
USAID/ERITREA



FY 2002
Results Review and
Resource Request (R4)

31 MARCH 2000

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Asmara, Eritrea
31 March 2000

Ms. Vivian Lowery Derryck, AA/AFR
Bureau for Africa
Agency for International Development
Washington, DC 20523

Dear Vivian,

I am pleased to submit this R4 report for 2002, covering the Mission's progress during FY 1999 and providing an outline of our plans for the coming years.

As you know, the war with Ethiopia overshadowed nearly every aspect of our program this past year. The Mission staff has spent the year catching up after the disruption of the previous ordered departures in June 1998 and February 1999. Despite the conflict, the USAID program is being revitalized, focusing on rebuilding staff levels and reestablishing programs diminished by the evacuations.

The difficulties of the last eighteen months have promoted a new pragmatism among GSE officials and created an environment in which an improved partnership is flourishing. As evidence of this, government officials have reestablished a dialog with US NGOs, embraced the Leland Initiative (to be launched formally in late May), and are in the final stages of creating a national commission on HIV/AIDS prevention.

We have retooled the portfolio, while remaining true to the July 1997 country development strategy (Investment Partnership) framework. As staffing levels return to normal, we expect to be able to move more resources and reduce the pipeline.

The possibility of an end to the conflict is an encouraging sign and the US needs to be positioned to respond. The Mission has begun to engage in contingency planning for this, the second post-conflict phase of Eritrea's short history. Attached as Annex 3 is a draft Special Objective (SPO) document which outlines the Mission's plans for the immediate post conflict phase.

The GSE is eager to proceed with the sustainable development agenda, particularly in the health and human capacity development sectors. Under the rural enterprise program, we have successfully determined new ways of disbursing funds while complying with the congressional restrictions on providing resources directly to the government. The health ministry and the government's relief coordination agency (ERREC) in particular have had a visible change of heart about the role of NGOs. We are working to effect similar changes in other ministries over the coming year.

Those displaced by the war are not alone in needing humanitarian assistance. Our government's efforts to provide urgently needed food to those displaced by the war and affected by the drought were complicated by negotiations over the Assab food grain issue, but our humanitarian

programs are now underway. Annex 2 outlines the current humanitarian situation and gives an indication of its scope and impact.

USAID/Eritrea does not request any changes to the management contract at this time. The Mission does request, however, Africa Bureau support in the four areas mentioned below:

- SPO concept approval. We request authorization to proceed with development of the special objective described in Annex 3. The purpose of this objective will be to permit us to help Eritrea adjust to the post-conflict period, and complements the GHAI activities already planned and budgeted.
- IO3 revision. We request approval to proceed with the redesign of the democracy and governance objective, to reorient it toward improving the skills of Eritreans, women and girls. It is planned to field an assessment team in mid summer and the target for completing the redesign is the end of the fiscal year.
- Fill vacant program officer position. We urge the Bureau to make every effort to fill our critical Supervisory Program Officer position, POSNO 216612009.
- Additional HIV/AIDS funding. USAID/E is well positioned to absorb a significant increase in HIV/AIDS funds this year. Our AIDS overview (Annex 1) describes the US mission's plans and opportunities.

We look forward to working with you over the coming year on these important initiatives, and thank you and the entire Africa Bureau for your support for our program in the past.

Sincerely,

William J. Garvelink
Mission Director

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Glossary

ACDI/VOCA	American Cooperative Development International /Volunteers in Cooperative Assistance
ACILS	American Center for International Labor Solidarity
ATLAS	African Training and Leadership
AFNET	Africa Network
BASICS	Basic Services In Child Survival
CBER	Commercial Bank of Eritrea
CRS	Catholic Relief Services
CSO	Civil Society Organization
CSW	Commercial Sex Worker
CYP	Couple-Years Protection
ECSMG	Eritrean Condom Social Marketing Group
EIF	Enterprise Investment Fund
EHP	Eritrean Health and Population
EPI	Enhanced Program of Immunization
ERREC	Eritrean Relief and Recovery Commission
FPLM	Family Planning Logistics Management
GIS	Geographic Information System
GSE	Government of the State of Eritrea
HCD	Human Capacity Development
HMIS	Health Management Information System
JSI	John Snow, Inc.
LIFE	Leadership and Investment in Fighting an Epidemic
IDP	Individual Development Plan, Internally Displaced Person
IFAD	International Fund for Agricultural Development
IGAD	Intergovernmental Authority for Development
IO	Investment Objective (equates to Strategic Objective)
IP	Investment Partnership (equates to Strategic Plan)

ISP	Internet Service Provider
MOH	Ministry of Health
MOJ	Ministry of Justice
MPP	Mission Program Plan
MSF	Médecins sans Frontières/Netherlands
NCNW	National Council of Negro Women
NIDs	National Immunization Days
NEUW	National Union of Eritrean Women
NUEYS	National Union of Eritrean Youth and Students
OMNI	Opportunities for Micronutrient Improvement
PHARPE	Public Health and Rehabilitation Program for Eritrea
PHC	Primary Health Care
REIP	Rural Enterprise Investment Partnership
REU	Rural Enterprise Unit
SEATS	Service Expansion and Technical Support
SO	Strategic Objective
SPO	Special Objective
STOP	Stop Transmission of Polio
SEMISH	State of Eritrea Management Information System for Health
TASC	Technical Assistance and Support Contract
STD	Sexually Transmitted Disease
UNICEF	United Nations Children's Fund
WHO	World Health Organization
UNAIDS	United Nations AIDS organization

R4 Part I : Overview and Factors Affecting Program Performance

SUMMARY OF PROGRESS IN IMPLEMENTING THE STRATEGIC PLAN

This year's Mission Program Plan (MPP) describes in detail the deleterious effect the two-year-old conflict with Ethiopia has had upon the country's economy and social fabric. The MPP notes, for example, that "there is little possibility of making significant progress on most of our strategic goals" so long as the crisis continues. The effects of the conflict are undeniable, and have caused a setback of at least a year, and perhaps two, in the achievement of USAID's strategic objectives.

But the conflict is not the only story in Eritrea. Despite the difficulties caused by the war, there is a marked shift underway in the leadership's thinking about the importance of working with donors and partners on the development challenge, particularly in the selected sectors of health, rural enterprise development and education. The key government and private sector leaders in Asmara recognize that once the conflict ends, attention will turn to the country's development needs. In the interim, critical infrastructure must be protected or the current suffering and the scale of the future rehabilitation effort will be even greater. USAID has been busily working to alter the development ministries' attitudes toward the role of partners and can claim some success. More recently, we have been opening the dialogue about the post-conflict period and the donors' role in assisting in rehabilitation and recovery.

These effects can be seen throughout the portfolio. The current state of the program is shown in the table below:

	Assessment	Status
IO 1—Increased Use of Primary Health Care (PHC) Services by Eritreans	On Track	Efforts have been revitalized, with the arrival of a USDH health officer. Good progress is being made in polio eradication, HIV/AIDS prevention, condom social marketing and primary health care. Most performance targets were met and some were exceeded.
IO 2—Increased Income of Enterprises, Primarily Rural, with Emphasis on Exports	Did Not Meet Expectations	Implementation was all but halted by the decision not to transfer foreign exchange to the GSE. Working through NGOs, the Mission has developed alternative methods for disbursement of rural enterprise funds and expects the program to begin to recover lost momentum this year.
IO 3—Increased Capacity for Accountable Governance at Local and National Levels	Did Not Meet Expectations	Little progress is possible in the current program and a major redesign is underway. The GSE has asked USAID to reorient the program toward the education sector. The GSE and USAID have prepared tripartite agreements with three US universities in the areas of social science and law, health and business.

Annex 4 contains an outline of the revised IO3 objective, which we plan to develop over the course of FY 2000.

SIGNIFICANT PROGRAM ACHIEVEMENTS

Mission staff continued to implement the development partnership program this year, while preparing contingency plans for the post-conflict period. This latter effort has resulted most recently in the development of a special objective aimed at reintegration and recovery (see Annex 3). The arrival of new USDH staff members, changes in the GSE's senior leadership, and operational changes to the program, have made improved performance possible. Over the past year we can highlight achievements in four areas in particular:

- **Primary Health Care.** During the first eight months of FY 98, until the evacuation, significant progress was made in Primary Health Care (PHC), with the functional health management information system and the condom social marketing program underway. Immunization rates, contraceptive use and family planning clients also increased. By the same token, the Health Management Information System (HMIS), developed by a USAID-supported cooperating agency, was fully developed and implemented in health facilities through out the country. Currently, all health facilities in the country's six zones are utilizing the HMIS forms and registers and are reporting to the central zone.
- **Iodized salt.** Through USAID efforts, about 90% of the salt in Eritrea is now iodized in order to prevent Iodine Deficiency disease. To increase this figure to 100%, the Mission has supported the small-scale salt producers in procuring mobile iodization machines.

- **Social Marketing.** The target for couple-years of protection (CYP) this year was significantly exceeded, suggesting that the contraceptive use rate is increasing. Through the efforts of the USAID-funded Eritrean Condom Social Marketing Group (ECSMG), around 90% of the traditional outlets are selling USAID-procured “Abusalama” condoms. The ECSMG has been strongly supported and encouraged by the MOH to extend their services to the non-traditional outlets such as bars, kiosks and hotels. This will increase the accessibility of condoms at a reasonable cost and assist in the control of HIV dissemination and sexually transmitted diseases.
- **Internet and Secondary City Connectivity.** Thanks to consistent support from USAID’s Leland Initiative, the Telecommunications Ministry has recently agreed to the introduction of the Internet to Eritrea. As a result, the government has given the green light for the licensing of four ISPs and plans a formal launching ceremony on May 24, Eritrean Independence day. USAID has also funded the installation of ISP connections in six secondary cities throughout the country.

On the operational side, the Mission successfully retooled the disbursement mechanism under IO 2, which will allow the local currency lending program to proceed. Under this arrangement, the primary implementing partner, ACDI/VOCA, has agreed to take responsibility for implementing the lending program to borrowers. In IO3, the GSE has negotiated a series of three university linkages programs in health, social science, law and business, scheduled to begin implementation this academic year. The Mission is requesting authority to proceed with a more complete redesign of the IO beginning this summer.

COUNTRY FACTORS MOST INFLUENCING PROGRESS

Although there was progress in all three Investment Objectives over this reporting period, there is no denying the effect of the war on nearly every aspect of Eritrea’s economic and social development. While there are no independently generated reliable figures on GDP growth rates, the GSE itself recently estimated that growth had slowed from 9% annually just two years ago to barely 3% today. Even this figure may be overestimated. A recent World Bank study estimated that fully 70% of the country’s imports consist of remittances from expatriates, much of which is presumably diverted to the war effort.

The humanitarian effects of the war are no less striking. The Embassy has noted that casualties in the major battles have reached levels on a scale with World War I and there has been displacement of tens of thousands of civilians, along with a massive destruction of infrastructure. Thousands of new land mines have been laid. Ethiopia has expelled approximately 70,000 ethnic Eritreans across the border since June 1998 and more expulsions are likely.

Nor is the agricultural situation promising. For the second consecutive year, Eritrea’s eastern escarpment and coastal plains regions—except for those areas with spate irrigation—are besieged by drought. Serious food shortages are expected by mid-year, because early spring (Belg) rains were poor. The long season crops are near total failure for lack of moisture during the critical seed setting stage. Causal factors, besides the unfavorable precipitation patterns, include the delayed arrival of agricultural inputs, manpower shortages during planting and weeding and limited access to fields located along the border because of insecurity. At this point, indications are that the 1999 harvest will be less than in 1998.

Adding fiscal pressure to an already moribund economy, the government has instituted heavy new taxes and sought voluntary contributions. New investment, both internal and foreign, has dried up and tourism has essentially died. The mobilization of more than 120,000 young people (out of a population of only 3.5 million) has robbed the country of badly needed labor and skills. Businesses find foreign exchange is increasingly hard to obtain.

OVERALL PROSPECTS FOR PROGRESS THROUGH THE BUDGET REQUEST YEAR

The country’s dire economic and social situation has posed continuous challenges to Government and to Mission staff, but the list of modest positive accomplishments above have shown that progress is still possible. USAID has chosen to work in three sectors—health, rural enterprise and education—which have been relatively insulated from the effects of the conflict. If anything, this year’s experience has underlined the importance of continuing to focus our partners’ attention on the development agenda. In assessing the prospects for the year, three factors argue for a greatly improved performance in the near future:

- The imminent end of the conflict, which will permit government resources to be redirected to productive purposes will bring the most economically productive human resources back into the economy;
- The arrival at post in recent months of new USDH staff with well-funded, ongoing programs;
- The GSE’s increased willingness to work with international NGOs, as witnessed by the marked increase in the number of new programs; and

- A new internal USAID policy to budget up to 10% of program resources for program-funded mission support will greatly improve program operations and implementation.

U.S. NATIONAL INTERESTS AND GOALS AND LINKAGES OF THE MISSION'S IOS TO THE MPP

US national interests in Eritrea, outlined in detail in the MPP, remain unchanged by the war. A key US Mission goal is to end the conflict and the prospects for bringing the USAID program back up to full speed depend partly but not entirely on the achievement of that goal. Much can be done in the current environment despite the war, and USAID's goal is to make the most of a difficult set of circumstances. The MPP notes the areas where expected accomplishments could not be realized: Eritrea's new Constitution did not enter into force; scheduled elections did not take place and repair of environmental damage caused by the 30-year war for independence has been put on hold. These assertions are true, but must not draw attention away from the immediate development challenges in the areas where USAID has chosen to work.

Cooperation with the Embassy has been exemplary throughout the year. The production of the Mission Program Plan involved much back-and-forth and joint drafting, with USAID having primary responsibility for the technical input on the health, humanitarian and economic development portions and the Embassy drafting the political and security sections. The close cooperation with Embassy staff, under the leadership of the Ambassador, has made an extremely challenging year much easier than it would otherwise have been.

IO 1 : INCREASED USE OF SUSTAINABLE, INTEGRATED PHC SERVICES BY ERITREANS

Country/Organization: USAID Eritrea

Objective ID: 661-001-01

Objective Name : Increased use of sustainable, integrated PHC services by Eritreans

Self Assessment: On Track

Self Assessment Narrative: IO 1 is on track, with greatly improved prospects for implementation over the coming year. The MOH has altered its policies toward cooperation with foreign NGOs and consultants, providing a more conducive environment for joint implementation. There is a great need for increased HIV/AIDS resources (see Annex 1), and the Mission will be working with USAID/W over the coming year to identify and program activities aimed at AIDS prevention.

Primary Link to Strategic Agency Framework:

4.2 Infant and Child Health/Nutrition

Secondary Link to Strategic Agency Framework:

 1.1 Private Markets 1.2 Ag Development/Food Security 1.3 Economic Opportunity for Poor 2.1 Rule of Law/Human Rights 2.2 Credible Political Processes 2.3 Politically Active Civil Society 2.4 Accountable Gov't Institutions 3.1 Access to Ed/Girl's Education 3.2 Higher Ed/Sustainable Development 4.1 Unintended Pregnancies Reduced 4.2 Infant/Child Health/Nutrition 4.3 Child Birth Mortality Reduced 4.4 HIV/AIDS 4.5 Infectious Diseases Reduced 5.1 Global Climate Change 5.2 Biological Diversity 5.3 Sustainable Urbanization/Pollution 5.4 Environmentally Sound Energy 5.5 Natural Resource Management 6.1 Impact of Crises Reduced 6.2 Urgent Needs in Time of Crisis Met 6.3 Security/Basic Institutions Reestablished 7.1 Responsive Assist Mechanisms Developed 7.2 Program Effectiveness Improved 7.3 Commit Sustainable Development Assured 7.4 Technical/Managerial Capacity Expand

Link to U.S. National Interests: Global Issues: Environment, Population, Health

Primary Link to MPP Goals : Health

Secondary Link to MPP Goals : Health

IO1 Summary

Through this Investment Objective (IO1), USAID supports Eritrean efforts to improve reproductive health care, child survival, safe motherhood, micronutrient nutrition, malaria control, and HIV/AIDS prevention. The Eritrean Health and Population program began as a five-year project in 1994 and was extended as an Investment Objective through December 2001. *Increased use of Integrated, Sustainable PHC services by Eritreans* is achieved by improving access to, quality of, and demand for PHC services.

Key Results

The improvement in IO1's performance this year has been striking. Despite the year long evacuation and continuing conflict between Ethiopia and Eritrea, progress has largely been maintained and new success stories have emerged. Polio immunization coverage has continued to improve, despite reduced availability of volunteers to support immunization campaigns and polio eradication efforts are on track. Contraceptive distribution (couple years of protection) in target zones has increased despite the military mobilization, which would be expected to reduce demand. Remarkable achievements obtained in 1999 include reduction of iodine deficiency, the success of the condom social marketing program, high availability of essential pharmaceuticals in health facilities and development of a model malaria vector information system. Much credit for performance under difficult circumstances is due to the Eritrean staff of SEATS and PSI, USAID FSN staff, the MOH itself, and the rapid return of expatriate staff or consultants of SEATS, PSI, and EHP when the ordered departure was lifted in late June 1999.

Performance and Prospects

All salt produced by large-scale producers is now iodized. UNICEF, with USAID funding, distributed iodization equipment for small-scale salt producers in the Southern Red Sea Zone and has resolved obstacles to distribution of this equipment in Northern Red Sea Zone, so that turn-over of the equipment is expected this year. At this point, over 90% of salt is iodized and surveys show iodine deficiency has been reduced from 82% to 25%.

Eritrea is the only country in East Africa that has shown a steady increase in polio immunization coverage, and no cases of polio have been found in the last four years. The WHO/Geneva polio eradication advisor covering Eritrea noted not having seen anywhere else a higher level of government commitment, mass media materials broadcast in so many different national languages or more feedback to the population following the NIDs. While more established EPI programs in Kenya and Uganda, for example, have achieved higher coverage levels (above 80%) in the past, these have fallen back (to around 60%) in recent years. Nonetheless, the Eritrean MOH is concerned that overall immunization coverage declined slightly in 1999 and several actions have been identified to boost progress:

- 1) the MOH has requested WHO to organize an intensive EPI review in July 2000 and design a nationwide immunization coverage survey to more accurately gauge progress and gaps;
- 2) a measles immunization reinforcement campaign will be conducted in April 2000;
- 3) a WHO STOP team will work with the EPI program during May-July 2000 to expand and intensify surveillance for acute flaccid paralysis, measles, and neonatal tetanus; and
- 4) intensified outreach support will be mobilized for the NIDS (polio plus vitamin A); and
- 5) the EPI program will focus on missed opportunities for immunization in the inpatient and outpatient services to boost coverage.

