

**USAID/CENTER FOR
ECONOMIC GROWTH AND
AGRICULTURAL
DEVELOPMENT**

**RESULTS REVIEW AND
RESOURCE REQUEST (R4)**

MEMORANDUM

FOR THE ASSISTANT ADMINISTRATOR, GLOBAL BUREAU

This FY 03 Results Review and Resource Request (R-4) for the Center for Economic Growth and Agricultural Development (G/EGAD) emphasizes the institutional and organizational linkages that we support and nourish in order to accomplish the objectives through which we contribute to the Agency's achievement of broad-based economic growth and agricultural development, a more sustainable global environment, and the reduction of hunger.

Partner organizations are more than implementers of Center programs. They provide: a constant stream of new ideas and technologies; critical leadership among their peer organizations in expanding the community capable of innovating as well as using best practices; and a shared commitment to achieving the goals held by the Agency and the Center. The Center's institutional linkages with other donors, grouping of nongovernmental organizations such as the Microenterprise Coalition, other elements of the U.S. Government (USG), and the broader U.S. land grant university community are also important to our ability to leverage our own resources by joining them with the contributions of others in pursuit of larger, often global, goals.

Often, the results that we achieve through these partnerships and alliances are not directly reflected in our Performance Indicators. We have made an effort in the narrative of the Results Report, therefore, to capture some of the less tangible outcomes that have flowed from our partnership efforts: influence on policies and programs, forward momentum in globally-important processes, or foundation-building for future collaborations.

Our core budget request for FY 03 is \$79.2 million, consistent with the control levels provided by the Global Bureau's Program Office (PDSP), and an increase of \$1.7 million above our FY 01 OYB. In addition to this FY 03 request, we anticipate that we will receive approximately \$23 million in DA-OYB transfers for the centrally-managed Microenterprise Initiative activities and \$5 million in ESF-OYB transfers for the Middle East Research Collaboration (MERC) activity. The Development Credit Authority (DCA) management responsibility falls to the Center, but the \$25 million transfer authority request is treated as a non-add to our Center budget request. In addition, the Center assumes a certain leadership and management responsibility for the Dairy Directive, an earmark that was "redistributed" among regional bureaus in FY 01.

With six support personnel now provided under the CASU mechanism, not only has staff morale improved, but we are also now in a better position to attend to critical technical issues and time-sensitive requirements. We propose, in FY 02 and FY 03, to expand our use of the CASU mechanism to acquire technical staff as well (assuming AA/M concurrence). We are planning this action within the non-direct-hire (program funded) ceiling of 45 positions established in FY 01. The only extraordinary personnel request in this R4 is for five new USDH positions to be funded with Administrative Expenses (AE) in the Office of Development Credit.

The Center was home in FY 00 to a total of nine New Entry Professionals. We plan to have up to fifteen on-board in FY 01. The arrival of the NEPs and the continued decline in experienced USDH technical staff in the field led the Center, in FY 00, to take the leadership to create an Economic Growth Officers' Training Course. This Course is intended to provide all officers (USDH, PSC, and FSN) in three separate backstops (BS-10, agriculture; BS-11, economist; and BS-21, private sector) with a common "core competency" training experience. By cross-training staff across the range of issues and technical areas that an "economic growth" officer needs to deal with, we hope to bring the average level of skills up to a higher level. 38 professionals completed the first session of the Course, held in the first quarter of FY 01. Three more Courses are planned for FY 01 as demand has been so great.

As usual, this R-4 exercise has provided an opportunity for serious reflection on our efforts to date. We are pleased with our successes in institutional and organization development and are proud of our role in making the world a better place for millions of people. As we look to the future, we will continue to support USAID's efforts to provide global leadership for economic growth, agricultural development, and poverty reduction, by underwriting innovative research and providing strong technical support for field programs. We remain committed to the vision of building and supporting a global community of interests working together to promote prosperity in which all countries share, increase productivity, reduce hunger, and foster the broad participation of poor households and individuals in the process of economic growth.

Please Note:

The attached FY 2003 Results Review and Resource Request ("R4") was assembled and analyzed by the country or USAID operating unit identified on this cover page.

The R4 is a "pre-decisional" USAID document and does not reflect results stemming from formal USAID review(s) of this document.

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Glossary

AAAS - American Academy for the Advancement of Science
ABSP - Agricultural Biotechnology Sustainability Project
AFS - Office of Agriculture and Food Security
AIMS - Assessing the Impact of Microenterprise Services
APAP - Agricultural Policy and Analysis Project
ASARECA - Association for Strengthening Agricultural Research in East and Central Africa
ATRIP - Africa Trade and Regional Investment Program
AVDRC - Asian Vegetable Research Development Center
BASIS - Broadening Access and Strengthening Input Market Systems
BD - Office of Business Development
BDS - Business Development Services
BIFAD – Board for International Food and Agricultural Development
CAER - Consulting Assistance in Economic Reform
CASP - Collaborative Agribusiness Support Project
CCI - Climate Change Initiative
CDP - U.S.-Israel Cooperative Development Program
CDR - U.S.-Israel Cooperative Development Research Program
CGAP - Consultative Group to Assist the Poorest
CGIAR – Consultative Group on International Agricultural Research
CI - Office of Credit and Investment
CIAT - International Center for Tropical Agriculture
CIFOR - Centre for International Forestry Research
CIMMYT – International Maize and Wheat Improvement Center
CRSP - Collaborative Research Support Program
DA - Development Assistance
DCA - Development Credit Authority
DOC - Department of Commerce
DOL - Department of Labor
DOS - Department of State
EGAD - Economic Growth and Agricultural Development
EM - Office of Emerging Markets
ESF - Economic Support Fund
EU - U.S.-European Union
FAO - Food and Agricultural Organization
FSVC - Financial Services Volunteer Corps
GCC- Global Climate Change
GHAI - Greater Horn of Africa Initiative
GIS - Geographical Information System
GMOs - Genetically Modified Organisms
GTN - Global Technology Network
HIID - Harvard Institute for International Development
IARCs - International Agricultural Research Centers
ICARDA - International Center for Agricultural Research in the Dry Areas
ICLARM - International Center for Living Aquatic Resource Management
ICRAF - International Center for Research on Agroforestry
IEE - Initial Environmental Examination
IESC - International Executive Service Corps
IFAD - International Fund for Agricultural Development
IFDC - International Fertilizer Development Center
IGAD - Intergovernmental Authority for Development
IGP - Implementation Grant Program
IITA - International Institute of Tropical Agriculture

IMF - International Monetary Fund
INTSORMIL - International Sorghum and Millet CRSP
IPR - Intellectual Property Rights
IQC - Indefinite Quantity Contract
IR - Intermediate Result
IRIS - Center for Institutional Reform and the Informal Sector (U. MD)
MASHAV - The Development Cooperation Unit of the Israeli Ministry of Foreign Affairs
MC - Management Control
MD - Office of Microenterprise Development
MERC - Middle East Regional Cooperation Program
MFI - Microfinance Institution
MIP - Microenterprise Innovation Project
MSED - Micro and Small Enterprise Development program
NAS - U.S. National Academy of Sciences
NEP - New Entry Professionals
OFDA - Office of Foreign Disaster Assistance
NGO - Non-Government Organization
OECD/DAC - Organization for Economic Cooperation and Development/ Development, Assistance Committee
PFID - Partnerships for Food Industry Development
RAISE - Rural and Agricultural Incomes with a Sustainable Environment
RIIS - Regional Integrated Information System
RSSA - Resource Services Support Agreement
SANREM - Sustainable Agriculture and Natural Resource Management
SEEP - The Donors' Committee on Small Enterprise Development
SEGIR - Supporting Economic Growth and Institutional Reform
SME's - Small- and Medium-sized Enterprises
SO - Strategic Objective
SPARE - Strategic Partnership for Agricultural Research and Education
UNDP - United Nations Development Program
USDH - U.S. Direct Hire Employee
WDR - World Development Report (World Bank publication)

Overview Factors Affecting Program Performance

I. Overview

For the Global Bureau's Center for Economic Growth and Agricultural Development (G/EGAD), FY 2000 proved to be a year of new beginnings, responding to the constantly-evolving economic, political, and social challenges being faced by developing and transition countries. From the wreckage of Seattle following the Ministerial Meeting of the World Trade Organization (WTO), we built a closer relationship with the U.S. Trade Representative's Office (USTR) and the Department of State to bring the development perspective to trade policy formation. In return, we gained new insight on the ways that trade policy concerns can be better integrated into development policy perspectives; we worked with Missions to mainstream trade into development programs and with the private sector to complement development assistance with direct support from self-interested private companies. From the impending funding crisis facing the operations of the Consultative Group on International Agricultural Research (CGIAR), we built a new relationship with the World Bank and the 53 other donors to the CGIAR as well as the sixteen international agricultural research centers (IARCs) supported by the CGIAR, to develop a consensus on ways to avert a crisis. Faced with a continued problem of food insecurity in Africa, we joined with others in the public-private Partnership to Cut Hunger in Africa to create a new policy awareness of the issues -- both in Africa and in the United States. From the success of strategies to build financially viable microfinance institutions, we began to address the challenge of providing financially sustainable business development services to microentrepreneurs.

These new initiatives -- on trade, agricultural research, hunger, and a broader microenterprise agenda -- have engaged the Center in new partnerships with public organizations, non-government organizations, universities, and private firms and associations. Some of these partnerships have been formalized -- in grants, contracts, and memoranda of understanding -- while others continue to grow through informal contacts and exchanges of information.

