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Message

3 documents

- ① Latest Zambia proposal
- ② short exec summary of it
- ③ Recent figures on debt from Zambia -
US receives ~ \$3M/yr.

**Government of the Republic of Zambia
and Cooperating Partners Initiative**

**Combating the
Zambia HIV/AIDS Pandemic
Through a Multidonor
'Debt for Development'
Agreement**

(draft proposal as of 18 May 1999)

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I. GOAL

To support an expanded multisectoral response to the Zambia HIV/AIDS pandemic to scale-up the delivery of effective interventions by Government, NGOs, and the private sector.

II. CONTEXT

Devastation of HIV/AIDS in Zambia

Zambia has one of worst HIV-AIDS pandemics in the World, with an estimated 20% of the adult population HIV-positive. AIDS-related deaths are rapidly escalating, and expected to peak in 2005. Life expectancy is plummeting, with the average Zambian lifespan dropping from 54 years to 37 years. The pandemic is also leading to an unprecedented AIDS orphan crisis, with an estimated 1, 000,000 orphans by the year 2000, representing approximately 10% of the total population of Zambia. A secondary tuberculosis pandemic is also debilitating the economically productive work force. Historic improvements in child survival are also being lost in the specter of HIV/AIDS. In summary, the Zambia HIV/AIDS pandemic seriously threatens the country's prospects for sustainable economic development as it depletes the country's most educated, energetic, and productive population.

Zambian Response

To combat this crisis, President FJT Chiluba announced in March 1999, a new commitment to rapidly expand the national response with a war against AIDS when he said, "We must all unite in the fight against AIDS." The GRZ is in the final stages of planning for the implementation of a new National HIV-AIDS Council and an HIV-AIDS Secretariat which has been designed to support an expanded multisectoral response.

Debt Burden Hinders Effective Response

A major factor hindering an effective HIV/AIDS response in Zambia response is the macroeconomic situation and the unsustainable debt burden. During 1998, the real gross domestic productivity (GDP) per capita is estimated to have declined by 5%. Inflation rose from 18.6 percent at the end of 1997 to 30.6 percent at the end of 1998. Interest rates rose sharply while the Kwacha depreciated rapidly. These factors led to tight fiscal constraint as revenues were below targets, while expenditure pressures increased.

The 1998 GRZ debt servicing obligations of \$123 million paid to the Paris Club Members and the multilateral institutions was equivalent to 69% of the amount budgeted by the GRZ from its own resources for the social sectors. For example, District Health Boards only received 30% of their expected budget in 1998, therefore they were unable to effectively implement HIV-AIDS prevention and control activities, TB control, or control of sexually-transmitted infections. The GRZ currently has no formal mechanism for providing financial support to civil society NGOs

that are at the front lines in the battle against HIV/AIDS. The debt burden severely compromises the ability of GRZ and the civil NGO sector to effectively respond to the HIV-AIDS crisis.

III. DECLARING WAR ON HIV/AIDS BY SCALING-UP RESPONSE

Accelerating Action Through a Multidonor 'Debt for Development' Agreement

Expanding the resource envelope is a critical step needed to enable the Zambian people to effectively respond to the crisis. To accelerate the Zambia development process, by accelerating the national response to the HIV-AIDS pandemic, a multidonor 'Debt for Development' Agreement is proposed. This agreement is based on the following implementation steps:

- ◆ **Plans of Action:** Government of the Republic of Zambia (GRZ) and non-governmental organizations (NGOs) finalize HIV-AIDS Response Plans of Action (GRZ Ministries and NGO Response Plans). These plans will include a multiple year strategic plan, budget, and a monitoring and evaluation framework;
- ◆ **HIV/AIDS Response Fund:** GRZ establishes a "HIV/AIDS Response Fund" to receive agreed upon resources from creditors. The implementation of this fund shifts resources towards *supplementary* domestic investment in the national HIV-AIDS response. Actual GRZ and NGO expenditures will serve as the baseline for monitoring supplementary investments in the HIV/AIDS response;
- ◆ **Performance Milestones:** The "HIV/AIDS 'Debt for Development' Agreement" will be based on agreed upon performance milestones that support the implementation of the Zambia HIV-AIDS Plan of Actions. Performance milestones will be developed to establish targets for legal, policy, technical performance, and people-level impact, as well as, the establishment and implementation of systems of financial accountability;

GRZ-Cooperating Partners Implementation Principles

- ◆ **Leadership:** Zambian political and programmatic leadership in the design and implementation of the HIV/AIDS Response is critical.
- ◆ **Accountability:** Compliance with International accounting principles and practices is critical. The GRZ and all implementation partners will promote a zero tolerance for corruption.
- ◆ **Partnership:** GRZ and all partners will promote strong partnerships in the design and implementation of the HIV/AIDS Response.
- ◆ **Continuous Learning:** The GRZ and all partners will develop and implement a rigorous monitoring and evaluation framework to monitor people-level impact and for modifying

the HIV/AIDS implementation strategies as the pandemic evolves.

- ◆ **Sustainability:** The HIV/AIDS Programmatic Response will be designed and implemented in ways that promote financial and institutional sustainability, commensurate with Zambia's projected economic growth over the next decade.

Options for Creditors

Bilateral and multilateral cooperating partners will have different options for channeling resources into the "HIV/AIDS Response Fund." These include, but are not limited to:

- ◆ **Debt Servicing Swap:** so that principle and interest due to creditor countries would be paid into the HIV/AIDS Response Fund instead of to creditor countries;
- ◆ **Debt for Development Mechanisms:** creditor can transfer debt obligations into the HIV/AIDS Response Fund;
- ◆ **Direct Contributions:** creditors or donors can provide direct contributions to the HIV/AIDS Response Fund as part of their overall assistance to the GRZ.

IV. ORGANIZING FOR ACTION

Task Force for the Multidonor 'Debt for Development' Agreement to Accelerate Action to Combat the Zambia HIV/AIDS Pandemic

The GRZ has formed an Interagency Task Force to support the development, implementation, and monitoring of the multidonor HIV/AIDS 'Debt for Development' Agreement.

GRZ Institutional Oversight

The GRZ is in the final phase of establishing a National HIV/AIDS Council and a National HIV/AIDS Secretariat which is charged with the responsibility of coordinating a multisectoral response to the HIV/AIDS pandemic. The National HIV/AIDS Council and Secretariat are the proposed GRZ institutions that will be responsible for the development, implementation, and monitoring of the proposed HIV/AIDS Multidonor 'Debt for Development' Agreement. The National HIV/AIDS Council and Secretariat would make recommendations on funding priorities to be supported by the HIV/AIDS Response Fund.

GRZ-Cooperating Partners HIV/AIDS Response Fund Steering Committee

A joint "GRZ-Cooperating Partners HIV/AIDS Response Fund Steering Committee" would be formed from various interest groups, such as Government, Cooperating Partners (including creditor countries and multilateral agencies, NGOs and other interest groups. The Steering Committee would make final decisions on resource allocation disbursements, monitor the performance of the implementation institutions against the agreed upon milestones. The National HIV/AIDS Secretariat would be responsible for managing the proposed "GRZ-Cooperating Partners HIV/AIDS Response Fund Steering Committee."

Banking Methods

The GRZ proposes that the "HIV/AIDS Debt Swap Agreement" funds be held in a separate account at the Bank of Zambia. This account will be subject to routine audits by the GRZ Auditor General and by external auditors, as necessary.

V. Programmatic Priorities for the "HIV-AIDS Response Fund"

The programmatic priorities for the HIV/AIDS Response Fund is an evolving iterative process. Finalization of priorities will be described in the final Agreement and will be approved by the HIV/AIDS Response Fund Steering Committee.

Intervention Priorities

The following interventions have been prioritized by the GRZ National AIDS Control Program:

1. Behaviour Change: abstinence, mutual faithfulness or condom use;
2. STD prevention and control;
3. Reduction of High Risk Behaviours (e.g. multiple partners, ritual cleansing);
4. Destigmatization of HIV/AIDS (e.g. red ribbon campaign, political advocacy);
5. Voluntary Counseling and Testing;
6. Improved home-based care and support for people living with HIV/AIDS;
7. Community-based support for orphans and vulnerable children;
8. Improved drug supply for STD prevention, TB control and HIV-positive Zambians;
9. Improved hospital-level care;
10. Mobilisation of a multisectoral response.

Institutional Response

NATIONAL HIV/AIDS COUNCIL AND SECRETARIAT

Over the past 18 months the GRZ has been working to establish a new multisectoral institutional framework for expanding the national response against HIV/AIDS. The new structure will consist of a National Council whose role is to provide policy development guidance, and a Secretariat who will provide technical back-up. The formation of the Council and Secretariat is expected to be approved in the near future.

Goal: To ensure the effective coordination of the multisectoral response to HIV/AIDS.

Objectives:

1. To develop and coordinate the implementation of the National HIV/AIDS Strategic Plan (1999-2001);
2. Public advocacy for HIV/AIDS/STD/TB;
3. Advocate for intersectoral co-operation;
4. Policy setting and guidance to all sectors involved;
5. Advising the different on responses according to their comparative advantage;
6. Resource mobilisation;
7. Approval of budgets;
8. To monitor and evaluate the multisectoral response to HIV/AIDS.

Specific activities of the National HIV/AIDS Council and Secretariat are:

A. Strategic Planning for an Accelerated Response: The interim HIV/AIDS Program has worked over the past year to implement a national multisectoral strategic planning process with GRZ Ministries, NGOS, and the private sector. Debt -swap resources are needed to translate these plans in Action. More importantly, planning exercises need to be carried out at the provincial level. All these units will then require intensive technical support to ensure that the interventions carried out are leading to the desired impact. Only five of 72 districts have received any capacity building in strategic planning for responding to HIV/AIDS. This effort needs to be dramatically scaled up.

*Status: Detailed Workplan and Budget to finalized by June 1999.
Estimated Annual HIV/AIDS Response Fund Request: \$500,000*

B. The Communications Working Group is a broad-based effort to expand Information, Communication and Education regarding the HIV/AIDS pandemic. A first sub-working group is actively developing a "Mass Media Campaign for Reducing Sexual Transmission of HIV Among Youth." Unfortunately, the currently committed funding available from cooperating partners will

not be sufficient to go-to scale with this campaign.

*Status: Detailed Workplan and Budget to finalized by June 1999.
Estimated Annual HIV/AIDS Response Fund Request: \$500,000*

C. The Maternal-to-Child-Transmission Working Group is overseeing the implementation of several initiatives to expand access to voluntary counseling and testing (VCT) at clinics and to give mothers who test positive alternatives feeding options if they choose not to breastfeed. Recent studies show that there is pregnant mothers have a strong desire to know their HIV status. The current level of support available is introducing these interventions is only beginning in four sites nationally.

*Status: Detailed Workplan and Budget to finalized by June 1999.
Estimated Annual HIV/AIDS Response Fund Request: \$500,000*

D. Monitoring and Evaluation Working Group: Zambia is known regionally as having the most robust HIV/AIDS monitoring and evaluation framework. Studies recently implemented are the UNAIDS-WHO-USAID supported prevention indicator surveys, a repeat of the national sentinel surveillance data, and the 3-compound population-based surveys. These data are being analysed modeled in order to establish a baseline for the HIV/AIDS Council/Secretariat, and can be useful in determining priority targets in the general population. Innovative efforts to develop and implement district-level monitoring and evaluation activities are being launched in Zambia. Once piloted, these district level efforts can be replicated throughout Zambia.

*Status: Detailed Workplan and Budget to finalized by July 1999.
Estimated Annual HIV/AIDS Response Fund Request: \$250,000*

E. Home-based Care and Support Working Group: The Council recently formed this working group to consolidate efforts to ensure high quality care is provided at the household and community levels. While there has been a large expansion in the number of these groups in urban areas, the quality of care remains in question.

*Status: Detailed Strategic Plan and Budget to finalized by July 1999.
Estimated Annual HIV/AIDS Response Fund Request: \$100,000*

F. HIV Vaccine and Treatment Working Group: The HIV/AIDS Secretariat has convened a Working Group to review efforts to expand access to HIV/AIDS drugs and to initiate vaccine trials in Zambia.

*Status: Detailed Strategic Plan and Budget to finalized by July 1999.
Estimated Annual HIV/AIDS Response Fund Request: \$100,000*

G. Political Advocacy for the War to Combat HIV/AIDS: In December 1997, the GRZ published the AIDS Impact Model (AIM) which reviews the background, projections, impacts, and interventions of response. The AIM is a policy advocacy tool that has been distributed widely in urban areas.

*Status: Detailed Strategic Plan and Budget to finalized by July 1999.
Estimated Annual HIV/AIDS Response Fund Request: \$50,000*

H. Destigmatisation of AIDS: A major barrier to mobilising a robust response to the epidemic is the conspiracy of silence about AIDS. Now that all Zambians are being affected by the pandemic, renewed efforts are required to destigmatise AIDS. NGOS, led by the Family Health Trust, have established the Red Ribbon Campaign which is designed to promote solidarity in the fight against HIV/AIDS. Debt-swap resources are needed to expand the successful Lusaka pilot activity throughout Lusaka and to the rest of Zambia.

*Status: Detailed Workplan and Budget to finalized by July 1999.
Estimated Annual HIV/AIDS Response Fund Request: \$50,000*

I. Control of Sexually Transmitted Infections(STIs): Data from Tanzania show the well supported STI interventions can reduce HIV transmission by up to forty percent. Effective implementation requires sufficient STD drugs, capacity building and training of health workers, training of pharmacists in the public and private sectors, etc. The GRZ implemented qualitative and quantitative reviews of STD management during 1998. During 1999, efforts to develop and implement improved STD management are being implemented through a variety of Initiatives, including the Central Board of Health's Plan of Action for Integrated Reproductive Health.

*Status: Detailed Workplan and Budget to finalized by July 1999.
Estimated Annual HIV/AIDS Response Fund Request: \$50,000*

J. Improving Access to Voluntary Counseling and Testing: The demand for VCT is rising as more and more people are experiencing the impact of the AIDS Pandemic. A recently started pilot initiative is introducing a standard approach to VCT in 30 sites throughout Zambia.

*Status: Detailed Workplan and Budget to finalized by July 1999.
Estimated Annual HIV/AIDS Response Fund Request: \$3,000,000*

K. Strengthening the Response to TB: WHO and UNAIDS are promoting the full scale implementation of the DOTS (Directly observed therapy short-course). While there are several successful pilots in urban areas, there is very little progress being made in rural areas.

*Status: Detailed Workplan and Budget to finalized by July 1999.
Estimated Annual HIV/AIDS Response Fund Request: \$50,000*

L. High-Risk Group and High Transmission Interventions: In the World Bank's 'Combating AIDS' book, a strong focus on high-risk and high transmission subgroups of the population is recommended as a cost-effective strategy. These groups include formal/informal sex workers, truckers, seasonal and rural migrant workers uniformed personnel, and fish camp workers. Over the past several years, successful efforts collapsed to lack of funding. Currently planned efforts will only cover a small proportion of these groups.

