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Development Cooperation Office

LUSAKA

R. Axelsson/EL

MINUTES OF QUARTERLY MEETING ANC - SIDA

Time: September 24, 1990 n _ ____ ..'

Venue: Swedish Embassy

Participants: Thomas T. Nkobi, ANC, Lusaka

Kay Moonsamy, ANC, Lusaka

Mohammed Tikly, ANC, Lusaka

Ismail Coovadia, ANC, London

Vusi Khanyile, ANC, Johannesburg

Kjell Nyström, SIDA, Lusaka

Kaj Persson, Swedish Embassy, Lusaka

Anders Mjällander, Swedish Legation,

Pretoria

Roland Axelsson, SIDA, Lusaka

Introduction

Mr Kjell Nyström, Head of the SIDA office in Lusaka, chaired the meeting. Mr Nyström welcomed the participants and presented a draft agenda for the meeting, which was approved. SIDA then informed the meeting that an additional amount of SEK 850.000 had been granted for Home Travel Costs 1990/91. This was in reply to ANC's special request dated June 6, 1990.

Mr Thomas Nkobi, ANC Treasurer General, gave a review of the recent developments inside South Africa. He informed about the work to establish the ANC new Headquarters in Johannesburg and branch-offices in all administrative regions of the country. The overshadowing problem now is the increasing violence and organized murdering in Natal and Transvaal. The South African regime will both negotiate with ANC and at the same time destabilize that process in order to get a weaker negotiation opponent. Concerning the coming return of ANC-exiles, ANC informed the meeting that a National Coordinating Committee (NCC) had been set up comprising i.a. ANC, PAC, AZAPO, COSATU and SACC. UNHCR will not take part in the repatriation programme due to the fact that the South African government does not allow the UN body to work inside the country and that UNHCR will not accept to take part as a transport organizer only. ANC is accepting the described situation and hopes to raise enough funds from other sources to cover the costs. The repatriation process is, however, likely to be considerably delayed even if needed indemnity would be granted in time. This is due to the problems with employment. living conditions. educational facilities etc.

SIDA presented preliminary final accounts concerning the ANC-SIDA budget 1989-90 as well as a proposed revised budget for 1990-91 after which the meeting started to scrutinize the activities under each budget item.

Angola

SIDA reported from a recent visit to Luanda. The ANC population has now been reduced to approximately 700. In order to facilitate the administration and to train the cadres in how to handle money a monthly allowance-system has been introduced pending . Treasurer General's approval. The monthly sum to be paid out has been proposed to be USD 75 per adult and USD 50 per child. The Luanda printshop has been closed awaiting transfer to Johannesburg. The Amandla has moved to Harare. Tools and machinery ordered for the Lillies Farm has recently arrived in Luanda.

The meeting decided that SIDA should send its Agricultural Consultant to revisit Lillies Farm at the beginning of January 1991. He will then together with ANC's Project Department make proposals for the future utilization of the farm. No budgetary changes were made.

Botswana

SIDA reported from a recent visit to Gaborone. The influx of youngsters fleeing the violence in South Africa has increased a lot during the last quarter. During the week 10-15 September only 150 refugees were registered.

UNHCR has financial problems in assisting with transport from Botswana to Zambia. In urgent cases SIDA as well as the Norwegian Embassy are providing airtickets.

The SIDA budget for 1990-91 amounts to MSEK 3.3. which will be sufficient provided Norway is allocating MNOK 1.8 for 1991. The Norwegian allocation is very important as the SIDA budget hardly can be increased further owing to the comparatively low number of permanent refugees in Botswana.

The ANC reported that the movement was going to re-open its office in Gaboorne in the near future.

Ethiopia

The present budget of SEK 400.000 was considered to be sufficient including the costs for the activities of Radio Freedom in Addis Ababa. Concerning the future role of Radio Freedom, ANC believed that an answer could be given at our Consultative Talks scheduled for November 1990.

5. Kenya

The present budget is OK. No problems reported.

6. Lesotho

ANC informed the meeting that the movement was going to re-open its office in Maseru within short. The Swedish assistance to ANC in Lesotho was suspended a year ago.

7. Madagascar

ANC reported that the new friendly relations between Madagascar and the Pretoria regime were unpleasant for the movement and might affect ANC activities in the country. SIDA expressed hopes that a new system of transferring funds to Antananarivo would work satisfactorily. The present budget was retained.