Staff time and expertise is critical in leading and supporting these relationships. We have been fortunate, in FY 00; to participate in the Agency's rebuilding of its technical expertise. We hosted nine New Entry Professionals (NEPs) as they begin their careers with the Agency in FY 00. Even this boost in personnel, however, has not been adequate to compensate for departures. G/EGAD, therefore, took the initiative in FY 00 to develop an Economic Growth Officers Training Course. This Course will provide a cross-training opportunity to staff (personal service contractors and Foreign Service Nationals as well as U.S. direct-hires) from three backstops (agriculture, private sector, economics), enabling them to be conversant in the wide variety of issues they are likely to be asked to deal with in the typical Mission "economic growth" office in this short-staffed era.

We also moved toward finalizing our FY 2002-2010 Strategic Plan. Building on the revised Strategic Framework presented in last year's R-4, we refined it to better reflect G/EGAD's manageable interests and the level of resources that we now anticipate will be available. We use this new Strategic Framework to present our Resource Request here, expecting that the new Plan will be approved before the FY 2003 Budget Justification is actually submitted. We remain confident that, with the requested level of resources, the Center can provide the technical leadership and field support expected of it. We also project that the outcome of our efforts will be a stronger Agency, more effective programs in the developing and transitional countries and continued development of "the fields" in which we are engaged. Specifically, these areas include: trade; private sector development including agribusiness; financial sector development, including expanded use of credit; public sector governance; legal and institutional reform; science and technology development for food and agriculture, including in the Middle East; policy and institutional reform to reduce hunger and poverty; microfinance; and microenterprise development.

II. Summary of Accomplishments

The Center's Results Report uses the "bridge" Strategic Framework developed in FY 99 - 00 to present our accomplishments for FY 00. This Framework relates to the Agency's Goal One (Broad-based economic growth and agricultural development encouraged) and the three Strategic Objectives associated with this goal (development of critical private markets, agriculture and food security increased, and access to economic opportunities for the poor). In addition, it should be noted that our program relates in part to objectives associated with childrens' nutrition and sustainable use of natural resources in agriculture. In FY 00, we undertook a more thorough revision of our Strategic Framework; it will be reviewed simultaneously with this R4. We have, therefore, used the new Strategic Objectives to present our Resource Request below.

Key accomplishments in FY 00 were:

- **Trade program development.** Center staff coordinated the preparation of background materials for the November, 1999, World Trade Organization (WTO) Ministerial in Seattle, Washington and participated in the meetings, including a successful presentation of the Global Technology Network at one of the side meetings chaired by the AA/ANE and Governor of Idaho. We prepared briefing materials and supported the Deputy Administrator of USAID, Hattie Babbitt, in her role as Chief of the U.S. Delegation to the UNCTAD IX meeting in Thailand. At the request of the National Economic Council, we conducted a survey of all U.S. Government support for trade capacity-building to developing and transition countries and completed the report for distribution at the Okinawa G-8 meeting in July, 2000.
- **Agricultural public-private partnerships.** Programs that increase small farmers' incomes in developing countries and increase the quality of products available to U.S. consumers are the kind of win-win approaches that can be achieved through public-private partnerships. In October 2000, the AID Administrator and representatives of the U.S. specialty coffee industry formalized this partnership.
- **University collaboration.** A sub-committee of the Board for International Food and Agriculture Development (BIFAD) was established to provide a means for regular consultations with the university community on agricultural research and program priorities. The Strategic Partnership for Agricultural Research and Education (SPARE) has already played a role in reviewing plans for renewing some of the Collaborative Research Support Programs (CRSPs). Passage of revised Title XII language in FY 00 will also strengthen USAID-university relationships; G/EGAD staff worked with BIFAD and initiating universities (especially Texas A and M) to make sure USAID interests were reflected in the proposed language. CRSP activities continued to produce a stream of results of use in both developing countries and the United States. Some examples include: a technique for solarization of rice seedling nursery soil and fungal control was introduced by the Soil Management CRSP and boosted rice yields by 30 percent in Bangladesh; the Bean/Cowpea CRSP team at the University of Nebraska released a rust resistant pinto bean named "Chase" that has already provided more than \$5 million of benefits in higher yields and reduced use of pesticides; and forage sorghums with higher digestibility, developed under the INTSORMIL CRSP, provided over \$17 million benefits to Texas cattle producers in 2000.
- **Microenterprise development.** Initiatives to increase microentrepreneurs' access to commercially-provided business development services were launched, both within the USAID-managed programs and in concert with other donors in the sector. The partnership supporting the Microenterprise Initiative has thus been broadened beyond the traditional nongovernmental microfinance institutions to include a whole new set of skills and perspectives. Recognition of the valuable client-oriented research being undertaken by the Center was reflected in the invitation of the authors of the World Development Report 2001 to submit an article on micro-borrowers' risk and vulnerability.
- **Mission support.** Use of the SEGIR IQCs continued to rise, with more than \$120 million in procurement completed through the program in FY 00.
- **Building Agency staff.** The Center developed and tested the first, integrated in-service training course, targeted at standardizing core competencies among staff in three targeted backstops (Backstops 10, 12, 21). Evaluation scores were high and three courses were requested for FY 01.

III. Factors Affecting G/EGAD Performance in FY 00

Three factors affected G/EGAD performance in FY 00: budget allocation procedures that resulted in little budgetary flexibility, especially for the support of activities in the Office of Emerging Markets; staff turnover and staffing delays; and extraordinary leadership on key issues by dedicated staff.

Budget Allocation

The impact of the Agency's budget hydraulics in FY 00 resulted in a very small budget allotment for the Office of Emerging Markets (EM). Programs had to be wound up and closed out and there was little room for entering into new partnerships on any scale. Only very small activities to initiate the Economic Management Development Advisors Program (EMDAP) and a partnership with the Financial Services Volunteer Corps (FSVC) were possible. Funding in pipelines with various SEGIR contractors was reprogrammed to cover budget needs to support the development of material relating to Agency initiatives in trade capacity-building and the broader trade-for-development dialogue. The Office was able to respond to the request for USAID to complete a survey of all USG trade capacity-building activities only because the Administrator's Office provided additional funding for the research, editing, and printing of the documents. We made creative use of the rehired annuitant mechanism to cover program management needs (the vacancy of the Office Chief) without incurring additional program funding costs.

The Office of Business Development was able to deal with the budget constraints in that area by tapping external resources, e.g., ESF funding to expand the Africa field presence to support Global Technology Network (GTN) operations there, mission funding (Egypt, Mongolia) to support country-focussed business exchange activities.

The Office of Agriculture and Food Security (AFS) was required to absorb an additional \$2 million in its CRSP earmark; a useful workshop on impact assessment was held in July 2000 and pointed the way to use of this additional funding for comparable work across CRSPs on using georeferenced systems for impact reporting. We were unsuccessful in getting Congressional approval for more flexibility in the way that the Dairy Directive funding was programmed. Concurrence to proceed with the Partnership for Food Industry Development (PFID) was finally obtained, however, and that competition for two university-led "leader grants" was completed in FY 00.

Staff Changes

The usual amount of staff turnover was accelerated in FY 00 as both Chief and Deputy of AFS were replaced near the end of the year. The BIFAD Federal Officer position was also assumed by an incoming FS staffer, necessitating another round of change, even as several issues on BIFAD management came up. The position of Chief, Office of Emerging Markets was vacant for more than six months pending the arrival of the selected candidate who was on training at the War College for the year. Two vacant staff positions in EM were advertised repeatedly in FY 00. No serious applications were submitted, leaving the SEGIR management team severely understaffed.

As noted, our ability to fill the vacant EM Chief slot on a temporary basis with a rehired annuitant proved critical to maintaining the momentum on development and management of an expanded trade capacity-building effort. And an additional rehired annuitant provided the necessary expertise to provide oversight on the development and implementation of the Economic Growth Officers' Course.

Four agriculture NEPs were headquartered in the Center throughout the year, and six new private sectors and economist NEPs joined the Center in September, 2000. Since each NEP requires an individual supervisor and additional mentoring by other Center staff, this placed an additional workload on a number of staff members.

Recruitment of five RSSA personnel for the Microenterprise Office finally got into full swing in FY 00, as USDA agreed to pursue a university partnership mechanism to tap into the necessary talent pool. The

inability of USDA to accelerate the security clearance process, however, has meant that the Center has not yet fully benefited from this significant increase in expertise.

Extraordinary leadership

While there were several cases of extraordinary technical leadership among the Center staff in FY 00, three of them had -- or will have -- wide impact on the Center's program and its capacity to produce results.

The Supervisory Program Officer built an entirely new USDH program support staff to serve all Offices in the Center and embarked upon staff development efforts to mold them into a functioning team. She also coordinated closely with the Center for Population, Health, and Nutrition to propose a staffing innovation, the use of the Collaborating Agency Support Unit (CASU) approach. This allowed us to acquire six security-cleared support staff within a month; the impact on morale and Office operations is tangible.

The Chief of the Office of Development Credit (with significant support from the Center Deputy and the Global Bureau's General Counsel as well as leadership from the G Front Office put together a consolidated credit team that, in its first year of operation, successfully launched the Development Credit Authority (DCA) in FY 00. The first projects involved substantial mission commitments in all regions. Training courses and constant communications both within the Agency, with the Office of Management and Budget, and with Congress helped to ensure the development of a coherent vision as to how the DCA could complement the more traditional grant programs of the Agency.

The Chief of the Office of Microenterprise Development in FY 00 not only played a personally important role in launching the business development services component of the Microenterprise Initiative, but she and her team worked hard with the members of Congress and the Microenterprise Coalition on the drafting of authorization legislation that, in mid-summer 2000, became the Microenterprise Development and Anti-Corruption Act. This required constant communication with all segments of the Coalition and a clear understanding of what the Agency could accomplish. The bill is one that stretches the Agency in certain ways but incorporates other changes in thinking about microenterprise (e.g., different "poverty loan" definitions in different regions) that are consistent with Agency best practice.