*Status: Detailed Workplan and Budget to finalized by July 1999.
Estimated Annual HIV/AIDS Response Fund Request: \$300,000*

M. Catalytic Projects: To begin the process of accelerating the National response, the National HIV/AIDS Council and Secretariat will be sponsoring the catalytic projects. It is envisioned that these catalytic projects will be funded through the NHAS Working budgets, Orphans Response Plan, or the NGO Response Fund. An initial catalytic projects are :

Geographic priority area	Social priority area	Project title	Leading Ministry or Institution	Implementing Institution
Lusaka Province, urban districts	Youth in and out of school	Mapode Project	Mapode (Mrs. Kiremire)	
		Lusaka Peer Action Projects	MOH, Lusaka City Council, Human Resource Trust	
		Youth Alive	MYSCD	
	Orphans	See National coverage: CHIN		
	Commercial sex workers	Tasintha	NHAS	Tasintha
		Commercial Sex Workers Project		
	Public sector, civil servants	Kanyama Peer Education Project	MOH	Kanyama Health Centre
		HIV/AIDS Focal Point Person Programme	Cabinet Office	Ministry of Science and Technology
Private sector workers PLWHA		HIV Workplace programmes	ZFE	ZFE
		See National coverage: NZP+ Project		
		Prevention of MTCT Project under national coverage		

Copperbelt Province	Youth in and out of school	CHEP	MOH	CHEP
	Orphans/PLWHA	Ndola HIV/AIDS	MOH/DHMT	Ndola Archdiocese
	Commercial sex workers	Tasintha	NHAS	Tasintha
	Public sector, civil servants	HIV/AIDS Focal Point Persons	Cabinet Office	MSTVT
	Private sector workers	ZFE	ZFE	ZFE, CHEP
Districts on the main trucking routes (Chirundu, Chipata, Kasambalala, Livingstone, Nakonde)	Commercial sex workers	Truckers Interventions Initiative	NHAS	WorldVision Intl (WVI) SFH, IMPACT Truckers Assn of Zambia
	Truck drivers	Truckers Interventions Initiative	NHAS	WVI, SFH, IMPACT
	Youth in and out of school	"	NHAS	WVI, SFH, IMPACT
Fishing districts (Luapula and Southern Province, Kafue, Zambezi)	Fishermen and fish traders	Nchelenge Fishing Project	DHMT, PCI SFH	
	Commercial sex workers Youth in and out of school		Harvest Help Harvest Help	
Districts with seasonal and rural work (Mpongwe, Chiawa, Mazabuka)	Seasonal workers	Peer Education Strategy on a Commercial Farm, Chiawa (Lusaka Rural)	Karolinska Institutet (Sweden)	Institute for Economic and Social Research, UNZA
	Commercial sex workers Private sector workers			
Districts with refugees (Luapula, Northern, North-Western, Lusaka)	Refugees	YMCA Refugee Project (in Kamwala, Lusaka)	YMCA, Ministry of Home Affairs, UNHCR	YMCA



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**ACCELERATING ACTION to COMBAT
the HIV-AIDS PANDEMIC in ZAMBIA
using a MULTIDONOR 'DEBT for DEVELOPMENT' AGREEMENT**

(Briefing Memo as of 1 June 1999)

GOAL

To support an expanded multisectoral response to the Zambia HIV-AIDS pandemic to scale-up

the delivery of effective interventions by Government, NGOs, and the private sector.

CONTEXT

Devastation of HIV-AIDS in Zambia

Zambia has one of worst HIV-AIDS pandemics in the World, with an estimated 20% of the adult population HIV-positive. AIDS-related deaths are rapidly escalating, and expected to peak in 2005. Life expectancy is plummeting, with the average Zambian lifespan dropping from 54 years to 37 years. The pandemic is also leading to an unprecedented AIDS orphan crisis, with an estimated 1, 000,000 orphans by the year 2000, representing approximately 10% of the total population of Zambia. A secondary tuberculosis pandemic is also debilitating the economically productive work force. Historic improvements in child survival are also being lost in the specter of HIV-AIDS. In summary, the Zambia HIV-AIDS pandemic seriously threatens the country's prospects for sustainable economic development as it depletes the country's most educated, energetic, and productive population.

Zambian Response

To combat this crisis, President FJT Chiluba announced in March 1999, a new commitment to rapidly expand the national response with a war against AIDS when he said, "We must all unite in the fight against AIDS." The GRZ is in the final stages of planning for the implementation of a new National HIV-AIDS Council and an HIV-AIDS Secretariat which has been designed to support an expanded multisectoral response.

Debt Burden Hinders Effective Response

A major factor hindering an effective HIV-AIDS response in Zambia response is the macroeconomic situation and the unsustainable debt burden. During 1998, the real gross domestic productivity (GDP) per capita is estimated to have declined by 5%. Inflation rose from 18.6 percent at the end of 1997 to 30.6 percent at the end of 1998. Interest rates rose sharply while the Kwacha depreciated rapidly. These factors led to tight fiscal constraint as revenues were below targets, while expenditure pressures increased.

The 1998 GRZ debt servicing obligations of \$123 million paid to the Paris Club Members and the multilateral institutions was equivalent to 69% of the amount budgeted by the GRZ from its own resources for the social sectors. For example, District Health Boards only received 30% of their expected budget in 1998, therefore they were unable to effectively implement HIV-AIDS prevention and control activities, TB control, or control of sexually-transmitted infections. The GRZ currently has no formal mechanism for providing financial support to civil society NGOs that are at the front lines in the battle against HIV-AIDS. The debt burden severely compromises the ability of GRZ and the civil NGO sector to effectively respond to the HIV-AIDS crisis.

DECLARING WAR ON HIV-AIDS BY SCALING-UP RESPONSE

Accelerating Action Through a Multidonor 'Debt for Development' Agreement

The GRZ is in the final stages of developing a proposal for "Accelerating Action Against the Zambia HIV-AIDS Pandemic Using a Multidonor 'Debt for Development' Agreement." This proposal will be presented to bilateral and multilateral cooperating partners during the May 26-28, 1999 Consultative Group Meeting in Paris. To accelerate the Zambia development process, by accelerating the national response to the HIV-AIDS pandemic, a multidonor 'Debt for Development' Agreement is proposed. This agreement is based on the following implementation steps:

- ☐ **Plans of Action:** Government of the Republic of Zambia (GRZ) and non-governmental organizations (NGOs) finalize HIV-AIDS Response Plans of Action (GRZ Ministries and NGO Response Plans). An Orphans Response Strategic Plan is also under consideration. These plans will include a multiple year strategic plan, budget, and a monitoring and evaluation framework;
- ☐ **HIV-AIDS Response Fund:** GRZ establishes a "HIV-AIDS Response Fund" to receive agreed upon resources from creditors. The implementation of this fund shifts resources towards *supplementary* domestic investment in the national HIV-AIDS response. Actual GRZ and NGO expenditures will serve as the baseline for monitoring supplementary investments in the HIV-AIDS response;
- ☐ **Performance Milestones:** The "HIV-AIDS 'Debt for Development' Agreement" will be based on agreed upon performance milestones that support the implementation of the Zambia HIV-AIDS Plan of Actions. Performance milestones will be developed to establish targets for legal, policy, technical performance, and people-level impact, as well as, the establishment and implementation of systems of financial accountability.

The development phase of the Zambia HIV-AIDS 'Debt for Development' is driven by an unprecedented positive response from the people of Zambia. As the full impact the AIDS pandemic is affecting all Zambians, the HIV-AIDS 'Debt for Development' Agreement is providing a "ray of hope" in an otherwise desperately fatalistic environment.

Options for Creditors

Bilateral and multilateral cooperating partners will have different options for channeling resources into the "HIV-AIDS Response Fund." These include, but are not limited to:

- ☐ **Debt Servicing Swap:** so that principle and interest due to creditor countries would be paid into the HIV-AIDS Response Fund instead of to creditor countries;
- ☐ **Moratorium of Debt Servicing:** creditor have the option of issuing a moratorium on debt servicing which would defer debt servicing obligations (principle and interest) into the HIV-AIDS Response Fund;
- ☐ **Debt for Development Mechanisms:** creditor can transfer debt obligations into the HIV-AIDS Response Fund;
- ☐ **Direct Contributions:** creditor countries and multilateral institutions could provide direct contributions to the HIV-AIDS Response Fund as part of their overall assistance to the GRZ.

ORGANIZING FOR ACTION

Task Force for the Multidonor 'Debt for Development' Agreement to Accelerate Action to Combat the Zambia HIV-AIDS Pandemic

The GRZ has formed an Interagency Task Force to support the development, implementation, and monitoring of the multidonor HIV-AIDS 'Debt for Development' Agreement.

GRZ Institutional Oversight

The GRZ is in the final phase of establishing a National HIV-AIDS Council and a National HIV-AIDS Secretariat which is charged with the responsibility of coordinating a multisectoral response to the HIV-AIDS pandemic. The National HIV-AIDS Council and Secretariat are the proposed GRZ institutions that will be responsible for the development, implementation, and monitoring of the proposed HIV-AIDS Multidonor 'Debt for Development' Agreement. The National HIV-AIDS Council and Secretariat would make recommendations on funding priorities to be supported by the HIV-AIDS Response Fund.

GRZ-Cooperating Partners HIV-AIDS Response Fund Steering Committee

A joint "GRZ-Cooperating Partners HIV-AIDS Response Fund Steering Committee" would be formed from various interest groups, such as Government, Cooperating Partners (including creditor countries and multilateral agencies, NGOs and other interest groups. The Steering Committee would make final decisions on resource allocation disbursements, monitor the

performance of the implementation institutions against the agreed upon milestones. The National HIV-AIDS Secretariat would be responsible for managing the proposed "GRZ-Cooperating Partners HIV-AIDS Response Fund Steering Committee."

ACTION PLAN

1. GRZ will present initial HIV-AIDS 'Debt for Development' Proposal to Creditors

Completed: May 30, 1999

2. GRZ and NGOs finalize technical Proposals for the "Debt for Development Agreement."

Target date for Action: June-August 15, 1999

3. Finalization of "HIV-AIDS 'Debt for Development' Agreement with Creditors

Target date for Action: August 30, 1999

4. GRZ and Participating Creditors Signing Ceremony at the XIth ICASA

Target date for Action: September 12-16, 1999

5. GRZ finalizes negotiations with Participating Creditors

Target date for Action: September -December 1999

6. HIV-AIDS Response Fund Established and Accelerated HIV-AIDS Response Launched

Target date for Action: January 2000

Support for this Initiative is actively under discussion among UN Agencies, US government officials, and other creditors.

CONCLUSION

In conclusion, then, we ask you, our brother and sister Christians, to join the 'Jubilee 2000' campaign in very practical and effective ways over the next few months. To this end, we urge you to:

1. Get more information and understanding about Zambia's debt. Our church bodies can help you with materials.
2. Discuss with local MPs and other government officials the debt situation. Get them to take an active role in the campaign for equitable debt relief for Zambia.
3. Discuss and sign the 'Jubilee 2000' petition. Help us to get two hundred thousand (200,000) signatures by the start of 1999. To that end, the *ad hoc* Ecumenical Steering Committee for Jubilee 2000-Zambia which has been constituted by our three bodies will be circulating petitions for your signatures.

God blessed the people of the Old Testament who worked for the peace and justice of the jubilee and who committed themselves to building the community that is the family of God. This same God, revealed to us in Jesus, will bless our efforts here in Zambia, and the efforts of friends around the world, to promote that peace and justice and community that are the signs of the coming of God's Kingdom on earth that we pray for each day, as Matthew 6:10 testifies.

Let us pray for each other in this noble task!

Signed:

Rev. Violet Sampa-Bredt, General Secretary, Christian Council of Zambia
Rev. Thomas Lumba, Executive Director, Evangelical Fellowship of Zambia
Fr. Ignatius Mwebi, Secretary General, Zambia Episcopal Conference

7th August, 1998
Cathedral of the Holy Cross

The Ecumenical Steering Committee for Jubilee 2000-Zambia
c/o Debt Project, Jesuit Centre for Theological Reflection
PO Box 31965, Lusaka, ZAMBIA
e-mail: debtproj@zamnet.zm



The breaking of chains is the work with which
of the Jubilee 2000 Campaign

Joint Pastoral Letter

JUBILEE 2000: CANCEL ZAMBIA'S DEBT!

Brothers and Sisters in the Lord:

Greetings to you, with the peace of Jesus Christ!

In a year and a half, as we are entering into the Year 2000, many Christian denominations will be celebrating a 'jubilee year' in memory of the birth of Our Lord and Saviour.

From the teaching of the Old Testament, we learn that a jubilee year was a special time for restoring the broken bonds of the community of God's people, as recorded in Deuteronomy 15 and Leviticus 23. It was a time for setting free slaves, redistributing land, and canceling debt. All of this was done so that there would be greater equality among all the people, the family of God, since all the people are made in the image of God, as demonstrated in Genesis 1:27. May we now draw your attention to Zambia's external debt situation.

ZAMBIA'S EXTERNAL DEBT

Of special relevance to the people of Zambia today is the call for the canceling of debt. As we are all aware, Zambia suffers heavily under an immense burden of external debt. Over US\$ 7.1 billion is owed to donor countries and to international financial institutions such as the World Bank and the IMF.

That amounts to a debt of almost US\$ 750 for every woman, man and child in Zambia!

We owe such a huge amount of money as debt for a variety of reasons. Our government borrowed heavily in the 1970s when copper prices went down and petrol prices went up. Our economy was hit hard by these external factors. There were also internal factors influencing the

accumulation of debt, such as mistakes and mismanagement. And interest had to be paid back on the loans that we received.

In a word, simply trying to pay the interest and retire some of the capital each year has become a tremendous burden for Zambia. For example, in this year's government budget, more money is spent on debt servicing than on all education and health expenditures combined. In a country where 70% of the population lives below the poverty line, the fact that money is spent on debt service instead of meeting the needs of the people has tragic consequences. But what about efforts at debt relief?

DEBT RELIEF

We leaders of the Christian community in Zambia welcome the efforts of our government, many NGOs and church groups in this country and elsewhere, and concerned people around the world, to work for the reduction of our external debt. This reduction can come about through two initiatives currently in progress.

The first is the programme organised by the World Bank and the International Monetary Fund (IMF) to reduce debts of the Heavily Indebted Poor Countries (HIPC) through negotiated agreements that are related to our maintaining the direction of economic reforms under the Structural Adjustment Programme (SAP). This HIPC initiative would in the future bring down a portion of Zambia's debts.

The second programme is the more dramatic call for cancellation of Zambia's debt through the global campaign called 'Jubilee 2000'. This jubilee initiative, organised around the world, calls upon the leaders of the richest nations and the lending institutions to cancel the unpayable debts of poor countries, so that we can break the chains of debt and have a fresh start, a new beginning, to celebrate the new millennium.

Zambia's total debt is clearly unpayable. Zambia cannot pay back because the debt burden is economically exhausting. It blocks future development. Zambia will not pay back because the debt burden is socially destabilising. It threatens social harmony. Zambia should not pay back because the debt burden is ethically unacceptable. It hurts the poorest in our midst. Has there been any Christian response?

CHRISTIAN ACTION

For these reasons, then, we write this joint letter addressed to the members of our various Christian congregations in Zambia, and indeed

to all Zambians of good will, to encourage positive and effective action to reduce our external debt. To this end, we:

1. Call upon the government to inform the citizenry about the actual debt situation of the country and about debt relief negotiations that are underway. This is necessary so that there can be an informed public debate leading to wise democratic decisions.

2. Call upon the members of the churches of our three bodies (CCZ, EFZ, ZEC) to join the Jubilee 2000 campaign by signing the petition calling for cancellation of Zambia's debts. We are aiming to collect two hundred thousand (200,000) names over the next several months.