The estimated couple-years of protection (CYPs), a proxy measure for the contraceptive prevalence rate (CPR), increased from 7,247 in 1998 to 8,014 in 1999, based on data from the MOH management information system. Though less rapid than projected (in part due to overestimates prior to the implementation of a reliable information system), this increase is noteworthy given the current state of military mobilization. Reflecting USAID support to address unmet demand for contraception, two-thirds of health facilities from which staff were trained by SEATS in 1999 showed increased CYPs with a net increase overall.

Better tracking of results has been made possible by the implementation of the State of Eritrea Management Information System for Health (SEMISH), developed with USAID support, which has completed its second full year of nationwide implementation.

Lifting of the authorized departure in June 1999 made it possible for USAID and EHP staff to participate with the MOH, other line ministries and other donors in the launch of the Rollback Malaria Initiative in July 1999. With technical support from EHP, the MOH has designed and begun collecting data for the most comprehensive malaria vector information system in Africa. This GIS-based system will make it possible to adjust current vector control

strategies to Eritrea's different ecological zones, a critical complement to the two-pronged Rollback Malaria approach.

Eritrea's pharmaceutical logistics system is another success story. As a result, Eritrea has eliminated one of the greatest obstacles to utilization of primary health care services, the lack of medicines in health facilities. Consultants from the Family Planning Logistics Management (FPLM) Project conducted an assessment and made recommendations in 1996. They had planned to provide training to help the MOH implement these recommendations but were unable to return due to the evacuation. Returning in December 1999, they found that the MOH staff on their own had implemented three-quarters of these recommendations. More importantly, the consultants' evaluation of available basic pharmaceuticals at different levels of the system showed 85% availability of 10 sentinel pharmaceuticals from the essential drug list. One missing drug was, in fact, available in all facilities in a different tablet size, suggesting greater than 90% availability of basic pharmaceuticals. The advisors were also impressed with the efficiency of the system (the central medical stores are operated by only six people) and the extent of computerization, which is more widely used than they have observed anywhere else in Africa. This remarkable achievement demonstrates what is possible when highly committed people use limited resources for their intended purposes.

The adaptation of the WHO protocol for Integrated Management of Childhood Illnesses (IMCI) has not yet been completed. USAID technical assistance in this area will resume when new contracting actions are completed.

USAID supports an HIV/AIDS prevention condom social marketing program through the US NGO PSI and the National Union of Eritrean Youth and Students (NUEYS). Through this program, condoms are sold in 11 pharmacies and over 472 bars, shops, restaurants, and hotels (nearly three times the number of outlets as in December 1998). The program was evaluated in August 1999. After less than two years of implementation, condom sales have greatly exceeded targets and the program already ranks high among such programs worldwide on a per capita sales basis. Further progress is expected now that the evacuation has ended. A resident advisor was posted in December 1999 and plans for improved packaging, market research, extensive mass media campaigns, point of sale advertising and further expansion of sales outlets have been finalized.

Expected Performance Through the Budget Request Year

While implementation progress was good despite the evacuation, the Mission was unable to replace technical assistance support that ended in 1998. BASICS, OMNI and SEATS will also expire in mid-2000. Thus, FY 2000 has focused on restaffing, restarting efforts interrupted by the evacuation, development of bridging mechanisms, and design of new implementation mechanisms to replace the old ones. The scope of work and funding for a TASC task order, the largest single commitment of funds to date in the USAID/Eritrea health program, has been approved by the MOH. USAID is also preparing new grants to WHO and UNICEF.

The most important new development is the high level recognition in the GSE of the threat posed by HIV/AIDS and the need for immediate action to halt the spread of this disease. Though prevalence is relatively low compared with other countries in Africa, where action was taken too late, Eritrea's commitment to action is timely. The current situation has been compared with that in Uganda before the epidemic exploded there: troops are mobilized and sharing the same commercial sex workers boosting HIV prevalence among young adults. When troops demobilize, they take HIV home with them to all parts of the country and what was previously an urban problem becomes a nationwide epidemic. But it is not too late to prevent this tragedy from occurring in Eritrea. The political commitment, national policies and intersectoral coordinating mechanisms are already in place. The MOH has urgently requested expanded USAID assistance (including a resident advisor) to complement the current condom social marketing program with STD treatment and prevention, behavior change communications and voluntary counseling and testing.

Possible Adjustments to Plans

At this point there is agreement between USAID and the MOH on priorities and implementation strategies. When peace is achieved, the MOH and USAID/Eritrea plan to negotiate a more permanent agreement with longer-term objectives and more innovative implementation mechanisms. Conversely, renewed fighting could further strain human capacity and impede implementation.

Other Donor Programs

UNICEF is an important advocate of rights-based programming in child survival, maternal health, children in difficult circumstances and related areas. It has been an important partner for USAID and the MOH in working to achieve universal child immunization, salt iodization, and malaria control. UNICEF and the MOH led the

development of an intersectoral resource mobilization plan for HIV/AIDS prevention in March 2000. WHO provides specialized technical support and is implementing the Italian Government supported Public Health and Rehabilitation Program for Eritrea (PHARPE), which provides basic equipment, infrastructure improvements and training to improve public health in line with WHO guidelines. Integrated communicable disease surveillance, malaria, TB control and other basic health programs are supported by PHARPE. The World Bank/IDA is providing \$18.3 million to build two new hospitals in Barentu and Mendefera, furnish and equip health facilities, supply drugs and vaccines and establish a national blood bank. The World Bank also supports long-term training in several universities in India. New programs are being developed this year in integrated early childhood development, malaria control and HIV/AIDS prevention. This is an opportunity for USAID to complement and reinforce the infrastructure and commodities provided by the World Bank loans with technical assistance and training. UNAIDS has helped the MOH develop a national strategic plan for HIV/AIDS prevention. Germany and the European Union have funded some construction and rehabilitation of rural health facilities.

Major Contractors and Grantees

Currently, the major contractors remaining in country are JSI, through the global SEATS contract (safe motherhood, reproductive health and family planning) and PSI (condom social marketing aimed at HIV/AIDS prevention). Camp, Dresser & McKee supports malaria control through the global EHP II contract. University Research Corporation supports quality assurance and related health policy initiatives through the global Quality Assurance II Project. Abt Associates supports health policy development through the global Partnerships in Health Care Project. World Learning handles the long-term participant training program. The National Union of Eritrean Youth and Students (NUEYS) is an Eritrean NGO that is working in collaboration with both SEATS and PSI in HIV/AIDS prevention and reproductive health. Africare will construct a health center in Bada, where it also supports a small-scale irrigation project.

IO 1, Table 1

Objective Name : Increased use of sustainable, integrated PHC services by Eritreans			
Objective ID : 661-001-01			
Approved : July 1997		Country/Organization : USAID Eritrea	
Result Name : Increased use of sustainable, integrated PHC services by Eritreans			
Indicator : Immunization Coverage Rate			
Unit of Measure : Percent	Year	Planned	Actual
Source : UNICEF EPI Reports. The baseline figure is from the 1995 EDHS.	1995 (b)	NA	41
Indicator Description : Percent of children 12-23 months who are fully vaccinated according to WHO guidelines for vaccinating children	1997	50	55
	1998	60	61
Comments : This indicator has been added to allow for an annual measure at the IO level. It replaced ORT Use Rate.	1999	65	56
	2000	70	
	2001	75	

IO 1, Table 2

Objective Name : Increased use of sustainable, integrated PHC services by Eritreans			
Objective ID : 661-001-01			
Approved : July 1997		Country/Organization : USAID Eritrea	
Result Name : IR 1.1: Access to Integrated PHC Services Improved			
Indicator : Couple-Years of Protection (CYP)			
Unit of Measure : Couple-years of protection	Year	Planned	Actual
Source : MOH/Service Delivery Reports/SEMISH	1996(b)	NA	5,900
Indicator Description : An estimate of the protection against pregnancy provided by family planning services during a period of one year, based upon the volume of all contraceptives sold or distributed free of charge to clients in 3 target zones during that year.	1997	7,316	8,076
	1998	9,529	7,247
	1999	11,425	8,014
	2000	14,618	
Comments : Reported by MOH/SEATS. Figures represent contraceptives distributed only through the public sector. This indicator is used as proxy for CPR for in-between DHS years.	2001		

IO 1, Table 3

Objective Name : Increased use of sustainable, integrated PHC services by Eritreans			
Objective ID : 661-001-01			
Approved : July 1997		Country/Organization : USAID Eritrea	
Result Name : IR 1.1: Access to Integrated PHC Services Improved			
Indicator : Facility-Based Integrated Management of Childhood Illnesses (IMCI) Coverage			
Unit of Measure : Percent	Year	Planned	Actual
Source : Facility Survey	1996(b)	NA	0
Indicator Description : The proportion of delivery points in three target zones where IMCI is utilized.	1997	2	0
	1998	2	0
Comments : Within the context of this strategy, the Ministry of Health has designated three zones as early Impact Zones. Reported by MOH/BASICS.	1999	10	0
	2000	20	
	2001	30	

IO 1, Table 4

Objective Name : Increased use of sustainable, integrated PHC services by Eritreans			
Objective ID : 661-001-01			
Approved : July 1997		Country/Organization : USAID Eritrea	
Result Name : IR 1.2: Client Demand for PHC Services Enhanced			
Indicator : Demand for FP Services			
Unit of Measure : Percent	Year	Planned	Actual
Source : Facility Survey. Reported by MOH/SEATS	1996(b)	NA	NA
Indicator Description : Proportion of targeted health facilities reporting an increase in FP clients	1997	25	46
	1998	55	57
Comments : Targeted health facility refers to those facilities in the three target zones that have had providers trained in the MOH/SEATS in-services FP courses as well as those originally assigned by the MOH as target facilities (n=46).	1999	60	61
	2000	70	
	2001	80	

IO 1, Table 5

Objective Name : Increased use of sustainable, integrated PHC services by Eritreans			
Objective ID : 661-001-01			
Approved : July 1997		Country/Organization : USAID Eritrea	
Result Name : IR 1.3: Quality of PHC Services Improved			
Indicator : Health Management Information System (HMIS)			
Unit of Measure : Percent	Year	Planned	Actual
Source : HMIS Report Survey. Reported by MOH/BASICS	1996(b)	NA	0
Indicator Description : Proportion of facilities in six zones utilizing new HMIS forms and registers	1997	20	25
	1998	90	100
Comments : The MOH has requested assistance to develop data users' manuals and train users so that the information collected can be used to prioritize and plan for the delivery of health services throughout the country.	1999	100	100
	2000		

IO 2: INCREASED INCOME OF ENTERPRISES, PRIMARILY RURAL, WITH EMPHASIS ON EXPORTS

Country/Organization: USAID Eritrea

Objective ID: 661-002-01

Objective Name : Increased income of enterprises, primarily rural,with emphasis on exports

Self Assessment: Not Meeting Expectations

Self Assessment Narrative: IO 2 has fallen behind in implementation. The policy decision not to transfer funds to the GSE so long as the war continues has prevented disbursement of funds under the rural enterprise lending facility, technical assistance and program support components. An alternative disbursement mechanism has recently been put in place through ACDI/VOCA, and it is expected that implementation will pick up sharply in the middle of FY 2000.

Primary Link to Strategic Agency Framework:

1.3 Economic Oppty for Rural/Urban Poor

Secondary Link to Strategic Agency Framework:

- | | |
|---|--|
| <input checked="" type="checkbox"/> 1.1 Private Markets | <input checked="" type="checkbox"/> 1.2 Agricultural Development/Food Security |
| <input checked="" type="checkbox"/> 1.3 Economic Opportunity for Poor | <input type="checkbox"/> 2.1 Rule of Law/Human Rights |
| <input type="checkbox"/> 2.2 Credible Political Processes | <input type="checkbox"/> 2.3 Politically Active Civil Society |
| <input type="checkbox"/> 2.4 Accountable Gov't Institutions | <input type="checkbox"/> 3.1 Access to Education/Girl's Education |
| <input type="checkbox"/> 3.2 Higher Education/Sustainable Development | <input type="checkbox"/> 4.1 Unintended Pregnancies Reduced |
| <input type="checkbox"/> 4.2 Infant/Child Health/Nutrition | <input type="checkbox"/> 4.3 Child Birth Mortality Reduced |
| <input type="checkbox"/> 4.4 HIV/AIDS | <input type="checkbox"/> 4.5 Infectious Diseases Reduced |
| <input type="checkbox"/> 5.1 Global Climate Change | <input type="checkbox"/> 5.2 Biological Diversity |
| <input type="checkbox"/> 5.3 Sustainable Urbanization/Pollution | <input type="checkbox"/> 5.4 Environmentally Sound Energy |
| <input type="checkbox"/> 5.5 Natural Resource Management | <input type="checkbox"/> 6.1 Impact of Crises Reduced |
| <input type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished |
| <input type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed | <input type="checkbox"/> 7.2 Program Effectiveness Improved |
| <input type="checkbox"/> 7.3 Commit Sustainable Development Assured | <input type="checkbox"/> 7.4 Technical/Managerial Capacity Expand |

Link to U.S. National Interests: Economic Prosperity

Primary Link to MPP Goals : Economic Development

Secondary Link to MPP Goals : Open Markets

IO2 Summary

USAID/Eritrea's Investment Objective No. 2, the Rural Enterprise Investment Partnership (REIP), began as a 5-year project in late 1997. REIP implementation was at the point of contracting the advisors needed for its first loans when war broke out with Ethiopia. Planned activities fell behind schedule, investor interest in the program waned. The focus of the REIP implementation office, the REU (Rural Enterprise Unit), was of necessity diverted to training and information dissemination aimed at promoting a greater understanding of best enterprise development practices among small and medium enterprises.

The primary link of IO2 to the Agency objective of economic growth is through promoting the increased income of enterprises, primarily rural, with an emphasis on exports. IO2's design is further linked to the MPP goal of Economic Development by working with the GSE to promote market-oriented growth and to pursue sustainable social and economic development. By providing technical assistance and credit services to rural enterprises in order to increase their efficiency, competitiveness and profit, Investment Objective 2 aims to increase Eritrea's capacity to generate income and foreign exchange to purchase food, capital equipment and consumer goods. Achieving this objective depends on two principal intermediate results: a) the value of domestic goods and services sold by assisted enterprises must increase; and b) the value of exports from assisted enterprises must grow.

Two additional IRs relate to the privatization of state-owned enterprises and the increase in the level of skilled employment. Ultimately, client enterprises in the target area will benefit from the increased availability of improved financial services through the Commercial Bank of Eritrea and from the managerial and technical assistance provided through the Rural Enterprise Unit.

Key Results

Three of the four indicators selected in last year's R4—the number of enterprises receiving loans, the level of economic activity as a result of improved access to technical and financial services; and the value of export sales of enterprises receiving loans—have not, for the reasons noted above, produced any results. The fourth indicator, the number of enterprises receiving training and/or advisory services from the REU, recorded without disaggregation by gender, an increase of 23 % over the 100 planned for CY1999.

Performance and Prospects

Performance over the past year relative to targets has, at least for the principal indicators, been well below expectations. This is largely explained by the virtual suspension of the development assistance program following the two ordered departures, the evacuation of all Mission direct hire and contract staff excepting the Director and the restrictions imposed on the disbursement of dollar resources.

Nonetheless, efforts to design and implement an alternative disbursement mechanism have succeeded in establishing a conduit for providing both the resources needed for the REU's operations and the availability of credit under the Enterprise Investment Fund. For the first time since war broke out in June 1998 and particularly since virtual suspension of the development assistance program that characterized much of CY99, the prospects are encouraging that the REIP program can recover its lost momentum. As the prospects of peace emerge increased investor confidence will return and the timely availability of the resources needed to prime the pump of economic recovery will be critical. The key indicators established earlier remain valid.

Possible Adjustment to Plans:

The program continues to reflect a design appropriate in direction and scope. At this point, now that an alternative disbursement mechanism is about to become operational, SO team members are hopeful that the lending program will begin to pick up momentum.

Other Donor Programs:

Denmark, Italy, the European Union and the World Bank support rural road rehabilitation and agricultural development. FAO supports the GSE by developing methodologies for generating agricultural statistics and analysis for improved decision making in the sector. IFAD supports Eritrea's second – after the USAID funded PL-480 Title II model in Bada – spate irrigation system on the eastern coastal plain. The World Bank assists the GSE with a \$30 million loan to rehabilitate the ports of Massawa and Assab and with a \$120 million follow on proposal to the Community Development Fund that will focus on human resource capacity development. Similarly, the Bank

has plans, currently on hold until the conflict is resolved, that will inject approximately \$25 million into the economy under a Private Sector initiative.

Major Contractors and Grantees:

Currently, the major contractors remaining in the country are USDA (under a PASA for technical services to the Ministry of Agriculture), Africare (implementing the PL-480 Title II funded irrigation in Bada); Virginia State University (carrying out agricultural research in vernonia, an oil-bearing plant of promising industrial value); and ACIDI/VOCA (who is providing improved financial services technical support to the Commercial Bank of Eritrea).