IV. Factors Affecting G/EGAD's Future Performance

The factors that affected our performance in FY 00 are likely to continue to affect our future performance, budget, of course, being a principal one but staffing running a close second. The allocation of the FY 01 budget addressed the needs of the Center to support trade capacity-building work throughout the Agency and a significant new program is being designed to provide both technical leadership and focussed field support in this area. The allotment of a small amount of Global Bureau funding permits the Office of Microenterprise Development for the first time since 1998 to fund truly global activities with central funding (rather than diverting regional bureau contributions). Budget flexibility as well as volume is needed to support an appropriately-focussed agricultural program.

The creativity and professionalism of the staff continues unabated. We look to such efforts to result in FY 01 accomplishments in, for example, addressing the issues surrounding development of carbon credit markets in developing and transitional countries and ramping up support for biotechnology in agriculture. Expanded use of the CASU mechanism for technical staff should help to meet some of the professional needs not well-suited to the RSSA approach. Some additional USDH staff decisions will need to be taken to ensure appropriate mixes of talent for new program areas.

Additional factors might also play into G/EGAD's future performance: the change of Administration; the pace of NEP throughput; the designation of several new BIFAD members; the outcome of the various international trade meetings; and the environment for collaboration with other USG agencies as well as other donor organizations.

G/EGAD plans to continue to invest considerable effort in strengthening relationships with private partners as well as the university community. These are staff-intensive, however, and will be constrained by overall on-board personnel strengths.

933-003 Appropriate and functioning economic policies, market reforms, and institutions are developed to accelerate economic growth in emerging markets

Country/Organization: Center for Economic Growth and Agricultural Development

Objective ID: 933-003

Objective Name: Appropriate and functioning economic policies, market reforms, and institutions are developed to accelerate economic growth in emerging markets

Self Assessment: Exceeding Expectations

Primary Links to Agency Strategic Framework: **(Please Assign Percentages, Total Equals 100):**

75% 1.1 Critical private markets expanded and strengthened
0% 1.2 More rapid and enhanced agricultural development and food security encouraged
0% 1.3 Access to economic opportunity for the rural and urban poor expanded and made more equitable
0% 2.1 Rule of law and respect for human rights of women as well as men strengthened
0% 2.2 Credible and competitive political processes encouraged
0% 2.3 The development of politically active civil society promoted
25% 2.4 More transparent and accountable government institutions encouraged
0% 3.1 Access to quality basic education for under-served populations, especially for girls and women, expanded
0% 3.2 The contribution of host-country institutions of higher education to sustainable development increased
0% 4.1 Unintended and mistimed pregnancies reduced
0% 4.2 Infant and child health and nutrition improved and infant and child mortality reduced
0% 4.3 Deaths, nutrition insecurity, and adverse health outcomes to women as a result of pregnancy and childbirth reduced
0% 4.4 HIV transmission and the impact of the HIV/AIDS pandemic in developing countries reduced
0% 4.5 The threat of infectious diseases of major public health importance reduced
0% 5.1 Threat of global climate change reduced
0% 5.2 Biological diversity conserved
0% 5.3 Sustainable urbanization including pollution management promoted
0% 5.4 Use of environmentally sound energy services increased
0% 5.5 Sustainable management of natural resources increased
0% 6.1 Urgent needs in times of crisis met
0% 6.2 Personal security and basic institutions to meet critical intermediate needs and protect human rights re-established

Link to U.S. National Interests: Economic Prosperity

Primary Link to MPP Goals: Economic Development

Secondary Link to MPP Goals (optional): Global Growth and Stability

(Page limitations for narrative begin here):

Summary of the SO:

Sustained economic growth cannot occur without good public policies and institutions providing a favorable framework for private initiative. USAID missions advise host governments on the structure of policies and institutions conducive to economic and social development and provide capacity-building and financial support needed to act on this advice. Initiatives undertaken are as diverse as the individual country environments. Yet, with an increasingly global economy and an increasing volume of international

trade and financial flows, there are common issues to be addressed and a degree of convergence on "best practices" that might resolve them effectively.

The Agency's understanding of institutional and policy reform as an essential element of sound development strategy is much deeper now than it was five years ago. Our awareness of the important synergies between poverty reduction programs, trade policy, legal systems, agricultural policy, the role of technology, education and workforce development has evolved significantly with work on the Center's (G/EGAD's) Strategic Objective 3.

Key Results:

Organizational and Institutional Leadership

The Center brought to a close in FY 00 a ten-year relationship with several universities and think tanks participating in the Harvard University-led consortium project, Consulting Assistance in Economic Reform (CAER). It was this consortium that conducted pathbreaking research on the correlations between economic growth and poverty reduction; demographic change, economic policy, and income growth; climate change and growth; and economic performance and the Asian financial crisis. Since the lead organization, the Harvard Institute for International Development (HIID), was disbanded in FY 00, G/EGAD has assured continued availability of the analyses by including them on our own website as well as on the website created by the project itself. All CAER discussion papers (80 plus) and the text and audio recording of the DA21 Conference (Development Assistance in the 21st Century: Challenging the Conventional Wisdom on Assistance and Development) are posted. The CAER (HIID) website is being accessed daily by researchers from around the world. 1500 copies of the material were also made available worldwide on CD ROM.

The Center's contractual relationships with more than 250 U.S. firms, universities, and institutes through the Supporting Economic Growth and Institutional Reform (SEGIR) facility were supplemented in FY 00 with the negotiation of Indefinite Quantity Contracts (IQCs) in the macroeconomics area with four consortia. In FY 00, regional bureaus and Missions tapped the SEGIR IQCs for more than \$128 million worth of services in all component areas (privatization, legal and institutional reform, general business, trade and investment, financial sector development, and macroeconomics). By providing advice and comments on the scopes of work for these activities, G/EGAD staff added value to mission efforts as well as accelerating timely access to the services needed by dozens of our customer organizations in developing and transition countries.

G/EGAD awarded a new cooperative agreement in FY 00 to the International Institute for Education to operate EMDAP (Emerging Markets Development Advisors Program) for five years. IIE had successfully implemented the FMDAP (Free Markets Development Assistance Program) for almost ten years, providing MBA students with on-the-job experience in business management in more than 100 countries around the world. The new cooperative agreement will both extend the partnership and broaden it to include a wider range of advisors.

Technical Leadership

Using its limited budgetary resources for the cost-effective provision of technical leadership, the Office of Emerging Markets (EM) has succeeded in developing models, tools, methods, products and services that can be employed in different country situations in support of institutional and organizational development for economic growth.

In FY 00, G/EGAD met its technical leadership target by developing and/or field-testing four additional new analytical and training tools. Continued use of the Investor Roadmap demonstrated the value of "old" tools in different countries.

--Information Technology Assessments. Developed under the Legal and Institutional Reform Component of the SEGIR Project with the aim of addressing the international "digital divide," a standard format for the

conduct of information technology assessments was made available to USAID Missions in FY 00. These assessments consider factors like information-technology infrastructure, the policy environment, human resources and the involvement of the private sector. Three missions have completed such assessments to date.

--Risk Management Computer-Based Training Course. The course, at an introductory level, trains on how to manage a spectrum of bank risk: credit, liquidity, foreign exchange, interest rate, price. One module is aimed at central bankers, the other at commercial bankers. Both modules have already been tested in Poland and Romania. The Computer-Based Training CDs will be announced on the G/EGAD website and given to the field in FY01. Institutional development encompasses reduction in corrupt practices and greater transparency and accountability.

-- Through the Financial Sector component of SEGIR, we supported the preparation of some broader bank training materials in Thailand. The modules have already graduated about 1200 bank staff, and, as they included the training of trainers, there is the possibility of reaching 1800 more. The next country for these modules is likely to be Indonesia. Also under this component of SEGIR, an economic principles course was developed to educate young professionals and to deepen the knowledge of university teachers. These two efforts should significantly raise the quality of professionals available to banking and higher education.

--An Approach to Trade-Capacity Needs Assessment. In the preparation for the Seattle Ministerial Meeting of the World Trade Organization (WTO), USAID provided analytical input into the inter-Agency process but was not seen as providing important support to achievement of the U.S. objectives in trade negotiations. Seattle made clear that the developing countries were prepared to demand a greater role in establishing the rules for trade in the future and that the ability of the U.S. and other developed countries to provide technical assistance and funding for capacity-building activities that would enable developing countries, particularly the Least Developed Countries (LDCs), to accede to the WTO and be competitive in global trade, was important to the process of global trade negotiations. The US Trade Representative and the WTO, therefore, asked USAID for support to the multilateral Integrated Framework (for providing technical assistance to the Least Developed Countries) The Office of Emerging Markets responded by working with the Mission in Zambia in FY 00 to initiate the development of a trade-capacity needs assessment pilot that combined the advantages of a bilateral program (on-the-ground presence and grant technical assistance) with those of the multilateral framework. The conclusion of the pilot (completed in early FY 01) is that needs assessment needs to be thoroughly integrated into the national development planning process. Since that process in LDCs is now closely allied by the Poverty Reduction Strategy process, it became clear that the trade needs assessment tools and approaches needed to be built into the Poverty Reduction Strategy Paper guidance being developed by the World Bank.

EM staff also completed a survey of US initiatives to build trade-related capacity in response to White House interest in supporting the July, 2000, G-8 discussion of trade issues in Okinawa. The survey attempted to inventory all programs and activities of US Government (USG) agencies that build the capacity to participate in international trade. The survey highlights key initiatives and illustrates the types of trade-related activities supported by the USG. The magnitude of the results were somewhat surprising. The survey showed an estimated \$600 million in USG financing had been committed over three years (about two-thirds of which represents commitments by USAID). This implied a substantially greater magnitude and coverage than many readers had anticipated and changed perceptions in other USG agencies as to the importance of USAID assistance to developing and transitional countries in this area.