8. Mocambique

ANC informed the meeting that the problem with Norwegian disbursements (no funds disbursed since early 1990) had recently been discussed in Oslo and hopefully solved. SIDA informed about a planned visit to Maputo, when the total ANC-budget would be discussed. The present SIDA-budget of MSEK 1.0 was retained.

9. Swaziland

SIDA reported that the present system of disbursing funds via individual bank accounts to eligible ANC-members was working excellently. Swaziland, however, is facing the same problem as Botswana as far as refugees in transit are concerned. UNHCR has financial problems and the young refugees are suffering in prisons and reception centres. SIDA proposed to pay for one more charterflight from Manzini to Lusaka, if UNHCR did not arrange for more funds within a reasonable period of time. The present budget of MSEK 1.2 will still be sufficient to cater for the needs of the permanent 60 refugees of which 41 are children.

10. Tanzania

SIDA informed the meeting that the first quarterly disbursement of funds for Daily Necessities 1990/91 by mistake was charged to 1989/90. Therefore the budget for 1990/91 might have to be reduced by the amount in question if retroactive change cannot be made. For the time being, however, the budget of MSEK 12.0 was retained.

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ANC reported that according to present plans SOMAFCO will continue to be-functioning as an ANC educational institution for another five year period. UNESCO is now conducting a study about the future role of SOMAFCO. The Mazimbu Farm will be needed to support SOMAFCO. The Dakawa Development Plan is under review and a revised plan will be ready in coming October.

SIDA informed the meeting that two dairy-experts, employed by Swedish Cooperative Centre (SCC), will be leaving Mazimbu and Dakawa next month. SIDA is now through its Agricultural Advisor investigating the possibilities of increasing the present consultancy visits to the Mazimbu Farm and also of finding qualified consultants locally in East Africa. The farmbudget of MSEK 1.8 was retained.

Concerning the planned construction of a new ANC office in Dar es Salaam, ANC regretted to inform the meeting that Denmark had withdrawn its pledge to defray 25% of the total costs USD 1.4 million. Also Finland had recently expressed doubt about her sharing the construction costs. SIDA stated that the Swedish contribution could be released only if all other Nordic countries took part in financing the project. ANC, however, requested the budget of MSEK 2.0 to be retained until our Consultative Talks in November, when replacement donors hopefully could be presented. SIDA agreed to retain the budget until then.

Uganda

SIDA informed the meeting that the first quarterly disbursement of funds for Daily Necessities 1990/91 has been made despite the fact that no SIDA-representative has been permitted to visit the ANC-settlements in southern Uganda. This humanitarian gesture can, however, not be repeated. SIDA must be given the opportunity to see the settlements and talk to some of those individuals who are benefiting from the ANCuSIDA cooperation programme. ANC replied by stating that the Ugandan authorities were reluctant to grant permission for outsiders to visit the settlements. ANC was, however, pursuing the matter and hoped to be able to present a solution to the problem soon. The number of ANC-members in Uganda is now over 2.500. The budget of MSEK 4.5 was retained for the time being.

The budget of SEK 700.000 for Agricultural Activities in the ANC settlements in Uganda was also retained pending the developments in coming months. In order to enable the budget to be utilized, a SIDA agricultural consultant has to visit the settlements and first when his report and proposals have been studied by ANC and SIDA, any decision can be made.

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Zimbabwe

No problem was reported concerning Daily Necessities. The present budget of SEK 700.000 was retained. Regarding the delayed office reconstruction it was decided to allocate SEK 500.000 for 1990/91.

Zambia

Daily Necessities

Despite an ever increasing ANC-population in Lusaka it was agreed to retain the budget of MSEK 4.4 unchanged.

Mechanical Workshog

ANC reported that a decision about the future of the workshop can be taken first after the completion of the repatriation process. The two SIDA-recruited experts have been given prolonged employment until 1992. The budget of MSEK 1.5 was retained.

Agriculture

ANC informed the meeting that a NEC-decision about the future of the Alpha-Chongela farms can be expected within a couple of months. It was also probable that a qualified farm manager would have been found by that time, which SIDA for quite some time has been asking for. The valid budget MSEK 2.0 was considered adequate. SIDA urged ANC to see to it that a procurement of various equipment etc, initiated in Harare on May 16, 1990 was being implemented fully. Payment of Zimbabwe dollar 68.926- was effected that same day but no goods have sofar been received at the farm.

Administration

No problems were reported. Budget amounting to MSEK 2.7 was retained.