3. Call upon our friends in the international community (sister and brother churches, congregations, and all concerned persons) to lobby for equitable and effective debt relief. We are already deeply grateful for the support received so far in this effort.

But we do wish to make three very important points regarding this campaign for debt relief for Zambia.

First, we are not asking for debt 'forgiveness'. To receive 'forgiveness' is to acknowledge guilt. But Zambia has been, with considerable diligence and sacrifice, meeting its debt service. Our incurring of debt has not primarily been our fault, and hence 'forgiveness' is not the proper word to use. Rather we ask for 'cancellation' of an 'unpayable burden' that is harming our people very much. It is not charity that we are seeking, but justice!

Second, we recognise that Zambia must be responsible in the use of any monies made available through debt relief. For this reason we will hold the government accountable, and cooperate with government officials and civil society organisations to monitor the use of the money freed up if and when debt is canceled. We want to ensure that the newly available resources really do contribute to meeting the social and productive needs of the country.

Third, we know that if Zambia is to move forward, honest and hard work is demanded of all of us. The experience of 'jubilee' in the canceling of debt can be for us a new start, a fresh beginning, only if we commit ourselves to the culture of responsibility and accountability, and involve ourselves with dedication and sacrifice in working for the future of our children. It is here that the churches must give the best example, so that not simply in words but in deeds we will have a true 'jubilee'.

Districts of cross-border trading (Livingstone, Chirundu, Kasambalesa, Nakonde, Chipata)	Cross-border traders	Cross Border Assn of Zambia Project	Ministry of Commerce, Trade and Industry	to be determined.
	Commercial sex workers Youth	to be determined	NHAS	WV/SFH
National coverage	Youth in and out of school	Kafue Adolescent Reproductive Health Project for in and out of school youth	PPAZ, FLMZ MOH/CBOH	PPAZ, FLMZ
		Youth Friendly Health Services	PPAZ, FLMZ	PPAZ, FLMZ, DHMTs
		Partnership for Adolescent Sexual and Reproductive Health Project	Care International	Care International, DHMTs
	Orphans	Community Based Orphan Care Initiatives:	Family Health Trust (FHT)	Children in Distress (CINDI)
		Southern Province Children In Need Network (CHIN)	CHIN	NGOs, CBOs, Govt. departments dealing with children in need
	Women		YWCA	
	Commercial sex workers			
	Uniformed personel, prisoners	Kamfinsa AIDS Project: "In but free"	Ministry of Home Affairs	Copperbelt Univ Health Services, Zambia Prison Service
		Civil-Military Alliance	Ministry of Defence Cabinet Office	
	Public sector, civil servants			
	Private sector workers	Barclays Bank HIV/AIDS Awareness	Barclays Bank	Barclays Bank, Kara C., FHT, CBOH
	PLWHA	Capacity Building of NZP+	NZP+, NHAS Secretariat	NZP+
		Prevention of Mother to Child Transmission Project	MTCT Working Group (MOH)	DHMTs in Lusaka, Mbala and Monze

GRZ NATIONAL ORPHANS RESPONSE STRATEGIC PLAN

GRZ and cooperating partners are working together to develop a National Response Strategic Plan to scale-up support programs for orphans. These activities are being supported by the Ministry of Community Development and Social Services, the Ministry of Education, the Ministry of Youth Sport and Child Development, the Ministry of Health, and a large number of NGOS. A National Orphans and Vulnerable Children Task Force will be formed to provide policy guidance and program development and to develop a unified coordination mechanism. In early June 1999, a team of experts (Zambian and international) will initiate a strategic planning process. The major thrust of the various initiatives is to ensure that orphans and vulnerable children (OVC) have the ability to stay within the home and family networks. Some programmatic priorities that are emerging are:

- A. **Reform of Legislation Affecting AIDS Orphans and Vulnerable Children.** The legal framework for improving the care of orphans and vulnerable children is archaic and dysfunctional.
- B. **Models for Scaling-Up a Community-based Response**—Efforts to respond to the orphans crisis will require models for scaling-up the district and community response. Pilot activities are taking place in various parts of the country.
- C. **Strengthening of the Children in Need Network (CHIN)**—Over the past several years a network of NGOs, CBOs, government departments and churches was formed to bring together groups addressing OVC issues. CHIN grew out of this coordinating initiative and is the umbrella organization for organizations working with OVC. CHIN is mainly active in Lusaka.

Status: Strategic Plan to be completed by July 1999.

Estimated Annual HIV/AIDS Response Fund Request: \$100,000

MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT (MOFED)

MOFED provides HIV/AIDS response activities to its staff through sensitization workshops. Efforts are underway to intensify counselling, supporting home-based care programs, encouraging lunch hour fellowships. Most employees don't use condoms, therefore an internal study is being conducted.

Status: Strategic Plan to be completed by July 1999

Estimated Annual HIV/AIDS Response Fund Request: \$100,000

MINISTRY OF HEALTH/CENTRAL BOARD OF HEALTH

A. District Basket Funding: The MOH and cooperating partners have established a framework and systems, including the Financial and Administrative Management System (FAMS) for providing resources to the district/health centre/community health activities. Because of the dismal economic situation, districts only received 30% of the planned resources. Debt-swap resources could be used to ensure that districts receive sufficient operating resources to implement the prioritised HIV/AIDS interventions.

*Status: Strategic Plan completed, budget completed, monitoring and evaluation plan completed
Estimated budget gap for HIV/AIDS activities is being performed.*

B. Ensuring an Adequate Supply of Drugs: There is an ongoing shortage of critical drugs for HIV prevention, AIDS care, STD treatment, and TB drugs. While partners are providing some funds, the macroeconomics situation has limited the ability of GRZ to procure sufficient drugs with their own resources. This proposal will focus on the creation of a Drug Supply Fund, strengthen logistics and distribution systems, and to support a national campaign on Rational Drug Use that is urgently required to eliminate the vast amount of misuse and mismanagement of available drugs

Status: Strategic Plan is being developed.

<i>Annual GRZ investment:</i>	<i>\$6,000,000</i>
<i>Annual Request from HIV/AIDS Trust Fund:</i>	<i>\$7,000,000</i>
<i>Five-year request from HIV/AIDS Trust Fund:</i>	<i>\$35,000,000</i>

C. Strengthening the Hospital-based Care for HIV/AIDS Patients: As the number of AIDS patients is rapidly escalating, it is projected that by 2005, up to 45% of hospital beds will be taken up by AIDS patients. Currently, hospitals are severely underfunded and mismanaged. There is a critical need to establish financial accountability in the hospital sector. The CBOH recently supported the developed the Zambia Health Accreditation Council (ZHAC) which works with hospitals to improve the quality of services provided. By the end of 1999, 40 hospitals will have received their first survey. This focuses on the establishment of financial accountability systems, and to fully implement the Zambia Health Accreditation Council activities.

Status: Strategic Plan in being developed by July 1999.

<i>Five-Year Request from HIV/AIDS Trust Fund:</i>	<i>\$1,331,000</i>
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MINISTRY OF EDUCATION

The MOE has worked over the past year with cooperating partners to develop and start implementation of the Basic Education Sub-Sector Investment Programme (BESSIP). The MOE is responsible for all education for pre-school, basic, secondary, colleges, University of Zambia, and community schools in Zambia. There are more than 4,000 primary schools with an enrollment of more than 1.5 million pupils and over 9,000 secondary school teachers. Available data estimate that 1200 experienced teachers died in 1998, dramatically reduce the ability of the GRZ to provide quality education to young Zambians.

A. Health Education Programming— is urgently needed for all age groups to ensure that young Zambians have the information, life skills training, and tools that they need to prevent HIV, condom distribution, conducting lessons by radio for community schools, peer education training, home-based care training, and counselling training.

B. Expansion of School-based Anti-AIDS Clubs—GRZ and NGOs have started work on establishing this initiative in urban areas and provincial capitals. These groups mobilise youth with information and resources to combat the pandemic. Students are now becoming actively involved in home-based care and support programs. Child-to-child initiatives are being considered.

C. Human Resource Development of Teachers — The large death rate amongst Zambian teachers is a major crisis. Efforts to give teachers the information that they need to combat HIV/AIDS for themselves is critical.

Status: Draft Strategic Plan developed, budget developed

Estimated 5-Year HIV/AIDS Response Fund Request: \$1,878,000

MINISTRY OF SCIENCE, TECHNOLOGY AND VOCATIONAL TRAINING

The Ministry of Science, Technology, and Vocational Training is responsible for the promotion and development of science and technology and provision of technical education, vocational and entrepreneurship. The Ministry has a total establishment of 2478. The Ministry has one research institution and 23 training institutions, with an average student enrollment of about 6,300 annually. In 1998, the Ministry experienced the loss of 36 Officers and spent \$6,400 on expenditures for funerals. The main objectives are:

1. To provide timely information on HIV/AIDS to staff and students in order to reduce the spread of HIV/AIDS;
2. To effectively manage HIV/AIDS activities in order to reduce the socioeconomic impact

- of HIV/AIDS on the students, staff, affected families and the Ministry;
3. To effectively mobilize and utilise resources on HIV/AIDS research and training activities in order to fight the epidemic.

These objectives will be achieved through the following activities: training of trainers, home-based care for staff and all institutions, production of training materials and an HIV/AIDS documentary and provision of teaching materials.

Status: Strategic Plan drafted, budget defined, monitoring and evaluation to be developed

5-Year GRZ expenditures: \$60,000

5-Year HIV/AIDS Response Fund Request: \$553,600

Ministry of Community Development and Social Services

The Ministry of Community Development and Social Services is developing a broad range of HIV/AIDS response activities that focus on strengthening the ability of communities to cope with the burden of AIDS patients, to cope with the orphans crisis, and to implement appropriate preventive measures.

Objectives:

1. To increase awareness of HIV/AIDS among women, orphans, street children using development literacy classes, cultural dance troupes, artists, and traditional healers;
2. To promote the provision of information on HIV/AIDS;
3. To train members of staff in counseling skills;
4. Extension of community-based orphan support programs to 10 additional districts;
5. Business entrepreneurship training of NGOs and people-living-with AIDS support groups.

Status: Strategic Plan is still under development

HIV/AIDS Response Fund Request: \$754,750

Ministry of Agriculture, Food, and Fisheries

The Ministry of Agriculture, Food and Fisheries is developing HIV/AIDS response activities that focus on disseminating HIV/AIDS prevention and mitigation activities through the broad range of agricultural extension worker networks. Activities are being implemented at the Provincial, district, and community-based agricultural camps.

Status: *Strategic Plan to be developed by July 1999.*
 Current annual donor investment: \$200,000
 Annual HIV/AIDS Response Fund Request: \$300,000

Ministry of Youth, Sport, and Child Development

The Ministry of Youth, Sport, and Child Development focuses GRZ HIV/AIDS prevention activities on Youth—the window of hope for the future of Zambia. Youth activities are being developed to integrate the importance of abstinence and condom use as the best methods of prevention of HIV-infection.

Status: *Strategic Plan to be developed by July 1999.*
 Estimated HIV/AIDS Response Fund Request-\$500,000

Ministry of Information and Broadcasting Services

The Ministry of Information and Broadcasting Services has the responsibility of formulating and administering media policy in Zambia. Its functions include informing, educating, and entertaining the public. The Ministry has two departments (Zambia News Agency, Zambia Information Services) and two statutory bodies (Zambia Institute of Mass Communication, Zambia National Broadcasting Corporation). These institutions are supplemented by other public and private media. Objectives are:

1. To raise the level of community participation in HIV/AIDS prevention and care activities;
2. To initiate dialogue and establish coordinating mechanisms with other Ministries on the utilisation of the mass media for HIV/AIDS information dissemination;
3. To establish a press-desk at Ministry headquarters for the production of press releases and information on HIV/AIDS and other health information for distribution to both public and private media;
4. To train journalists and information officers in specialised fields of health, especially HIV/AIDS matters to enable to interpret and present issues correctly and without sensitization;
5. To provide training to district information officers, departmental focal point persons, and peer educators in social mobilisation and counselling relating to HIV/AIDS.
6. To provide material assistance to media organisations to disseminate HIV/AIDS information.
7. To produce video documentaries for rural communities directed mainly to youth, women and STD patients.
8. To produce posters and stickers with AIDS awareness messages

Status: Strategic plan drafted. Budget developed. Monitoring and Evaluation plan to be developed.
GRZ expenditures: \$25,000 for five years
HIV/AIDS Response Fund Request: \$1,000,000

Ministry of Defence

As military personnel have been identified as a key high-transmitting sub-group of the Zambian population, efforts are underway that all defence personnel and their dependants, civilian personnel in the Ministry of Defence, and the civilian populations surrounding the military cantonments. This proposal includes activities for Ministry of Defense and the three forces.

Objectives:

1. Increase awareness of HIV infection amongst the military and the vulnerability of a military career;
2. Combat the epidemic through civil military interface (e.g. including condoms in battle packs);
3. Increase skills among the youth in the military cantonments on negotiating safer sex;
4. Empowering women at Ministry of Defence, and military cantonment through skills acquisition;
5. To promote and provide home-based care;
6. Provide orphan support;
7. Expand knowledge of HIV prevention.

Status: Plan of Action completed and budgeted
Five-year Projected GRZ Expenditure: \$100,000
5-year HIV/AIDS Response Fund Request: \$1,028,100

NGOS HIV/AIDS STRATEGIC RESPONSE PLAN

NGOs are the primary vehicle for delivering community-based HIV/AIDS prevention and care activities. The NGO sector support proposal consists of expanded activities managed by a network of 10 established and experienced NGOs who work in the HIV/AIDS field:

- ◆ Adolescent Reproductive Health Consortium (Family Life Movement of Zambia and Planned Parenthood Association of Zambia);
- ◆ Children in Need Network (CHIN);
- ◆ Churches Medical Association of Zambia (CMAZ);
- ◆ Copperbelt Health Education Program (CHEP);
- ◆ Family Health Trust (FHT);

- ◆ Kara Counseling;
- ◆ Network of Zambian People Living with HIV/AIDS (NZP+);
- ◆ Society for Family Health (SFH);
- ◆ Society for Women Against AIDS in Zambia (SWAAZ).

These NGO networks are intended to be supported by a national coordinating body:

- ◆ Zambia National AIDS Network (ZNaN). ZNaN is a coordinating body with over 100 HIV/AIDS service organizations. There is an elected Board of Directors and a small Secretariat.

It is envisioned that the NGO networks will require support for institutional strengthening through an NGO capacity building organization for at least 1-2 years.

Accelerating the NGO response using the HIV/AIDS Trust Fund will focus on:

1. To support the objectives and scaling-up of activities of the 10 NGO networks;
2. NGO networks will provide subgrants to other smaller NGOs and community-based organizations (CBOs) to expand coverage of technically sound HIV/AIDS interventions;
3. Strengthening the coordinating functions of ZNaN;
4. Empower church and other religious organizations to respond more effectively to the HIV/AIDS pandemic;
5. Build capacity of NGO networks, NGO/CBO grantees in financial management, organizational development and monitoring & evaluation.

Goal: Based on the solid base of NGO experience and achievements, to enhance the impact on HIV Prevention and AIDS impact mitigation through an expanded and wide-ranging mosaic of effective activities.