IO 2, Table 1

Objective Name : Increased income of enterprises, primarily rural,with emphasis on exports			
Objective ID : 661-002-01			
Approved : 28/07/97		Country/Organization : USAID Eritrea	
Result Name : IR 2. Increased skilled employment in enterprises			
Indicator : Number of enterprises receiving loans from the Enterprise Investment Fund (EIF)			
Unit of Measure : Number of enterprises	Year	Planned	Actual
Source : CBER/REU	1998	120	0
Indicator Description : Number of enterprises receiving loans from the EIF by year (not cumulative)	1999	46	0
	2000	132	0
Comments : Planned small & medium size loans, less than \$14,000, will be authorized at the zonal level. Larger loans will be authorized by the loan committee in Asmara.	2001	145	
	2002	160	

IO 2, Table 2

Objective Name : Increased income of enterprises, primarily rural,with emphasis on exports			
Objective ID : 661-002-01			
Approved : 28/07/97		Country/Organization : USAID Eritrea	
Result Name : Value of domestic goods and services sold by enterprises increased			
Indicator : Level of economic activity as a result of improved access			
Unit of Measure : Additional kilometers of secondary rural roads rehabilitated	Year	Planned	Actual
Source : USAID/GSE Road Survey	1997	100	150
	1998	100	11
Indicator Description : Level of increased economic activity as a result of improved access	1999	50	0
	2000	0	
Comments : A. This is a proxy indicator. B. PL-480 Title III proceeds supporting this activity will end in FY 99	2001	0	

IO 2, Table 3

Objective Name : Increased income of enterprises, primarily rural,with emphasis on exports			
Objective ID : 661-002-01			
Approved : 28/07/97		Country/Organization : USAID Eritrea	
Result Name : Value of exports from assisted enterprises increased			
Indicator : Value of export sales of enterprises receiving loans and/or TA			
Unit of Measure : Thousands of US Dollars	Year	Planned	Actual
Source : CBER/REU	1998	15	60
Indicator Description : Number of enterprises receiving loans and/or TA.	1999	250	0
	Comments : a. The value for 1998 represents firm export sales contracts for leather and leather goods.	2000	730
		2001	1200
		3500	

IO 2, Table 4

Objective Name : Increased income of enterprises, primarily rural,with emphasis on exports			
Objective ID : 661-001-01			
Approved : 28/07/97		Country/Organization : USAID Eritrea	
Result Name : Increased skilled employment in assisted enterprises			
Indicator : Number of enterprises receiving training and/or advisory services from the REU			
Unit of Measure : Cumulative number of enterprises	Year	Planned	Actual
Source : REU	1998	30	15
Indicator Description : Enterprises receiving training and/or advisory services from the REU each year.	1999	100	123
	2000	200	
Comments : a. Actual for FY 98 refer to advisory services rendered to enterprises approaching the REU. B. Training will start in late 1999.	2001	350	
		500	

IO 3 : INCREASED CAPACITY FOR ACCOUNTABLE GOVERNANCE AT LOCAL AND NATIONAL LEVELS

Country/Organization: USAID Eritrea

Objective ID: 661-003-01

Objective Name : Increased capacity for accountable governance at local and national levels

Self Assessment: Not Meeting Expectations

Self Assessment Narrative: Implementation of IO 3 has been essentially suspended this year, pending a redesign and reorienting of the program toward human capacity development. In the meantime, the University of Asmara has worked with the Mission to put into place agreements with US universities in the fields of social sciences and law health and business. Implementation of these activities will begin during FY 2000 and the Mission expects to field a redesign team during the summer of FY 2000.

Primary Link to Strategic Agency Framework:

3.2 Higher Education and Sustainable Development

Secondary Link to Strategic Agency Framework:

- | | |
|--|--|
| <input type="checkbox"/> 1.1 Private Markets | <input type="checkbox"/> 1.2 Agricultural Development/Food Security |
| <input checked="" type="checkbox"/> 1.3 Economic Opportunity for Poor | <input checked="" type="checkbox"/> 2.1 Rule of Law/Human Rights |
| <input type="checkbox"/> 2.2 Credible Political Processes | <input checked="" type="checkbox"/> 2.3 Politically Active Civil Society |
| <input checked="" type="checkbox"/> 2.4 Accountable Gov't Institutions | <input checked="" type="checkbox"/> 3.1 Access to Education/Girl's Education |
| <input checked="" type="checkbox"/> 3.2 Higher Education/Sustainable Development | <input type="checkbox"/> 4.1 Unintended Pregnancies Reduced |
| <input type="checkbox"/> 4.2 Infant/Child Health/Nutrition | <input type="checkbox"/> 4.3 Child Birth Mortality Reduced |
| <input type="checkbox"/> 4.4 HIV/AIDS | <input type="checkbox"/> 4.5 Infectious Diseases Reduced |
| <input type="checkbox"/> 5.1 Global Climate Change | <input type="checkbox"/> 5.2 Biological Diversity |
| <input type="checkbox"/> 5.3 Sustainable Urbanization/Pollution | <input type="checkbox"/> 5.4 Environmentally Sound Energy |
| <input type="checkbox"/> 5.5 Natural Resource Management | <input type="checkbox"/> 6.1 Impact of Crises Reduced |
| <input type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished |
| <input type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed | <input type="checkbox"/> 7.2 Program Effectiveness Improved |
| <input type="checkbox"/> 7.3 Commit Sustainable Development Assured | <input checked="" type="checkbox"/> 7.4 Technical/Managerial Capacity Expand |

Link to U.S. National Interests: Economic Prosperity

Primary Link to MPP Goals : Economic Development

Secondary Link to MPP Goals : Global Growth and Stability

IO3 Summary

IO3, with a planned cost of \$14.5 million, addresses the Rule of Law, Civil Society and Good Governance, through two activities: The Eritrean Technical Assistance Project (TAP) and the Civil Society/Microenterprise project. Beneficiary institutions include the University of Asmara, Eritrean Constitution Commission, Bank of Eritrea, Ministry of Justice, Ministry of Transport and Communications, National Union of Eritrean Women, and National Confederation of Eritrean Workers. USAID funds have been devoted to financing short-term and long-term training of government civil servants including the faculty and staff of the University of Asmara. These institutions have acquired USAID-funded technical assistance, computers, vehicles, equipment, and furniture. The GSE has requested a significant reworking of the objective to give it a human capacity development (HCD) focus. This is currently underway. The Government recently received a \$60 million loan from the World Bank for a national HCD program, and the program is expected to reinforce this strategy.

Key results

Despite implementation difficulties, four specific achievements are noteworthy:

- The implementation of a university development linkage program between University of Asmara and University of North Carolina-Chapel Hill (UNC-CH) since 1996 in the fields of law, journalism and social sciences;
- Implementation of the Eritrean legal reform framework following the ratification of the Eritrean Constitution in May 1997 through a three-year participatory process with extensive civic education and outreach to all sectors of Eritrean society;
- The introduction of an independent monetary and fiscal policy by the Bank of Eritrea following the issuance of the new Eritrean currency (Nakfa); and
- The introduction of the Internet to Eritrea, with assistance from the Leland Initiative.

The program continues to support higher education in Eritrea through linkage programs featuring the exchange of faculty and graduate students in law, health, management, social sciences, engineering and education. This institutional linkage arrangement focuses on staff development, curriculum review and development, strengthening teaching and research facilities, exchange of US faculty and building local research capacity. Funds are to be used for installation of Internet facilities, training of information technology managers, equipping and furnishing selected faculties, procurement of computers, text books, overhead projectors, photo copy machines and laboratory equipment.

IO3 also funded the rewriting of legal codes based on the Eritrean Constitution, which was completed during the reporting period. The criminal code, civil code, marine and commercial codes were redrafted, and Ministry of Justice (MOJ) staff were trained in legal reform during 1999.

Performance and Prospects

The second class of 50 degree holders in law and 25 certificate holders in journalism and mass communication have graduated. These graduates are now working at offices of the Judiciary and Ministry of Information respectively. Four staff members of the University of Asmara are pursuing graduate studies at UNC-CH, American University, the University of Florida and McGill University in English, history, statistics, demography and law.

IO3 will fund the activities of the NGO World Learning to establish a Project Coordination Unit to manage the World Bank financed Eritrean National HCD Project.

USAID will also provide a capacity-building grant, supporting in-country training programs for administrators and middle level government officials, to strengthen selected college facilities and the Eritrean Institute of Management. USAID resources will fund in-country training programs in journalism, law, public administration, diplomacy, social work, cultural heritage management, and library science. Institutional capacity building of the Bank of Eritrea will continue through the USAID-funded grant to the United Nations Development Program (UNDP) to help determine the information systems required for the Eritrean banking system. This will be reinforced through the USAID grants to NCNW and ACILS for capacity building for the National Union of Eritrean Women and the National Confederation of Eritrean Workers.

It is hoped that the introduction of the Internet in May 2000 will contribute to improving access to public information and facilitate the use of the Internet for higher education. Much appreciation is due to the Leland Initiative staff for their consistent efforts to achieve this goal.

Results with civic organizations were disappointing, largely due the GSE's NGO policy, which inhibited working with CSOs. Because of this, this component of the program is to be dropped in favor of working with public sector institutions, including national unions.

Possible adjustments to plans

USAID has been working with the GSE to redesign the IO, to make it narrower in scope and more focused. USAID resources will be used to strengthen the University of Asmara, the National Union of Eritrean Women and the National Confederation of Eritrean Workers.

Other donor programs

Sweden, UK, Italy, Denmark, Australia, Germany, Norway, Canada, the Netherlands and UNDP, are active in Eritrea's human resource development program, including the World Bank's \$60 million IDA loan.

Major contractors and grantees

UNDP, UNC-CH, UCLA, University of Florida, McGill University (Canadian), NCNW, the Universities of Western Michigan, Cornell, SUNY/Stony Brook, Department of State, ACILS, the National Center for State Courts, ATLAS, and World Learning.

IO 3, Table 1

Objective Name : Increased capacity for accountable governance at local and national levels			
Objective ID : 661-003-01			
Approved : 28 July 1997		Country/Organization : USAID Eritrea	
Result Name : IR 3.1 Judicial and legal processes and systems more effective. IR 3.1.1 Suitably qualified legal & judicial personnel employed by ministries and legal system			
Indicator: Lawyers formally trained, either through university education (LLB) or in-service training			
Source : National Center for State Courts (NCSC), UA Law Department	Year	Planned	Actual
Unit of Measure : a) Aggregate measure of participants from all levels of judiciary and the MOJ; b) LL.B. graduates from UA.	1998	a) 35 ; b) 26	a) 35 ; b) 0
	1999	a) 40 ; b) 30	A) 35; b) 25
Description : Number of persons trained and working in judicial system.	2000	a) 40 ; b) 30	a) 35; b) 50
Comments : NCSC training in court administration methods targeted trainers of trainers from all levels of judiciary and the MOJ.	2001	a) 40 ; b) 30	

IO 3, Table 2

Objective Name : Increased capacity for accountable governance at local and national levels			
Objective ID : 661-003-01			
Approved : 28 July 1997		Country/Organization : USAID Eritrea	
Result Name : IR 3.3 Judicial processes and systems more effective			
IR 3.1:3 Enhanced availability & access to legal research materials & technical resources			
Indicator : Fully operational law library			
Unit of Measure : Estimated percentage of operational status. 100% implies that law center is fully equipped and fully functioning based on MOJ reform plans.	Year	Planned	Actual
	1996	0%	0%
	1997	30%	50%
Source: MOJ data	1998	75%	65%
Indicator Description : MOJ law center operating with adequate research materials and physical resources.	1999	100%	100%
	2000	100%	
Comments : Measure given is subjective estimation based on MOJ input. MOJ plans to install computer network linking MOJ and regional courts, beneficiaries of the Leland Initiative. In addition, MOJ is now in process of securing additional space on the premises to expand the law center.	2001	100%	

IO 3, Table 3

Objective Name : Increased capacity for accountable governance at local and national levels			
Objective ID : 661-003-01			
Approved : 28 July 1997		Country/Organization : USAID Eritrea	
Result Name : IR 3.2 Popular participation in governance increased. IR 3.2.2 Increased citizen access to public information			
Indicator : -			
Unit of Measure : Number of trained journalists	Year	Planned	Actual
Source: Department of Journalism and Mass Communication data	1997	25	19
Indicator Description : Journalism professionals formally trained in program leading to Certificate in Journalism.	1998	25	25
	1999	30	25
Comments :	2000	35	

RESULTS FRAMEWORK

USAID Country Goal: To Enable Eritrea to Become a Food Secure, Democratic, and Leading Nation in the Region by 2007 Through Key Investments in Health, Enterprise, and Governance

Investment Objective #1: Increased Use of Sustainable, Integrated Primary Health Care (PHC) Services by Eritreans

- IR 1 - Access to Integrated PHC Services Improved
 - IR 1.1 - Policies for PHC Service Delivery Implemented
 - IR 1.2 - Capacity to Manage and Plan for PHC Services Enhanced
 - IR 1.3 - Availability of Integrated PHC Services Increased
- IR 2 - Client Demand for PHC Services Enhanced
- IR 3 - Quality of PHC Services Improved

Investment Objective #2: Increased Income of Enterprises, Primarily Rural, with Emphasis on Exports

- IR 1 - Increased Skilled Employment in Assisted Enterprise
 - IR 1.1 - Increased Number of Enterprises Using Improved Financial Services
 - IR 1.2 - Viable Enterprises Established/Expanded
- IR 2 - Value of Domestic Goods and Services Sold by assisted Enterprises Increased
 - IR 2.1 - Increased Production and Productivity
 - IR 2.1.1 - Key Rural Infrastructure Improved in Targeted Areas
- IR 3 - Increased Value of Exports from Assisted Enterprises
 - IR 3.1 - Critical Marketing and Technical Information Widely Disseminated
- IR 4 - Private Sector Liberalization and Privatization Policies Implemented
 - IR 4.1 - Laws and Regulations Liberalizing All Sectors of Economy Passed

Investment Objective #3: Increased Capacity for Accountable Governance at Local and National Levels

- IR 1 - Judicial and Legal Processes and Systems More Effective
 - IR 1.1 - Suitably Qualified Legal and Judicial Personnel Employed by Ministries and Legal System
 - IR 1.2 - Legal Codes created and Consolidated

IR 1.3 - Enhanced Availability and Access to Legal Research Materials and Technical Resources

IR 2 - Popular Participation in Governance Increased

IR 2.1 - Professional Groups Key to Accountable Governance Expanded

IR 2.2 - Increased Citizen Access to Public Information

IR 2.3 - Civil Society Organization Institutional Capacity Strengthened

IR 2.4 - Increased Local Participation Through Decentralization

IR 3 - Public Administration Improved and More Effective

IR 3.1 - Increased Civil Servant Management Skills

IR 3.2 - Selected GSE Administrative Units Properly Equipped

IR 3.3 - Improved fiscal and Monetary Management

Illustrative Framework for revised IO 3

Investment Objective #3: Democratic Governance Strengthened through Human Capacity Development

IR 1 - Strengthened Institutional Base *or* Participation of Women, Workers and Youth

IR 2 - Information Sharing Systems and Other Information Technologies Established

IR 3 - Improved Public Administration

IR 4 - Increased Capability to Higher Education to Address Development Needs

RATIONALE FOR PROGRAM RESOURCE LEVEL AND SO ALLOCATIONS

The Mission has prepared two request levels for FY2001. The first is the CP level of \$9.3 million and the new Special Objective of \$4.0 million. The second is the CP level of \$9.3 million plus an additional \$1.1 million in HIV/AIDS and \$ 4.0 million for the new Special Objective for Reintegration and Recovery.

As discussed in the SO narratives and the program overview, expenditure rates fell with the evacuation of staff from Eritrea. Those levels have begun to pick up again. The IO1 activities in particular have begun to step up implementation significantly. It is anticipated that the existing pipeline will be drawn down markedly as early as the end of FY 2000, with completion of the transfers to field support activities like the TASC work order.

IO2 is also poised to improve its pipeline drawdown rate. The main capital fund, the Rural Enterprise Fund (EIF), is now ready to begin disbursing. The IO3 performance should likewise begin to pick up as the university agreements are signed.

Relationship Of The Program Request To OE And Staffing Requirements

The Mission's approved USDH staffing level is five, with four positions filled at present. Currently on board, in addition to the Mission Director, are a USDH Enterprise Officer and Health Officer. The Supervisory GDO has been recruited and is expected to arrive in June 2000. There remains an unfilled Supervisory Program Officer position, which the Bureau is working actively to fill.

Once all positions are filled, and using fill-in TDY assistance for some key functions, the Mission will be able to manage the portfolio adequately. Approval of the Special Objective for the post-conflict activity will not require any additional direct hire staff, as it is planned to intensify existing activities in the sectors where USAID is already working.

Capital Investment Fund

USAID/E's needs for the Capital Investment Fund are outlined in the OE narrative. The Mission has budgeted for the costs of the move to a new office building, pending approval of the proposed new site. The current office building does not conform to USAID security standards.

Performance-Influenced Resource Decisions

The Mission has based its funding request for each SO on the individual needs of the program elements, the rate at which results are being achieved and the current and expected performance of each activity at drawing down pipeline. Specifically, the largest request for FY 2001 and 2002 is in IO1, the health objective, because (as shown in the above narratives) performance has been most positive in that sector. For related reasons, IO1 has begun to raise its expenditure rate markedly and is likely to need additional funds before the end of the coming fiscal year, particularly if the planned AIDS prevention programs come on line as quickly as planned. The SO team plans to restructure its field support approach this year in favor of a much larger, consolidated package of transfers to the G bureau.

For similar reasons, the requests for IO2 and IO3 have been scaled back, as there remains a significant pipeline in each IO that can fuel activities for some time.

FY 2000 Budget Request by Program/Country

Fiscal Year: 2000 Program/Country: ERITREA
 Approp:
 Scenario:

S.O. #, Title		FY 2000 Request												Est. S.O. Expenditures	Est. S.O. Pipeline End of FY2000	
		Bilateral/Field Spt	Total	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious (*)	HIV/AIDS (*)	Health Promotion (**)	Environ			D/G
SO 1: Increased Use of Primary Health Care Services by Eritreans																
	Bilateral	2,853				200	2,100	85		468				1,920	13,520	
	Field Spt	1,080					0	300	500	280			1,080			
		3,933	0	0	0	200	2,100	385	500	748	0	0	3,000	13,520		
SO 2: Increased Income of Enterprises, Primarily Rural, with Emphasis on Exports																
	Bilateral	3,247	2,500	547							200		1,500	10,993		
	Field Spt	0														
		3,247	2,500	547	0	0	0	0	0	0	200	0	1,500	10,993		
		0														
SO 3:																
	Bilateral	1,647		545		390	400					312	500	8,836		
	Field Spt	0														
		1,647	0	545	0	390	400	0	0	0	0	312	500	8,836		
SO 4:																
	Bilateral	0														
	Field Spt	0														
		0	0	0	0	0	0	0	0	0	0	0	0	0		
SO 5:																
	Bilateral	0														
	Field Spt	0														
		0	0	0	0	0	0	0	0	0	0	0	0	0		
SO 6:																
	Bilateral	0														
	Field Spt	0														
		0	0	0	0	0	0	0	0	0	0	0	0	0		
		0														
SO 7:																
	Bilateral	0														
	Field Spt	0														
		0	0	0	0	0	0	0	0	0	0	0	0	0		
SO 8:																
	Bilateral	0														
	Field Spt	0														
		0	0	0	0	0	0	0	0	0	0	0	0	0		
Total Bilateral		7,747	2,500	1,092	0	390	200	2,500	85	0	468	200	312	3,920	33,349	
Total Field Support		1,080	0	0	0	0	0	0	300	500	280	0	0	1,080	0	
TOTAL PROGRAM		8,827	2,500	1,092	0	390	200	2,500	385	500	748	200	312	5,000	33,349	

FY 2000 Request Agency Goal Totals	
Econ Growth	3,592
Democracy	312
HCD	390
PHN	4,333
Environment	200
Program ICASS	0
GCC (from all Goals)	0

FY 2000 Account Distribution (DA only)	
Dev. Assist Program	4,694
Dev. Assist ICASS	0
Dev. Assist Total:	4,694
CSD Program	4,133
CSD ICASS	0
CSD Total:	4,133

Prepare one set of tables for each Fiscal Year (FY2000, FY2001, FY2002)
 Prepare one set of tables for each appropriation Account
 Tables for DA and CSD may be combined on one table.