Field Support

The Center's Emerging Markets Office exceeded its field support targets in 2000 by 120 percent, providing 44 person weeks of TDY services to field missions. Most frequently, EM staff assisted in the design of new strategies for private sector development, aided by internet capabilities. Contracted staff such as RSSAs and AAAS fellows raised TDY service provision well above the target.

The field support extended by the SEGIR facility has already been noted. In FY 00, EGAD provided oversight on the design and implementation of 100 SEGIR delivery orders, with a total value of \$128 million. Analysis of the pattern of utilization showed that General Business, Trade, and Investment accounted for 56% of the total value, Financial Services for 37%, Legal and Institutional Reform for 4%, and Privatization for 3%. (Macroeconomics, the newest component of SEGIR, accounted for less than 1%.)

Direct Development Impact

As a direct result of the application of one G/EGAD-developed tool, the Investor Roadmap, the US Ambassador recognized two Romanian cities for reducing the number of regulations imposed on the development of private businesses. The cities, Giurgiu and Timisoara, were the first to complete a "Five Steps to Simplified Business" program. Eighty cities across Romania are non participating.

CAER II has had an important direct development impact in four countries. While the credit for this naturally needs to be shared among many parties, in these four cases direction from the Office of Emerging Markets was critical. Consequently, in Angola a new foreign investment law is ready for enactment. In Bulgaria, the Agency for Economic Analysis and Forecasting, an arm of the Ministry of Finance, raised in the past two years the quality and sophistication of its policy research, considering issues like competitiveness, the shadow economy, inflation and leading indicators. In Madagascar, there is a strategy for the financial sector's broadening and deepening, and the World Bank will draw on it to design a financial sector project. In Ukraine, with a government determined to rein in the shadow economy, the Ministry of the Economy drew on CAER research to prepare a program in response.

Performance and Prospects:

Given the severe budget constraints that EM faced in FY 00, the performance of the Office in achieving its Strategic Objective was significantly better than expected. The development and introduction of new tools and approaches and the staff members' proactive participation in both inter-Agency forums and missions' portfolio management all demanded significant expertise and substantial creativity.

Prospects for the use of EGAD's off-the-shelf tools and analytical approaches are good and demand for SEGIR products remains steady. Prospects are good for development of new cutting-edge tools and analytical approaches, especially to advance the emerging trade-related agenda. Future tools and analytical approaches should be more sharply focussed.

We anticipate that the United States will continue a long term interest in enhancing the participation of the Least Developed Countries in the global trading system. We expect that G/EGAD will remain the Agency's focal point for trade capacity building, and, we intend to build our own capacity to play this role. One program funded staff member will be recruited to help lead our efforts. Also, in FY 01, we plan to put into place a long term technical assistance contract to serve as a resource for surveys, pilots in the field, and trade-related analyses.

Possible Adjustments to Plans:

The Agency has committed itself to supporting developing countries' capacities to accede to the World Trade Organization (WTO), comply with its rules, compete successfully in the global economy, and, in general, benefit from expanded global trade. This commitment requires an expanded Agency role in trade-policy capacity building and in supporting areas such as public governance and financial services. If the level of funding made available in FY 01 is continued, the Center will take the opportunity to coordinate more closely the resources not only of the Office of Emerging Markets, but also those of the Offices of Business Development and Agriculture and Food Security. Agriculture and trade in services (including e-commerce) are part of the "built-in" agenda for the WTO and negotiations in those areas will require both broad expertise on trade policy and capacity-building as well as the more specialized knowledge of the sectors.

Other Donor Programs:

The International Finance Corporation (IFC) is a major user of USAID's Investor Roadmap tool. The IFC funds a substantial portion of business environment mapping work being carried out in several developing countries. Coordination on substantive areas such as privatization and financial sector reform is on a continuous basis with multilaterals such as the World Bank, Asian Development Bank, Inter-American Development Bank, and others. Trade issues are the subject of collaboration with the WTO, UNCTAD, and the World Bank. Coordination with the European Union and with bilateral donors through the OECD/DAC on economic growth issues is excellent and growing stronger.

Major Contractors and Grantees:

Some 30 prime contractors and nearly 250 subcontractors and resource groups participate in the program. The Institute for International Education administers the Emerging Market Development Advisors Program. An agreement with the Financial Services Volunteer Corps (FSVC) provides a mechanism for financial and legal assistance and an Inter-Agency Agreement with the Securities and Exchange Commission provides assistance to capital market development.

Performance Data Table Fiscal Year: FY2003

Objective Name: Appropriate and functioning economic policies, market reforms, and institutions are developed to accelerate economic growth in emerging markets

Objective ID: 933-003

Approved:

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 3.4 Technical leadership

Indicator: New tools developed by the Office of Emerging Markets (EM).

Disaggregated By:

Unit of Measure: Number of new development tools created by EM.

Year	Planned	Actual
1998	2	3
1999	3	3
2000	2	4
2001	3	NA
2002	3	NA
2003	3	

Source:

Office of Emerging Markets data base.

Indicator/Description:

A model new tool or methodology developed to analyze or reform a specified policy regime.

Comments:

Four tools were introduced in FY 2000:

- 1) Format for conducting information technology (IT) assessments.
- 2) International accounting standards course (Risk Management).
- 3) Trade-capacity needs assessment.
- 4) Bank training course.

Performance Data Table Fiscal Year: FY2003

Objective Name: Appropriate and functioning economic policies, market reforms, and institutions are developed to accelerate economic growth in emerging markets

Objective ID: 933-003

Approved:

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 3.5 Field support

Indicator: Mission usage of staff from the Office of Emerging Markets (EM).

Disaggregated By:

Unit of Measure: Person weeks of staff TDYs

Year	Planned	Actual
1998	40	43
1999	40	73
2000	40	44
2001	40	NA
2002	40	NA
2003		

Source:

EM Office Travel Authorization files

Indicator/Description:

Technical support that promoted stronger technical design and implementation or technical support that delivers assistance in a more efficient manner. (The number of person weeks was calculated by converting person-days to weeks.)

Comments:

Data limitation: Travel Authorization data are readily available, but TDY quality is often undocumented and subjective. Note: Years are Fiscal Years.

Performance Data Table Fiscal Year: FY2003

Objective Name: Appropriate and functioning economic policies, market reforms, and institutions are developed to accelerate economic growth in emerging markets

Objective ID: 933-003

Approved:

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 3.5 Field support

Indicator: The number of delivery orders processed by the Office of Emerging Markets (EM).

Disaggregated By:

Unit of Measure: Number of delivery orders

Year	Planned	Actual
1998	100	115
1999	100	93
2000	100	100
2001	100	NA
2002	100	NA
2003	100	

Source:
EM Data Base

Indicator/Description:

A delivery order is a mission- funded contract negotiated against an IQC competitively awarded by EGAD/EM. EGAD/EM and Mission staff collaborate to define the scope of work and selection of the most appropriate IQC.

Comments:

Data Limitation: There is no centralized agency systematic collection of consolidated data on delivery orders. EM has set up an unofficial proxy data system. However, it is heavily dependent upon input from the contractors themselves. Note: Years are fiscal years.

Performance Data Table

Fiscal Year: FY2003

Objective Name: Appropriate and functioning economic policies, market reforms, and institutions are developed to accelerate economic growth in emerging markets

Objective ID: 933-003

Approved:

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 3.6 Direct development impact

Indicator: Development impact as a result of using products and services from the Office of Emerging Markets (EM)

Disaggregated By:

Unit of Measure: Adoption or implementation of policy recommendation stemming from direct intervention by EGAD/EM or by a mission using an EGAD/EM provided product or service

Year	Planned	Actual
1998	2	2
1999	2	3
2000	2	5
2001	4	NA
2002	5	NA
2003		

Source:

Mission reports

Indicator/Description:

Numbers of policies changed plus number of activities implemented as a result of EGAD/EM leadership indicates potential direct development impact.

Comments:

In FY 00, the following were reported:

- 1) Romania: 5 steps to simplified business
- 2) Angola: new foreign investment law
- 3) Bulgaria: strengthened policy research on competitiveness and shadow economy
- 4) Madagascar: strategy and financial sector project
- 5) Ukraine: program to reduce shadow economy

Performance Data Table Fiscal Year: 2003

Objective Name: Appropriate and functioning economic policies, market reforms, and institutions are developed to accelerate economic growth in emerging markets

Objective ID: 933-003

Approved: Introduced in FY 200

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: 3.4 Technical leadership

Indicator: Tools applied by USAID Bureaus and Missions and other users

Disaggregated By:

Unit of Measure: Number of development tools adopted by users.

Year	Planned	Actual
FY1998	2	3
FY1999	3	2
FY2000	2	4
FY2001	3	
FY2002	3	
FY2003	3	

Source:

Office of Emerging Markets files

Indicator/Description:

A model tool or methodology is applied by a practitioner organization to analyze or reform a specified policy regime.

Comments:

Four tools were applied in FY 2000 and prior years:

- 1) Workforce Development (applied in Egypt, South Africa, and Sri Lanka)
- 2) Country Competitiveness Model (applied in Armenia, Croatia, Dominican Republic, Macedonia, Mongolia, Romania)
- 3) Investor Roadmaps (applied in Djibouti, Jamaica, Malawi, Morocco/Phase II)
- 4) IT Assessments (applied in Albania, Morocco, and Sri Lanka)

Data Limitation: Adoption of models can only be verified with Mission feedback.