Objectives:

- 1) To prevent the incidence of HIV;
- 2) To care for and support the infected and affected;
- 3) To mobilize communities to tackle their own HIV/AIDS problems;
- 4) To support orphans;
- 5) To empower the religious groups to respond more effectively to the HIV/AIDS pandemic;
- 6) To improve coordination among NGOs/CBOs and to build institutional capacity

Status: Specific NGO network strategic plans are being developed

HIV/AIDS Response Fund Request: \$7,870,000 First year

\$7,210,000 Year 2 to 5

\$36,710,000 Five Year Request

EXAMPLES OF SPECIFIC NGO ACTIVITIES

Condom Social Marketing in Rural Areas: The Society for Family Health is a Zambian NGO that socially markets health products. Condom sales are reaching target levels in urban areas, however, rural areas, lag far behind. A multi-pronged initiative, including peer education, behaviour change communication, and condom distribution is urgently needed to improve the demand and use of condoms among youth in rural areas.

*Status: Strategic Plan will be developed by July 1999
Annual HIV/AIDS Response Fund: \$1,000,000*

Interfaith Network HIV/AIDS Response: Over the past two years, a successful effort to establish interfaith coordination in Lusaka and Livingstone has occurred. This mechanism allows for an expansion of the community-based response by church groups. Also, as church groups work together they are better able to share and disseminate lessons learned. Finally, the potential for having church groups expand their activities and to develop common messages of communications is critical for the national response. Replication of this model is being considered.

*Status: Strategic Plan will be developed by July 1999
Estimated Annual HIV/AIDS Response Fund Request: \$50,000*

PRIVATE SECTOR

Traditional Healers Association and Networks: Most urban and rural Zambians utilize traditional healers as the first line of response when it comes to illness. HIV/AIDS is no exception. Pilot efforts have been implemented, a curriculum and health education materials have been developed, to have traditional healers provide HIV-prevention interventions. Also, improving the care and appropriate referral of AIDS and TB patients is critical.

*Status: Strategic Plan will be developed by July 1999
Estimated Annual HIV/AIDS Response Fund Request: \$100,000*

Employer-based Programs: Several employers have developed and implemented HIV/AIDS prevention programs. The GRZ has had efforts to work through the Zambia Federation of Employers, ZACCI, and other private sector networks. Because of lack of resources, these efforts are not being widely disseminated. As the burden of AIDS ravages governmental and non-governmental employers, efforts will be needed to promote strategic workforce planning and human resource development.

*Status: Strategic Plan will be developed by July 1999
Estimated Annual HIV/AIDS Response Fund Request: \$ 200,000*

Regional Growth Triangle: Integrating HIV/AIDS interventions into the efforts to establish a regional economic growth triangle with neighboring countries, through the establishment of business coalitions and networks is another potential framework for expanding the HIV/AIDS in the private sector.

Status:

Strategic Plan will be developed by July 1999

Estimated Annual HIV/AIDS Response Fund Request: \$100,000

VII SUMMARY OF HIV/AIDS TRUST FUND REQUEST (in USD)

INSTITUTION	ANNUAL ESTIMATED GRZ EXPENDITURE	ANNUAL ESTIMATED DONOR EXPENDITURE	FIVE-YEAR HIV/AIDS RESPONSE FUND REQUEST
National HIV/AIDS Council and Secretariat	\$60,000	\$100,000	\$27,250,000
National Orphans Response Plan		\$2,000,000	\$ 500,000
Ministry of Finance and Economic Development			\$ 500,000
Ministry of Health/Central Board of Health		\$30,400,000	\$36,331,000
Ministry of Education			\$ 1,878,000
Ministry of Science, Technology and Vocational Training	\$60,000		\$ 553,600
Ministry of Community Development and Social Services			\$ 754,750
Ministry of Agriculture, Food, and Fisheries	\$50,000		\$ 1,500,000
Ministry of Youth, Sport, and Child Development			\$ 500,000
Ministry of Information and Broadcasting Services	\$25,000		\$ 1,000,000
Ministry of Defence	\$100,000		\$ 1,028,100
NGO Response Plan			\$36,710,000
Private Sector			\$ 2,000,000
TOTAL	to be determined	to be determined	\$110,505,450.00

Institutional capacity exists within Zambia to effectively implement an accelerated HIV/AIDS response using the HIV-AIDS Trust Fund resources.

VIII. MONITORING AND EVALUATION PLAN

The following table focusses on outcome indicators. Detailed monitoring and evaluation of sector specific activities is under development.

Indicator	Calculation	Baseline	
		Value/ Source	Yr
P1. Knowledge of preventive practices	<u># of people citing at least 2 acceptable ways of protection from HIV infection</u> Total # of people aged 15-49 surveyed	60% SBS/Survey	1998
P2. Condom availability (central levels)			
P3. Condom availability (peripheral level)			
P4. Reported non regular sexual partners	<u># of people aged 15-49 years who report having had at least one sex partner other than a regular sex partner(s) in the last 12 months</u> Total # of people 15-49 years who report having been sexually active in the last 12 months	Males=39% Fem=17% SBS/Survey	1998
P5. Reported condom use with non-regular sexual partner	<u># of people aged 15-49 reporting the use of a condom during the most recent act of sexual intercourse with a non regular sex partner</u> Total # of people aged 15-49 reporting sexual intercourse with a non regular sex partner in the past 12 months	Males=34.8% Fem=21.3% SBS/Survey	1998

P6.	STD case management	# of people presenting with STD in health facilities assessed and treated in an <u>appropriate way (according to national standards)</u> Total # of people presenting with STD in health facilities	18% HF Survey	1998
P7.	STD case management	# of people presenting with STD or for STD care in health facilities who received on <u>condom use and partner notification</u> Total # of people presenting with STD or for STD care in health facilities	73.4% HF Survey	1998
P1.	STD incidence, men	<u># of reported episodes of urethritis in men aged 15-49 years in the last 12 months</u> Total # of men aged 15-49 years surveyed	3.9% SBS/Survey	1998

IX. WORKPLAN

Activities	Responsible	Status	99 00											
			A	M	J	JL	A	S	O	N	D	J	F	M
1. GRZ Forms Task Force	MOFED	Done	X											
2. First Task Force Meeting	MOFED	Done	X											
3. NGO Networks Sub-Task Force Meeting	MOH	Done		X										
4. Ministerial Sub-Task Force Meeting	MOH	Done		X										
5. Debt Swap Mechanism Sub-Task Force Meeting	MOFED	Done		X										
6. Sectoral Proposals Developed	GRZ NGOs	ongoing		X										
7. Task Force Proposal Review Workshop	MOFED, MOH	Done		X										
8. MOFED distributes proposal to CG partners	MOFED, MOH	Done		X										
9. Prepare Final draft Proposal for GRZ to Present at Consultative Group Meeting	MOFED, MOH	Done		X										

10. Present at Consultative Group Meeting of Partners	MOFED, MOH	26-28 May		X										
11. Task Force Meeting to Define Next Steps	MOFED, MOH	1st week of June			X									
12. Sector Meetings to Revise Proposal	GRZ NGOS				X	X	X							
13. Prepare HIV/AIDS Debt Swap Agreement	MOFED					X	X							
14. Final International Partners Meeting in Lusaka	MOFED, MOH						X							
15. Finalize HIV/AIDS Debt Swap Agreement	MOFED						X	X						
16. Signing Ceremony at the XIth ICASA Conference--Lusaka	MOH	12-16 Sept							X					
17. Finalize Negotiations with Creditor Countries	MOFED/ Coop Partners								X	X	X			
18. Implementation of Zambia Debt Swap Agreement	GRZ/NGOs Coop Partners								X	X	X	X	X	X
19. Mid-year Review of the Agreement	GRZ/NGOs Coop Partners													X

FAX MESSAGE



U.S. Agency for International Development
HIV-AIDS Division, Office of Health and Nutrition
Global Bureau

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Chief, HIV/AIDS Division

Phone: 202 712 0683

FAX: 202 216 3046

Pages: 5/21/99

Date:

Subject: Global AIDS Emergency Working Group

Input for
Interagency HIV/AIDS
paper

Enhancing the Response to the HIV-AIDS Pandemic in sub-Saharan Africa

USAID

05/21/99

Of a total HIV/AIDS budget of \$125 million in FY 1999, USAID is expending \$74 million (60%) in sub-Saharan Africa, funding HIV/AIDS prevention and mitigation programs in 24 sub-Saharan countries. An additional \$7 million is being expended in Africa from the *Supplemental Fund for Children Affected by AIDS*. The USG provides nearly 50% of development assistance monies for sub-Saharan Africa and has invested over \$650 million dollars in Africa for HIV/AIDS since the beginning of USAID support in 1986.

In addition to this substantial effort, the following activities represent new, or expanded initiatives to accelerate and enhance the response to the pandemic, especially in the most severely impacted countries, most of which are in sub-Saharan Africa:

1. **FY 2000 Budget Request:** In the Bureau Budget Submission, for FY 2000, USAID has requested increased funding at \$127 million. The additional \$2 million is intended to increase the scale of our program in India from one to two Indian States, Tamil Nadu and Maharastra.
2. **Increased USAID Funding:** Based on our experience with the successful programs in Uganda and Senegal, a minimum of \$2.00 per adult per year is necessary to mount an basic HIV primary prevention program, that includes a selected set of care and support interventions to enhance the prevention agenda. Thus, a minimum of \$500,000,000 would be required for the African sub-continent. It should not be the sole responsibility of the USG to contribute this sum. Other donors, lending agencies, host country governments, and corporations must also increase their financial contributions. An additional \$20 million/year for the USAID HIV/AIDS budget would focus on sub-Saharan Africa and would achieve the following (These proportions would vary in each country based on the phase of the epidemic and the level of the response, thus far): Approximately 30% would be devoted to reduce mother-to-child HIV transmission and for orphan support. 30% would be devoted for expanded programs for African youth, who now represent the most critical vulnerable population for primary prevention interventions. 40% would be expended for "prevention-to-care" continuum activities that link voluntary HIV testing and counseling to decreasing risk behaviors in HIV negative individuals and basic support and care for HIV positive persons.
3. **Debt Relief:** USAID will assist with exploring debt relief options. We are currently working with the Department of Treasury and other relevant organizations to explore the innovative use of debt relief, rescheduling or swap mechanisms in order to increase host country resources.
4. **Storm Warning Initiative:** USAID will devote an additional \$750,000 for regional activities for six southern African countries (Malawi, South Africa, Zambia,

Zimbabwe, Tanzania, and Mozambique) There are four basic components for this initiative: targeting cross border transport corridors, improving policy dialogue tools, enhancing sharing of "lessons learned, and improving region wide HIV surveillance.

5. **The African Partnerships Initiatives:** Working closely with UNAIDS (new partners-CEOs and Foundations), USAID will focus on four critical areas: assist in the development of a Technical Support Platform to increase technical assistance capacity; explore increased resources through dialogue with U.S. based Foundations; enhance the U.S. Diplomatic initiative by linking with the efforts of other Ambassadors; and improving the exchange of best practice and lessons learned within the region.
6. **Diplomatic Initiative:** In collaboration with the Department of State, USAID is currently finalizing specific African country analyses to determine strengths and gaps in the existing country response and talking points for U.S. Ambassadors on selected aspects of economic impact talking points.
7. **Follow-on activities to the African/African-American Summit:** To be determined upon the return of the U.S. Delegation.
8. **Advocacy Role:** USAID will accelerate efforts to use our role at numerous fora (Binational Commissions, SADC, OAU, Great Lakes Initiative on AIDS, etc.) to address the critical issues of political commitment, allocation of sufficient resources and dealing with stigma and discrimination.

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05/21/99



Congresswoman Barbara Lee
9th District of California
U.S. House of Representatives

Fax Cover Sheet

Date: 2³⁰ pm. 6/16 Pages to follow: 1

To: Michael or Cheryl

From: Jennifer

Fax number: 456-2439

Message: Michael / Cheryl - my boss discussed w/ Sandy a contribution to the Presidential mission report, so I wanted to send you a draft language to you asap -
Could one of you give me a call?
(whoever is working on the report) Thanks!

Confidential and Privileged Information

The information contained in this fax may contain confidential and privileged information and is intended only for the use of the individual or entity named above. If you are not the addressee(s), any use, disclosure, copying or communication of the contents of this transmission is prohibited. If this message was received in error, please telephone us at the number below.

62837

Rep. Barbara Lee
June 15, 1999

DRAFT

5. Partnerships with the Private Sector

Corporate Involvement

The United States should significantly support the involvement of the private sector in establishing a comprehensive fund dedicated to education, research and treatment of men, women, and children living with and/or exposed to HIV/AIDS in Africa. An effective public-private initiative could be seeded and leveraged with federal money, challenging private industry to contribute significant resources for this effort. As has been demonstrated in the recent \$100 million "Secure the Future" initiative put forth by Bristol-Myers Squibb, private industry is interested in becoming involved in the fight against the HIV/AIDS epidemic in Africa. Given the national focus on trade partnerships with African nations, it is in their own best interest to do so. The Federal government should provide a means not only to encourage the involvement of the private sector, but also coordinate and support future private sector initiatives.



U.S. Agency for International Development

Bureau for Africa
Office of Sustainable Development
1325 G St., NW Suite 400
Washington, DC 20005

Date:

6/3

To:

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Phone:

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From:

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Phone:

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Number of Pages Including Cover Sheet

Message

Urgent - Revised piece for
you + Paul's piece he wrote
1-2 weeks ago.

A handwritten signature, likely of the sender, in dark ink.

Financing the Response to the HIV/AIDS Pandemic in Sub-Saharan Africa

Based on USAID's experience with successful programs in reducing HIV transmission in Uganda and Senegal, a minimum of \$2.00 per adult per year is necessary to mount a basic HIV primary prevention program. This includes a selected set of care and support interventions to enhance the prevention agenda. Thus, a minimum of \$500 million would be required for the African sub-continent. This is not the sole responsibility of the USG. However, the USG provides nearly 50% of development assistance funds for HIV/AIDS prevention and care and support in Africa.

Use of Additional Funds

The needs are great. Currently, USAID is spending approximately \$76 million in Africa to prevent and provide care and support for persons with and affected by AIDS (e.g., children and orphans). These funds are *minimal*.

Using a general formula, which would vary based on the phase of the epidemic (i.e. prevalence) and the level of response thus far, funds would be distributed as follows:

30% devoted to reduce mother to child HIV transmission and for orphan/vulnerable children support. This includes community based support services for families, for education for affected children (particularly girls), as well as to help families cope with the loss of one or two parents (e.g., support to families, microcredit approaches). In addition, support is needed to address the expanding number of children born with HIV via perinatal transmission (approximately 30% of children born to an HIV positive mother) and the 70% of children born to HIV positive women who are not infected. Innovative prevention activities (eg., drug regimens appropriate to low resource settings, better breastfeeding counseling, prevention of HIV in adult populations, and so on) require funding to reduce the number of new HIV infections, particularly among women of reproductive age.

40% for expanded "prevention to care continuum" activities to link voluntary testing and counseling to decreasing risk behaviors in HIV negative individuals and basic care and support for HIV positive persons. Funding for establishing voluntary counseling and testing (VCT) sites, as well as for developing programs delivering basic medical (e.g., TB drugs and treatment) care and social support services is greatly needed. In Uganda, with a population of only 20 million, USAID spent close to \$60 million over ten years to support their VCT and support services program. This program was instrumental in reducing HIV prevalence. Whereas 95% of Africans on the continent do not know their current HIV status, over 400,000 Ugandans have been tested thus far.