Transgort

ANC stated that the movement could not see any need now to accept the Transport Planner to take up an assignment in Lusaka. He would, however, be needed at a later stage inside South Africa.

SIDA reported that 17 vehicles purchased from last years budget were on its way from Dar es Salaam to Lusaka. The total costs for those vehicles amounted to MSEK 1.7. The remaining amount of MSEK 1.7 out of the total budget 1990-91 : MSEK 3.4 has not yet been committed.

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f) Information

ANC informed the meeting that the printshops in London and Lusaka still were operating but that printshops in Johannesburg were being used at an increasing rate.

SIDA reported that the budget of MSEK 1.0 had been fully disbursed in Zambia. No budget changes were discussed.

8) Home Activities

The ANC informed the meeting that it was too early - due to the prevailing circumstances in South Africa - to start normal cooperation including financial transaction and exchange of information between ANC in Johannesburg and Swedish Legation in Pretoria. The implementation of the agreement on this issue from our annual negotiation in May 1990 thus had to be postponed until a date to be discussed later. As a new breakdown of the budget - MSEK 26.5 - could not be presented, ANC requested SIDA to accept the original breakdown and to disburse funds quarterly in the traditional way until further notice according to 9 2.3.2 (last sentence) of Agreed Minutes 18/5 1990.

ANC submitted a political report for the period November 1989 - May 1990 and presented a budget proposal for running the new headquarters and the regional offices during a period of one year. Including initial investments in vehicles and office equipment (Rand 9.341 millions) the total costs were estimated at Rand 43.679 millions or MSEK 100.0.

ANC also informed the meeting that two bankaccounts had been opened in Johannesburg in the name of ANC and that the international auditing company Cooper & Lybrandt had been engaged to audit ANC books.

SIDA regretted that ANC considered it necessary to postpone the "Agreed new relations between ANC and the Swedish Legation in Pretoria" but appreciated the serious reasons put forward. SIDA stressed the importance of Swedish insight in the supported ANC activities. So far Sweden had only requested such insight into activities outside South Africa. One reason why Sweden now would like to have the same possibility to follow the activities inside South Africa was the fact that Sweden through other organisations in some cases supported the same type of activities as listed in the present budget for Home Activities e.g. Publicity, Legal Aid and Assistance to Dependents.

It was agreed to retain the budget unchanged and to discuss the issue further at the forthcoming Consultative Talks.

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SACTU

ANC reported about the merger with COSATU, which will be effective on January 1, 1991. The last budget for SACTU amounts to SEK 700.000 out of which 50% has been disbursed. It was agreed that the remaining funds should be disbursed at an early stage to cover winding-up costs.

Post Apartheid Planning

ANC reported about SASPRO merger with CDS inside South Africa. There is no budget 1990/91 either for PASA under this heading or outside the frame to SASPRO. All Post-Apartheid Planning as far as Swedish support is concerned will now have to be channelled by 008 via Hammarskjöld Foundation. It was, however, agreed that smaller costs in connection with closure of SASPRO office could be covered from our budget item "Contingency Fund".

Visitors Fund

SIDA informed the meeting that the total budget of SEK 700.000 had been disbursed in Lusaka. The needs for such funds in Harare is said to have been reduced. No budget charges discussed.

Administrative Development Fund

ANC explained that the forthcoming moving of most administrative structures to South Africa in combination with a tremendous demand from the ANC-members for training in various administrative fields, has resulted in change of the planned utilization of this budget item. No funds will be used for consultancy in Financial administration aimed at improving the ANC administration in exile. Instead all available funds will be paid out for short-term training of ANC cadres in Computer techniques, Accountancy, Auditing etc. SIDA agreed to the change of budget utilization. The budget was retained at SEK 800.000.

Contingency Fund

SIDA informed the meeting that an amount of USD 43.349 last year disbursed to ANC, Washington still remained to be accounted for. Another payment of 080 216.554:- being a loan in order to enable ANC to procure an office building in Washington has to be repaid and credited to this budget item.

From the budget for 1990/91 an amount of SEK 700.000 has been disbursed in Lusaka to cover emergency needs. It was agreed to increase the budget by SEK 350.000 to SEK 1.250.000.

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Home Travel Costs

As mentioned in the introductory remarks SIDA has granted an additional amount of SEK 850.000 for 1990/91. This amount is intended to cover the costs for purchase of 500 airtickets from Lusaka to Johannesburg at the initial stage of repatriation. This money has to be accounted for in the same manner as funds for Daily Necessities and cannot be reallocated.