For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account. (**) Health Promotion is normally funded from the CSD Account, although amounts for Victims of War/Victims of Torture are funded from the DA/DFR Account

FY 2001 Budget Request by Program/Country

Fiscal Year: 2001 Program/Country: ERITREA
 Approp:
 Scenario:

S.O. # , Title	FY 2001 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY2001
	Bilateral/Field Spt	Total	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Health Promotion (**)	Environ	D/G		
SO 1: Increased Use of Primary Health Care Services by Eritreans															
Bilateral	3,122					460	1,700	0	962					2,900	13,742
Field Spt	1,600						400	300	600	300				1,600	0
	4,722	0	0	0	0	460	2,100	300	1,562	300	0	0	4,500	13,742	
SO 2: Increased Income of Enterprises, Primarily Rural, with Emphasis on Exports															
Bilateral	2,575	2,053	350								172		2,000	11,568	
Field Spt												172	0	11,568	
	2,575	2,053	350	0	0	0	0	0	0	0	172	0	2,000	11,568	
SO 3:															
Bilateral	2,007			400		390		400					817	9,343	
Field Spt	0													9,343	
	2,007	0	400	0	390	0	400	0	0	0	0	0	1,500	9,343	
SPO1															
Bilateral	4,000			1,200				500		2,300				3,000	1,000
Field Spt	0													1,000	
	4,000	0	1,200	0	0	0	500	0	2,300	0	0	0	3,000	1,000	
SO 5:															
Bilateral	0													0	0
Field Spt	0													0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SO 6:															
Bilateral	0													0	0
Field Spt	0													0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SO 7:															
Bilateral	0													0	0
Field Spt	0													0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SO 8:															
Bilateral	0													0	0
Field Spt	0													0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Bilateral	11,704	2,053	1,950	0	390	460	2,600	0	3,262	0	172	817	9,400	35,653	
Total Field Support	1,600	0	0	0	0	0	400	300	600	300	0	0	1,600	0	
TOTAL PROGRAM	13,304	2,053	1,950	0	390	460	3,000	300	3,862	300	172	817	11,000	35,653	

FY 2001 Request Agency Goal Totals	
Econ Growth	4,003
Democracy	817
HCD	390
PHN	7,922
Environment	172
Program ICASS	0
GCC (from all Goals)	0

FY 2001 Account Distribution (DA only)	
Dev. Assist Program	5,842
Dev. Assist ICASS	0
Dev. Assist Total:	5,842
CSD Program	7,462
CSD ICASS	0
CSD Total:	7,462

Prepare one set of tables for each Fiscal Year (FY2000, FY2001, FY2002)
 Prepare one set of tables for each appropriation Account
 Tables for DA and CSD may be combined on one table.

For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account. (**) Health Promotion is normally funded from the CSD Account, although amounts for Victims of War/Victims of Torture are funded from the DA/DFA Account

FY 2002 Budget Request by Program/Country

Fiscal Year: 2002 Program/Country: ERITREA
 Approp:
 Scenario:

S.O. # , Title	FY 2002 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY2002	
	Bilateral/Field Spt	Total	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Health Promotion (**)	Environ	D/G			
SO 1: Increased Use of Primary Health Care Services by Eritreans																
	Bilateral	3,780				200	2,000		1,400	180				2,480	15,042	
	Field Spt	2,020					500	600	800	120				2,020	0	
		5,800		0	0	200	2,500	600	2,200	300	0	0	4,500	15,042		
SO 2: Increased Income of Enterprises, Primarily Rural, with Emphasis on Exports																
	Bilateral	2,000	1,550	300							150		2,500	11,068		
	Field Spt	0														
		2,000	1,550	300	0	0	0	0	0	0	150	0	2,500	11,068		
SO 3:																
	Bilateral	2,000		400		300	500						2,000	9,343		
	Field Spt	0										800				
		2,000	0	400	0	300	500	0	0	0	0	800	2,000	9,343		
SPO1																
	Bilateral	4,000		1,200			500		2,300				3,500	1,500		
	Field Spt	0														
		4,000	0	1,200	0	0	500	0	2,300	0	0	0	3,500	1,500		
SO 5:																
	Bilateral	0														
	Field Spt	0														
		0	0	0	0	0	0	0	0	0	0	0	0	0		
SO 6:																
	Bilateral	0														
	Field Spt	0														
		0	0	0	0	0	0	0	0	0	0	0	0	0		
SO 7:																
	Bilateral	0														
	Field Spt	0														
		0	0	0	0	0	0	0	0	0	0	0	0	0		
SO 8:																
	Bilateral	0														
	Field Spt	0														
		0	0	0	0	0	0	0	0	0	0	0	0	0		
Total Bilateral		11,780	1,550	1,900	0	800	200	3,000	0	3,700	180	150	800	10,480	36,953	
Total Field Support		2,020	0	0	0	0	0	500	600	800	120	0	0	2,020	0	
TOTAL PROGRAM		13,800	1,550	1,900	0	300	200	3,500	600	4,500	300	150	800	12,500	36,953	

FY 2002 Request Agency Goal Totals	
Econ Growth	3,450
Democracy	800
HCD	300
PHN	9,100
Environment	150
Program ICASS	0
GCC (from all Goals)	0

FY 2002 Account Distribution (DA only)	
Dev. Assist Program	4,900
Dev. Assist ICASS	0
Dev. Assist Total:	4,900
CSD Program	8,900
CSD ICASS	0
CSD Total:	8,900

Prepare one set of tables for each Fiscal Year (FY2000, FY2001, FY2002)
 Prepare one set of tables for each appropriation Account
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For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account. (**) Health Promotion is normally funded from the CSD Account, although amounts for Victims of War/Victims of Torture are funded from the DA/DFA Account

FY 2001 Budget Request by Program/Country

Fiscal Year: 2001 Program/Country: ERITREA Alternative

Approp:
Scenario:

S.O. # , Title	FY 2001 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY2001
	Bilateral/Field Spt	Total	Agri-culture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Health Promotion (**)	Environ	D/G		
SO 1: Increased Use of Primary Health Care Services by Eritreans															
Bilateral	3,660					460	1,700	0	1,500					2,900	14,480
Field Spt	1,800					460	400	300	800	300				1,600	0
	5,460	0	0	0	0		2,100	300	2,300	300	0	0	4,500	14,480	
SO 2: Increased Income of Enterprises, Primarily Rural, with Emphasis on Exports															
Bilateral	2,575		2,053	350								172		2,000	11,568
Field Spt															
	2,575	2,053	350	0	0	0	0	0	0	0	0	172	0	2,000	11,568
SO 3:															
Bilateral	2,007			400		390							817	1,500	9,343
Field Spt	0														
	2,007	0	0	400	0	390	0	400	0	0	0	0	817	1,500	9,343
SPO1															
Bilateral	4,000			1,200				500		2,300				3,000	1,000
Field Spt	0														
	4,000	0	0	1,200	0	0	0	500	0	2,300	0	0	0	3,000	1,000
SO 5:															
Bilateral	0														
Field Spt	0														
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 6:															
Bilateral	0														
Field Spt	0														
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 7:															
Bilateral	0														
Field Spt	0														
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 8:															
Bilateral	0														
Field Spt	0														
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Bilateral	12,242	2,053	1,950	0	390	460	2,600	0	3,800	0	172	817	9,400	36,391	
Total Field Support	1,800	0	0	0	0	0	400	300	800	300	0	0	1,600	0	
TOTAL PROGRAM	14,042	2,053	1,950	0	390	460	3,000	300	4,600	300	172	817	11,000	36,391	

FY 2001 Request Agency Goal Totals	
Econ Growth	4,003
Democracy	817
HCD	390
PHN	8,660
Environment	172
Program ICASS	0
GCC (from all Goals)	0

FY 2001 Account Distribution (DA only)	
Dev. Assist Program	5,842
Dev. Assist ICASS	0
Dev. Assist Total:	5,842
CSD Program	8,200
CSD ICASS	0
CSD Total:	8,200

Prepare one set of tables for each Fiscal Year (FY2000, FY2001, FY2002)
 Prepare one set of tables for each appropriation Account
 Tables for DA and CSD may be combined on one table.
 For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account. (**) Health Promotion is normally funded from the CSD Account, although amounts for Victims of War/Victims of Torture are funded from the DA/DFA Account

Workforce Tables

Org: USAID/ERITREA _____									Total	Org.	Fin.	Admin.	Con-	All	Total	Total	
End of year On-Board								SO/SpO	Mgmt.	Mgmt	Mgmt	tract	Legal	Other	Mgmt.	Staff	
FY 2000 Estimate	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2										
OE Funded: 1/																	
U.S. Direct Hire	1	1	1	0	0	0	0	3	1	0	0	0	0	0	1	4	
Other U.S. Citizens	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
FSN/TCN Direct Hire	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other FSN/TCN	1	2	2	0	0	0	0	5	3	3	15	0	0	0	21	26	
Subtotal	2	3	3	0	0	0	0	8	4	3	15	0	0	0	22	30	
Program Funded 1/																	
U.S. Citizens	0	1	0	0	0	0	0	1	0	0	0	0	0	0	0	1	
FSNs/TCNs	1	1	0	0	0	0	0	2	0	0	0	0	0	0	0	2	
Subtotal	1	2	0	0	0	0	0	3	0	0	0	0	0	0	0	3	
Total Direct Workforce	3	5	3	0	0	0	0	11	4	3	15	0	0	0	22	33	
TAACS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Fellows	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
IDIs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL WORKFORCE	3	5	3	0	0	0	0	11	4	3	15	0	0	0	22	33	

Workforce Tables

Org: USAID/ERITREA _____									Total	Org.	Fin.	Admin.	Con-	All	Total	Total	
End of year On-Board								SO/SpO	Mgmt.	Mgmt	Mgmt	tract	Legal	Other	Mgmt.	Staff	
FY 2001 Target	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2										
OE Funded: 1/																	
U.S. Direct Hire	1	1	1	0	0	0	0	3	2	0	0	0	0	0	2	5	
Other U.S. Citizens	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
FSN/TCN Direct Hire	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other FSN/TCN	1	2	2	0	0	0	0	5	4	3	15	0	0	0	22	27	
Subtotal	2	3	3	0	0	0	0	8	6	3	15	0	0	0	24	32	
Program Funded 1/																	
U.S. Citizens	0	1	0	0	0	2	0	3	0	0	0	0	0	0	0	3	
FSNs/TCNs								0							0	0	
Subtotal	0	1	0	0	0	2	0	3	0	0	0	0	0	0	0	3	
Total Direct Workforce	2	4	3	0	0	2	0	11	6	3	15	0	0	0	24	35	
TAACS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Fellows	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1	
IDIs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Subtotal	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1	
TOTAL WORKFORCE	3	4	3	0	0	2	0	12	6	3	15	0	0	0	24	36	

Workforce Tables

Org: USAID/ERITREA								Total SO/SpO Staff	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con- tract	All Legal	Other	Total Mgmt.	Total Staff
End of year On-Board	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2									
FY 2002 Target																
OE Funded: 1/																
U.S. Direct Hire	1	1	1	0	0	0	0	3	2	0	0	0	0	0	2	5
Other U.S. Citizens	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FSN/TCN Direct Hire	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other FSN/TCN	2	2	2	0	0	0	0	6	0	3	17	0	0	0	20	26
Subtotal	3	3	3	0	0	0	0	9	2	3	17	0	0	0	22	31
Program Funded 1/																
U.S. Citizens	0	1	0	0	0	2	0	3	0	0	0	0	0	0	0	3
FSNs/TCNs	1	1	0	0	0	0	0	2	0	0	0	0	0	0	0	2
Subtotal	1	2	0	0	0	2	0	5	0	0	0	0	0	0	0	5
Total Direct Workforce	4	5	3	0	0	2	0	14	2	3	17	0	0	0	22	36
TAACS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fellows	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1
IDIs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1
TOTAL WORKFORCE	4	5	3	0	0	2	0	15	2	3	17	0	0	0	22	37

USDH Staffing Requirements by Backstop, FY 2000 - FY 2003

Mission:	USAID/ERITREA
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Functional Backstop (BS)	Number of USDH Employees in Backstop in:			
	FY 2000	FY 2001	FY 2002	FY 2003

Senior Management				
SMG - 01	1	1	1	1
Program Management				
Program Mgt - 02	0	1	1	1
Project Dvpm Officer - 94	1	1	1	1
Support Management				
EXO - 03	0	0	0	0
Controller - 04	0	0	0	0
Legal - 85	0	0	0	0
Commodity Mgt. - 92	0	0	0	0
Contract Mgt. - 93	0	0	0	0
Secretary - 05 & 07	0	0	0	0
Sector Management				
Agriculture - 10 & 14	0	0	0	0
Economics - 11	0	0	0	0
Democracy - 12	0	0	0	0
Food for Peace - 15	0	0	0	0
Enterprise Dev.- 21	1	1	1	1
Engineering - 25	0	0	0	0
Environment - 40 & 75	0	0	0	0
Health/Pop. - 50	1	1	1	1
Education - 60	0	0	0	0
General Dvpm. - 12*	0	0	0	0
RUDO, UE-funded - 40	0	0	0	0
Total	4	5	5	5

*GDO - 12: for the rare case where an officer manages activities in several technical areas, none of which predominate, e.g., the officer manages Democracy, Health, and Environment activities that are about equal. An officer who manages primarily Health activities with some Democracy and Environment activities would be a Health Officer, BS 50.

remaining **IDIs**: list under the Functional Backstop for the work they do.

Please e-mail this worksheet in Excel to: Maribeth.Zankowski@HR.PPIM@aidw as well as include it with your R4 submission.

Operating Expense Request

The straightlining of USAID/ERITREA's budget will not only make it difficult to continue normal program operations, but will severely constrain the Mission's ability to mount any new post-conflict activities.

If it becomes impossible to recruit a USDH Program Officer, we will continue to have need for a TCN Program Officer, USPSC EXO and USPSC Controller. These are the minimum staff needed to support the Mission and to develop and maintain the necessary control and administrative systems. An already limited budget forced us to rely on one full time employee and two short-term support personnel. In FY 2002, because of the straightlining, the budget allows for only one short term USPSC.

The FSN wage bill increased by 16% in FY 2001 and 10% in FY 2002, due partly to an increase in staff and partly to an increased salary scale. This Mission plans to hire more FSNs, which is expected to increase the wage bill further. However, in FY 2002 a lowered Nacfa exchange rate is likely to limit the increase to around 10%.

The assignment of new employees will make it necessary to raise the educational allowance to \$73,000 in FY 2001 and \$75,000 in FY 2002. This assumes one child at post and one away from post. This will be insufficient if the new employees have more children.

The post assignment freight line item will increase by 100% in FY 2001 from FY 2000, because one USDH will arrive and another will end his or her tour. This item will decrease again in FY 2002 by 34%, as one employee is expected to complete his or her tour.

Budgeted ICASS costs increase by 14% and 10% in FY 2001 and 2002 respectively, as the number of employees at post increases. This may underestimate the eventual cost of this item.

The cost of office building maintenance will increase by 150%, or perhaps more, if the mission moves to a new location.

The request for ADP hardware and software is \$57,000 and \$36,000 in FY 2001 and 2002, as reflected in the Capital Investment Fund worksheet. This reflects the expected move to a new operating system, requiring an upgrade to the existing system to an acceptable level through the purchase of new hardware, software and network equips. Also, included are the costs of a new network cabling and wiring system, installation of a new telephone system, the move and reinstallation of the VSAT, and other related activities.

The mission has budgeted \$174,000 for purchase and transportation of office furniture in FY 2001 in the Capital Investment Fund table, to cover the cost of the expected move to a new office building. The table also includes \$70,000 to replace old household furniture in FY 2002.