30% for expanded programs for African youth, which now represent the most critical vulnerable population for primary prevention interventions. This includes specially targeted prevention messages and campaigns and development of out-of-school programs to reach youth.

In addition to these areas, there are increasing needs to assist countries develop new strategies to combat HIV/AIDS. These include innovative approaches of working with businesses and the private sector to implement workplace-based HIV/AIDS prevention programs; efforts to assess the impact of AIDS on the nation's economy (all levels);

working with the military to implement HIV/AIDS prevention programs; efforts to reduce stigma and discrimination for persons with AIDS; and working with churches to implement HIV/AIDS programs. For the most part, USAIDS has not had the funding to implement these programs. As countries are now paying attention to the epidemic, funding needs to implement these programs are required. For example, USAID/South Africa is spending \$1 million over a few years to work with the AFL/CIO's Solidarity Center to work with the South African trade unions to implement HIV/AIDS programs—which has been a great success thus far. This is but one program in one country. We need to replicate these innovative programs.

Meeting the health and social needs of the rapidly expanding numbers of persons with AIDS in Africa will be a great challenge. More importantly, the need to prevent new infections represents the hope for Africa. Combining provision of prevention messages and services for those affected has proven to be very effective.

Criteria for Distribution of Funds

Distribution of additional funds for HIV/AIDS prevention and care and support would be based on the following criteria:

1. Prevalence rates: Funding will be distributed to achieve impacts on reducing HIV transmission in the hardest hit countries in Africa. If we use a threshold of 10% adult HIV prevalence rate, the following countries would be included: South Africa, Zimbabwe, Zambia, Uganda, Tanzania, Rwanda, Namibia, Mozambique, Malawi, Kenya, Ethiopia, Cote d'Ivoire, and Botswana. Each of these countries has a USAID mission or is served by a USAID regional program.

In addition, a second prevalence-related criterion must focus on those countries that have lower prevalence and must have resources to maintain a low prevalence rate. For example, these countries include Senegal, Ghana, Congo, and Nigeria. In particular, keeping HIV under control in countries like Nigeria with 110 million people is essential to the health and wellbeing of countries in the entire West African region as well as continent.

2. Rapidly expanding epidemics. Similar to the prevalence criteria, several countries are experiencing rapid expansion in their HIV epidemics. These include South Africa, Nigeria, Namibia, Cote d'Ivoire, and Burkina Faso. Similarly, several countries in Asia, the Newly Independent States, and Latin America are experiencing rapid growth in their HIV epidemics. It is imperative that efforts be undertaken immediately to intensify prevention activities.
3. Ability to absorb funds. The presence of USAID missions and implementing partners will greatly assist programming of new funds. Average mission HIV/AIDS programs range from \$500,000 per year to \$2 million/year. Implementing partners include a large number of contracted organizations, NGOs and PVOs, multilateral organizations, and universities. These organizations extensive international experience.

4. Need. A number of USAID missions, and African countries, have recently requested additional funds to undertake HIV/AIDS programs. These include: South Africa, Zambia, Nigeria, Namibia, Liberia, Rwanda, as well as countries such as Lesotho and Swaziland where there is no USAID mission but the US ambassadors have requested USG assistance. The demand is great and is growing.
5. Political commitment on the part of governments. The ability to scale up interventions in countries is partially dependent on the commitment of political leaders and governments to address the HIV/AIDS epidemic. An increasing number of countries are now recognizing the scourge of HIV and responding to it. These include: Uganda, Senegal, South Africa, Zambia, Namibia, Nigeria, and others. Even Zimbabwe's President Mugabe has begun speaking out about AIDS.

Distribution of Funds in a Timely Manner

USAID has programmed the entire FY 99 emergency \$10 million appropriation for AIDS orphans and vulnerable children. Proposals were reviewed and missions accepted responsibility to *expend* these funds within a three-year period. The use of these funds was narrowly limited. Missions expressed need for additional resources and for greater breadth in their use to address HIV prevention and care and support. A number of USAID missions have requested new HIV/AIDS funds to launch and expand their HIV/AIDS programs. These include South Africa, Namibia, Liberia, and Nigeria. Funds for these countries alone would amount to \$4-5 million/year. A number of US ambassadors to African countries have also requested assistance in HIV/AIDS prevention.

In addition to the USAID network of organizations (contractors, PVOs, universities, etc), USAID would develop inter-agency agreements with other federal agencies such as DHHS to apply their expertise to Africa. For example, CDC could help support the development of HIV surveillance programs in Africa—a great need. HRSA could apply their knowledge and experience from community based HIV/AIDS service programs. NIH can support training of scientists as well as vaccine-related research. Funding for these activities is needed.

USAID has established mechanisms for tracking the obligations and expenditures of HIV/AIDS funds.

Enhancing the Response to the HIV-AIDS Pandemic in sub-Saharan Africa

USAID

05/21/99

Of a total HIV/AIDS budget of \$125 million in FY 1999, USAID is expending \$74 million (60%) in sub-Saharan Africa, funding HIV/AIDS prevention and mitigation programs in 24 sub-Saharan countries. An additional \$7 million is being expended in Africa from the *Supplemental Fund for Children Affected by AIDS*. The USG provides nearly 50% of development assistance monies for sub-Saharan Africa and has invested over \$650 million dollars in Africa for HIV/AIDS since the beginning of USAID support in 1986.

In addition to this substantial effort, the following activities represent new, or expanded initiatives to accelerate and enhance the response to the pandemic, especially in the most severely impacted countries, most of which are in sub-Saharan Africa.

1. **FY 2000 Budget Request:** In the Bureau Budget Submission, for FY 2000, USAID has requested increased funding at \$127 million. The additional \$2 million is intended to increase the scale of our program in India from one to two Indian States, Tamil Nadu and Maharastra.
2. **Increased USAID Funding:** Based on our experience with the successful programs in Uganda and Senegal, a minimum of \$2.00 per adult per year is necessary to mount an basic HIV primary prevention program, that includes a selected set of care and support interventions to enhance the prevention agenda. Thus, a minimum of \$500,000,000 would be required for the African sub-continent. It should not be the sole responsibility of the USG to contribute this sum. Other donors, lending agencies, host country governments, and corporations must also increase their financial contributions. An additional \$20 million/year for the USAID HIV/AIDS budget would focus on sub-Saharan Africa and would achieve the following (These proportions would vary in each country based on the phase of the epidemic and the level of the response, thus far): Approximately 30% would be devoted to reduce mother-to-child HIV transmission and for orphan support. 30% would be devoted for expanded programs for African youth, who now represent the most critical vulnerable population for primary prevention interventions. 40% would be expended for "prevention-to-care" continuum activities that link voluntary HIV testing and counseling to decreasing risk behaviors in HIV negative individuals and basic support and care for HIV positive persons.
3. **Debt Relief:** USAID will assist with exploring debt relief options. We are currently working with the Department of Treasury and other relevant organizations to explore the innovative use of debt relief, rescheduling or swap mechanisms in order to increase host country resources.
4. **Storm Warning Initiative:** USAID will devote an additional \$750,000 for regional activities for six southern African countries (Malawi, South Africa, Zambia,

Zimbabwe, Tanzania, and Mozambique) There are four basic components for this initiative: targeting cross border transport corridors, improving policy dialogue tools, enhancing sharing of "lessons learned, and improving region wide HIV surveillance.

5. **The African Partnerships Initiatives:** Working closely with UNAIDS (new partners-CEOs and Foundations), USAID will focus on four critical areas: assist in the development of a Technical Support Platform to increase technical assistance capacity; explore increased resources through dialogue with U.S. based Foundations; enhance the U.S. Diplomatic initiative by linking with the efforts of other Ambassadors; and improving the exchange of best practice and lessons learned within the region.
6. **Diplomatic Initiative:** In collaboration with the Department of State, USAID is currently finalizing specific African country analyses to determine strengths and gaps in the existing country response and talking points for U.S. Ambassadors on selected aspects of economic impact talking points.
7. **Follow-on activities to the African/African-American Summit:** To be determined upon the return of the U.S. Delegation.
8. **Advocacy Role:** USAID will accelerate efforts to use our role at numerous fora (Binational Commissions, SADC, OAU, Great Lakes Initiative on AIDS, etc.) to address the critical issues of political commitment, allocation of sufficient resources and dealing with stigma and discrimination.

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05/21/99



U.S. Agency for International Development

Bureau for Africa
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Date:

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Number of Pages Including Cover Sheet

Message

USAID (done today) - what we are spending
on TB (not HIV) as an agency, this comes from
a separate earmark (infectious disease)

Summary of the Tuberculosis Component of USAID's Infectious Disease Program TB Funding Allocations

The USAID Tuberculosis (TB) program supports TB control and prevention efforts by funding projects that impact countries and regions throughout the world. The Agency works collaboratively with many organizations and institutions. Our partners include the World Health Organization (WHO), the Centers for Disease Control and Prevention (CDC), the National Institutes of Health (NIH), the American Lung Association (ALA), the Royal Dutch Netherlands Association (KNCV), the International Union Against Tuberculosis and Lung Disease (IUATLD), individual national governments, and non-governmental organizations. Through these mechanisms, we support a wide variety of projects that include:

- The STOP TB Initiative, a comprehensive global plan and strategy which will provide a framework for cooperation/collaboration among high burden countries, technical/community/international organizations, and donors to delineate training, research, and advocacy efforts to implement effective TB control programs more rapidly and more widely.
- Strengthening of national and international capacity for global TB surveillance to improve tracking of TB rates and treatment outcomes. These efforts will also attempt to define the impact of directly-observed therapy, short-course (DOTS) therapy on the transmission of TB, and through the dissemination of accurate information, target areas of greatest need.
- Maintenance and expansion of the global multi-drug resistant TB (MDRTB) surveillance system to determine the magnitude of the problem and monitor drug resistance trends, determine the impact of MDR on TB treatment, and establish interventions to improve control of MDRTB. In addition, the project will help develop national capacities to do drug resistance surveillance, and maintain an international network of supranational reference laboratories for quality control.
- Support for a clinical trials program which will help identify effective treatment regimens with high cure rates, low treatment and administrative costs, few side effects, and good patient compliance, thus minimizing the development of drug resistance.
- Support for a global plan and strategy for TB education to inventory available tools and develop educational materials. In addition to creating and providing educational and training materials to providers at all levels and affected communities, management and leadership skills crucial to developing and maintaining a control program will be taught.
- Strengthening of laboratory capabilities through the preparation of guidelines and training materials appropriate to individual countries, hands-on laboratory skills building, and development of quality control programs.
- Building institutional capacity to perform operational research through support of attendance at international courses teaching operational research techniques targeted to institutions in low income countries.

The USAID Global Bureau funded TB activities by the following institutions and organizations:

	FY 1998	FY 1999 (to be finalized)
WHO/GTB/IUATLD	\$2,000,000	1,850,000
CDC	900,000	825,000
NIH/Fogarty Center	375,000	375,000
The Gorgas Institute	1,000,000	1,000,000
PATH (Program for Appropriate Technologies in Health	100,000	100,000
QAP (Quality Assurance Program)	100,000	50,000
CDIE (Center for Development, Information, and Evaluation	25,000	
Total	\$4,500,000	\$4,200,000

USAID Regional Bureau/Mission supported TB programs in the following countries/regions in FY 1998:

Asia and Near East	(total \$1,500,000)	
India		1,000,000
Regional		500,000
Latin America and the Caribbean	(total \$2,164,000)	
Bolivia		\$ 45,000
El Salvador		900,000
Haiti		355,000
Honduras		364,000
Regional		500,000
Africa	(total \$600,000)	
South Africa		\$ 600,000
Total		\$4,264,000
Total (combined global and regional/mission funds FY 1998)		\$8,764,000

FY 1999 funds at country level are still being finalized. New countries developing programs this year include Mexico (\$1 million) and the Philippines (approximately \$750,000). Additional countries considering initiation of TB activities include Ethiopia, Zambia, Kenya, and Peru.

06/03/99

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U.S. Agency for International Development

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Message

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remainder from last night

accumulation of debt, such as mistakes and mismanagement. And interest had to be paid back on the loans that we received.

In a word, simply trying to pay the interest and retire some of the capital each year has become a tremendous burden for Zambia. For example, in this year's government budget, more money is spent on debt servicing than on all education and health expenditures combined. In a country where 70% of the population lives below the poverty line, the fact that money is spent on debt service, instead of meeting the needs of the people has tragic consequences. But what about efforts at debt relief?

DEBT RELIEF

We leaders of the Christian community in Zambia welcome the efforts of our government, many NGOs and church groups in this country and elsewhere, and concerned people around the world, to work for the reduction of our external debt. This reduction can come about through two initiatives currently in progress.

The first is the programme organised by the World Bank and the International Monetary Fund (IMF) to reduce debts of the Heavily Indebted Poor Countries (HIPC) through negotiated agreements that are related to our maintaining the direction of economic reforms under the Structural Adjustment Programme (SAP). This HIPC initiative would in the future bring down a portion of Zambia's debts.

The second programme is the more dramatic call for cancellation of Zambia's debt through the global campaign called 'Jubilee 2000'. This Jubilee Initiative, organised around the world, calls upon the leaders of the richest nations and the lending institutions to cancel the unpayable debts of poor countries, so that we can break the chains of debt and have a fresh start, a new beginning, to celebrate the new millennium.

Zambia's total debt is clearly unpayable. Zambia cannot pay back because the debt burden is economically exhausting. It blocks future development. Zambia will not pay back because the debt burden is politically destabilising. It threatens social harmony. Zambia should not pay back because the debt burden is ethically unacceptable. It hurts the poorest in our midst. Has there been any Christian response?

CHRISTIAN ACTION

For these reasons, then, we write this joint letter addressed to the members of our various Christian congregations in Zambia, and indeed

to all Zambians of good will, to encourage positive and effective action to reduce our external debt. To this end, we:

1. Call upon the government to inform the citizenry about the actual debt situation of the country and about debt relief negotiations that are underway. This is necessary so that there can be an informed public debate leading to wise democratic decisions.

2. Call upon the members of the churches of our three bodies (CCZ, EFZ, ZEC) to join the Jubilee 2000 campaign by signing the petition calling for cancellation of Zambia's debts. We are aiming to collect two hundred thousand (200,000) names over the next several months.

3. Call upon our friends in the international community (sister and brother churches, congregations, and all concerned persons) to lobby for equitable and effective debt relief. We are already deeply grateful for the support received so far in this effort.

But we do wish to make three very important points regarding this campaign for debt relief for Zambia.

First, we are not asking for debt 'forgiveness'. To receive 'forgiveness' is to acknowledge guilt. But Zambia has been, with considerable diligence and sacrifice, meeting its debt service. Our incurring of debt has not primarily been our fault, and hence 'forgiveness' is not the proper word to use. Rather we ask for 'cancellation' of an unpayable burden that is harming our people very much. It is not charity that we are seeking, but justice!

Second, we recognise that Zambia must be responsible in the use of any monies made available through debt relief. For this reason we will hold the government accountable, and cooperate with government officials and civil society organisations to monitor the use of the money freed up if and when debt is canceled. We want to ensure that the newly available resources really do contribute to meeting the social and productive needs of the country.