Sweden

Cooperative Training

ANC and SIDA agreed that this type of training might be premature as nothing has happened since the item was introduced 1/7 1989. If the situation remains unchanged also at our Consultative Talks in November 1990, the funds available (SEK 500.000) will be reallocated to other more urgent needs.

Training in Procurement

SIDA informed the meeting that the Swedish company, A80 in Tanzania was willing to start a new In-service-Training of four or five suitable ANC-cadres. The training can start almost immediately. ANC agreed to nominate the candidates within short. The available budget of SEK 500.000 will be sufficient for the training as such but if the training will be followed by a study visit to Sweden - as last year - an additional amount of SEK 250.000 will be needed. It was agreed to retain the budget for the time being.

Secondment Programme

The level of budget utilization remains very low. To give DMD another Chance to activate their old plans, it was decided to retain the budget of SEK 500.000.

Luthuli CW8

The budget for 1990/91 remains at MSEK 3.0. ANC complained that Luthuli did not have funds to cover the students travel costs to London. This problem ought to be considered when granting funds for scholarships.

Cultural Activities

ANC informed the meeting that Dept of Arts and Culture soon will present a new breakdown of the total budget amounting to MSEK 2.0 for 1990/91. SIDA welcomed such a new breakdown but stated that only costs occurred outside South Africa could be considered for the time being in accordance with ANC wishes mentioned under 13.9. above.

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Health Activities

SIDA reported that discussions with a representative from the Swedish Red Cross had revealed that the SIDA-supported project named Torture Rehabilitation or Mental Health Project had become a complete failure. It is therefore proposed that ANC formally requests the Swedish Red Cross to terminate the project. SIDA will instruct its Health division in Stockholm to revise the budget for Health Activities 1990-91 accordingly. In the meantime the budget of MSEK 1.5 was retained.

Security Measures

SIDA informed the meeting that the Swedish Security Consultant was visiting Lusaka together with a highly qualified Computer expert. Delays in the delivery of equipment ordered in 1989/90 has made it necessary to transfer savings to 1990/91. It was thus decided to increase the 1990/91 budget by MSEK 1.5 to MSEK 4.5.

Agricultural Training

ANC informed the meeting that the demand for education and training had reached a magnitude, never dreamt of before. SIDA proposed that study tours included in the detailed budgets should be replaced by more studies in the SADCC-region. This was agreed upon and the total budget of MSEK 3.3 was retained.

Education in Sweden

SIDA informed the meeting that 30 ANC students now were studying in Sweden (14 nurses and 16 administrators). The costs are estimated at MSEK 8.5 during 1990/91, which is an average of SEK 283.000 per student.

ANC agreed with SIDA that due to the enormously high costs in Sweden and the very high demand for studies among the ANC cadres, the future Swedish contribution for education must be utilized in a more cost-efficient way. The budget of MSEK 8.5 was retained.

ANC Office in Stockholm

SIDA informed the meeting that the last quarterly disbursement in 1989/90 was not charged to said year's budget. Consequently the budget for 1990/91 would have to be increased by that same amount. Thus it was agreed to increase the budget for 1990/91 by SEK 500.000 to MSEK 2.5.

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Other Matters

Consultative Talks

It was confirmed that the Consultative Talks between ANC and SIDA will take place from November 27 to 30, 1990. As to the venue for these talks it was agreed that we should meet in Lusaka.

ANC Donors Conference

ANC informed the meeting that the previously announced Donors Conference now was scheduled to take place at Arusha, Tanzania from January 31 to February 5, 1991. The agenda for the conference had been widened to include many projects inside South Africa. Around 180 donors had so far reported interest in the conference.

ANC office in Windhoek Namibia

ANC asked SIDA to include Namibia in the budget under Daily Necessities. ANC has recently opened an office in Windhoek and that office needs funds in order to be able to function properly.

After discussions it was agreed to allocate SEK 200.000 to ANC Namibia for 1990/91.

Budget Conclusions

The following changes in the budget for 1990/91 were agreed upon.

Item SEK

D.N. Namibia 1 200.000

Stockholm Office t 500.000

Security t 1.500.000

Office Reconstr. ZIM t 500.000

Contingency Fund 1 350.000

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Home Travel Costs 850.000

Total t 3.900.000

Balance from 1989/90 1 4.569.000

Frame 1990/91 1 97.500.000

Additional allocation 1990/91 1 850.000

Overplanning' t 3.981.000

Total revised budget 1990/91 106.900.000