OPERATING EXPENSES

Org. Title Org. No: OC	AID/ERITREA 661	Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1	Base Pay & pymt. for annual leave balances - FNDH	0		0		0		0		0
	Subtotal OC 11.1	0	0	0	0	0	0	0	0	0
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3	Base Pay & pymt. for annual leave balances - FNDH	0		0		0		0		0
	Subtotal OC 11.3	0	0	0	0	0	0	0	0	0
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5	USDH	0		0	0	0		0		0
11.5	FNDH	0		0	0	0		0		0
	Subtotal OC 11.5	0	0	0	0	0	0	0	0	0
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8	USPSC Salaries	188	0	188	188	0	188	154	0	154
11.8	FN PSC Salaries	156	0	156	181	0	181	199	0	199
11.8	IPA/Details-In/PASAs/RSSAs Salaries	0		0			0			0
	Subtotal OC 11.8	344	0	344	369	0	369	353	0	353
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Educational Allowances	0	0	0	73	0	73	75	0	75
12.1	Cost of Living Allowances	0	0	0	0	0	0	0	0	0
12.1	Home Service Transfer Allowances	2	0	2	2	0	2	2	0	2
12.1	Quarters Allowances	0	0	0	0	0	0	0	0	0
12.1	Other Misc. USDH Benefits	7	0	7	7	0	7	7	0	7
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to FSN Voluntary Separation Fund - FNDH	0		0	0		0			0
12.1	Other FNDH Benefits	0		0	0		0			0
12.1	US PSC Benefits	62	0	62	62	0	62	53	0	53
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to the FSN Voluntary Separation Fund - FN PSC	3		3	3		3	3		3
12.1	Other FN PSC Benefits	17		17	17		17	17		17
12.1	IPA/Detail-In/PASA/RSSA Benefits	0		0			0			0
	Subtotal OC 12.1	91	0	91	164	0	164	157	0	157

OPERATING EXPENSES

Org. Title SAID/ERITREA _____ Org. No: 661 _____ OC _____		Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
13.0	Benefits for former personnel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	FNDH	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	Severance Payments for FNDH	0		0	0		0		0	
13.0	Other Benefits for Former Personnel - FNDH	0		0	0		0		0	
13.0	FN PSCs	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	Severance Payments for FN PSCs	0		0	0		0		0	
13.0	Other Benefits for Former Personnel - FN PSCs	0		0	0		0		0	
	Subtotal OC 13.0	0	0	0	0	0	0	0	0	
21.0	Travel and transportation of persons	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Training Travel	60		60	70		70		70	
21.0	Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Post Assignment Travel - to field	3		3	20		20		10	
21.0	Assignment to Washington Travel	0		0	0		0		0	
21.0	Home Leave Travel	3		3	9		9		16	
21.0	R & R Travel	9		9	3		3		16	
21.0	Education Travel	5		5	0		0		0	
21.0	Evacuation Travel	0		0	0		0		0	
21.0	Retirement Travel	0		0	0		0		0	
21.0	Pre-Employment Invitational Travel	0		0	0		0		0	
21.0	Other Mandatory/Statutory Travel	17		17	17		17		17	
21.0	Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Site Visits - Headquarters Personnel	10		10	10		10		10	
21.0	Site Visits - Mission Personnel	20		20	20		20		20	
21.0	Conferences/Seminars/Meetings/Retreats	27		27	28		28		29	
21.0	Assessment Travel	0		0	0		0		0	
21.0	Impact Evaluation Travel	0		0	0		0		0	
21.0	Disaster Travel (to respond to specific disasters)	0		0	0		0		0	
21.0	Recruitment Travel	0		0	0		0		0	
21.0	Other Operational Travel	22		22	22		22		22	
	Subtotal OC 21.0	176	0	176	199	0	199	210	0	210
22.0	Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
22.0	Post assignment freight	30		30	60		60		34	
22.0	Home Leave Freight	1		1	5		5		5	
22.0	Retirement Freight	0		0	0		0		0	
22.0	Transportation/Freight for Office Furniture/Equip.	0		0	0		0		0	

OPERATING EXPENSES

Org. Title OC	SAID/ERITREA 661	Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
22.0	Transportation/Freight for Res. Furniture/Equip.	0		0	0		0	0		0
	Subtotal OC 22.0	31	0	31	65	0	65	39	0	39
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.2	Rental Payments to Others - Office Space	42		42	42		42	42		42
23.2	Rental Payments to Others - Warehouse Space	24		24	24		24	24		24
23.2	Rental Payments to Others - Residences	129		129	129		129	129		129
	Subtotal OC 23.2	195	0	195	195	0	195	195	0	195
23.3	Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.3	Office Utilities	14		14	16		16	17		17
23.3	Residential Utilities	15		15	16		16	18		18
23.3	Telephone Costs	42		42	42		42	43		43
23.3	ADP Software Leases	0		0	0		0	0		0
23.3	ADP Hardware Lease	0		0	0		0	0		0
23.3	Commercial Time Sharing	0		0	0		0	0		0
23.3	Postal Fees (Other than APO Mail)	0		0	0		0	0		0
23.3	Other Mail Service Costs	0		0	0		0	0		0
23.3	Courier Services	2		2	2		2	3		3
	Subtotal OC 23.3	73	0	73	76	0	76	81	0	81
24.0	Printing and Reproduction	0		0	0		0	0		0
	Subtotal OC 24.0	0	0	0	0	0	0	0	0	0
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.1	Studies, Analyses, & Evaluations	0		0	0		0	0		0
25.1	Management & Professional Support Services	50		50	50		50	50		50
25.1	Engineering & Technical Services	0		0	0		0	0		0
	Subtotal OC 25.1	50	0	50	50	0	50	50	0	50
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.2	Office Security Guards	9		9	10		10	11		11
25.2	Residential Security Guard Services	36		36	38		38	42		42
25.2	Official Residential Expenses	0		0	0		0	0		0
25.2	Representation Allowances	1		1	1		1	1		1
25.2	Non-Federal Audits	0		0	0		0	0		0

OPERATING EXPENSES

Org. Title: SAID/ERITREA _____ Org. No: 661 _____ OC		Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
25.2	Grievances/Investigations	0		0	0	0	0	0	0	0
25.2	Insurance and Vehicle Registration Fees	1		1	1	1	1	1	1	1
25.2	Vehicle Rental	0		0	0	0	0	0	0	0
25.2	Manpower Contracts	2		2	2	2	3		3	3
25.2	Records Declassification & Other Records Services	0		0	0	0	0		0	0
25.2	Recruiting activities	0		0	0	0	0		0	0
25.2	Penalty Interest Payments	0		0	0	0	0		0	0
25.2	Other Miscellaneous Services	16		16	16	16	18		18	18
25.2	Staff training contracts	5		5	5	5	5		5	5
25.2	ADP related contracts	0		0	0	0	0		0	0
	Subtotal OC 25.2	70	0	70	73	0	73	81	0	81
25.3	Purchase of goods and services from Government accounts	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.3	ICASS	192		192	219		219	240		240
25.3	All Other Services from Other Gov't. accounts	0		0	0		0	0		0
	Subtotal OC 25.3	192	0	192	219	0	219	240	0	240
25.4	Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.4	Office building Maintenance	6		6	15		15	15		15
25.4	Residential Building Maintenance	15		15	16		16	17		17
	Subtotal OC 25.4	21	0	21	31	0	31	32	0	32
25.6	Medical Care	0	0	0	0	0	0	0	0	0
	Subtotal OC 25.6	0	0	0	0	0	0	0	0	0
25.7	Operation/maintenance of equipment & storage of goods	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.7	ADP and telephone operation and maintenance costs	0		0	0		0	0		0
25.7	Storage Services	0		0	0		0	0		0
25.7	Office Furniture/Equip. Repair and Maintenance	0		0	0		0	0		0
25.7	Vehicle Repair and Maintenance	0		0	0		0	0		0
25.7	Residential Furniture/Equip. Repair and Maintenance	0		0	0		0	0		0
	Subtotal OC 25.7	0	0	0	0	0	0	0	0	0
25.8	Subsistence & spt. of persons (by contract or Gov't.)	0		0	0		0			0
	Subtotal OC 25.8	0	0	0	0	0	0	0	0	0

OPERATING EXPENSES

Org. Title OC	AID/ERITREA 661	Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
26.0	Supplies and materials	23		23	26		26	29		29
	Subtotal OC 26.0	23	0	23	26	0	26	29	0	29
31.0	Equipment	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
31.0	Purchase of Residential Furniture/Equip.	0		0	0		0	0		0
31.0	Purchase of Office Furniture/Equip.	0		0	0		0	0		0
31.0	Purchase of Vehicles	0		0	0		0	0		0
31.0	Purchase of Printing/Graphics Equipment	0		0	0		0	0		0
31.0	ADP Hardware purchases	17		17	0		0	0		0
31.0	ADP Software purchases	17		17	0		0	0		0
	Subtotal OC 31.0	34	0	34	0	0	0	0	0	0
32.0	Lands and structures	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
32.0	Purchase of Land & Buildings (& bldg. construction)	0		0	0		0	0		0
32.0	Purchase of fixed equipment for buildings	0		0	0		0	0		0
32.0	Building Renovations/Alterations - Office	0		0	0		0	0		0
32.0	Building Renovations/Alterations - Residential	0		0	0		0	0		0
	Subtotal OC 32.0	0		0	0	0	0	0	0	0
42.0	Claims and indemnities	0		0			0			0
	Subtotal OC 42.0	0	0	0	0	0	0	0	0	0
TOTAL BUDGET		1300	0	1300	1467	0	1467	1467	0	1467

Additional Mandatory Information

Dollars Used for Local Currency Purchases	<u>304</u>	<u>333</u>	<u>372</u>
Exchange Rate Used in Computations	<u>9.5</u>	<u>10</u>	<u>11</u>

** If data is shown on either of these lines, you MUST submit the form showing deposits to and withdrawals from the FSN Voluntary Separation Fund.
 On that form, OE funded deposits must equal: 3 3 3

Organization: USAID/ERITREA

Foreign National Voluntary Separation Account									
Action	FY 2000			FY 2001			FY 2002		
	OE	Program	Total	OE	Program	Total	OE	Program	Total
Deposits	3.0	0.3	3.3	3.0	0.3	3.3	3.0	0.3	3.3
Withdrawals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Local Currency Trust Funds - Regular			
	FY 2000	FY 2001	FY 2002
Balance Start of Year			
Obligations			
Deposits			
Balance End of Year	0.0	0.0	0.0

Exchange Rate _____

Local Currency Trust Funds - Real Property			
	FY 2000	FY 2001	FY 2002
Balance Start of Year			
Obligations			
Deposits			
Balance End of Year	0.0	0.0	0.0

Exchange Rate _____

CONTROLLER OPERATIONS

Org. Title AID/ERITREA _____ Org. No: 661 _____ OC _____		Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1	Base Pay & pymt. for annual leave balances - FNDH			0			0		0	
	Subtotal OC 11.1	0	0	0	0	0	0	0	0	
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3	Base Pay & pymt. for annual leave balances - FNDH			0			0		0	
	Subtotal OC 11.3	0	0	0	0	0	0	0	0	
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5	USDH			0			0		0	
11.5	FNDH			0			0		0	
	Subtotal OC 11.5	0	0	0	0	0	0	0	0	
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8	USPSC Salaries	34		34	34		34	0	0	
11.8	FN PSC Salaries	18		18	20		20	21	21	
11.8	IPA/Details-In/PASAs/RSSAs Salaries			0			0		0	
	Subtotal OC 11.8	52	0	52	54	0	54	21	0	21
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Educational Allowances			0			0		0	
12.1	Cost of Living Allowances			0			0		0	
12.1	Home Service Transfer Allowances			0			0		0	
12.1	Quarters Allowances			0			0		0	
12.1	Other Misc. USDH Benefits			0			0		0	
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to FSN Voluntary Separation Fund - FNDH			0			0		0	
12.1	Other FNDH Benefits			0			0		0	
12.1	US PSC Benefits	9		9	9		9	0	0	
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to the FSN Voluntary Separation Fund - FN PSC	0.9		0.9	0.9		0.9	1	1	
12.1	Other FN PSC Benefits	1.5		1.5	1.5		1.5	1.5	1.5	
12.1	IPA/Detail-In/PASA/RSSA Benefits			0			0		0	
	Subtotal OC 12.1	11.4	0	11.4	11.4	0	11.4	2.5	0	2.5

CONTROLLER OPERATIONS

Org. Title SAID/ERITREA _____ Org. No: 661 _____ OC _____		Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
13.0	Benefits for former personnel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	FNDH	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	Severance Payments for FNDH			0			0		0	
13.0	Other Benefits for Former Personnel - FNDH			0			0		0	
13.0	FN PSCs	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	Severance Payments for FN PSCs			0			0		0	
13.0	Other Benefits for Former Personnel - FN PSCs			0			0		0	
	Subtotal OC 13.0	0	0	0	0	0	0	0	0	
21.0	Travel and transportation of persons	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Training Travel	15		15	15		15		15	
21.0	Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Post Assignment Travel - to field			0			0		0	
21.0	Assignment to Washington Travel			0			0		0	
21.0	Home Leave Travel			0			0		0	
21.0	R & R Travel			0			0		0	
21.0	Education Travel			0			0		0	
21.0	Evacuation Travel			0			0		0	
21.0	Retirement Travel			0			0		0	
21.0	Pre-Employment Invitational Travel			0			0		0	
21.0	Other Mandatory/Statutory Travel			0			0		0	
21.0	Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Site Visits - Headquarters Personnel			0			0		0	
21.0	Site Visits - Mission Personnel			0			0		0	
21.0	Conferences/Seminars/Meetings/Retreats			0			0		0	
21.0	Assessment Travel			0			0		0	
21.0	Impact Evaluation Travel			0			0		0	
21.0	Disaster Travel (to respond to specific disasters)			0			0		0	
21.0	Recruitment Travel			0			0		0	
21.0	Other Operational Travel	5		5	5		5		5	
	Subtotal OC 21.0	20	0	20	20	0	20	20	0	20
22.0	Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
22.0	Post assignment freight			0			0		0	
22.0	Home Leave Freight			0			0		0	
22.0	Retirement Freight			0			0		0	
22.0	Transportation/Freight for Office Furniture/Equip.			0			0		0	

CONTROLLER OPERATIONS

Org. Title SAID/ERITREA Org. No: 661 OC		Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
22.0	Transportation/Freight for Res. Furniture/Equip.			0			0			0
	Subtotal OC 22.0	0	0	0	0	0	0	0	0	0
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.2	Rental Payments to Others - Office Space	3.5		3.5	3.5		3.5	3.5		3.5
23.2	Rental Payments to Others - Warehouse Space	2		2	2		2		2	2
23.2	Rental Payments to Others - Residences	0		0	0		0		0	0
	Subtotal OC 23.2	5.5	0	5.5	5.5	0	5.5	5.5	0	5.5
23.3	Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.3	Office Utilities	1		1	1.3		1.3	1.4		1.4
23.3	Residential Utilities	0		0	0		0	0		0
23.3	Telephone Costs	3.5		3.5	3.5		3.5	3.5		3.5
23.3	ADP Software Leases	0		0			0			0
23.3	ADP Hardware Lease	0		0			0			0
23.3	Commercial Time Sharing	0		0			0			0
23.3	Postal Fees (Other than APO Mail)	0		0			0			0
23.3	Other Mail Service Costs	0		0			0			0
23.3	Courier Services	0		0			0			0
	Subtotal OC 23.3	4.5	0	4.5	4.8	0	4.8	4.9	0	4.9
24.0	Printing and Reproduction	0		0			0			0
	Subtotal OC 24.0	0	0	0	0	0	0	0	0	0
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.1	Studies, Analyses, & Evaluations	0		0			0			0
25.1	Management & Professional Support Services	0		0			0			0
25.1	Engineering & Technical Services	0		0			0			0
	Subtotal OC 25.1	0	0	0	0	0	0	0	0	0
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.2	Office Security Guards	0.7		0.7	0.8		0.8	0.9		0.9
25.2	Residential Security Guard Services	3		3	3.1		3.1	3.5		3.5
25.2	Official Residential Expenses	0		0	0		0	0		0
25.2	Representation Allowances	0		0	0		0	0		0
25.2	Non-Federal Audits	0		0	0		0	0		0

CONTROLLER OPERATIONS

Org. Title AID/ERITREA Org. No: 661 OC		Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
25.2	Grievances/Investigations	0		0	0	0	0	0	0	0
25.2	Insurance and Vehicle Registration Fees	0		0	0	0	0	0	0	0
25.2	Vehicle Rental	0		0	0	0	0	0	0	0
25.2	Manpower Contracts	0		0	0	0	0	0	0	0
25.2	Records Declassification & Other Records Services	0		0	0	0	0	0	0	0
25.2	Recruiting activities	0		0	0	0	0	0	0	0
25.2	Penalty Interest Payments	0		0	0	0	0	0	0	0
25.2	Other Miscellaneous Services	1.2		1.2	1.3	1.3	1.5		1.5	
25.2	Staff training contracts	0		0	0	0	0		0	
25.2	ADP related contracts	0		0	0	0	0		0	
	Subtotal OC 25.2	4.9	0	4.9	5.2	0	5.2	5.9	0	5.9
25.3	Purchase of goods and services from Government accounts	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.3	ICASS	0		0	0	0	0		0	
25.3	All Other Services from Other Gov't. accounts	0		0	0	0	0		0	
	Subtotal OC 25.3	0	0	0	0	0	0	0	0	0
25.4	Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.4	Office building Maintenance	0.5		0.5	1.3	1.3	1.35		1.35	
25.4	Residential Building Maintenance	0		0	0	0	0		0	
	Subtotal OC 25.4	0.5	0	0.5	1.3	0	1.3	1.35	0	1.35
25.6	Medical Care									
	Subtotal OC 25.6	0	0	0	0	0	0	0	0	0
25.7	Operation/maintenance of equipment & storage of goods	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.7	ADP and telephone operation and maintenance costs	0		0	0	0	0		0	
25.7	Storage Services	0		0	0	0	0		0	
25.7	Office Furniture/Equip. Repair and Maintenance	0		0	0	0	0		0	
25.7	Vehicle Repair and Maintenance	0		0	0	0	0		0	
25.7	Residential Furniture/Equip. Repair and Maintenance	0		0	0	0	0		0	
	Subtotal OC 25.7	0	0	0	0	0	0	0	0	0
25.8	Subsistence & spt. of persons (by contract or Gov't.)			0		0				0
	Subtotal OC 25.8	0	0	0	0	0	0	0	0	0

CONTROLLER OPERATIONS

Org. Title OC	SAID/ERITREA 661	Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
26.0	Supplies and materials	2.2		2.2	2.7		2.7	3		3
	Subtotal OC 26.0	2.2	0	2.2	2.7	0	2.7	3	0	3
31.0	Equipment	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
31.0	Purchase of Residential Furniture/Equip.	0		0			0			0
31.0	Purchase of Office Furniture/Equip.	0		0			0			0
31.0	Purchase of Vehicles	0		0			0			0
31.0	Purchase of Printing/Graphics Equipment	0		0			0			0
31.0	ADP Hardware purchases	0		0			0			0
31.0	ADP Software purchases	0		0			0			0
	Subtotal OC 31.0	0	0	0	0	0	0	0	0	0
32.0	Lands and structures	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
32.0	Purchase of Land & Buildings (& bldg. construction)	0		0			0			0
32.0	Purchase of fixed equipment for buildings	0		0			0			0
32.0	Building Renovations/Alterations - Office	0		0			0			0
32.0	Building Renovations/Alterations - Residential	0		0			0			0
	Subtotal OC 32.0	0	0	0	0	0	0	0	0	0
42.0	Claims and indemnities			0			0			0
	Subtotal OC 42.0	0	0	0	0	0	0	0	0	0
TOTAL BUDGET		101	0	101	104.9	0	104.9	64.15	0	64.15

Additional Mandatory Information

Dollars Used for Local Currency Purchases	<u>24.1</u>	<u>30.2</u>	<u>32.1</u>
Exchange Rate Used in Computations	<u>9.5</u>	<u>10</u>	<u>11</u>

** If data is shown on either of these lines, you MUST submit the form showing deposits to and withdrawals from the FSN Voluntary Separation Fund.
 On that form, OE funded deposits must equal: 0.9 0.9 1