Third, we know that if Zambia is to move forward, honest and hard work is demanded of all of us. The experience of 'Jubilee' in the canceling of debt can be for us a new start, a fresh beginning, only if we commit ourselves to the culture of responsibility and accountability, and involve ourselves with dedication and sacrifice in working for the future of our children. It is here that the churches must give the best example, so that not simply in words but in deeds we will have a true 'Jubilee'.

APR	8.000	8.500	0	8.500	4.100	1.700	0.000	1	3.200	8.800
MAY	0.000	8.500	0	8.500	1	0.000	0.500	0.000	0.000	4.800
JUN	4.700	8.400	0.000	8.500	4.800	0.400	0.000	0.000	3.400	8.100
JUL	0.000	8.400	0.000	0.200	13.300	11.800	0.000	0.000	1.400	28.300
AUG	0.000	8.400	18.900	0.300	27.600	0.000	0.000	0.000	4.300	31.800
SEP	0.000	8.400	0.000	0.000	8.600	0.300	0.000	0.000	1.400	12.700
OCT	0.000	4.100	0.200	0.400	4.700	0.700	0.600	1.000	7.800	14.800
NOV	0.000	0.300	0.000	0.900	1.200	3.600	0.000	0.000	6.200	4.900
DEC	1.800	3.600	0.000	0.400	4.000	0.600	0.200	0.000	0.200	6.900
DEC	0.000	8.800	0.000	0.300	8.800	0.000	0.900	0.000	0.200	8.100
Total	10.800	70.000	44.000	6.500	130.100	40.100	0.600	4.500	28.100	203.900
1997										
JAN	0.000	1.000	16.800	0.800	17.200	8.700	0.000	1.000	0.200	27.100
FEB	0.800	8.300	0.000	2.500	12.700	0.000	0.000	0.000	0.000	12.900
MAR	0.000	4.000	1.300	0.000	4.300	0.800	0.000	0.300	0.200	6.600
APR	0.000	4.700	0.000	0.100	4.800	0.000	0.000	1.000	0.200	11.000
MAY	8.900	4.300	0.000	0.100	6.300	0.200	0.200	0.300	6.200	11.300
JUN	2.900	7.800	0.000	0.000	10.800	8.000	0.000	0.000	0.200	20.000
JUL	0.000	0.900	16.800	2.500	18.900	0.000	0.000	0.300	0.200	18.400
AUG	0.800	8.000	0.000	0.700	10.800	0.000	0.900	0.000	2.700	13.700
SEP	0.000	2.100	0.000	0.800	2.900	1.300	1.000	0.300	0.200	6.700
OCT	0.000	2.300	0.000	0.800	3.100	2.900	1.200	1.000	6.400	13.600
NOV	0.000	2.700	0.000	0.200	2.900	3.800	4.400	0.300	0.200	11.600
DEC	3.000	7.900	0.000	2.800	13.700	7.100	1.900	0.300	0.200	23.200
Total	8.600	60.100	32.400	12.100	113.200	33.800	8.800	4.800	14.800	178.000
1998										
JAN	0.000	8.850	12.458	1.718	21.028	1.185	2.400	0.000	2.071	26.690
FEB	1.004	1.007	1.624	0.002	3.637	3.385	1.900	0.000	1.818	10.850
MAR	0.000	3.238	0.000	0.407	4.345	0.873	0.000	0.800	0.214	8.432
APR	0.000	2.008	0.000	1.818	3.713	1.382	1.840	0.000	0.000	7.003
MAY	0.870	2.804	0.000	0.281	4.155	0.738	0.000	0.000	2.108	7.000
JUN	0.000	8.530	0.000	0.304	8.834	8.677	0.900	0.000	0.213	13.814
JUL	0.000	0.890	16.006	0.081	16.986	1.762	0.900	0.000	0.212	18.830
AUG	0.978	2.338	0.000	2.876	6.183	0.389	0.044	0.000	2.084	8.600
SEP	0.000	2.481	0.000	1.728	4.220	0.012	1.033	0.000	0.000	5.288
OCT	1.068	0.533	0.069	1.781	3.441	1.400	1.800	0.900	0.207	8.848
NOV	1.016	2.787	0.000	0.788	4.578	4.788	0.028	0.000	2.068	11.468
DEC	2.931	0.393	0.000	1.870	11.354	7.901	1.880	0.000	0.206	21.321
Total	8.008	38.716	28.148	13.561	88.432	29.723	12.708	0.000	11.292	143.233
1999										
JAN	0.000	1.081	13.042	0.000	14.143	13.890	0.000	0.000	0.210	28.343
FEB	0.000	0.774	0.374	0.400	1.648	0.063	0.900	0.000	0.800	2.611
Total	0.000	1.855	13.438	0.400	16.891	14.053	0.000	0.000	1.110	30.954

1/ Current maturities

* IMF figures for November were for clearing 1991 arrears

- Preliminary

Source: Bank of Zambia

Zambia: Estimated Debt 1995 - 1999 Preliminary (US\$Millions)

Category	1995	1996	1997	1998
PUBLIC DEBT	8,042.10	8,123.70	8,314.80	8,213.80
Bilateral	2,804.80	2,677.40	2,168.40	2,096.30
Paris Club	2,182.60	2,248.20	2,427.30	2,212.80
Non Paris Club	452.00	431.20	428.10	442.40
Multilateral	3,201.50	3,246.70	3,314.80	3,111.80
of which: IMF	1,206.50	1,205.80	1,206.50	1,188.00
IDA	1,238.20	2,101.90	2,148.00	1,542.00
IBRD	76.20	66.40	32.70	15.80
Commercial Debt	238.30	177.80	143.90	407.00
PRIVATE DEBT	68.80	82.40	87.50	264.30
Multilateral Soft	6.80	21.70	13.70	
Multilateral comm	14.70	18.30	17.00	
Suppliers Credit	27.30	38.88	44.30	
Banks	4.90	4.90	2.60	
TOTAL DEBT STOCK	8,098.90	8,206.10	8,402.30	8,458.20

Note: The figures in this table have changed from those in earlier publications as a result of the debt data validation exercise taking place at MeFED

Source: Ministry of Finance and Economic Development

NATIONAL
MANAGEMENTPRELIMINARY OUTSTANDING DEBT FOR ALL CREDITORS AS AT 01/03/1999
(AMOUNTS IN USD - EXCHANGE RATE DATED 03/1999)

	OUTSTANDING WITHOUT ARREARS	ARREARS OF PRINCIPAL STOCK	OUTSTANDING INCLUDING ARREARS OF PRINCIPAL	ARREARS OF INTEREST/FEEES STOCK	OUTSTANDING INCLUDING TOTAL OF ARREARS	TOTAL STOCK OF ARREARS
1. AUSTRIA						
2. KONTROL BANK AG	11,289,654.24	0.00	11,289,654.24	-36,672.75	11,252,981.49	-36,672.75
1. FRANCE						
2. COFACE FRANCE	78,528,451.52	0	78,528,451.52	0.00	97,278,619.64	0.00
2. BANQUE DU FRANCE	44,222,444.06	0.00	44,222,444.06	0.00	44,222,444.06	0.00
1.* TOTAL FRANCE	122,750,895.58	0.00	122,750,895.58	0.00	141,501,063.70	0.00
1. GERMANY FED. REP. OF						
2. HERMES	495,897,855.38	0	495,897,855.38	0	453,123,181.45	0
1. ITALY						
2. MEDIOBANCA ITALY	1,444,858.40	0	1,444,858.40	0	1,444,858.40	0
2. SACE OF ITALY	87,972,158.07	0	87,972,158.07	0	87,972,158.07	0
1.* TOTAL ITALY	89,417,016.47	0	89,417,016.47	0	89,417,016.47	0
1. UNITED KINGDOM						
2. ECGD	384,532,543.65	0	384,532,543.65	1,695,643.75	386,642,593.84	1,695,643.75
1. YUGOSLAVIA						
2. FAP FAMOS	1,871,800.00	22,155,941.30	24,027,741.30	6,181,678.12	30,209,419.42	28,337,619.42
1. BULGARIA						
2. BULGARIA	0	2,610,031.63	2,610,031.63	894,673.12	3,504,704.75	894,673.12
1. CZECHOSLOVAKIA						
2. CZECHOSLOVAKIA	1,498,000.00	342,000.00	1,840,000.00	15,146.56	1,855,146.56	357,146.56
1. ROMANIA						
2. GOVT OF ROMANIA	0.01	12,210,162.52	12,210,162.53	4,171,201.26	16,381,363.79	16,381,363.78
1. RUSSIA						
2. GOVT OF RUSSIA	303,960,008.36	56,257,327.89	360,217,336.26	6,403,565.78	366,620,902.05	62,660,893.68
2. AVIA EXPORT	12,095,890.74	21,625,495.20	33,721,385.94	1,927,179.13	35,648,565.08	23,552,674.33

PRELIMINARY OUTSTANDING DEBT FOR ALL CREDITORS AS AT 01/03/1999
(AMOUNTS IN USD - EXCHANGE RATE DATED 03/1999)

	OUTSTANDING WITHOUT ARREARS	ARREARS OF PRINCIPAL STOCK	OUTSTANDING INCLUDING ARREARS OF PRINCIPAL	ARREARS OF INTEREST/FEES STOCK	OUTSTANDING INCLUDING TOTAL OF ARREARS	TOTAL STOCK OF ARREARS
1.* TOTAL RUSSIA	316,055,899.10	77,882,823.09	393,938,722.20	8,330,744.91	402,269,467.13	86,213,568.01
1. CANADA						
2. CANADA EXPORT DEV CO	11,995,299.30	0	11,995,299.30	0	10,058,829.71	0
2. CANADIAN WHEAT BOARD	37,312,494.99	0	37,312,494.99	0	34,618,433.72	0
1.* TOTAL CANADA	49,307,794.29	0	49,307,794.29	0	44,677,263.43	0
1. UNITED STATES						
2. EXIM BANK	134,561,705.44	0	134,561,705.44	0	125,213,372.41	0
2. PL 480	112,892,391.74	0	112,892,391.74	-556,542.01	112,335,849.73	-556,542.01
1.* TOTAL UNITED STATES	247,454,097.18	0	247,454,097.18	-556,542.01	237,549,222.14	-556,542.01
1. BRAZIL						
2. BANCO DE BRASIL	67,447,558.87	0	67,447,558.87	0	67,447,558.87	0
1. SAUDI ARABIA						
2. SAUDI FUNDS FOR DEV	8,589,361.76	0.00	8,589,361.76	0.00	8,589,361.76	0.00
1. INDIA						
2. GOVT OF INDIA	0	1,511,905.97	1,511,905.97	385,238.68	1,897,144.66	1,897,144.66
2. EXIM BANK INDIA	0	10,439,963.23	10,439,963.21	4,226,493.20	14,666,456.41	14,666,456.43
1.* TOTAL INDIA	0	11,951,869.20	11,951,869.18	4,611,731.88	16,563,601.07	16,563,601.09
1. JAPAN						
2. GOVT OF JAPAN	44,053,279.26	0	44,053,279.26	0	44,053,279.26	0
2. EXIM BANK OF JAPAN	193,746,296.58	0	193,746,296.58	0	193,746,296.58	0
2. OECF	380,881,910.01	0	380,881,910.01	0	380,881,910.01	0
1.* TOTAL JAPAN	618,681,485.85	0	618,681,485.85	0	618,681,485.85	0
1. CHINA P.R. OF						
2. GOVT OF CHINA	152,624,742.84	108,380,621.65	261,005,364.50	0	261,005,364.50	108,380,621.65
1. INTERNATIONAL ORGANIZATION						

PRELIMINARY OUTSTANDING DEBT FOR ALL CREDITORS AS AT 01/03/1999
(AMOUNTS IN USD - EXCHANGE RATE DATED 03/1999)

	OUTSTANDING WITHOUT ARREARS	ARREARS OF PRINCIPAL STOCK	OUTSTANDING INCLUDING ARREARS OF PRINCIPAL	ARREARS OF INTEREST/FEE STOCK	OUTSTANDING INCLUDING TOTAL OF ARREARS	TOTAL STOCK OF ARREARS
2. AFRICAN DEV BANK	65,853,782.25	0	65,853,782.25	0	65,853,782.25	0
2. AFRICAN DEV FUND	199,615,738.21	0	199,615,738.21	0	199,615,738.21	0
2. BADEA	36,657,320.63	0.00	40,019,187.28	0.00	40,507,787.28	3,850,266.65
2. EDF	54,016,800.50	0.00	54,016,800.50	0.00	54,016,800.50	0.00
2. EIB	10,154,345.58	1,016,196.32	11,170,541.90	247,119.97	11,417,661.88	1,263,316.29
2. IBRD	15,895,454.77	0	15,895,454.77	0	15,895,454.77	0
2. IDA	1,582,636,028.55	0.00	1,582,636,028.55	0.00	1,582,636,028.55	0.00
2. IFAD	57,484,988.64	202,068.82	57,687,057.47	79,299.48	57,766,356.97	281,368.31
2. OPEC SPECIAL FUND	5,200,509.12	363,389.48	5,563,898.60	32,058.91	5,595,957.51	395,448.39
1.* TOTAL INTERNATIONAL ORGANIZATION	2,027,515,168.25	1,581,654.62	2,032,458,489.53	358,478.36	2,033,305,567.92	5,790,399.64
GRAND TOTAL	4,594,933,873.47	237,115,104.01	4,835,410,644.14	25,666,083.20	4,803,976,364.14	264,021,422.26

Notes:

1. ADB/ADF is currently being reconciled

Table 2. Zambia: External Debt Service Monitoring System, 1999 (Government debt including Parastatal debt)
(In millions U.S. Dollars)

