside the E(Central African Republic)MUC, 0 0 5FpeoaeMUC)reie

Annex II Central African Republic Fact Sheet