CAPITAL INVESTMENT FUND

Org. Title AID/ERITREA _____ Org. No: 661 _____ OC _____		Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1	Base Pay & pymt. for annual leave balances - FNDH			0			0			0
	Subtotal OC 11.1	0	0	0	0	0	0	0	0	0
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3	Base Pay & pymt. for annual leave balances - FNDH			0			0			0
	Subtotal OC 11.3	0	0	0	0	0	0	0	0	0
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5	USDH			0			0			0
11.5	FNDH			0			0			0
	Subtotal OC 11.5	0	0	0	0	0	0	0	0	0
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8	USPSC Salaries			0			0			0
11.8	FN PSC Salaries			0			0			0
11.8	IPA/Details-In/PASAs/RSSAs Salaries			0			0			0
	Subtotal OC 11.8	0	0	0	0	0	0	0	0	0
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Educational Allowances			0			0			0
12.1	Cost of Living Allowances			0			0			0
12.1	Home Service Transfer Allowances			0			0			0
12.1	Quarters Allowances			0			0			0
12.1	Other Misc. USDH Benefits			0			0			0
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to FSN Voluntary Separation Fund - FNDH			0			0			0
12.1	Other FNDH Benefits			0			0			0
12.1	US PSC Benefits			0			0			0
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to the FSN Voluntary Separation Fund - FN PSC			0			0			0
12.1	Other FN PSC Benefits			0			0			0
12.1	IPA/Detail-In/PASA/RSSA Benefits			0			0			0
	Subtotal OC 12.1	0	0	0	0	0	0	0	0	0

CAPITAL INVESTMENT FUND

Org. Title SAID/ERITREA _____		Overseas Mission Budgets								
Org. No: 661 _____		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
OC		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
13.0	Benefits for former personnel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	FNDH	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	Severance Payments for FNDH			0			0			0
13.0	Other Benefits for Former Personnel - FNDH			0			0			0
13.0	FN PSCs	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	Severance Payments for FN PSCs			0			0			0
13.0	Other Benefits for Former Personnel - FN PSCs			0			0			0
	Subtotal OC 13.0	0	0	0	0	0	0	0	0	0
21.0	Travel and transportation of persons	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Training Travel			0			0			0
21.0	Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Post Assignment Travel - to field			0			0			0
21.0	Assignment to Washington Travel			0			0			0
21.0	Home Leave Travel			0			0			0
21.0	R & R Travel			0			0			0
21.0	Education Travel			0			0			0
21.0	Evacuation Travel			0			0			0
21.0	Retirement Travel			0			0			0
21.0	Pre-Employment Invitational Travel			0			0			0
21.0	Other Mandatory/Statutory Travel			0			0			0
21.0	Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Site Visits - Headquarters Personnel			0			0			0
21.0	Site Visits - Mission Personnel			0			0			0
21.0	Conferences/Seminars/Meetings/Retreats			0			0			0
21.0	Assessment Travel			0			0			0
21.0	Impact Evaluation Travel			0			0			0
21.0	Disaster Travel (to respond to specific disasters)			0			0			0
21.0	Recruitment Travel			0			0			0
21.0	Other Operational Travel			0			0			0
	Subtotal OC 21.0	0	0	0	0	0	0	0	0	0
22.0	Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
22.0	Post assignment freight			0			0			0
22.0	Home Leave Freight			0			0			0
22.0	Retirement Freight			0			0			0
22.0	Transportation/Freight for Office Furniture/Equip.			0	54000		54000			0

CAPITAL INVESTMENT FUND

Org. Title Org. No: 661 OC	SAID/ERITREA	Overseas Mission Budgets										
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target				
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total		
22.0	Transportation/Freight for Res. Furniture/Equip.			0			0			21000		21000
	Subtotal OC 22.0	0	0	0	54000	0	54000	21000	0	21000		
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
23.2	Rental Payments to Others - Office Space			0			0			0		0
23.2	Rental Payments to Others - Warehouse Space			0			0			0		0
23.2	Rental Payments to Others - Residences			0			0			0		0
	Subtotal OC 23.2	0	0	0	0	0	0	0	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
23.3	Office Utilities			0			0			0		0
23.3	Residential Utilities			0			0			0		0
23.3	Telephone Costs			0			0			0		0
23.3	ADP Software Leases			0			0			0		0
23.3	ADP Hardware Lease			0			0			0		0
23.3	Commercial Time Sharing			0			0			0		0
23.3	Postal Fees (Other than APO Mail)			0			0			0		0
23.3	Other Mail Service Costs			0			0			0		0
23.3	Courier Services			0			0			0		0
	Subtotal OC 23.3	0	0	0	0	0	0	0	0	0	0	0
24.0	Printing and Reproduction			0			0			0		0
	Subtotal OC 24.0	0	0	0	0	0	0	0	0	0	0	0
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
25.1	Studies, Analyses, & Evaluations			0			0			0		0
25.1	Management & Professional Support Services			0			0			0		0
25.1	Engineering & Technical Services			0			0			0		0
	Subtotal OC 25.1	0	0	0	0	0	0	0	0	0	0	0
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
25.2	Office Security Guards			0			0			0		0
25.2	Residential Security Guard Services			0			0			0		0
25.2	Official Residential Expenses			0			0			0		0
25.2	Representation Allowances			0			0			0		0
25.2	Non-Federal Audits			0			0			0		0

CAPITAL INVESTMENT FUND

Org. Title: SAID/ERITREA _____ Org. No: 661 _____ OC		Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
25.2	Grievances/Investigations			0			0			0
25.2	Insurance and Vehicle Registration Fees			0			0			0
25.2	Vehicle Rental			0			0			0
25.2	Manpower Contracts			0			0			0
25.2	Records Declassification & Other Records Services			0			0			0
25.2	Recruiting activities			0			0			0
25.2	Penalty Interest Payments			0			0			0
25.2	Other Miscellaneous Services			0			0			0
25.2	Staff training contracts			0			0			0
25.2	ADP related contracts			0			0			0
	Subtotal OC 25.2	0	0	0	0	0	0	0	0	0
25.3	Purchase of goods and services from Government accounts	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.3	ICASS			0			0			0
25.3	All Other Services from Other Gov't. accounts			0			0			0
	Subtotal OC 25.3	0	0	0	0	0	0	0	0	0
25.4	Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.4	Office building Maintenance			0			0			0
25.4	Residential Building Maintenance			0			0			0
	Subtotal OC 25.4	0	0	0	0	0	0	0	0	0
25.6	Medical Care			0			0			0
	Subtotal OC 25.6	0	0	0	0	0	0	0	0	0
25.7	Operation/maintenance of equipment & storage of goods	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.7	ADP and telephone operation and maintenance costs			0			0			0
25.7	Storage Services			0			0			0
25.7	Office Furniture/Equip. Repair and Maintenance			0			0			0
25.7	Vehicle Repair and Maintenance			0			0			0
25.7	Residential Furniture/Equip. Repair and Maintenance			0			0			0
	Subtotal OC 25.7	0	0	0	0	0	0	0	0	0
25.8	Subsistence & spt. of persons (by contract or Gov't.)			0			0			0
	Subtotal OC 25.8	0	0	0	0	0	0	0	0	0

CAPITAL INVESTMENT FUND

Org. Title OC	SAID/ERITREA 661	Overseas Mission Budgets										
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target				
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total		
26.0	Supplies and materials			0			0			0		
	Subtotal OC 26.0	0	0	0	0	0	0	0	0	0		
31.0	Equipment	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
31.0	Purchase of Residential Furniture/Equip.			0			0	72000		72000		
31.0	Purchase of Office Furniture/Equip.			0	120000		120000			0		
31.0	Purchase of Vehicles			0			0			0		
31.0	Purchase of Printing/Graphics Equipment			0			0			0		
31.0	ADP Hardware purchases			0	30000		30000	40000		40000		
31.0	ADP Software purchases			0	20000		20000	15000		15000		
	Subtotal OC 31.0	0	0	0	170000	0	170000	127000	0	127000		
32.0	Lands and structures	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
32.0	Purchase of Land & Buildings (& bldg. construction)			0			0			0		
32.0	Purchase of fixed equipment for buildings			0			0			0		
32.0	Building Renovations/Alterations - Office			0	500000		500000	0		0		
32.0	Building Renovations/Alterations - Residential			0			0			0		
	Security Upgrade				475000		475000					
	Subtotal OC 32.0	0	0	0	975000	0	975000	0	0	0		
42.0	Claims and indemnities			0			0			0		
	Subtotal OC 42.0	0	0	0	0	0	0	0	0	0		
TOTAL BUDGET				0	0	0	1199000	0	1199000	148000	0	148000

Additional Mandatory Information

Dollars Used for Local Currency Purchases	<u>0</u>	<u>0</u>	<u>0</u>
Exchange Rate Used in Computations	<u>9.5</u>	<u>10</u>	<u>11</u>

** If data is shown on either of these lines, you MUST submit the form showing deposits to and withdrawals from the FSN Voluntary Separation Fund.
 On that form, OE funded deposits must equal: 0 0 0

OC	Resource Category Title	FY 2000 Estimate	FY 2001 Target	FY 2002 Target
11.8	Special personal services payments IPA/Details-In/PASAs/RSSAs Salaries	Do not enter data on this line.		
	Subtotal OC 11.8	0.0	0.0	0.0
12.1	Personnel Benefits IPA/Details-In/PASAs/RSSAs Salaries	Do not enter data on this line.		
	Subtotal OC 12.1	0.0	0.0	0.0
21.0	Travel and transportation of persons Training Travel Operational Travel Site Visits - Headquarters Personnel Site Visits - Mission Personnel Conferences/Seminars/Meetings/Retreats Assessment Travel Impact Evaluation Travel Disaster Travel (to respond to specific disasters) Recruitment Travel Other Operational Travel	Do not enter data on this line.		
	Subtotal OC 21.0	0.0	0.0	0.0
23.3	Communications, Utilities, and Miscellaneous Charges Commercial Time Sharing	Do not enter data on this line.		
	Subtotal OC 23.3	0.0	0.0	0.0
24.0	Printing & Reproduction Subscriptions & Publications	Do not enter data on this line.		
	Subtotal OC 24.0	0.0	0.0	0.0
25.1	Advisory and assistance services Studies, Analyses, & Evaluations Management & Professional Support Services Engineering & Technical Services	Do not enter data on this line.		
	Subtotal OC 25.1	0.0	0.0	0.0
25.2	Other services Non-Federal Audits Grievances/Investigations Manpower Contracts Other Miscellaneous Services Staff training contracts	Do not enter data on this line.		
	Subtotal OC 25.2	0.0	0.0	0.0
25.3	Purchase of goods and services from Government accounts DCAA Audits HHS Audits All Other Federal Audits Reimbursements to Other USAID Accounts All Other Services from other Gov't. Agencies	Do not enter data on this line.		
	Subtotal OC 25.3	0.0	0.0	0.0
25.7	Operation & Maintenance of Equipment & Storage	Do not enter data on this line.		
	Subtotal OC 25.7	0.0	0.0	0.0
25.8	Subsistence and support of persons (contract or Gov't.)	Do not enter data on this line.		
	Subtotal OC 25.8	0.0	0.0	0.0
26.0	Supplies and Materials	Do not enter data on this line.		
	Subtotal OC 26.0	0.0	0.0	0.0
31.0	Equipment ADP Software Purchases ADP Hardware Purchases	Do not enter data on this line.		
	Subtotal OC 31.0	0.0	0.0	0.0
	TOTAL BUDGET	0.0	0.0	0.0

ICASS REIMBURSEMENTS

Org. Title: Org. No: OC	Overseas Mission Budgets														
	FY 2000 Estimate			FY 2001 Target			FY 2001 Request			FY 2002 Target			FY 2002 Request		
	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
11.1	Washington Funded USDH Salaries & Benefits		0			0			0			0			0
11.1	Personnel compensation, full-time permanent	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
11.1	Base Pay & pymt. for annual leave balances - FNDH		0			0			0			0			0
	Subtotal OC 11.1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
11.3	Base Pay & pymt. for annual leave balances - FNDH		0			0			0			0			0
	Subtotal OC 11.3	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.5	Other personnel compensation	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
11.5	USDH		0			0			0			0			0
11.5	FNDH		0			0			0			0			0
	Subtotal OC 11.5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.8	Special personal services payments	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
11.8	USPSC Salaries		0			0			0			0			0
11.8	FN PSC Salaries		0			0			0			0			0
11.8	IPA/Details-In/PASAs/RSSAs Salaries		0			0			0			0			0
	Subtotal OC 11.8	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.1	Personnel benefits	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
12.1	USDH benefits	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
12.1	Educational Allowances		0			0			0			0			0
12.1	Cost of Living Allowances		0			0			0			0			0
12.1	Home Service Transfer Allowances		0			0			0			0			0
12.1	Quarters Allowances		0			0			0			0			0
12.1	Other Misc. USDH Benefits		0			0			0			0			0
12.1	FNDH Benefits	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
12.1	** Payments to FSN Voluntary Separation Fund - FNDH		0			0			0			0			0
12.1	Other FNDH Benefits		0			0			0			0			0
12.1	US PSC Benefits		0			0			0			0			0
12.1	FN PSC Benefits	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
12.1	** Payments to the FSN Voluntary Separation Fund - FN PSC		0			0			0			0			0
12.1	Other FN PSC Benefits		0			0			0			0			0
12.1	IPA/Detail-In/PASA/RSSA Benefits		0			0			0			0			0
	Subtotal OC 12.1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13.0	Benefits for former personnel	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
13.0	FNDH	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
13.0	Severance Payments for FNDH		0			0			0			0			0
13.0	Other Benefits for Former Personnel - FNDH		0			0			0			0			0
13.0	FN PSCs	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
13.0	Severance Payments for FN PSCs		0			0			0			0			0
13.0	Other Benefits for Former Personnel - FN PSCs		0			0			0			0			0
	Subtotal OC 13.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21.0	Travel and transportation of persons	Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line		Do not enter data on this line	
21.0	Training Travel		0			0			0			0			0

ICASS REIMBURSEMENTS

Org. Title: Org. No: OC		Overseas Mission Budgets														
		FY 2000 Estimate			FY 2001 Target			FY 2001 Request			FY 2002 Target			FY 2002 Request		
		Dollars	TF	Total												
21.0	Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Post Assignment Travel - to field	0		0	0	0	0		0	0	0	0		0	0	0
21.0	Assignment to Washington Travel	0		0	0	0	0		0	0	0	0		0	0	0
21.0	Home Leave Travel	0		0	0	0	0		0	0	0	0		0	0	0
21.0	R & R Travel	0		0	0	0	0		0	0	0	0		0	0	0
21.0	Education Travel	0		0	0	0	0		0	0	0	0		0	0	0
21.0	Evacuation Travel	0		0	0	0	0		0	0	0	0		0	0	0
21.0	Retirement Travel	0		0	0	0	0		0	0	0	0		0	0	0
21.0	Pre-Employment Invitational Travel	0		0	0	0	0		0	0	0	0		0	0	0
21.0	Other Mandatory/Statutory Travel	0		0	0	0	0		0	0	0	0		0	0	0
21.0	Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Site Visits - Headquarters Personnel	0		0	0	0	0		0	0	0	0		0	0	0
21.0	Site Visits - Mission Personnel	0		0	0	0	0		0	0	0	0		0	0	0
21.0	Conferences/Seminars/Meetings/Retreats	0		0	0	0	0		0	0	0	0		0	0	0
21.0	Assessment Travel	0		0	0	0	0		0	0	0	0		0	0	0
21.0	Impact Evaluation Travel	0		0	0	0	0		0	0	0	0		0	0	0
21.0	Disaster Travel (to respond to specific disasters)	0		0	0	0	0		0	0	0	0		0	0	0
21.0	Recruitment Travel	0		0	0	0	0		0	0	0	0		0	0	0
21.0	Other Operational Travel	0		0	0	0	0		0	0	0	0		0	0	0
	Subtotal OC 21.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22.0	Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
22.0	Post assignment freight	0		0	0	0	0		0	0	0	0		0	0	0
22.0	Home Leave Freight	0		0	0	0	0		0	0	0	0		0	0	0
22.0	Retirement Freight	0		0	0	0	0		0	0	0	0		0	0	0
22.0	Transportation/Freight for Office Furniture/Equip.	0		0	0	0	0		0	0	0	0		0	0	0
22.0	Transportation/Freight for Res. Furniture/Equip.	0		0	0	0	0		0	0	0	0		0	0	0
	Subtotal OC 22.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.2	Rental Payments to Others - Office Space	0		0	0	0	0		0	0	0	0		0	0	0
23.2	Rental Payments to Others - Warehouse Space	0		0	0	0	0		0	0	0	0		0	0	0
23.2	Rental Payments to Others - Residences	0		0	0	0	0		0	0	0	0		0	0	0
	Subtotal OC 23.2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.3	Office Utilities	0		0	0	0	0		0	0	0	0		0	0	0
23.3	Residential Utilities	0		0	0	0	0		0	0	0	0		0	0	0
23.3	Telephone Costs	0		0	0	0	0		0	0	0	0		0	0	0
23.3	ADP Software Leases	0		0	0	0	0		0	0	0	0		0	0	0
23.3	ADP Hardware Lease	0		0	0	0	0		0	0	0	0		0	0	0
23.3	Commercial Time Sharing	0		0	0	0	0		0	0	0	0		0	0	0
23.3	Postal Fees (Other than APO Mail)	0		0	0	0	0		0	0	0	0		0	0	0
23.3	Other Mail Service Costs	0		0	0	0	0		0	0	0	0		0	0	0
23.3	Courier Services	0		0	0	0	0		0	0	0	0		0	0	0
	Subtotal OC 23.3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24.0	Printing and Reproduction	0		0	0	0	0		0	0	0	0		0	0	0
	Subtotal OC 24.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

ICASS REIMBURSEMENTS

Org. Title: Org. No: OC		Overseas Mission Budgets														
		FY 2000 Estimate			FY 2001 Target			FY 2001 Request			FY 2002 Target			FY 2002 Request		
		Dollars	TF	Total												
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.1	Studies, Analyses, & Evaluations			0			0			0			0			0
25.1	Management & Professional Support Services			0			0			0			0			0
25.1	Engineering & Technical Services			0			0			0			0			0
	Subtotal OC 25.1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.2	Office Security Guards			0			0			0			0			0
25.2	Residential Security Guard Services			0			0			0			0			0
25.2	Official Residential Expenses			0			0			0			0			0
25.2	Representation Allowances			0			0			0			0			0
25.2	Non-Federal Audits			0			0			0			0			0
25.2	Grievances/Investigations			0			0			0			0			0
25.2	Insurance and Vehicle Registration Fees			0			0			0			0			0
25.2	Vehicle Rental			0			0			0			0			0
25.2	Manpower Contracts			0			0			0			0			0
25.2	Records Declassification & Other Records Services			0			0			0			0			0
25.2	Recruiting activities			0			0			0			0			0
25.2	Penalty Interest Payments			0			0			0			0			0
25.2	Other Miscellaneous Services			0			0			0			0			0
25.2	Staff training contracts			0			0			0			0			0
25.2	ADP related contracts			0			0			0			0			0
	Subtotal OC 25.2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.3	Purchase of goods and services from Government accounts	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.3	ICASS			0			0			0			0			0
25.3	All Other Services from Other Gov't. accounts			0			0			0			0			0
	Subtotal OC 25.3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.4	Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.4	Office building Maintenance			0			0			0			0			0
25.4	Residential Building Maintenance			0			0			0			0			0
	Subtotal OC 25.4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.7	Operation/maintenance of equipment & storage of goods	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.7	ADP and telephone operation and maintenance costs			0			0			0			0			0
25.7	Storage Services			0			0			0			0			0
25.7	Office Furniture/Equip. Repair and Maintenance			0			0			0			0			0
25.7	Vehicle Repair and Maintenance			0			0			0			0			0
25.7	Residential Furniture/Equip. Repair and Maintenance			0			0			0			0			0
	Subtotal OC 25.7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.8	Subsistence & spt. of persons (by contract or Gov't.)			0			0			0			0			0
	Subtotal OC 25.8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26.0	Supplies and materials			0			0			0			0			0
	Subtotal OC 26.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31.0	Equipment	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		