SO Text for SO: 933-002 Improved food availability, economic growth and conservation of natural resources through agricultural development

Country/Organization: Center for Economic Growth and Agricultural Development

Objective ID: 933-002

Objective Name: Improved food availability, economic growth and conservation of natural resources through agricultural development

Self Assessment: Meeting Expectations

Primary Links to Agency Strategic Framework: **(Please Assign Percentages, Total Equals 100):**

10% 1.1 Critical private markets expanded and strengthened
20% 1.2 More rapid and enhanced agricultural development and food security encouraged
20% 1.3 Access to economic opportunity for the rural and urban poor expanded and made more equitable
0% 2.1 Rule of law and respect for human rights of women as well as men strengthened
0% 2.2 Credible and competitive political processes encouraged
0% 2.3 The development of politically active civil society promoted
0% 2.4 More transparent and accountable government institutions encouraged
0% 3.1 Access to quality basic education for under-served populations, especially for girls and women, expanded
10% 3.2 The contribution of host-country institutions of higher education to sustainable development increased
0% 4.1 Unintended and mistimed pregnancies reduced
0% 4.2 Infant and child health and nutrition improved and infant and child mortality reduced
0% 4.3 Deaths, nutrition insecurity, and adverse health outcomes to women as a result of pregnancy and childbirth reduced
0% 4.4 HIV transmission and the impact of the HIV/AIDS pandemic in developing countries reduced
0% 4.5 The threat of infectious diseases of major public health importance reduced
20% 5.1 Threat of global climate change reduced
20% 5.2 Biological diversity conserved
0% 5.3 Sustainable urbanization including pollution management promoted
0% 5.4 Use of environmentally sound energy services increased
30% 5.5 Sustainable management of natural resources increased
0% 6.1 Urgent needs in times of crisis met
0% 6.2 Personal security and basic institutions to meet critical intermediate needs and protect human rights re-established

Link to U.S. National Interests: Economic Prosperity

Primary Link to MPP Goals: Economic Development

Secondary Link to MPP Goals (optional): Environment

(Page limitations for narrative begin here):

Summary of the SO:

Increased agricultural productivity is a critical element in alleviating hunger, preserving the environment, enhancing trade, and promoting economic growth that reduces poverty and conflict. The Center (G/EGAD) pursues science- and technology-based solutions to increased agricultural productivity. Through alliances with universities, international research centers, the private sector, and nongovernmental organizations (NGOs), the Center helps bring the results of science to smallholder farmers and small rural businesses around the world. G/EGAD support for both scientific research and agribusiness development

is complemented by programs that improve the policy environment and human capacities of organizations in developing and transition countries.

Key Results:

Organizational and Institutional Leadership

The Center plays a major role in the operations of two well-established international research networks. One, supported by many donors, involves the sixteen international agricultural research centers funded by the Consultative Group on International Agricultural Research (CGIAR) at an annual budget level of approximately \$350 million. The second network, supported largely from USAID resources complemented by U.S. university contributions, facilitates the efforts of approximately 50 U.S. universities and their developing country partners in the research, training, and development activities that make up the Collaborative Research Support Programs (CRSPs).

In FY 00, the Center also competitively selected the two U.S. university-led consortia that will initiate the Partnerships for Food Industry Development (PFID) program and put in place new networks of specialists capable of supporting the establishment of science-based regulations and systems underpinning food safety management in the commercial food sector. In FY 00, we also formalized an alliance with the U.S. coffee industry, recognizing the alignment of interests in supporting developing country efforts to increase value-added for small farmers through increased competitiveness in global markets. We continued to develop a similar alliance with the U.S. cocoa/chocolate industry. Since coffee and cocoa exports from USAID partner countries total more than \$6 billion annually, working with industry to improve the quality of product at the farm level is one clear way to generate benefits for small farmers worldwide.

Given the breadth of impact that these global networks have, or will have, on agricultural productivity worldwide, G/EGAD values its participation in these partnerships not only for their direct impacts but also for the leverage that they provide for USAID resources. A recently-published impact analysis of more than 30 years of CGIAR research, for example, demonstrated that the products of this research led to two-thirds of all genetically-based agricultural productivity increases in developing countries. One-third of these increases came directly from farmers' use of CGIAR-developed varieties; another third from the use that others (especially in national agricultural research systems) have made of CGIAR genetic material in developing better varieties for local use. The same research, however, showed that the CGIAR activities leveraged greater investments in agricultural research and development (R&D) from national systems as well as enhancing the capacity of these systems through training.

This made an emerging financial crisis in the CGIAR system an issue of some concern in FY 00. While the funding levels have been stable for a few years, the grant contribution of the World Bank has increasingly come under fire and the European Union funding has been delayed and questioned as that organization has undergone significant organizational change. Center staff coordinated closely with the new CGIAR Chairman (a vice president at the World Bank) and other donor-members to develop an approach to the revitalization of the system. In addition to participating in various CGIAR governance mechanisms, we initiated the development of the Future Harvest Global Genebank Trust concept as a means for both increasing the stability of funding for the long-term preservation and dissemination of the world's largest collection of plant genetic material and reducing the financial burden of these genebanks on the annual operating budgets of the CGIAR Future Harvest centers. In addition, it became apparent that this Genebank Trust would be an excellent vehicle for seeking more support from nontraditional (i.e., private) donors to the CGIAR; a feasibility study has been launched to explore this option.

The CRSP network is continually evolving as well, both in terms of membership and activities. In FY 00, for example, CRSPs responded to new opportunities with outstanding scientific leadership. The Soils CRSP provided sound analysis and science policy advocacy in considering the options for developing country participation in the markets emerging for global carbon trading. The SANREM CRSP combined state-of-the-art work on Geographic Information Systems (GIS) applications with both physical and economic modelling to indicate the array of new opportunities for ex ante impact assessment. CRSP activities continued to produce a stream of results of use in both developing countries and the United

States. Some examples include: a technique for solarization of rice seedling nursery soil and fungal control was introduced by the Soil Management CRSP and boosted rice yields by 30 percent in Bangladesh.

Technical Leadership

In FY 00, G/EGAD and its partners provided technical leadership in a number of areas that had significant impacts on policy, scientific leadership, and agribusiness programs involving public-private alliances.

Policy: G/EGAD-supported market and nutrition research in Mali by the Food Security II project led to greater agricultural trade and the creation of one of the few multidisciplinary nutrition units in Africa to assess policy and program responses, the new Nutrition Policy Unit in the Ministry of Health. This kind of directly policy-relevant work is a hallmark of the FS II activity implemented by Michigan State University. The BASIS CRSP's policy research on failures and opportunities in rural credit markets was directly responsible for the President of El Salvador's complete reorganization of the national rural credit bank in August 2000; this should enable it to more effectively reach small farmers and rural poor people in that country. Continuing support to international research centers such as the International Food Policy Research Institute (IFPRI), the International Wheat and Maize Research Institute (CIMMYT), and the International Rice Research Institute (IRRI), culminated with the resounding success of Bangladesh achieving a "negative food deficit" this year. For decades, Bangladesh, a country of more than 130 million occupying a land area the size of Iowa, has been considered an agricultural basket case, doomed to continued reliance on food aid and charitable contributions. The steady increases in agricultural productivity have been nothing short of remarkable, demonstrating the effects of combined attention to both science (the rice-wheat rotation) and policy (moving to market incentives).

Scientific leadership: G/EGAD's Office of Agricultural & Food Security (AFS) provided technical leadership that led to scientific advances on carbon measurement during this period. Working collaboration with the WMO (World Meteorological Organization), FAO (Food and Agriculture Organization), and IFAD (International Fund for Agricultural Development), AFS initiated and organized a major conference in Geneva (August 2000) and two side-events at the international climate change meeting in Lyons (September 2000). In bringing together fifteen organizations and 70 scientists, AFS facilitated progress in technical and scientific measurement issues involved in project-based carbon sequestration in developing countries, advancing the dialogue on agriculture's role. The meetings were particularly influential in raising the level of scientific understanding regarding the level of technology available for scientific measurement, verification and certification of carbon.

Agribusiness leadership: The big story in FY 00 was the development of a G/EGAD-LAC-AFR alliance with the U.S. specialty coffee industry. This alliance links US firms with USAID-sponsored smallholder coffee producers to enable these producers to grow, process and export coffee that meets the exacting environmental and quality standards of a growing segment of the US market. In October 2000, a formal agreement was signed by industry representatives in the Specialty Coffee Association of America (SCAA) and the USAID Administrator in a ceremony at a Seattle's Best coffeeshop in Seattle. G/EGAD's approach to partnership with agribusiness has also leveraged significant U.S. private sector commitment to biotechnology in developing countries. In FY 00, an Egyptian partner (the Agricultural Genetic Research Institute) collaborated with American firms to acquire two US biotechnology patents that increase insect resistance and other favorable traits in Egyptian crops.

Field Support

Overcoming the drastic decline in agriculture staff and funding overseas, G/EGAD continued to provide opportunities for mission and regional bureau buy-ins through centrally-managed activities capable of providing a wide range of services. Thirty-three (33) Missions and other Bureaus transferred approximately \$15.5 million to G/EGAD for field support to their programs. The strong match of the G/EGAD global agricultural agenda and mission and regional bureau interests in achieving results in the field continues. Most significant evidence of interest in FY 00 was on public-private alliances, biotechnology work on science based regulations and capacity building, agribusiness and food security. Demand for assistance on agricultural policy instruments, however, weakened. Before any adjustments are pursued in this area,

G/EGAD will conduct a more thorough inventory and review of buy-in patterns in FY2001 to better understand what is driving current field support demand.

Performance and Prospects:

We will continue to play an important role in the networks mentioned above, particularly with regard to: developing the new CGIAR governance structure where we are respected active participants in the strategic planning and organizational reform debate; revitalizing some of the CRSPs that are currently up for renewal (using the newly-established Strategic Partnership for Research and Education --SPARE -- as a means for collaborative decision making with the university community); and aggressively seeking new partners through the PFID activity. Our biotechnology agenda will expand significantly, both to respond to the need and opportunities to harness biotechnology in the search for ways to reduce poverty and hunger and to reflect growing Congressional and private sector interest in this area.