	End 1998	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
I. Multilateral Institutions													
Balance B/Fwd		-9.038	-9.878	-7.932	-3.682	-2.602	2.190	10.988	23.937	28.197	32.508	35.933	42.328
1999 scheduled payments 1/		13.202	2.205	4.250	1.080	4.792	8.798	12.949	4.260	4.311	3.425	6.395	2.561
Actual cash payments 2/		14.042	0.259	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	-9.038	-9.878	-7.932	-3.682	-2.602	2.190	10.988	21.937	28.197	32.508	35.933	42.328	44.889
1. IMF (Current maturit.)													
Balance B/Fwd		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1999 scheduled payments 1/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
2. IBRD/IDA													
Balance B/Fwd		-5.210	-5.210	-4.362	-1.902	-1.452	2.388	7.208	8.218	9.298	11.788	12.318	16.268
1999 scheduled payments 1/		0.980	1.080	2.460	0.450	3.840	4.820	1.010	1.080	2.490	0.530	3.950	0.390
Actual cash payments 2/		0.980	0.232	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	-5.210	-5.210	-4.362	-1.902	-1.452	2.388	7.208	8.218	9.298	11.788	12.318	16.268	16.658
3. ADB/ADF													
Balance B/Fwd		-7.768	-9.238	-9.238	-9.238	-9.238	-9.238	-9.238	2.111	2.111	2.111	2.111	2.111
1999 scheduled payments 1/		11.592	0.000	0.000	0.000	0.000	0.000	11.349	0.000	0.000	0.000	0.000	0.000
Actual cash payments 2/		13.062	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	-7.768	-9.238	-9.238	-9.238	-9.238	-9.238	-9.238	2.111	2.111	2.111	2.111	2.111	2.111
4. EEC/EDF													
Balance B/Fwd		3.599	3.869	3.887	3.897	3.897	4.809	7.717	7.947	10.047	10.088	12.503	14.898
1999 scheduled payments 1/		0.270	0.045	0.010	0.000	0.912	2.908	0.230	2.100	0.041	2.415	2.395	1.111
Actual cash payments 2/		0.000	0.027	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	3.599	3.869	3.887	3.897	3.897	4.809	7.717	7.947	10.047	10.088	12.503	14.898	16.009
5. IFAD													
Balance B/Fwd		0.558	0.558	0.648	1.288	1.288	1.328	1.558	1.558	1.648	2.288	2.288	2.338
1999 scheduled payments 1/		0.000	0.090	0.640	0.000	0.040	0.230	0.000	0.090	0.640	0.000	0.050	0.230
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.558	0.558	0.648	1.288	1.288	1.328	1.558	1.558	1.648	2.288	2.288	2.338	2.568
6. BADEA													
Balance B/Fwd		0.000	0.000	0.990	2.130	2.130	2.130	2.970	2.970	3.960	5.100	5.100	5.100
1999 scheduled payments 1/		0.000	0.990	1.140	0.000	0.000	0.840	0.000	0.990	1.140	0.000	0.000	0.830
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.000	0.000	0.990	2.130	2.130	2.130	2.970	2.970	3.960	5.100	5.100	5.100	5.930
7. OPEC													
Balance B/Fwd		-0.217	0.143	0.143	0.143	0.773	0.773	0.773	1.133	1.133	1.133	1.613	1.613
1999 scheduled payments 1/		0.360	0.000	0.000	0.630	0.000	0.000	0.360	0.000	0.000	0.480	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	-0.217	0.143	0.143	0.143	0.773	0.773	0.773	1.133	1.133	1.133	1.613	1.613	1.613
II. Paris Club creditors													
Balance B/Fwd		8.884	7.336	-1.522	43.087	52.363	72.238	114.057	115.847	124.300	216.974	227.704	243.894
1999 scheduled payments 1/		1.847	1.034	44.609	9.276	19.875	41.819	1.790	8.453	92.674	10.730	16.190	49.447
Actual cash payments 2/		3.395	9.892	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	8.884	7.336	-1.522	43.087	52.363	72.238	114.057	115.847	124.300	216.974	227.704	243.894	293.341

Table 2. Zambia: External Debt Service Monitoring System; 1999 (Government debt including Parastatal debt)
(In millions U.S. Dollars)

	End 1998	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1. Austria													
Balance B/Fwd		-0.017	0.013	0.003	0.014	0.084	0.304	0.374	0.404	0.404	0.894	0.964	1.184
1999 scheduled payments 1/		0.030	0.000	0.011	0.070	0.220	0.070	0.030	0.030	0.490	0.070	0.220	0.070
Actual cash payments 2/		0.000	0.010	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	-0.017	0.013	0.003	0.014	0.084	0.304	0.374	0.404	0.404	0.894	0.964	1.184	1.254
2. Brazil													
Balance B/Fwd		0.000	0.000	0.000	2.160	2.160	2.780	3.600	3.600	5.440	5.440	5.440	6.040
1999 scheduled payments 1/		0.000	0.000	2.160	0.000	0.620	0.820	0.000	1.840	0.000	0.000	0.600	0.830
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.000	0.000	0.000	2.160	2.160	2.780	3.600	3.600	5.440	5.440	5.440	6.040	6.870
3. Canada													
Balance B/Fwd		0.001	0.001	0.001	0.164	0.790	0.790	1.510	1.510	1.510	1.700	1.895	1.895
1999 scheduled payments 1/		0.147	0.000	0.163	0.626	0.000	0.720	0.000	0.000	0.190	0.195	0.000	0.960
Actual cash payments 2/		0.147	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.001	0.001	0.001	0.164	0.790	0.790	1.510	1.510	1.510	1.700	1.895	1.895	2.855
4. France													
Balance B/Fwd		-0.249	-0.249	0.478	2.448	2.448	3.198	4.928	4.928	5.768	13.598	13.598	14.348
1999 scheduled payments 1/		0.000	0.830	1.970	0.000	0.750	1.730	0.000	0.840	7.830	0.000	0.750	1.630
Actual cash payments 2/		0.000	0.103	0.030	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	-0.249	-0.249	0.478	2.448	2.448	3.198	4.928	4.928	5.768	13.598	13.598	14.348	15.978
5. Germany													
Balance B/Fwd		3.670	3.670	0.000	2.520	5.440	13.190	23.920	23.920	23.920	48.830	51.770	59.340
1999 scheduled payments 1/		0.000	0.000	2.520	2.920	7.750	10.730	0.000	0.000	24.910	2.940	7.570	10.520
Actual cash payments 2/		0.000	3.670	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	3.670	3.670	0.000	2.520	5.440	13.190	23.920	23.920	23.920	48.830	51.770	59.340	69.860
6. Italy													
Balance B/Fwd		0.140	0.140	0.159	4.474	5.484	7.809	9.218	9.218	9.231	22.755	23.790	26.060
1999 scheduled payments 1/		0.000	0.184	4.315	1.010	2.325	1.409	0.000	0.013	13.524	1.035	2.270	0.267
Actual cash payments 2/		0.000	0.165	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.140	0.140	0.159	4.474	5.484	7.809	9.218	9.218	9.231	22.755	23.790	26.060	26.327
7. Japan													
Balance B/Fwd		5.339	7.009	1.085	5.785	7.405	11.175	12.795	12.815	18.345	19.975	22.925	23.155
1999 scheduled payments 1/		1.670	0.020	4.700	1.620	3.770	1.620	0.020	5.530	1.630	2.950	0.230	9.790
Actual cash payments 2/		0.000	5.944	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	5.339	7.009	1.085	5.785	7.405	11.175	12.795	12.815	18.345	19.975	22.925	23.155	32.945
8. Russia													
Balance B/Fwd		0.000	0.000	0.000	23.800	23.800	23.800	47.600	47.600	47.600	71.400	71.400	71.400
1999 scheduled payments 1/		0.000	0.000	23.800	0.000	0.000	23.800	0.000	0.000	23.800	0.000	0.000	23.800
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.000	0.000	0.000	23.800	23.800	23.800	47.600	47.600	47.600	71.400	71.400	71.400	95.200
9. United Kingdom													
Balance B/Fwd		0.802	0.802	0.802	2.602	3.812	6.312	6.542	6.542	6.542	21.802	23.052	25.552
1999 scheduled payments 1/		0.000	0.000	1.800	1.210	2.500	0.230	0.000	0.000	15.260	1.250	2.500	0.230
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.802	0.802	0.802	2.602	3.812	6.312	6.542	6.542	6.542	21.802	23.052	25.552	25.782

Table 2. Zambia: External Debt Service Monitoring System, 1999 (Government debt including Parastatal debt)
(In millions U.S. Dollars)

	End 1998	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
10. United States													
Balance B/Fwd		2.470	-0.778	-0.778	2.392	4.212	6.152	6.842	8.582	8.812	13.852	16.142	18.192
1999 scheduled payments 1/		0.000	0.000	3.170	1.820	1.940	0.690	1.740	0.230	5.040	2.290	2.050	1.350
Actual cash payments 2/		3.248	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	2.470	-0.778	-0.778	2.392	4.212	6.152	6.842	8.582	8.812	13.852	16.142	18.192	19.542
III. Non-Paris Club creditors													
Balance B/Fwd		11.181	24.651	24.651	26.398	26.398	26.398	26.398	30.158	30.158	30.908	31.900	31.900
1999 scheduled payments 1/		13.470	0.000	1.747	0.000	0.000	0.000	3.760	0.000	0.750	0.992	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	11.181	24.651	24.651	26.398	26.398	26.398	26.398	30.158	30.158	30.908	31.900	31.900	31.900
1. Bulgaria													
Balance B/Fwd		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1999 scheduled payments 1/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
2. China													
Balance B/Fwd		7.807	21.277	21.277	22.027	22.027	22.027	22.027	25.787	25.787	26.537	26.537	26.537
1999 scheduled payments 1/		13.470	0.000	0.750	0.000	0.000	0.000	3.760	0.000	0.750	0.000	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	7.807	21.277	21.277	22.027	22.027	22.027	22.027	25.787	25.787	26.537	26.537	26.537	26.537
3. Czechoslovakia													
Balance B/Fwd		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1999 scheduled payments 1/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
4. India													
Balance B/Fwd		1.930	1.930	1.930	1.930	1.930	1.930	1.930	1.930	1.930	1.930	1.930	1.930
1999 scheduled payments 1/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	1.930	1.930	1.930	1.930	1.930	1.930	1.930	1.930	1.930	1.930	1.930	1.930	1.930
5. Iraq													
Balance B/Fwd		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1999 scheduled payments 1/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
6. Romania													
Balance B/Fwd		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1999 scheduled payments 1/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
7. Saudi Arabia (Govt)													
Balance B/Fwd		0.319	0.319	0.319	0.319	0.319	0.319	0.319	0.319	0.319	0.319	0.319	0.319
1999 scheduled payments 1/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.319	0.319	0.319	0.319	0.319	0.319	0.319	0.319	0.319	0.319	0.319	0.319	0.319

Table 2. Zambia: External Debt Service Monitoring System, 1999 (Government debt including Parastatal debt)
(In millions U.S. Dollars)

	End 1998	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
8. Saudi Fund													
Balance B/Fwd		1.125	1.125	1.125	2.122	2.122	2.122	2.122	2.122	2.122	2.122	3.114	3.114
1999 scheduled payments 1/		0.000	0.000	0.997	0.000	0.000	0.000	0.000	0.000	0.000	0.992	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	1.125	1.125	1.125	2.122	2.122	2.122	2.122	2.122	2.122	2.122	3.114	3.114	3.114
9. Yugoslavia													
Balance B/Fwd		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1999 scheduled payments 1/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
IV. Financial Institutions													
Balance B/Fwd		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1999 scheduled payments 1/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1. Commonwealth Develop. Corp.													
Balance B/Fwd		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1999 scheduled payments 1/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
2.FMO													
Balance B/Fwd		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1999 scheduled payments 1/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
V. Other													
Balance B/Fwd		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1999 scheduled payments 1/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Actual cash payments 2/		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Stock of arrears	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

Sources: External Resource Mobilisation Department of Ministry of Finance; Bank of Zambia

1/ Provided by External Resource Mobilisation Department of the Ministry of Finance

2/ As reported by the Economics Department of the Bank of Zambia in its monthly foreign exchange cashflow, with exclusions of unscheduled amounts made by MOFED.

NOTES:

A. Scheduled payments for 1999 assumes no debt relief.

B. Scheduled payments have changed for EEC/EIB. There is no parastatal debt service due in February, 1999.

C. Scheduled payments have changed for Italy due to the reconciliation exercise with SACE and MedioBanca in December 1998

D. Arrears reflected in the opening balance for 1999 were cleared for all Paris club creditors but not the multilateral creditors

a) Payment of Paris Club 1998 arrears were made in January, 1999 to:

a) Austria \$10,000

b) France \$103,000

c) Germany \$1,670,000

d) Italy \$165,000

Table 2. Zambia: External Debt Service Monitoring System, 1999 (Government debt including Parastatal debt)
(In millions U.S. Dollars)

End 1998	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
-------------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

c) Japan \$5,944,000

f) United States \$3,248,000

ii) Partial settlement of arrears was made to EIB for \$27,000.

E. The United Kingdom is still in arrears under the Naples agreement. UK show a higher figure than we do.

AFR SD

202 219 0507

12:05

06/03/99



U.S. Agency for International Development

Bureau for Africa
Office of Sustainable Development
1325 G St, NW Suite 400
Washington, DC 20005

Date:

6/3

To:

Sandy

Phone:

Fax:

From:

Alex

Phone:

Fax:

Number of Pages Including Cover Sheet

Message

Please deliver to Sandy,

Relevant to Debt forgiveness -
Japanese position

Alex

Received: from mx-int.mail.erols.net ([207.172.3.249])
by mta2.mail.erols.net (InterMail v03.02.07.03 118-128)
with ESMTP id <19990602142551.NTVP10591@mx-int.mail.erols.net>
for <jica09@mta.mail.erols.net>; Wed, 2 Jun 1999 10:25:51 -0400
Received: from virtual.mail.rcn.net (virtual.mail.rcn.net [207.172.3.239])
by mx-int.mail.erols.net (8.8.8-970530/8.8.5/MX-980323-gjp) with ESMTP id KAA63306
for <jica09@erols.com>; Wed, 2 Jun 1999 10:25:50 -0400 (EDT)
Received: from smtp.itis.com ([209.83.0.138])
by virtual.mail.rcn.net with esmtp (Exim 2.10 #2)
id 10pBxl-000FNU-00
for jica09@jicausa.com; Wed, 2 Jun 1999 10:25:49 -0400
Received: from [209.83.13.157] (a11-29.itis.com [209.83.13.157])
by smtp.itis.com (8.9.3/8.9.3/Chorus Networks) with SMTP id JAA18561;
Wed, 2 Jun 1999 09:25:46 -0500 (CDT)
Message-Id: <199906021425.JAA18561@smtp.itis.com>
X-Sender: shoffman@mail.chorus.net
X-Mailer: Macintosh Eudora Pro Version 2.3-J
Mime-Version: 1.0
Content-Type: text/plain; charset="ISO-2022-JP"
Date: Wed, 2 Jun 1999 09:28:29 -0500
To: elissaleif@aol.com, jica09@jicausa.com
From: shoffman@chorus.net (Steve Hoffman)
Subject: Did you "hear it here first"?

Japan to waive huge ODA debts

Asahi Shimbun

The government will forgive about 400 billion yen in official development assistance (ODA) loans to developing countries at this month's Group of Seven (G-7) summit in Cologne, Germany, government sources said Tuesday.

The six other leading industrialized nations in G-7 are expected to announce similar resolutions at the meeting, which starts June 18.

G-7 members will work together on a joint plan to put the debt-forgiveness initiative into effect, the sources said.

The seven creditor nations' goal is to give up all claims on debts to the world's 41 poorest nations, as designated by the World Bank and the International Monetary Fund, the sources said.

Japan and France are concerned that such a resolution will leave them with the most to lose because they have the largest outstanding loans.

But the seven nations will discuss ways to share the burden in Cologne, the

sources added.

As of the end of March, Japan had about 990 billion yen in outstanding ODA loans to the poorest 41 nations.

But 590 billion yen of that total--owed by Myanmar (Burma), Kenya, Vietnam and Ghana--will not be waived for a variety of reasons, the sources said.

All G-7 members have agreed to exclude Myanmar, the largest debtor to Japan, because of the Asian nation's slow progress toward democracy, the sources said.

Kenya, Vietnam and Ghana, meanwhile, have made it clear they want to continue paying back their debts, a move which would allow them to receive future ODA loans from Japan.

The government has decided to block loans to nations whose debts will be forgiven under the G-7 plan, the sources said.

not new \$; not doing
anything w/ trade unions.

WORKPLACE-BASED HIV/AIDS EDUCATION AND PREVENTION PROGRAMS

The skyrocketing rate of new infections of HIV/AIDS necessitates providing education in every conceivable venue about how to prevent the spread of this virus. Despite wealth, education or social status, the one common place most shared by all strata in society is on the job. The workplace reaches nearly all of society. If the educational and prevention techniques in the workplace are powerful enough the message is also ~~enough~~ extended to the home and surrounding communities.