ICASS REIMBURSEMENTS

Org. Title: Org. No: OC	Overseas Mission Budgets															
	FY 2000 Estimate			FY 2001 Target			FY 2001 Request			FY 2002 Target			FY 2002 Request			
	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	
31.0	Purchase of Residential Furniture/Equip.		0			0			0			0			0	
31.0	Purchase of Office Furniture/Equip.		0			0			0			0			0	
31.0	Purchase of Vehicles		0			0			0			0			0	
31.0	Purchase of Printing/Graphics Equipment		0			0			0			0			0	
31.0	ADP Hardware purchases		0			0			0			0			0	
31.0	ADP Software purchases		0			0			0			0			0	
	Subtotal OC 31.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
32.0	Lands and structures	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
32.0	Purchase of Land & Buildings (& bldg. construction)		0			0			0			0			0	
32.0	Purchase of fixed equipment for buildings		0			0			0			0			0	
32.0	Building Renovations/Alterations - Office		0			0			0			0			0	
32.0	Building Renovations/Alterations - Residential		0			0			0			0			0	
	Subtotal OC 32.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
42.0	Claims and indemnities		0			0			0			0			0	
	Subtotal OC 42.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL BUDGET		0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Additional Mandatory Information

Dollars Used for Local Currency Purchases _____
Exchange Rate Used in Computations _____

** If data is shown on either of these lines, you MUST submit the form showing deposits to and withdrawals from the FSN Voluntary Separation Fund.
 On that form, OE funded deposits must equal: 0 0 0 0 0

Annex 1

THE HIV/AIDS PANDEMIC: DRAWING THE LINE IN ERITREA

Eritrea has the unique opportunity to become the second country in Africa, after Senegal, to keep HIV/AIDS prevalence relatively low and avoid the pandemic that has devastated most of the continent. The GSE has recognized the threat at a much earlier stage than most countries, and there is already commitment at the highest levels to the actions needed to prevent further spread. Public awareness is already high as a result of educational efforts. A successful USAID HIV/AIDS prevention condom social marketing program is now in place. The US Mission is focusing available resources on HIV/AIDS prevention, requesting additional USAID resources for FY 2001 and leveraging other donor support for new initiatives.

The prevalence of HIV/AIDS in Eritrea is relatively low (around 4% on average and much lower in rural areas), but the current situation resembles that in Uganda before the epidemic exploded in that country. When troops were mobilized and sharing the same commercial sex workers (CSWs), HIV/AIDS spread among the troops. When the troops demobilized, they took HIV home with them to all parts of the country and what was earlier an urban problem became a national tragedy.

Fortunately in Eritrea, there is a high level of public awareness. For example, international AIDS day was celebrated with a public march led by the Minister of Health and Minister of Labor and Human Welfare. They were accompanied by women's associations and school children of all ages. Leading musicians and actors contributed to the program that was broadcast nationally on both television and radio.

There is also high level political commitment to preventing the scenario described above. HIV/AIDS prevention has been discussed in the Cabinet and Parliament as a national focus for 2000-2001. There have been two recent meetings of all the line ministers concerned with HIV/AIDS (including Health, Labor and Human Welfare, Defense, Information, Education, and the Office of the President). UNICEF sponsored a national meeting in March to develop a rights-based plan for HIV/AIDS prevention. Also in March, the government requested that the World Bank add HIV/AIDS to the malaria prevention project at the pre-appraisal stage.

After only two years of implementation, USAID/Eritrea's HIV/AIDS prevention condom social marketing program ranks among the best programs worldwide. USAID, the Ministry of Health, the National Union of Eritrean Youth and Students and Population Services International (PSI) have recently agreed to renew and expand the program. USAID and the MOH are also reallocating resources within the existing primary health care program to expand support for other key control measures such as sexually transmitted disease (STD) treatment and prevention, voluntary counseling and testing and behavior change communications. USAID support for technical assistance and training is also making it possible to leverage World Bank support for a greatly expanded HIV/AIDS control initiative. USAID has been designated lead donor for technical assistance and training to complement the World Bank project, and has been requested to provide a full-time resident advisor for national aids control efforts, in addition to the resident advisor already in place for the condom social marketing program.

The UN theme group on HIV/AIDS has invited USAID to participate as an observer. One result of this collaboration is encouraging the Eritrean Minister of Health to participate actively in the upcoming OAU summit of health ministers on HIV/AIDS.

The public diplomacy office has helped to promote public discussion on the impact of HIV/AIDS and how to prevent the epidemic. New activities planned for the next year include:

- Schedule an AFNET women's round table highlighting the impact of HIV/AIDS on women;
- In conjunction with the Africa Journal, sponsor a contest for high school students to develop radio spots aimed at their peers;
- Focus the post's first individual international visitors program on HIV/AIDS;
- Sponsor a poster contest for high school students, including a reception and auction of the winning posters, in conjunction with the Marara art association; and
- Provide public diplomacy support to all other mission HIV/AIDS prevention efforts.

To enhance collaboration between agencies and offices on the issue of HIV/AIDS prevention, the post has established a Mission HIV/AIDS team headed by the Director of USAID and includes the DCM, Public Diplomacy Officer, USAID Health Team Leader, Economic and Commercial Assistant, Defense Attaché, and Security Assistance Officer.

Eritrea was not included in the LIFE initiative, as priority was given to large countries that already have a high prevalence. The Mission hopes future resource allocation decisions take into account the cost-effectiveness of

prevention as opposed to crisis management. Based on strong Eritrean political commitment to openly and actively address the HIV/AIDS threat and the critical timing of necessary actions, USAID will request additional resources in FY 2001 and FY 2002 for an expanded HIV/AIDS prevention program.

The threat of HIV/AIDS is on the radar screens of senior Eritrean officials and influential civilian leaders. It is a critical time for the Eritreans and the donors to act to prevent the HIV/AIDS tragedy which we have all witnessed before in other countries. To assist Eritrea in its battle against HIV/AIDS, additional technical assistance and resources will be required from USAID and all USG agencies represented at post.

Annex 2

THE CURRENT HUMANITARIAN ASSISTANCE SITUATION

In view of the importance of humanitarian assistance to the USAID/Eritrea program and the close relation between the humanitarian and development portfolios, the Mission has prepared this annex which gives a report on the status of food and non-food relief efforts.

The humanitarian emergency in Eritrea continues to be worrisome. In 1998 and 1999 with the increasing displacements caused by the war and increasing number of expellees arriving in Eritrea, the country's humanitarian assistance requirements began to challenge Eritrea's ability to respond. Toward the end of 1999 and into this year, the effects of drought were added to the humanitarian assistance equation and it became clear that the GSE could no longer meet its humanitarian requirements on its own. In early 2000, the United Nations and the GSE issued appeals for assistance to Eritrea's displaced and drought affected populations.

Eritrea is a crisis-prone country and the FY 1997 Country Development Strategy or Investment Strategy acknowledged this fact. A Crisis Modifier was created in the strategy whereby development resources would be reprogrammed to join with Agency humanitarian assistance resources to meet humanitarian crises in Eritrea. It was anticipated that during the five-year life of the strategy, Eritrea would suffer the effects of a severe drought or might host refugees from the adjoining countries. To meet such crises, the Mission would temporarily divert a portion of its development resources, suspending its development objective, to meet the humanitarian crisis.

In this Annex the Mission describes the current humanitarian emergency and how the Crisis Modifier would be used should it become necessary. The Crisis Modifier was designed to respond to drought and population displacement. At this time, the Mission does not anticipate invoking the crisis modified to assist with the immediate post-conflict activities in Eritrea. The Crisis Modifier would be invoked should the more general humanitarian emergency reach crisis proportions in Eritrea.

Humanitarian Assistance in 1999:

In response to the GSE's emergency appeal of 1999, USAID/OFDA made a donation of 28,000 blankets worth \$273,500 to NCA/ERREC and a total grant of \$975,862 through Africare and UNICEF for the purchase of food and non-food items to meet the humanitarian needs of the war affected population. The following table shows USAID/OFDA's total contribution to Eritrea in 1999:

Recipient	In Kind Assistance				Cash Grant \$ Value	Total Value \$
	Non Food		Food			
	Type	\$Value	Type	\$Value		
NCA/ERREC	28,000 Blankets	273,500	-	-	-	273,500
Africare	-	-	-	-	725,862	725,862
UNICEF	-	-	-	-	250,000	250,000
Total						1,249,362

Recipient population profile

Eritrea's humanitarian program responds to two groups: those affected by the war and those suffering from food shortages caused by the drought in the Horn.

War-affected population

The war-affected population is estimated at 333,250 by WFP, and at 339,000 by ERREC, both representing about 10% of the country's total population of an estimated 3.5 million. Internally displaced persons and expellees from Ethiopia live in 31 Internally Displaced Persons (IDP) camps or host communities. Residents of villages in close proximity to the border and at risk from artillery shelling were moved to safer areas where the Government established camps. Depending on the circumstances of displacement, people were able to take some of their belongings with them or return to the village after the fighting subsided to recover some items.

Rural expellees generally were unable to take their belongings with them as they were unexpectedly asked to declare themselves as either Ethiopian or Eritrean citizens. Eritreans were sent across the border with what they could gather up at a moment's notice.

The camps are generally well managed and have essential services. Three-month food ration distributions have been regular but the food pipeline will be uncertain this fall. Health services and medical supplies are available in the camps in limited amounts. Supplementary foods for children have been in short supply and commodities are juggled among the camps to assist the most needy. Moderate malnutrition among children under 5 is steady at around 11%, and shows no sign of increasing, due to the supplemental feeding program for young children. This is not the case in host communities where supplemental food distributions have started only recently.

Potable water and insufficient number of water jugs remain problems. Diarrheal illnesses are prevalent in almost all settlements. Either safe drinking water is in short supply or it is too distant from portions of the camp population who then resort to using surface water. Where safe water is adequate water jugs are not and contaminated containers are used. Shelter is a problem. Most of the plastic sheeting in the camps is in tatters and should be replaced by tents. The plastic sheeting is hot during the day and provides little protection from the cold at night.

Drought-affected population

The drought-affected population is estimated at 212,000 by WFP and at 367,000 by ERREC, representing 6% and 10% of the country's total population respectively. Five administrative regions, many along the Red Sea coast, in eastern Anseba and in some areas of Dehub and Gash-Barka are affected by drought. Along the coast and in eastern Anseba, agriculture depends on the winter rains, which failed in the past two years. Insufficient and erratic rainfall caused by shifting weather patterns resulted in near failure of the crop because of water stress. Whatever crop will be harvested in April will last for a couple of months at best. After that, the population will need food assistance until the crop of the year 2001 can be harvested in March/April.

Reports have recently been received that crops for a second year failed in western Eritrea along the Sudanese border. While the UN and GSE assessments were underway, experts assumed that the rains would be adequate in these areas and that proved incorrect. This most recent drought affected region was not visited during the joint UN-GSE assessment and this population was not included in the UN appeal, resulting in the difference between the GSE and the UN target population estimate. In addition to food assistance, a large percentage of the drought population will require seeds, land preparation, water retention structures, and technical assistance. Livestock will require water, boreholes, feed and veterinary services.

Eritrean Government Efforts

Since May 1999, the most severe drought areas have been supplied with emergency food from government sources. To meet these needs, the GSE has purchased local surpluses and drawn down its strategic grain reserves. Non-food assistance has been provided by the GSE in close cooperation with UN agencies and NGOs. Shortages now appear with greater frequency in all sectors: shelter, water/sanitation, health services and medical supplies. Donor pledges and assistance have lagged behind needs as the drought affected populations grow.

In late January, UNDP launched its 2000 Emergency Appeal for Eritrea. In its presentation, the UN emphasized that the assessment underlying the appeal was carried out jointly with the Government of the State of Eritrea (GSE) and some NGOs. At the same time, UNDP stated that the GSE through the Eritrean Relief and Refugee Commission (ERREC) issued a separate appeal for 2000 that included a larger target population based on its assessment of areas not covered in the UN study. Below is a short description of the food aid portions of the two appeals and a table showing the different target populations.

	UNDP Appeal	GSE appeal
Focus	Two major population groups: 333,250 war-affected persons (IDPs, rural deportees from Ethiopia and residents in vulnerable host communities in the border area) and 211,750 drought-affected individuals needing food aid this year.	Two major groups: 393,011 war-affected persons (IDPs, rural and some urban deportees in and outside of camps, and vulnerable host communities) and 366,989 drought-affected individuals in five administrative regions.
Location	Gash-Barka and Debub regions for war-affected populations; Northern Red Sea and Anseba regions for drought victims	Gash-Barka and Debub regions for war-affected populations; Northern and Southern Red Sea, Debub, Anseba and Gash-Barka for drought victims.
Food aid strategy	IDPs and rural deportees living in camps – general distribution of 2100 Kcal/person/day for 12 months. IDPs and rural deportees living outside of camps and vulnerable host communities - targeted distribution of 2100 Kcal/person/day for six months. 30,000 IDP and rural deportee children attending school – school feeding. Drought affected target population – general distribution of 2100 Kcal/person/day for six months.	IDPs and deportees in camps – general distribution of 2100 Kcal/person/day. IDPs and deportees outside of camps and drought victims - 2100 Kcal/person/day for 7 months. Malnourished vulnerable groups – extended feeding of 840 Kcal/person/day for 10 months in addition to the general ration. Supplemental food ration for 150,000 most vulnerable individuals in camps (20% of target population) for 12 months.
Tonnage required	62,800 mt in addition to stocks of 26,750 mt available on January 1, 2000.	133,600 mt of which 26,750mt were in stock on January 1, 2000.
Contingency	25% of food requirement for the war-affected population = 12,495 mt.	Full rations for 10 months for 90,000 war-affected individuals (IDPs and deportees).

The following table shows the target populations covered in the two appeals:

	WFP Appeal	GSE Appeal
IDPs	266,200	266,201
Host Communities	77,360	77,360
Expellees	rural 28,350	rural/urban 49,450
Drought-affected	211,750	366,989
Contingency	*	90,000
Total	583,000	850,000

*contingency expressed as percentage increase of food request

USAID/Eritrea's Crisis Modifier

USAID/Eritrea's Country Development Strategy (or Investment Partnership approved October 1997), assumed that over the initial five-year planning period, Eritrea would face a crisis and the conflict with Ethiopia and the deepening drought Eritrea today faces a complex humanitarian crisis.

In designing the Crisis Modifier, the events thought to precipitate a crisis would be a) a major drought in Eritrea and throughout the region (especially in Ethiopia and Sudan); and b) the large displacement of population (and possibly antagonists) from Sudan into western Eritrea. At the time the Crisis Modifier was conceived, a war with Ethiopia was not considered.

While there is current evidence of the former, the worst case would have been some combination of both occurrences and responding to a major drought or influx of refugees would severely strain Eritrea's governmental and non-governmental capacities and resources. The Mission committed each of its sectoral programs to building, from the outset, the flexibility and capacity needed to mitigate the effect of such crises.

Such planning was specifically incorporated into the Health and Rural Enterprise strategies. While an actual response would involve temporary modification of each sector program, it was felt that, at a minimum, an effective primary health care system, and robust and expanding enterprises would in themselves help to improve responses to and the mitigation of crises. The Mission's third strategic objective, that of Human Capacity Development, would

be expected to strengthen the capacity for accountable governance and provide stronger participation of local government entities in the regional administration of affected areas.

The Mission's strategy includes a Crisis Modifier which would be triggered by a cable to USAID/Washington explaining the crisis and USAID/Eritrea's and others' response to it. Most importantly the cable would request suspension of the development strategy and the substitution of an alternative set of humanitarian results. Enacting the Crisis Modifier would be done in close collaboration with the GSE, the U.S. Ambassador, USAID's Bureau of Humanitarian Response (FFP and OFDA) and other involved agencies (e.g. DOD). The Crisis Modifier would also help ensure that the assets and resources of all respondents were closely coordinated under the leadership of the GSE and the U.S. Ambassador.

Expected Results

In the area of primary health care, the effect of the Crisis Modifier would be greatest. Either a severe food crisis, epidemic, or population displacement would require additional health services. Staff, commodities and equipment would likely be taken from on-going programs to meet immediate relief needs. In the case of a large population displacement, the staff constraints may be longer-term and require greater modification of primary health care activities.

USAID's rural enterprise activities are targeted in the western lowlands, the area that would be most impacted by drought or a population displacement. An influx of returnees or refugees with minimal community claims and negligible material goods would put a strain on existing economic networks and reserves of humanitarian assistance. Displacement or food crisis in the western lowlands would exacerbate the already low production and purchasing power characteristic of that region. USAID's rural enterprise program would have to shift credit and technical assistance resources to meet immediate needs. The human resource development focus of the Mission would be expected to strength the capacity of all levels of government, especially the Gash Barka regional administration and civic organizations, to respond to the relief effort.

The Crisis Modifier

As yet, the Mission's Crisis Modifier has not been enacted. Through 1999, increased demands for responding to the needs of more than 70,000 expellees, the estimated 260,000 internally displaced and more than 212,000 (UN) or 367,000 (GSE) drought victims have been met in part from Eritrea's own resources. Additional contributions were provided by the donor community, including approximately \$1.2 million in non-food humanitarian assistance from USAID (no food aid was provided by the USG). The GSE's ability to have met much of the need in 1999 was in part due to its decision to assimilate, expellees into the social economy, expecting that a prompt resolution of the war would not require long term humanitarian support measures. As the state of emergency approaches its second anniversary, it has become increasingly apparent that the GSE's continuing requirements in the medium term will be considerable particularly since more expulsions are expected and the drought affects increasing numbers in the country.