In addition, we will explore how better to address the new opportunities presented by information technology and communications methods to expand the capacity of local institutions to develop policy and science knowledge and to reach poor farmers with relevant information about new technologies and markets. Problems associated with desertification, water scarcity, climate variability, and rural financial market failure are also high on the list of issues for which new initiatives are needed. Progress will depend on resource availability. Finally, building on very solid and fruitful partnerships between the G/EGAD team and the university, NGO, private sector, and research communities, we will jointly identify, design and launch mechanisms to strengthen and leverage such partnerships even further in ways that ensure results and accountability but minimize staff time. In particular, these mechanisms will guide the global outreach of our scientific and technological partners to support innovation by private firms, universities, NGOs, research institutes, and rural people that will help reduce hunger, improve income and increase trade.

Possible Adjustments to Plans:

Should agricultural biotechnology continue to receive budgetary earmarks greatly in excess of current obligations, staffing needs will have to be re-examined. Should the Partnership to Cut Hunger in Africa, a public-private, African-American policy dialogue in which G/EGAD staff have played several roles to date, produce an agenda for significantly expanded partnership in Africa, G/EGAD will need to work with the Africa Bureau and its partners to identify the resources that we can most usefully bring to the task. Should the reform in the CGIAR/Future Harvest system proposing the innovation of Global Challenge Programs be accepted, G/EGAD will need to reconsider its overall leadership and budgeting for the CGIAR support.

Other Donor Programs:

G/EGAD works with a wide range of donors, in particular in two areas. As one of 54 donors of the Consultative Group for International Agricultural Research (most of whom are country governments), G/EGAD engages in ongoing dialogue regarding technology leadership, ownership, governance and investment with the leaders in the donor community. In addition, G/EGAD continues to provide leadership to NGOs, donors and others concerned about effective approaches to poverty and hunger reduction in a variety of forums, ranging from the US Food Security Advisory Committee to the OECD/DAC to bilateral discussions and partnerships with the EU and Japan.

Major Contractors and Grantees:

G/EGAD partners include more than 46 US universities (mainly land grant universities) associated with the CRSPs, ABSP, FS II, and PFID; the international agricultural research centers (such as IRRI, IITA, and IFPRI); and a wide range of US firms involved in various IQC and other contract arrangements.

Performance Data Table Fiscal Year: FY2003

Objective Name: Improved food availability, economic growth and conservation of natural resources through agricultural development

Objective ID: 933-002

Approved: 6/97

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 2.1 Sustainable technologies and policies that enhance food availability developed and adopted

Indicator: Increased yields for targeted crops/commodities in selected countries - coarse grains

Disaggregated By:

Unit of Measure: Kilograms per hectare.

Year	Planned	Actual
1991 (B)	NA	1,654
1995	NA	1,860
1996	NA	1,999
1997	1,941	1,865
1998	1,947	2,065
1999	1,987	1,985
2000	2,041	1,915 (prelim)
2001	NA	NA
2002	NA	NA
2003	NA	

Source:
FAO

Indicator/Description:
Average combined yield of coarse grains (corn, barley, rye, oats, millet and sorghum), all developing countries.

Comments:
1) The baseline (B) represents a three-year average for the 1989-91 period. 2) The 2000 actual is a preliminary number. 3) Historical data for the 1970-2000 period are used to indicate trends. 4) Projections for 2001-2003 represent an increase of 1.35% over the average of the previous two years.

Performance Data Table

Fiscal Year: FY2003

Objective Name: Improved food availability, economic growth and conservation of natural resources through agricultural development

Objective ID: 933-002

Approved: 6/97

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: Improved food availability, economic growth and conservation of natural resources through agricultural development

Indicator: Increases in per-capita food production for all developing countries.

Disaggregated By:

Unit of Measure: Per-capita food production index.

Year	Planned	Actual
1991 (B)	NA	100
1995	NA	112.7
1996	NA	115.9
1997	115.6	117.7
1998	118.3	119.5
1999	119.8	121.2
2000	120.1	121.2
2001	122.7	NA
2002	123.4	NA
2003	124.5	

Source:
FAO

Indicator/Description:
Index of per capita food production: all developing countries.

Comments:
1) The index is based on price-weighted quantities of production. 2) The baseline index represents a three-year average for the 1989-91 period. 3) The 2000 actual is a preliminary number. 4) Historical data for the 1970-2000 period are used to indicate trends. 5) Projections for 2001-2003 represent an increase of 1.2% over the average of the previous two years.

Performance Data Table Fiscal Year: FY2003

Objective Name: Improved food availability, economic growth and conservation of natural resources through agricultural development

Objective ID: 933-002

Approved: 6/97

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 2.1 Sustainable technologies and policies that enhance food availability developed and adopted

Indicator: Increased food production for all developing countries.

Disaggregated By:

Unit of Measure: Food production index.

Year	Planned	Actual
1991 (B)	NA	100
1995	NA	123.1
1996	NA	128.6
1997	129.1	132.8
1998	133.9	137.0
1999	137.8	141.2
2000	140.8	143.4
2001	146.0	NA
2002	148.5	NA
2003	151.5	

Source:
FAO

Indicator/Description:
Index of food production: All Developing Countries.

Comments:
1) The index is based on price-weighted quantities of production. 2) The baseline index represents a three-year average for the 1989-91 period. 3) The 2000 actual is a preliminary number. 4) Historical data for the 1970-2000 period are used to indicate trends. 5) Projections for 2000-2003 represent an increase of 2.6% over the average of the previous two years.

Performance Data Table

Fiscal Year: FY2003

Objective Name: Improved food availability, economic growth and conservation of natural resources through agricultural development

Objective ID: 933-002

Approved: 6/97

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 2.1 Sustainable technologies and policies that enhance food availability developed and adopted

Indicator: Increased yields and/or reduced production costs for targeted crops/commodities in selected countries - cereals

Disaggregated By:

Unit of Measure: Kilograms per hectare.

Year	Planned	Actual
1991 (B)	NA	2,399
1995	NA	2,593
1996	NA	2,701
1997	2,666	2,712
1998	2,724	2,759
1999	2,758	2,775
2000	2,786	2,736 (prelim)
2001	2,780	NA
2002	2,783	NA
2003	2,807	

Source:
FAO

Indicator/Description:
Average combined yield of food grain (primarily wheat and rice with small quantities of other cereal grains), all developing countries.

Comments:
1) The baseline represents a three-year average for the 1989-91 period. 2) The 2000 actual is a preliminary number. 3) Historical data for the 1970-2000 period are used to indicate trends. 4) Projections for 2001-2003 represent an increase of 1.2% over the average of the previous two years.

SO Text for SO: 933-001 Improved access to financial and non-financial services for microenterprises of the poor

Country/Organization: Center for Economic Growth and Agricultural Development (G/EGAD)

Objective ID: 933-001

Objective Name: Improved access to financial and non-financial services for microenterprises of the poor

Self Assessment: Meeting Expectations

Primary Links to Agency Strategic Framework: **(Please Assign Percentages, Total Equals 100):**

0% 1.1 Critical private markets expanded and strengthened
0% 1.2 More rapid and enhanced agricultural development and food security encouraged
100% 1.3 Access to economic opportunity for the rural and urban poor expanded and made more equitable
0% 2.1 Rule of law and respect for human rights of women as well as men strengthened
0% 2.2 Credible and competitive political processes encouraged
0% 2.3 The development of politically active civil society promoted
0% 2.4 More transparent and accountable government institutions encouraged
0% 3.1 Access to quality basic education for under-served populations, especially for girls and women, expanded
0% 3.2 The contribution of host-country institutions of higher education to sustainable development increased
0% 4.1 Unintended and mistimed pregnancies reduced
0% 4.2 Infant and child health and nutrition improved and infant and child mortality reduced
0% 4.3 Deaths, nutrition insecurity, and adverse health outcomes to women as a result of pregnancy and childbirth reduced
0% 4.4 HIV transmission and the impact of the HIV/AIDS pandemic in developing countries reduced
0% 4.5 The threat of infectious diseases of major public health importance reduced
0% 5.1 Threat of global climate change reduced
0% 5.2 Biological diversity conserved
0% 5.3 Sustainable urbanization including pollution management promoted
0% 5.4 Use of environmentally sound energy services increased
0% 5.5 Sustainable management of natural resources increased
0% 6.1 Urgent needs in times of crisis met
0% 6.2 Personal security and basic institutions to meet critical intermediate needs and protect human rights re-established

Link to U.S. National Interests: Economic Prosperity

Primary Link to MPP Goals: Economic Development

Secondary Link to MPP Goals (optional):

(Page limitations for narrative begin here):

Summary of the SO:

USAID is a worldwide leader in microenterprise development. Through the implementation of the Agencywide Microenterprise Initiative, capacity in developing countries and transition economies to deliver financial and other development services is increasing rapidly. This capacity is no longer confined to USAID's traditional nongovernmental (NGO) partners, but is shared by larger commercial intermediaries as well. The Center's challenge has been to "grow the field." This means we not only provide grants for location-specific activities but, more importantly, we work with a wide range of organizations to: identify innovative ideas and products and disseminate information on best practices; increase program impact by

empowering practitioner organizations to "scale up" their efforts to reach greater numbers of clients while "reaching down" to the poorest entrepreneurs; mainstream microenterprise into Mission programs; and identify and resolve emerging issues.