In many parts of the world, trade unions are among the most effective non-governmental message delivery systems available. That is why, we are committing _____ million dollars to the launching of a pilot project in South Africa—one of the most severely afflicted countries in the world. The workplace HIV/AIDS education and prevention project represents a recognition of the vital role that non-governmental organizations such as trade unions can play in combating the pandemic.

In launching this workplace education initiative, the United States challenges other governments, United Nations organizations, and international lending institutions to recognize the necessity of leveraging resources to tap into this previously unmined area of human potential to help stop the spread of the disease.

C-
Tom

Revised

W

For Sandy
From Tom

efforts and provided a synthesis of its experiences to them to influence these strategies. USAID is taking an active role in the preparation of forthcoming donors meeting on International Partnership on HIV/AIDS in April. The deliberations of the meeting are expected to lead to new approaches to deal with the epidemic, better coordination of resources and enhanced finding from other donors.



USAID'S HIV/AIDS ASSISTED COUNTRIES

AFRICA REGIONAL	ANE REGIONAL	LAC REGIONAL
Angola *	Bangladesh	Bolivia
Benin	Cambodia	Brazil
Botswana	Egypt	Dominican Republic
Burkina Faso**	India	El Salvador
Cameroon**	Indonesia	Guatemala
Congo (DRC)	Laos	Haiti
Congo (Brazzaville)	Morocco	Honduras
Cote d'Ivoire**	Nepal	Jamaica
Eritrea	Phillipines	Mexico
Ethiopia	Vietnam	Nicaragua
Ghana		Peru
Guinea		
Kenya	ENI/NIS REGION	
Madagascar	Russia	
Malawi	Ukraine	
Mali		
Mozambique		
Namibia*		
Nigeria		
Rwanda		
Senegal		
South Africa		
Tanzania		
Togo**		
Uganda		
Zambia		
Zimbabwe		
* New Programs FY00		
** Regional FHA Project		

HIV-AIDS Funding for FY 1999 and FY 2000

HIV/AIDS Component	FY 1999	FY2000 (still being finalized)
Total HIV/AIDS appropriation	\$125,000,000	\$127,000,000 (requested)
-Africa	-\$56,000,000	-\$55,100,000
-Latin America/Caribbean	-\$13,000,000	-\$13,200,000
-Asia/Near East	-\$19,000,000	-\$21,350,000
-Global	-\$36,000,000 (50% -\$18 million- of this sum is targeted at Africa)	-\$35,750,000 (50%- \$17 million -of this sum is targeted at Africa)
-Other Central Bureaus	-\$1,000,000	-\$1,600,000
Additional Funding for HIV/AIDS activities (not part of the HIV/AIDS appropriation)		
Eastern Europe/Newly Independent States*	\$1,750,000*	\$1,750,000*
Condom procurement*	\$21,145,833	\$20,907,717
Children Affected by HIV Supplemental Funding*	\$10,000,000*	NA
Africa	-\$7,000,000	NA
Latin America/Caribbean	-\$200,000	NA
Asia/Near East	-\$1,800,000	NA
Global	-\$1,000,000	NA

* These funds are not part of the HIV/AIDS appropriation FY request.

USAID and HIV/AIDS in Africa

USAID has been a global leader in bilateral and multilateral support for HIV/AIDS prevention and mitigation. USAID strategy in Africa has been to strengthen HIV/AIDS program through:

- Influencing the policies of African countries and other donors.
- Direct support to governments, NGOs and private sector for key intervention expected to prevent the epidemic and mitigate its impact particularly on the orphans.
- Analytical work on the impact of HIV/AIDS on various sectors, identification of cutting edge issues and support for operational research.
- Cooperation with Regional organizations such as Southern African Development Community for strengthening bilateral programs through exchange of experiences.

Funding Level: The U.S. Government response to the global pandemic began in 1986 and since then we have contributed \$1.143 billion to the effort. Since the early 1990's, the U.S. has been the lead donor, contributing 25% of the budget for UNAIDS each year (in 1999 = \$15 million) and 48% of overall development assistance devoted to HIV/AIDS prevention and control in the developing world. (\$125 million in 1999) The U.S contributes four times more than the next largest bilateral donor (Netherlands).

Since 1986, USAID has expended in sub-Saharan Africa approximately \$650 million (50% of the total global expenditure). Financial resources, from USAID, for HIV/AIDS in Africa have increased from over \$23 million in 1992 to \$74 millions in 1999. Also, in 1999, an additional \$7 million has been provided for Africa from the Supplemental Fund for Children Affected by HIV.

USAID Programs: To date, USAID has carried out policy dialogue and supported programs in over 38 countries. The activities range from changing risky behavior through education, motivation and innovation, increasing the availability of condoms and access to quality drugs for the treatment of sexually transmitted diseases; providing guidance and counseling services, reducing mother to child transmission of the disease and conducting community

Impact: Specific impact has been made in countries where USAID support has been significant as identified below:

- In Uganda, HIV prevalence has declined by 35% in young women aged 15-24.
- Knowledge of several modes of transmission among adults has increased to 70-80% levels in Senegal, based approaches and interventions. Ghana and Uganda.
- In Kenya, studies have indicated that through condom promotion alone over 1 10,000 HIV infections and over 1.3 million other sexually transmitted diseases were averted from 1991-94. Increased use of condoms is reported in other countries such as Malawi and Benin.
- USAID supported development of low- cost 'dipsticks' for detecting HIV antibodies and they are now being produced in Cameroon and Zimbabwe.
- Successful community care approaches for the orphans have been established in Malawi, Zambia and Uganda.

Future Strategies: The global community and we have learned, from the above experiences, that sufficient knowledge and tools exist to reduce the transmission and mitigate its impact. The challenge, in many countries, is to create strong political will as well as capacity to implement successful efforts on a large scale. HPN officers from Southern Africa have strongly supported a new Southern Africa Regional Initiative called Storm Warning. This includes strengthening programs at the country as well as subregional levels. The new sub-regional programs focus on strengthening sub-regional surveillance, HIV/AIDS cross border programs targeted at high-risk population along the transportation corridor and policy dialogue on a sub-regional level.

In terms of influencing the donors USAID was one of the key advocates for developing a UN system-wide response to the epidemic and since 1996 has been the lead sponsor of UNAIDS. UNAIDS as well as the World Bank are in the process of developing strategies to intensify their programs in Africa. USAID has supported these

**USAID Zambia**

351 Independence Ave,
P.O. Box 32481, Lusaka 10101, Zambia

Fax Number.....: 260-1-254532
Telephone Number.: 260-1-254303/4/5/6

Date: 14 May 1999

SEND TO:

NAME: SANDRA THURMAN, DIRECTOR, OFFICE OF NATIONAL AIDS POLICY
ADDRESS: THE WHITE HOUSE
WASHINGTON
FAX NO: 202-456-2439

SENT FROM:

SENDER'S NAME: PAUL ZEITZ

TOTAL NO. OF PAGES:19
(including this transmittal lead sheet)

SUBJECT:

ACTION MEMO: **ACCELERATING ACTION TO COMBAT THE HIV-AIDS PANDEMIC IN
SUB-SAHARAN AFRICA**

SANDY:

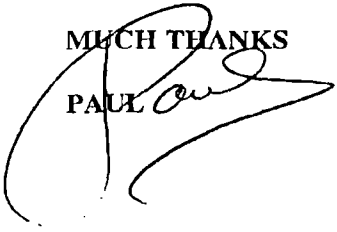
ATTACHED IS THE ACTION MEMO. WE HOPE THAT YOU FIND IT USEFUL.

HAVE A SAFE TRIP!!

LOOK FORWARD TO SPEAKING WITH YOU SOON.

PLEASE CIRCULATE AS APPROPRIATE.

MUCH THANKS

PAUL 

ACTION MEMORANDUM

14 May 1999

TO: Sandra Thurman
Director, Office of National AIDS Policy
The White House

FROM: Dr. Paul S. Zeitz *PSZ*
Senior Policy and Technical Advisor for Population, Health and Nutrition

RE: **ACCELERATING ACTION TO COMBAT THE HIV-AIDS
PANDEMIC IN SUB-SAHARAN AFRICA**

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I. PURPOSE OF THIS ACTION MEMORANDUM

In response to your letter of 4 May 1999, this memorandum outlines the rationale, strategies, and action plan for an immediate, radical, and collaborative assault on the sub-Saharan Africa (SSA) HIV-AIDS plague. This call-to-arms will be spearheaded by a US Presidential Initiative: "The Africa HIV-AIDS and Development Partnership Initiative (AHDPI)." AHDPI will be initiated with a pilot of a "Multidonor HIV-AIDS Debt Swap" in Zambia, which will serve as a template for other SSA targeted countries.

HIV-AIDS is an unprecedented multisectoral development and humanitarian crisis that requires bold action from the United States of America, the international community, and the African people. Preserving and improving the quality of life for millions of Africans is essential, as each African is a building block for sustainable development, peace, and security on the Continent. The political will of the United States Government (USG), to act in collaboration with African stakeholders, and the international community is required. The USG is in a unique position to leverage the moral, managerial, and financial resources necessary to aggressively scale-up action to turn the tide of despair that is resulting from the ongoing HIV-AIDS crisis.

II. OBJECTIVES OF THIS ACTION MEMORANDUM

A. US PRESIDENTIAL INITIATIVE: THE AFRICA HIV-AIDS AND DEVELOPMENT PARTNERSHIP INITIATIVE (AHDPI)

1. The USG, with leadership from the White House, initiates an Interagency Working Group to establish the "Africa HIV-AIDS and Development Partnership Initiative (AHDPI)" as a new visionary--cutting edge--component of President Clinton's Partnership for Economic Growth and Opportunity in Africa. The major purpose of the AHDPI will be to support and catalyze the replication of HIV-AIDS Debt Swaps/Relief Mechanisms in SSA targeted countries.

Target Date for Action: June 30, 1999

2. An Interagency Working Group will develop a Presidential Decision Directive (PDD) that will specify the roles and responsibilities of USG agencies, coordination mechanisms with other creditor countries, multilateral institutions, and African counterparts in SSA targeted countries.

Target Date for Action: December 31, 1999

B. ZAMBIA HIV-AIDS DEBT SWAP/RELIEF

1. USG technical and financial support to the Government of the Republic of Zambia for the proposed, "Accelerating the Zambia HIV-AIDS Response Through a Multidonor Debt Swap/relief Agreement."

Target Date for Action: June 30, 1999

2. Immediate USG financial support for the establishment of a small working group based in Lusaka Zambia to support the development and implementation of the Zambia HIV-AIDS Debt Swap/Relief. This working group would also be charged with documenting the impact and lessons learned from the development and implementation of the Zambia HIV-AIDS Debt Swap/Relief.

Target Date for Action: June 30, 1999

III. EXECUTIVE SUMMARY

A. PRESIDENTIAL INITIATIVE: AFRICA HIV-AIDS AND DEVELOPMENT PARTNERSHIP INITIATIVE (AHDPI)

In 1997, President Clinton launched the ambitious and revolutionary, Partnership for Economic Growth and Opportunity (PEGO) in order to integrate the countries of sub-Saharan Africa (SSA) into the global economy. The United States Government (USG) is spearheading efforts to reduce the overwhelming burden of debt, promote trade liberalization, and stimulate private sector investment. However, most SSA countries targeted by PEGO have among the World's worst HIV/AIDS pandemics.

Professor Jeffrey Sachs, Galen L. Stone Professor of International Trade at Harvard University states, *"A frontal attack on poor Africa's health status may now be the most important single strategy for economic development for the continent."*

The **Africa HIV-AIDS and Development Partnership Initiative (AHDPI)** is proposed as a component of President Clinton's PEGO in Africa. The USG, as part of the international efforts to establish a "New Partnership with Africa," can play a critical role in the improving the health and educational status of the African people that is currently being devastated by the HIV-AIDS pandemic. Most of the USG Initiatives in Africa are unlikely to succeed without innovative and grander investments to reverse the toll that the HIV-AIDS pandemic is having on African populations.

The "Blueprint for the US-Africa Partnership in the 21st Century," developed following the March 1999 African Ministerial Conference in Washington, DC, states that HIV-AIDS has already begun to arrest or reverse significant development gains. The participants acknowledged the imperative for a strong, multisectoral, and public health response to deal with the epidemic and its consequences.

At the same time, it was acknowledged that most countries throughout SSA have huge unsustainable debt burdens that halts their ability to mount an effective response to the HIV-AIDS pandemic.

In response, the AHDPI is envisioned to achieve **"Sustainable improvements in the health and educational status of people living in AHDPI targeted countries through the scaled-up implementation of a multisectoral HIV-AIDS response."** The AHDPI will support the implementation of innovative strategies to scale-up the delivery of available technologies and achieve the desired health, education, and social sector impact by the year 2005. Initial AHDPI implementation strategies will be based on accelerating the HIV-AIDS response by using multidonor debt swap/relief agreements. AHDPI will optimize the likelihood that sustainable human development, democracy, and peace will be achieved in Africa.

B. DEMONSTRATION PILOT: ZAMBIA HIV-AIDS DEBT SWAP/RELIEF

Devastation of AIDS in Zambia

Zambia has one of worst HIV-AIDS pandemics in the World, with an estimated 20% of the adult population HIV-positive. AIDS-related deaths are rapidly escalating, and expected to peak in 2005. Life expectancy is plummeting, with the average Zambian lifespan dropping from 54 years to 37 years. The pandemic is also leading to an unprecedented AIDS orphan crisis, with an estimated 1, 000,000 orphans by the year 2000, representing approximately 10% of the total population of Zambia. A secondary tuberculosis pandemic is also debilitating the economically productive work force. Historic improvements in child survival are also being lost in the specter of HIV-AIDS. In summary, the Zambia HIV-AIDS pandemic seriously threatens the country's prospects for sustainable economic development as it depletes the country's most education, energetic and productive population.

Zambian Response

To combat this crisis, President FJT Chiluba announced in March 1999, during the Thurman Presidential Mission, a new commitment to rapidly expand the national response with a war against AIDS when he said, "We must all unite in the fight against AIDS." The GRZ is in the final staging of planning for the implementation of a new National HIV-AIDS Council and an HIV-AIDS Secretariat which has been designed to support an expanded multisectoral response, including the Government, NGOs, and the private sector.

Debt Burden Hinders Effective Response

A major factor hindering an effective HIV-AIDS response in Zambia response is the macroeconomic situation and the unsustainable debt burden. During 1998, the real gross domestic productivity (GDP) per capita is estimated to have declined by 5%. Inflation rose from 18.6 percent at the end of 1997 to 30.6 percent at the end of 1998. Interest rates rose sharply while the Kwacha depreciated rapidly. These factors led to tight fiscal constraint as revenues were below targets, while expenditure pressures increased. The GRZ has a total debt burden of approximately 6.5 billion USD. This includes approximately \$2.3 billion owed to the Paris Club members, \$316 million to the non-Paris Club, \$3.1 billion to the multilaterals, and \$661 million in parastatal and private debt obligations.

Annual debt servicing went from \$325 million in 1994 to \$123 million in 1998. The GRZ paid approximately \$29 million in debt servicing annually to the Paris Club Members annually during 1997-98 and \$94 million to multilateral institution during 1997-98. During the years 1999-2002, it is expected that debt servicing requirements, under current agreements, to Paris Club members will remain at approximately \$30 million per year.

The 1998 GRZ debt servicing obligations of \$123 million paid to the Paris Club Members and