The Crisis Modifier depends on two trigger points: a) the extent and severity of the drought that is now entering its second year, and b) the estimated impact upon Eritrea of a massive influx of refugees. The Crisis Modifier could equally be triggered by a significant increase in the number of internally displaced persons due to the war. Absent these conditions, a regional drought and influx of refugees from Sudan could create a situation of such desperation that enactment of the Crisis Modifier would be necessary. During such a period, each of the Mission's strategic objectives would be temporarily modified and progress towards achieving expected developmental results would have to be curtailed.

Other Donor Programs And Implementing Partners

Presently, Italy, Norway, Denmark, Japan, Switzerland, Germany, Netherlands; ECHO, Caritas/Spain, WFP, SCF/UK, ICRC, UN agencies, Eritrean Red Cross, SIDA, Africare, Italian Cooperation, NCA, Lutheran World Federation, German Agro-Action, and Dutch Interchurch Aid are active in providing humanitarian assistance. Mercy Corps is presently in country and has decided to submit a proposal for nonfood assistance. MSF/NL has been in Eritrea for three weeks and is finalizing its MOU with the GSE relief agency ERREC. The American Red Cross plans to submit a non-food proposal in conjunction with the Red Cross Society of Eritrea to assist drought victims and host communities. CRS will send an assessment team in April .

Annex 3

SPECIAL OBJECTIVE (SPO): ERITREA REINTEGRATION AND RECOVERY

Country Context

At this writing Eritrea and Ethiopia are drawing closer to the end of their two-year conflict. Both sides are increasingly worried by the war's toll on human lives, the loss of infrastructure and the economic costs of maintaining a high level of military readiness. The deepening drought and famine in the region intensifies their concerns.

As development planners begin to focus on the post-conflict period, the need for contingency plans for demobilization and reintegration of combatants become apparent. If the experiences of 1992-1993 provide any lessons, the political, economic and social fabric of the country will be severely strained to accommodate the return and timely reintegration of a quarter million ex-combatants.

Although the exact numbers remain unknown, it is estimated that some 275,000 fighters are in uniform. These fighters are in the prime of their economically productive lives and will be eager to reenter the nation's workforce. As a result, demands for credit and technical services can be expected to expand. The demobilized combatants will also be prime candidates for the spread of HIV/AIDS, if similar experiences in neighboring countries provide any useful lessons.

The MPP notes that "if fighting can be halted and both sides engage in a peace process, the USG can help Eritrea and Ethiopia restore the mutual confidence, cooperation and renewed economic progress that marked the first seven years of Eritrea's independence." USAID/Eritrea proposes the Special Objective described below and describes how it can work in concert with ongoing Mission programs, GHAI activities and USAID humanitarian actions to address some of Eritrea's immediate post-conflict requirements.

Approach of the Proposed Special Objective

Initially, at least, USAID's sustainable development program (averaging around \$9 million per year) and the BHR food and non-food humanitarian activities (currently around \$25 million this year) will be tapped to support Eritrean demobilization and reintegration. The current portfolio was originally focussed on supporting Eritrea's post-independence development priorities in health, rural enterprise and human capacity development and those priorities remain valid for the approaching immediate post-conflict period. Current program levels, however, are unlikely to meet ongoing program requirements and the demands generated by the demobilization and reintegration of ex-combatants. USAID/Eritrea will require additional resources and design support to be in a position to deliver these resources prudently and in a timely manner.

To support demobilization and reintegration efforts after the conflict, the Mission proposes a Special Objective consisting of three elements: enterprise lending targeted at demobilized combatants with priority to women ex-combatants; public health reinforcement and expanded HIV/AIDS prevention. The proposed Special Objective will be a time-limited increase to the Mission's program levels. The Mission proposes an additional \$ 8 million over two years for the Special Objective. In addition, USAID/Eritrea will require short-term design support from USAID/W and two additional staff (PSCs) to implement this program.

Components of the Proposed Special Objective

Accelerating Enterprise Recovery and Support. According to a January 2000 World Bank study, one of Eritrea's most pressing needs upon the cessation of hostilities will be the revitalization of the economy and the development of the private sector. With demobilization and reintegration, the GSE will be under increasing pressure to support the economic assimilation of the ex-combatants and to provide for the increased demands for credit and technical services for a larger entrepreneurial sector. The Mission proposes, under the Special Objective, that the Commercial Bank of Eritrea (CBER) establish a special facility or financial window as a wholly owned, semi-autonomous entity to provide services primarily to ex-combatants, particularly to women ex-combatants, and employers of ex-combatants. The special facility would provide the mechanism for an expeditious response to the expected increased demand for financial assistance generated by the returning ex-combatants. The special facility would also serve as the basis for a subsequent replication and adoption by the CBER system after the initial recovery period is over.

Public Health Reinforcement. Demobilization and reintegration will present challenges for the health sector. It will take time for the health system to recover from the loss of trained health professionals who are casualties of the war. As in the thirty year independence struggle, Eritrea again will need to staff and train to standard a generation of health workers who have field experience but lack formal training. An expected baby boom and ongoing medical needs of those injured in the conflict will strain an already understaffed and undersupplied health sector. Under the Special Objective the Mission will expand its training activities especially for ex-combatants with field experience in the health sector. With the Ministry of Health, the USAID will take advantage of the Leland Initiative and the May 2000 introduction of the Internet into Eritrea to provide distance learning in health care to the demobilized returning to the secondary cities of Eritrea. Finally, under the Special Objective, USAID will explore with the Ministry of Health the specialized health requirements of a demobilized and injured military population and provide training to these requirements.

HIV/AIDS Prevention. With an end to the war, a large percentage of Eritrea's uniformed population, more than a quarter million, will begin to return to their homes throughout Eritrea. Some of these ex-fighters, mostly between the ages of 18 and 40, will carry with them HIV/AIDS and could spread the disease across Eritrea. Enhanced activities will be required beyond the Mission's ongoing HIV/AIDS program to minimize the HIV/AIDS effects of the demobilization and reintegration of the ex-combatants.

Beyond the USAID's current programs in condom social marketing, voluntary counseling and testing, education and STD prevention and treatment, the Mission proposes, through the Special Objective, expanding programs focussed on the military and demobilized fighters. The central focus of the HIV/AIDS component of the Special Objective would be HIV testing and counseling along with an expanded program of support services for soldiers and ex-fighters with AIDS. On the home front, the Special Objective proposes an expanded educational campaign to increase AIDS awareness and to provide the knowledge and information conducive to responsible behavior to reduce the potentially disastrous impact of HIV/AIDS once demobilization is underway.

Special Objective and the GHAI

The border conflict areas will be a priority for the USAIDs in Eritrea and Ethiopia and for REDSO at the end of the conflict and the response will require close cooperation. These areas have been marginal through the years. Nevertheless, as the demarcation process proceeds, the border region will require resources to help stabilize the areas. GHAI resources will be called up to assist in the restoration of local infrastructure and public services. The Special Objective will support these regions with credit and technical services as returnees reestablish enterprises, rebuild farms, plant fields and renew livestock herds. These areas, despite limited populations, may face serious HIV/AIDS problems and health issues due to war injuries. The Special Objective will expand its coverage into these border areas.

Special Objective and the Crisis Modifier

The Special Objective is not a substitute for the Crisis Modifier. The Special Objective, with the Mission's ongoing development program, is the mechanism, whereby USAID/Eritrea will respond more forcefully to the demobilization and reintegration period after the end of the war. The Crisis Modifier is the mechanism for redirecting the USAID's development resources to respond to a massive, unanticipated humanitarian crisis. At this time, the USAID does not see the need to invoke the Crisis Modifier unless the drought intensifies, large numbers of refugees appear in Eritrea or there is a large, unanticipated internal displacement within Eritrea.

Special Objective and Humanitarian Assistance

In addition to resources from the Special Objective and GHAI, the Mission anticipates the need for humanitarian assistance. If Eritrea receives its approved and requested food resources (90,800 mts), it is unlikely that significant amounts of additional food aid would be required. More likely is the requirement for non-food assistance (shelter, water/sanitation, seeds/tool, veterinary services) as the displaced return to their homes especially along the border areas and begin to reestablish their livelihoods. When conditions permit, the Mission proposes that a humanitarian assistance team from BHR travel to Eritrea to begin to map out the immediate post-conflict humanitarian assistance requirements (beyond the requirements of the current drought).

Special Objective Development Requirements

The Mission will require AID/W assistance in designing the Special Objective. When feasible, a team of (three specialists in HIV/AIDS, health and microfinance) should travel to Eritrea. It is also anticipated that the Mission will require two additional staff (PSCs) to implement this two-year activity.

Annex 4

REVISED HCD/GOVERNANCE OBJECTIVE

Country Context

As Africa's newest nation, Eritrea faces independence with daunting challenges in the human resources sector. Eritrea ranks among the world's poorest nations with a per capita income of \$150 a year and an adult literacy rate of 20 percent. The country's leaders have long recognized the impediment posed by its weak human resources base and emphasized that before the country could make lasting progress toward democratic governance it had to undertake a comprehensive program of human capacity building. On this basis, USAID worked with the Government in 1996 and 1997 to design this third investment objective, a program to strengthen the country's ability to exercise accountable governance and HCD.

The principal focus at that time was on systemic reform of the legal and political structures. It is now recognized that the first design was too ambitious in scope and that the Government's priorities were markedly affected by the conflict. The program as originally designed was to find activities to reform the legal system, train and strengthen university personnel, improve the capacity of the public sector and improve fiscal and macroeconomic management. The GSE has now requested that USAID suspend direct activities aimed at democratization and focus on governance by reprogramming existing activities in support of human capacity development. This approach, the GSE argues, is more likely to promote good governance and sustainable development by developing critical human resources in key areas.

Current design

The current results framework has three intermediate objectives:

- The first IR, Judicial and Legal Processes and Systems are More Effective, had three subsidiary results: Suitably Qualified Legal and Judicial Personnel Employed by Ministries and Legal System; legal Codes Created and Consolidated; and Enhanced Availability and Access to Legal Research Materials and Technical Resources.
- Under IR2, Popular Participation in Governance Increased, Activities were designed to expand the number of professional groups key to accountable governance, increased citizen access to public information, strengthen the institutional capacity of civil society and promote decentralization.
- IR3 focussed on improving public administration through increasing the management skills of civil servant, equipping selected GSE Administrative Units and encouraging improved fiscal and monetary management.

The Redesign

The redesign will not alter the purpose of IO3, which will continue to be to increase Eritrea's capacity for accountable governance, but will change the program approach. What is now proposed is to revise the objective by dropping many of the democratization and legal reform activities and emphasize instead higher education and the process of integrating women more fully into the social and economic life of the nation. The objective will pursue some capacity building in selected public institutions in cooperation with the University of Asmara. USAID will fund programs in higher education including health, social sciences, law and business. The objective will now also support programs at the community, zonal and national levels that will expand women's self-reliance through expanded access to and control over productive resources, health care decisions, educational opportunities and, in general, promote a greater role for women in decision-making at all levels. The development hypothesis is that these interventions are the most feasible and appropriate for Eritrea to realize participatory and accountable governance at all levels.

Implementation mechanisms

The program is implemented through two activities. The Technical Assistance Project (TAP), which began in 1993, supports human and institutional capacity building. Human and institutional deficits block implementation of virtually all development activities. TAP was designed to contribute to efforts toward addressing this problem. The goals of TAP are to improve Eritrea's overall development performance, expand its economic and social development base and increase its capacity for democratic self-governance

The second activity, Civil Society/Microenterprise, provides support to the National Union of Eritrean Women (NUEW) and the National Confederation for Eritrean Workers, among other quasi-governmental institutions. In the redesign of the IO, it is anticipated that cooperation with the NUEW and other organizations like the National Union of Eritrean Youth and Students (NUEYS) will increase. These organizations have nation-wide membership and have already laid some of the groundwork to expand the role of women in Eritrean society. Through these types of organizations, the USAID program will extend credit, technical assistance and information to women for micro and small enterprise development and increase educational opportunities for girls and literacy of women. Through these organizations, the revised IO will extend HIV/AIDS awareness and prevention, especially for young girls and, more generally, provide a mechanism to extend primary health care services to underserved rural areas.

Design Schedule

It is planned to field a team of WID and HCD advisors in summer 2000. Their revised IO paper will be submitted for AFR/DP approval around the end of FY00 and implementation of the revised program will begin in early FY01.

Annex 5

THE GREATER HORN OF AFRICA INITIATIVE

USAID Eritrea's Investment Partnership was developed within the framework of the GHAI and has in implementation consistently upheld the orientation that has made it a GHAI country strategy in application. The GHAI goals of food security and crisis prevention have guided USAID's dialogue with the GSE. The GHAI principles of African ownership, strategic coordination, regional approaches, linking relief to development and change amidst instability have been the underpinnings of the analysis and assessment and formulation of the strategic approach embodied in the Mission's Investment Partnership.

Food Security

Eritrea's food security is not primarily a question of agricultural production, but also—given its history as a trading node and its relatively limited agricultural capacity—of income from enterprise and its employment and exports, particularly in less developed rural areas. With extremely poor educational levels and health care in rural areas, attaining food security will also depend on the social services to educate and improve the health of consumer-producers. Food security will also be difficult to achieve or sustain without good governance from the levels of national policy making to local administration. Three decades of development experience demonstrate that national prosperity is a function of enabling macro-policy, monetary stability, and human resource development—all the purview of government. Accountable government also enables broader distribution of this prosperity. USAID's Investment Partnership contributes to the GHAI Food Security Goal and anticipates the following results within its five-year planning period: no non-emergency food aid, full rural employment and improved health education.

Crisis Prevention

After thirty years of war with neighbors in conflict, and being prone to drought, Eritrea understands crisis and has developed coping strategies both nationally and at the level of individual households. The GSE is acutely concerned about the risks of divisiveness from ethnic and economic stratification and is striving for balanced, broad-based development, particularly in the predominately Muslim rural lowlands. Thus, it has prioritized decentralization to local governments and infrastructure development, and has directed donor resources and private investment to historically marginalized areas. USAID's investments in health and income-producing enterprise are centered in these areas.

There is also an obligation or social contract between the new government and its citizens, born out of the community welfare efforts of the EPLF during the struggle. The social contract primarily covers the areas of education and health services. Failure to deliver, either nationally or in any particular area, would also be a source of instability. The policies of a representative and decentralized structure of governance should provide the macroeconomic stability, mechanisms for dissent and conflict resolution, fair rule of law, and capacity to mobilize that are indispensable for crisis prevention.

In the event of a crisis, the GSE has demonstrated its ability to rapidly mobilize resources to deal with problems and has developed solid surveillance systems. USAID has developed a Crisis Modifier (see discussion in Annexes 2 and 3) as an integral part of its Investment Partnership to assist the GSE in the event an intervention should be necessary. USAID's Investment Partnership contributes to the GHAI Crisis Prevention Goal and anticipates the following results within its five-year planning period: no ethnic-based conflicts; economic growth rate above five percent in the western lowlands, and successful management of one crisis i.e., major drought or population influx.

African Ownership

Few countries in Africa insist upon ownership of externally assisted activities as does Eritrea. USAID's Investment Objectives in health, enterprise development and human resource development goes beyond consultation by responding directly to the priorities and policies of Eritrea's leadership and people. The intensive dialogue that has surrounded the provision of assistance during the current conflict has resulted in a partnership between equals. As an investor in Eritrean programs and activities, USAID's development support is mutually agreed upon based on the GSE assessment of its priorities and the social returns for Eritrea as well as Mission's assessment of U.S. political and economic returns within USAID's priorities. At the operational level, this also translates into a streamlining of

the usual program design and implementation processes, accountability based on mutual tracking and anticipated medium term results whereby programs will be managed and evaluated by the GSE with USAID participation.

Strategic Coordination

Within the USG, strategic coordination results from an integrated U.S. Embassy Country Team which exchanges ideas and information to facilitate joint programming and an expanded Mission Program Plan process that ensures integrated, interagency planning.

Full coordination with other donors has proven more difficult. The GSE insists that donor coordination is its role alone, and donors are hesitant – given this strong view – to undertake any formal coordination meetings together. USAID/Eritrea has, however, experienced good coordination at the sector level and is making a proactive effort to collaborate with other donors through regular consultations with the EU, WFP, FAO and IFAD in Rome and the IMF and the World Bank in Washington.

Regional Approaches

Until the outbreak of the conflict with Ethiopia, Eritrea was a leading proponent of regionalism in the Horn. Its leadership played an active, catalytic role in the revitalization and broadening of IGAD's role and its private sector was key to the economy's outward looking foreign trade policy and orientation. Through programs in enterprise and health, the Mission supports Eritrea's regional leadership through bilateral dialogue, support for regional programs and assistance for trade and investment. At the activity level, USAID/Eritrea supports the sale of iodized salt throughout the region and expansion of regional trade in leather goods, and high value horticultural products.

Linking Relief and Development

Eritrea has moved far in its transition. The GSE has taken several specific policy actions to shift from relief to development, most supported by USAID/Eritrea: a policy to phase out non-emergency feeding programs, monetize all food assistance, and establishing local councils and administrations to decentralize rehabilitation implementation. The tough policy on international PVOs – recently modified – is a manifestation of the shift from relief and dependency toward longer-term self-reliance. A review of USAID support during the early stages of the emergency indicates that the GSE succeeded in providing income generating assets and that a sizeable portion of the returnees has been incorporated into the economy.

Annex 6

ENVIRONMENTAL IMPACT

New or Amended IEEs

	Activity	Status
Investment Objective 1 (IO1): Increased use of sustainable, integrated Primary Health Care (PHC) Services by Eritreans	1) New MOH program design for the year 2000 and beyond 2) Barentu Hospital Renovation	Mission will prepare IEE with assistance from Regional Environmental Advisor in Nairobi as design specifications become clearer. Renovation is scheduled for FY 2001. IEE will be completed prior to that date.
Investment Objective 2 (IO2): Increased Income of Enterprises, Primarily Rural, with Emphasis on Exports	1) Review of environmental screening implementing regulations	Underway with help from Regional Environmental Advisor in Nairobi.
Investment Objective 3 (IO3): Increased Capacity for Accountable Governance at Local and National Levels	1) Strategic Objective No. 3 at IO level 2) Health Linkage 3) Management, Law, Social Sciences Linkages 4) International Child Resources Institute (ICRI)	Categorical exclusion will be sought, as these are university exchange programs with no construction, equipment procurement or capital investment required.

All ongoing activities are in compliance with their respective IEE.