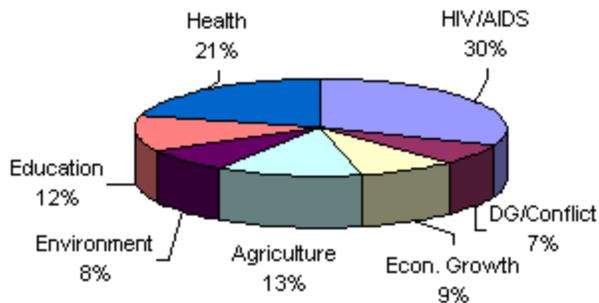


Overview of U.S. Economic Assistance to Africa

Total Africa Bureau Budget Request for FY 2004 \$1,041,050,000

USAID's Priority Sector Spending in Africa



The U.S. Agency for International Development (USAID) is supporting strategies that address the most pressing challenges today. USAID strives to assist Africa to build strong democratic institutions, preserve the environment, promote food security, educate children, and ensure better living standards. USAID strongly endorses the new African-led approach represented by the Partnership for African Development (NEPAD), a strategy that provides a framework for addressing some of the continent's fundamental issues. Several new special initiatives build on USAID's efforts to enhance the Agency's ability to address Africa's development challenges.

Encouraging Broad-Based Economic Growth, Trade, and Agriculture

Economic Growth and Trade: \$89,204,000

Agriculture: \$134,100,000

Broad-based economic growth is critical if Africans are to participate in the new global economy and enjoy a higher standard of living. Studies show that agriculture is the most cost-effective engine of economic growth in Africa given that 60 percent of all Africans earn their livelihood through agriculture. USAID is increasing its funding for agriculture by directing its assistance to countries where food insecurity is greatest and where governments are committed to creating the conditions for increasing growth and reducing poverty.

Initiative to End Hunger in Africa

A new region-wide presidential *Initiative to End Hunger in Africa* will help the United States fulfill its pledge to reduce hunger in half by 2015. The Initiative builds on the experience of U.S. efforts to increase support in this area through initiatives such as the Africa Food Security Initiative and the Seeds of Hope Act. Increased emphasis will be placed on programs to improve the use of modern technologies, expand credit to farmers, strengthen producer associations, and enhance economic incentives for farmers and small scale entrepreneurs. The Initiative will also be made to promote diversification of agriculture by the private sector, and to increase exports. In response to economic growth challenges and the growing consensus that increased trade leads to increased growth, USAID is working to help Africa enhance its exports. By supporting the Africa Growth and Opportunity Act (AGOA), the Initiative will create new export opportunities for Africa through unrestricted market access and enhanced trade assistance, U.S. economic growth goals and promoting poverty alleviation.

Trade for African Development and Enterprise (TRADE)

The Trade for African Development and Enterprise Initiative is designed to enhance Africa's trade competitiveness and enable eligible countries to take greater advantage of the increased trading opportunities provided through global trade initiatives. Under the TRADE Initiative, USAID has established three Regional Hubs for Global Trade located in Kenya, Ghana, and Botswana, which coordinate the Initiative and support regional and country-level trade efforts. The Initiative focuses on six broad areas: (1) promoting U.S.-African business linkages; (2) enhancing competitiveness of African products; (3) mainstreaming of trade into the development agenda; (4) improving delivery of public services supporting trade; (5) building capacity for trade policy analysis; and (6) strengthening the business environment. African partners from both the government and private sectors will develop a field-driven, trade capacity building strategy.

Protecting the Environment: \$82,200,000

USAID continues to focus its efforts in the environmental area on policy changes and capacity building in community-based approaches to natural resource management. USAID also contributes substantially to efforts to reduce long term threats to the global environment in Africa, particularly climate change and the loss of biodiversity. Finally, USAID is developing new approaches to respond to the environmental issues caused by rapid urbanization of much of the region.

Congo Basin Forest Partnership

The Congo Basin Forest, the second largest tropical forest in the world, is being degraded at a rate of 2 m year. To protect this critical forest area, the *Congo Basin Forest Partnership* was launched by the U.S. G8 World Summit on Sustainable Development last year. The goal of this partnership is to promote economic poverty alleviation, improved governance, and natural resource conservation in the six countries that form the Congo Basin Forest: Cameroon, Central African Republic, Democratic Republic of the Congo, Equatorial Guinea, Gabon, and the Republic of Congo. Support will be provided to a network of national parks, protected areas, and well-managed concessions. Assistance will also be provided to communities who depend upon the conservation of the forest resources of eleven key landscapes in these six Central African countries.