Key Results:

Organizational and Institutional Leadership

The Center's Office of Microenterprise Development (MD) actively networks with partner organizations at three levels: practitioner organizations; other donor organizations; and USAID Missions. Through MD's participation -- and leadership -- in these networks and its focussed use of competitive grant approaches, the Office has stimulated innovation in microenterprise-oriented products, approaches, and management around the world. The Center's Office of Development Credit (DC) programs its credit guarantee support (the "MSED" program) to motivate commercial lending organizations to reach down to micro and small enterprises by sharing the risk of doing so. The FY 00 program results reflect G/EGAD's commitment to promoting both innovation and impact through organizational and institutional partnerships.

Products to Reduce Risk and Vulnerability for Poor People: Asked by the World Bank to prepare a background paper on microfinance for the poor as part of the World Development Report 2000, MD produced a seminal report on "Microfinance, Risk Management and Poverty" that drew on years of field research and impact assessment. Insurance products for poor microfinance clients emerged as a possibly important risk management tool, perceived by poor entrepreneurs as a way to reduce their vulnerability to adverse shocks, e.g., illness or death, bad weather, or other crises. Two MD activities played a key role in the discussion on microinsurance by producing three well-researched papers on the topic. These have been widely read and used as guidance by multi-lateral financial institutions considering entering this field. MD's Assessing the Impact of Microenterprise Services (AIMS) activity has deepened the analysis by working with a Nepali Apex NGO in the design of a life insurance product for targeted microfinance clients throughout the country. It is expected that this microinsurance will help the poor protect themselves against the high cost of funerals.

Business Development Services: Poor microentrepreneurs, like all entrepreneurs, must rely on others for market information, technology, management training, and other services that can spell the difference between success and failure. Several NGOs have provided business development services (BDS) to entrepreneurs in developing and transition countries over the years, but they have, using limited grant resources, reached relatively few enterprises. G/EGAD has taken the lead in looking for ways to build organizations that can sustainably provide BDS to micro and small entrepreneurs in a market environment. In addition to launching the first-ever competitive grants program for BDS innovation, we organized the agenda for a pathbreaking BDS Conference, held in April, 2000, by the Committee of Donor Agencies for Small Enterprise Development. Results from the Microenterprise Best Practice (MBP) Project were presented in seven Conference papers. MBP research on tools for interventions to develop business services markets were well-received. G/EGAD also contributed importantly to a March 2000 publication -- the "BDS Guiding Principles for Donor Intervention"-- that has so far been distributed to 35 organizations.

Assessment Tools: Microfinance institutions (MFIs) have come a long way since the early days of microenterprise lending, with nearly half of USAID-funded MFIs demonstrating financial viability in FY 00. To keep growing their businesses, though, MFIs need to keep their current and potential clients' needs in view. MD collaborated with the multidonor Small Enterprise Education Program (SEEP) to publish, in February, 2000, a manual entitled "Learning from Clients: Assessment Tools for Microfinance Practitioners." More than 500 CD copies of the manual were distributed as well. A Ford Foundation impact meeting last year showed that MFIs in many countries have adapted the tools to their own needs. Planet Finance has adapted the tools and is attempting to market their services in this area on a commercial basis. Certain components have been integrated into a tool kit being distributed by another MD activity, MicroServe, to USAID Missions.

Action Research. The Microenterprise Best Practices (MBP) project has provided small grants for innovation, capacity building, and learning-exchange visits since FY 97. In FY00, MBP linked the grants

program with MBP research activities to create an "action research" approach. Eight innovation grants were awarded to test and improve the performance measurement framework for business development services that was developed by MBP in collaboration with a donor consortium. Three MFIs received grants to develop and test a "Guide to New Product Development." Feedback indicates that linking grants with research is leading to relevant, practical information for the field.

HIV/AIDS. Researchers exploring the impact of risks faced by MFIs identified a great need to address the specific impacts that HIV/AIDS has on both microfinance institutions and their clients. A survey conducted by MBP in 14 Africa countries found that HIV/AIDS is linked to increased client need to access savings, increased requests for smaller loans, and higher client absenteeism at meetings. The survey also found that microfinance institution staff members are increasingly absent to care for family members and are asking to be relocated in order to provide care to sick family members. Copies of the "MBP Reader on Microfinance and HIV/AIDS" were distributed at the Africa Regional Microcredit Summit in Harare last summer.

Advancing Microfinance in Rural West Africa. In February, 2000, seven donors joined USAID to host a conference on advancing microfinance in rural West Africa. More than 200 people attended (paying most of their own costs). The majority were practitioners from the region, joined by donors providing grant support to the often-fledgling MFIs. Conference ratings were high; many participants reported that it was the first time that experts and practitioners were able to talk about best practices with new financial products targeted toward the rural informal sector. For many Nigerian participants, it was a first opportunity to hear about innovations that were happening elsewhere. Follow-up by MD staff in Nigeria after the conference led to the design of a country-focussed program involving the major local and donor organizations.

Field Support

The Agencywide Microenterprise Initiative involves nearly 40 Missions, many of whom launched their microenterprise development programs by expanding partnerships with MFIs or other microenterprise practitioners initially supported by G/EGAD or by responding to the competitive co-financing opportunities that MD offers through its PRIME program. PRIME is a key vehicle for working with Missions to mainstream microfinance and microenterprise development into their portfolios. The DC-managed Micro and Small Enterprise Development (MSED) program negotiated loan portfolio guarantee programs in 22 countries, with a growing number of missions indicating their willingness to fund these credit enhancement programs from their own resources using the Development Credit Authority (DCA) in the future. G/EGAD staff and contractors also provide direct field support to Mission microenterprise programs upon request. In FY 00, G/EGAD microenterprise development programs were active in 37 countries.

Implementation Grants: In FY 00, MD's Implementation Grant Program (IGP) divided the competition into two categories. The IGP/Microfinance category of competition resulted in 10 grants totaling \$10 million in 10 countries. The IGP competition for Business Development Services led to the award of 5 IGP/BDS grants totaling \$2.1 million in five countries. Pre-award assessments were conducted for six institutions to assure sound organizational development and financial viability down the road.

Technical support and training: MD staff worked directly with 25 missions in FY 00 for a total of 303 TDY days. DC staff provided an additional 55 days on TDY in nine countries. Staff served as instructors and speakers at numerous training events. Contractor personnel spent over 1,500 days on consulting assignments.

Direct Development Impact

Financial Services: The number of active borrowers under MD's grants reached 1,359,529, exceeding planned target of 1.2 million. The largest single grant program, WOCCU-Ecuador Credit Unions, had 794,000 loans outstanding in September of 2000, of which 40% were considered microenterprise loans. The quality of the MD portfolio is good, though we have observed some deterioration of portfolio quality in numerous countries suffering financial crises. Of the 32 microfinance intermediaries supported under the Implementation Grant Program (IGP), 15 were financially sustainable (covering all costs, plus the imputed cost of capital). In FY 2000, MD recorded 1,043,915 savers under the IGP. At the close of FY 00,

aggregate guarantee commitments by the MSED program stood at \$63.8 million, compared to \$70.7 million in FY 1999. The total value of loans extended by the 40 MSED-partner banks and MFIs at the close of FY 2000 was \$57.4 million, down from the \$72.1 million in FY 1999. Average loan size was down, however, indicating the efforts to "reach down." The 3,769 loans extended in FY 00 had an average loan size of \$5,155, compared to \$8,651 at the close of FY 99.

Business Development Services: One of the earliest IGP grantees, EnterpriseWorks Worldwide (EWW), began in October 2000 to spin off its commercial activities in Zimbabwe to a for-profit business named ZOPP (Pvt) Ltd., with the non-commercial activities remaining under the umbrella of the NGO. ZOPP (Pvt) Ltd. scaled up its sales of oilseed processing technologies and diversified into new product lines. Despite numerous challenges in developing a product for mass production, by 2001, ZOPP Ltd was a profit-making firm, generating over US \$10,000 in monthly revenues.

Performance and Prospects:

MD's microfinance grants experienced continued excellent performance in FY 00 and the range of client-relevant products, organizational competence of practitioner institutions, and financial viability of the sector continued to improve. The increased emphasis on creating similar capacity in the BDS provider community is just beginning to yield results. Through the implementation of action research grants and the development of a framework for BDS performance measurement, MD has begun to increase the understanding of how business development services might evolve into a market-driven sector. By pursuing communications with other donors and the broader practitioner community, MD can bring others' experience into the USAID Microenterprise Initiative and accelerate both innovation and learning.

The evolution of the Development Credit Authority and apparent linkages between MSED approaches and DCA approaches indicates that there is plenty of potential for Missions to increase their use of credit enhancement financing to expand the availability of capital for micro-, small, and medium enterprises.

Possible Adjustments to Plans:

With an increasing portfolio of more complex grants, the MD office has decided to outsource some of its portfolio monitoring functions. The contractor will assist with the IGP competitive grant process, and collect and input data from semi-annual reports into a Microsoft Access database. As the Center's new Strategic Plan comes on-line, there may be opportunities to work more closely with other offices to expand rural financial services.

Other Donor Programs:

There are at least 27 bilateral and multilateral donors engaged in microenterprise development funding around the world. In addition, the involvement of non-governmental or private sector actors, such as the Ford Foundation, Soros Foundation, Open Society Foundation, Eurasia Foundation, is increasing.

Major Contractors and Grantees:

DAI, MSI, Chemonics, Weidemann, PricewaterhouseCoopers, and some 40 non-governmental organizations. MSED clients accessing loan portfolios guarantees (LGSs) include: LACIF, Banco Satidario, Royal Bank of Trinidad & Tobago, Bank of Abyssinia.

Performance Data Table

Fiscal Year: FY2003

Objective Name: Improved access to financial and non-financial services for microenterprises of the poor

Objective ID: 933-001

Approved: 10/6/98

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 1.5 Create linkages between formal financial institutions and micro and small businesses with the purpose of facilitating sustainable access to credit for those sectors

Indicator: Average loan size within an intermediate financial institution portfolio.

