

CLINTON GLOBAL INITIATIVE – PARTICIPANT COMMITMENT UPDATE

August 27, 2007

Objective: To stimulate social and economic development in the municipality of Chitoto in Lunda Norte Province, Angola.

Commitment: In 2005, Lazare Kaplan International made a commitment to make \$1.5 million available over three years to establish a multi-partner consortium that would focus on economic development in Lunda Norte Province. Until this time, the donor community had not initiated any programs in the province although there were numerous development initiatives in other parts of the country. The LKI commitment was designed to ensure that those living in the province had full access to health, education and other services. The commitment reflected LKI's involvement in corporate social responsibility programs especially in those areas where it sources diamond.

Background: Following the announcement of the commitment, LKI began to build a multi-partner consortium to ensure the appropriate design of health and education programs as well the necessary resources. In addition to the Government of Angola and Fundação Brilhante, a philanthropic group created by Endiama, the government diamond company, LKI reached out to other partners. This included USAID and the World Bank-sponsored Social Assistance Fund (FAS). These partners pledge to match LKI's financial commitment, bringing the available resources to nearly \$5 million and agreed to provide the technical oversight and assistance to ensure that the development projects were implemented in a sustainable manner. A decision was made to focus efforts in the municipality of Chitoto in Lunda Norte.

Late last year the Dutch government became involved in the consortium through its decision to provide \$200,000 to land reform to three provinces in Angola, including Lunda Norte. Resources from the Bush Administrations Presidential Malaria Initiative have also been allocated to the Lunda Norte development effort.

The consortium also selected a group of implementing partners led by CARE and including Save the Children and the Angolan NGO, Development Workshop. Another NGO, the U.S.-based consulting firm, Chemonics, was selected to implement the Essential Health Service program. World Learning and a group from Drew University have also participated in the development efforts as have three local NGOs.

Metrics: Progress in implementing this commitment can be measured in several ways, such as by the number of individuals who receive training and services. Progress can also be measured by the number of Angolans who become involved in administering the programs. The number of consortium partners and their financial commitments are also important indicators of the likely success and sustainability of this project.

In terms of USAID indicators, several other metrics are worth noting. In the fourth quarter ending June 30th, 34 individuals in Chitoto received management training to

strengthen local government, 2 forums were established for citizens to engage local government officials, 18 civil society representatives participated in democracy strengthening programs and 13 community based organizations were involved on the delivery of basic services. In each instance, the base line was zero.

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Time Line

Launch: This commitment was launched in 2005. In addition to participating in the inaugural Clinton Global Initiative, LKI launched this project in Angola where he participated in a signing of an MOU with the head of the USAID mission in the company of many senior officials of the Angolan government. Implementation of the program began on July 1, 2006 and will run through 2009.

Milestones: With the first year complete, there have been a number of initiatives undertaken in the municipality of Chitoto in Lunda Norte Province. For example, nearly 70 individuals have received training in good governance, leadership, community organization and financial management over the course of 16 training sessions. And in Chitoto, 9 development projects have been identified. Project proposals are currently being revised to ensure that they meet program standards.

Before any funds can be released, it is necessary for municipal teams to have bank accounts in which the funds can be deposited. Not only has the required bank account been established in Chitoto, but executive and technical committees have been established to manage the account.

In July, a communal forum was created in Chitoto. The communal forums provide a venue for community members to come together to discuss and plan for the development priorities. They will also serve as an entry point for the identification all community-based training programs. For example, community representatives provided the 34 individuals in Chitoto with financial management training.

Geographic Scope: Lunda Norte Province, Angola.

Partnership Opportunities: The development consortium initiated by LKI welcomes the participation of other development partners.