Building Human Capacity through Education and Training: \$125,619,000

Economic growth depends on an educated workforce capable of taking advantage of economic opportunities behind the rest of the world in the investment in people necessary to achieve such growth. USAID is supporting education by helping to improve access to and the quality of education. USAID programs focus most of their efforts on improving primary and basic education, especially for girls, because of the proven positive impact education has on economic and social development. In addition, USAID's Leland Initiative is enabling 20 African countries to participate in today's information-based global economy through enhanced Internet connectivity. Recognizing the importance of education for Africa's development, the United States is providing USAID additional funding to address their needs and increase educational levels.

Africa Education Initiative

This presidential *Africa Education Initiative* commits \$200 million over five years to improve basic education for African children. The Initiative challenges African education professionals to find new ways to quickly provide children with opportunities to learn and become productive members of their society. It also addresses the devastation of increasing African capacity to confront the impact of the epidemic on education systems. The Initiative will improve access and quality of education through increased funding of scholarships, especially for girls, and support training, enhanced use of new learning technologies, and increased community involvement in education. USAID will continue to support its bilateral programs that address country-level education system reform.

Combating HIV/AIDS and Protecting Human Health: \$542,105,000

USAID's efforts to improve health in Africa focus on increasing the availability, effectiveness and access to health care. USAID continues to combat the leading causes of maternal and child mortality and morbidity. Programs to increase immunization coverage, strengthen surveillance, enhance the skills of health care professionals, promote community and household practices for prevention and management of childhood illnesses, and develop health care financing strategies. USAID also supports a range of family planning programs.

HIV/AIDS has moved beyond being just a health problem in many countries in the region, particularly in sub-Saharan Africa, to now a major development issue that threatens economic and social progress across a broad front. USAID has made a major increase in the funding of HIV/AIDS programs that build on earlier successful efforts and continue to work through community-based partners. Programs to support activities for persons affected by AIDS and prevent mother-to-child transmission (MTCT) of HIV are being expanded.

Mother and Child HIV Prevention Initiative

The U.S. Government's new \$500 million *Mother and Child HIV Prevention Initiative* seeks to prevent the transmission of HIV/AIDS from mothers to infants and to improve health care delivery in Africa and the Caribbean. The Initiative will dramatically expand the types and scale of services available and will make USAID's mother-to-child transmission (MTCT) HIV/AIDS programs truly comprehensive. Interventions include improvement of antenatal services; voluntary confidential counseling and testing services; short-course antiretroviral prophylaxis for HIV-infected pregnant women; counseling and support for safe infant feeding practices; and strengthened health, family planning, and social service programs.

Strengthening Democracy and Preventing Conflict: \$67,822,000

USAID Africa: Overview

It is now widely recognized by the donor community and by African leaders themselves that good governance, stability and economic development are closely intertwined. USAID supports the application of democratic good governance by promoting representative political processes and institutions, the rule of law, the growth and respect for human rights. In countries undertaking decentralization of governmental functions, USAID promotes dialogue between citizens and public officials at the local level. Particularly promising are efforts to build public participation and good governance into programs in other sectors. USAID will also expand its efforts to help countries prevent and address conflict by better understanding its root causes and to assist them with post-conflict confidence building measures. In addition, USAID is launching a new Initiative to address one of the region's development challenges: corruption.

Anti-Corruption Initiative

The five-year Anti-Corruption Initiative aims to reduce corruption in sub-Saharan Africa by addressing the environment for corruption. Fragile public institutions, weak civil society, poorly paid civil servants, and the independent judiciary all create a climate in which corruption can flourish. To reduce corruption and strengthen corruption activities, the Initiative will promote public access to information, civic participation in government, transparent and efficient government procedures, and effective government oversight institutions. The Initiative will support good governance principles put forward under the New Partnership for Africa's Development, and will support anti-corruption efforts by organizations such as the African Union and the Southern Africa Development C

Humanitarian Response

Humanitarian crises, whether man-made or natural disasters, continue to plague Africa and show no signs of abating. Emergencies threaten lives, economic growth, democratic progress and regional stability. USAID supports African capacity to better cope with the effects of these humanitarian crises. In East and Southern Africa, countries continue to be vulnerable to food shortages brought on by severe drought and other factors. The U.S. is the largest donor to the World Food Program's operations to deliver food aid to these famine affected areas.