Disaggregated By:

Unit of Measure: The US \$ value of the average loan size within an IFI's portfolio as of FYE. Tracks USAID - guaranteed loans only.

Year	Planned	Actual
1993	9,500	8,462
1996	8,000	6,800
1997	7,900	15,600
1998	7,800	24,000
1999	7,700	8,651
2000	7,600	5,155
2001	7,500	NA
2002	7,500	NA

Source:
PM CIS

Indicator/Description:
Change in average loan size within an intermediate financial institution portfolio as of FYE.

Comments:

The indicator measures the success of the MSED program in directing credit towards smaller enterprises by examining the changes in the average size of loans made by participating intermediate financial institution.

The planned targets were finally met and, in fact, exceeded in FY 2000, reflecting a continuing downward trend in average loan size. This phenomenon has been mainly due to the growing participation of MFIs in the MSED Program. MFIs, but definition, specialize in microlending and, as such, tend to place smaller size loans under guarantee coverage than commercial banks.

Performance Data Table Fiscal Year: FY2003

Objective Name: Improved access to financial and non-financial services for microenterprises of the poor

Objective ID: 933-001

Approved: 3/24/98

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 1.1 Expanded delivery of financial and non-financial services to microentrepreneurs

Indicator: Number of active borrowers of institutions supported by G/EGAD/MD programs

Disaggregated By:

Unit of Measure: Number of active borrowers

Year	Planned	Actual
1995 (B)	NA	233,711
1996	300,000	364,326
1997	400,000	515,349
1998	600,000	887,288
1999	900,000	1,145,918
2000	1,200,000	1,359,529
2001	1,250,000	NA
2002	1,300,000	NA

Source:

G/EGAD/MD's IGP and PRIME programs and the Grameen Trust

Indicator/Description:

Number of active borrowers of Institutions supported by G/EGAD/MD programs

Comments:

95 Baseline data: IGP: 42,967; PRIME: 111,000; Grameen: 79,744.

96 Breakdown: IGP: 70,993; PRIME: 161,373; Grameen Trust: 131,960 (included all Grameen replicants).

97 Breakdown: IGP: 234,580; PRIME: 221,713; and Grameen Trust: 59,056 (only countries supported under IGP grant).

98 Breakdown: IGP: 362,183 (as of 9/1998); PRIME: 368,889 (as of 12/1997); Grameen Trust: 156,216 (as of 12/98).

99 Breakdown: IGP: 584,627 (as of 9/99); PRIME: 421,531 (as of 12/98); Grameen Trust: 139,760 (as of 8/99).

00 Breakdown: IGP: 930,061 (as of 9/00); PRIME: 391,081 (as of 12/99) and Grameen: 38,386 (as of 6/00). Figures for Grameen include only those supported by IGP grant.

Composition of targets continues to be highly dependent on large programs, which are active. Targets remain unchanged as the WOCCU-Ecuador grant, which accounts for microenterprise borrowers alone, will end September 2001. Data are largely self-reported, although verified through field assessments, other donor reports, and audited financial statements. Each grant is assessed in the field by a MD staff member at least once during the grant period.

Performance Data Table Fiscal Year: FY2003

Objective Name: Improved access to financial and non-financial services for microenterprises of the poor

Objective ID: 933-001

Approved: 3/24/98

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 1.2 Increased capability of financial and non-financial institutions to service microenterprises

Indicator: Portfolio at risk in microenterprise finance institutions - percent

Disaggregated By:

Unit of Measure: Weighted average of the portfolio at risk (PAR) rate for all institutions supported under the IGP - percent.

Year	Planned	Actual
1996	10%	10%
1997	10	6
1998	10	8
1999	10	8
2000	10	7.1%
2001	8	NA
2002	8	NA

Source:

G/EGAD/MD's IGP program only.

Indicator/Description:

Delinquent outstanding balance over 30 or 90 days percentage of gross outstanding portfolios.

Comments:

In 1996, portfolio at risk skyrocketed to 29% and 34% in IGP programs in Zimbabwe and Bulgaria. G/EGAD/MD closed down the Zimbabwe program. The weighted average of the portfolio at risk for the IGP programs stands at 10%. In 1997, weighted average for IGP programs improved and stood at 6%, despite difficulties in Cambodia. Bulgaria showed improvement. In 1998, weighted average for IGP programs stands at 8%. In 1998 and 1999, weighted average for IGP programs was 8%. In 2000, weighted average for IGP programs was 7.1%, well below the 10% ceiling.

Data are largely self-reported, but verified through field assessments, donor reports and audited financial statements.

Performance Data Table

Fiscal Year: FY2003

Objective Name: Improved access to financial and non-financial services for microenterprises of the poor

Objective ID: 933-001

Approved: 10/6/98

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 1.4 Encourage indigenous financial institutions to increase lending to micro and small businesses

Indicator: Utilization rate for the entire MSED portfolio.

Disaggregated By:

Unit of Measure: The US \$ value of total loans outstanding (guaranteed portion) as of fiscal year end (FYE) for the worldwide MSED portfolio - includes bond and direct loan facilities.

Year	Planned	Actual
1992	50	24
1993	50	32
1994	40	36
1995	30	30
1996	35	29
1997	40	29
1998	50	24
1999	50	25
2000	50	23
2001	50	NA
2002	50	NA

Source:

PM CIS

Indicator/Description:

Amount of total loans outstanding (guaranteed portion) as of FYE as a percentage of aggregate Guarantee Limits.

Comments:

The indicator measures efficiency in identifying suitable intermediate financial institutions (IFIs) for the MSED Program, determining the appropriate portfolio size, promoting active utilization of the guarantee facilities, managing and monitoring IFI performance, and taking actions to reduce (the size of) or terminate non-performing facilities.

The planned utilization targets were not met due to the expiration of a number of guarantee facilities during FY 2000, which was not offset by the establishment of a number of new facilities that tend to have a lengthy start-up phase. Further, while the total number of loans extended in FY 2000 increased -- a positive factor, average loan size decreased. This affected the overall volume of loans at FYE and, hence, the utilization rate.

SO Text for SO: 933-006 Private sector business linkages support U.S. technology transfer in support of development objectives

Country/Organization: Center for Economic Growth and Agricultural Development

Objective ID: 933-006

Objective Name: Private sector business linkages support U.S. technology transfer in support of development objectives

Self Assessment: Not Meeting Expectations

Primary Links to Agency Strategic Framework: **(Please Assign Percentages, Total Equals 100):**

60% 1.1 Critical private markets expanded and strengthened
20% 1.2 More rapid and enhanced agricultural development and food security encouraged
0% 1.3 Access to economic opportunity for the rural and urban poor expanded and made more equitable
0% 2.1 Rule of law and respect for human rights of women as well as men strengthened
0% 2.2 Credible and competitive political processes encouraged
0% 2.3 The development of politically active civil society promoted
0% 2.4 More transparent and accountable government institutions encouraged
0% 3.1 Access to quality basic education for under-served populations, especially for girls and women, expanded
0% 3.2 The contribution of host-country institutions of higher education to sustainable development increased
0% 4.1 Unintended and mistimed pregnancies reduced
0% 4.2 Infant and child health and nutrition improved and infant and child mortality reduced
5% 4.3 Deaths, nutrition insecurity, and adverse health outcomes to women as a result of pregnancy and childbirth reduced
0% 4.4 HIV transmission and the impact of the HIV/AIDS pandemic in developing countries reduced
0% 4.5 The threat of infectious diseases of major public health importance reduced
5% 5.1 Threat of global climate change reduced
0% 5.2 Biological diversity conserved
5% 5.3 Sustainable urbanization including pollution management promoted
5% 5.4 Use of environmentally sound energy services increased
0% 5.5 Sustainable management of natural resources increased
0% 6.1 Urgent needs in times of crisis met
0% 6.2 Personal security and basic institutions to meet critical intermediate needs and protect human rights re-established

Link to U.S. National Interests: Economic Prosperity

Primary Link to MPP Goals: Economic Development

Secondary Link to MPP Goals (optional): US Exports

(Page limitations for narrative begin here):

Summary of the SO:

Through this SO, the Center (G/EGAD) involves the U.S. business community in addressing the economic development problems of our partner countries. U.S. technology combined with the entrepreneurial drive, the competitive ability, and the management acumen of U.S. businesses contributes significantly to the economic development of other countries and can serve as an important complement to USAID programs.

As long term commercial relationships form, they can take the place of many elements of our programs. As international trade barriers fall and trade grows, USAID is committed to helping build the institutional capabilities in partner countries to link into the U.S. economy and its technology, so that they can become strong partners in both development and trade.

The Office of Business Development (BD) in the Center manages the Global Technology Network (GTN) and ancillary business development activities to promote technology transfer and trade relationships between U.S. and indigenous small- and medium-sized enterprises (SMEs). Through a program of outreach, training, coordination, and promotion of commercial deals, the GTN: 1) disseminates technology- and development- oriented business opportunities through an internet-based matching service; 2) supports business-to-business relationships that promote product and informational exchanges; and 3) generates interest in the U.S. in the kinds of business and informational transfers that will accelerate the entrance of developing and transitioning nations into the competitive world economy.

G/EGAD has also supported the development of both the NGO Enterprise Works Worldwide (EWW) and its ability to partner with corporations and individuals to advance its work in developing and commercializing appropriate technologies as well as the work of the NGO International Executive Service Corps (IESC) and its work in bringing U.S. business expertise to support businesses in partner countries.

Key Results:

Technical Leadership. The GTN continued to act as a pioneer among business-to-business trade promotion programs, offering hands-on assistance both in the U.S. and overseas, pushing business leads out to participant companies via e-mail rather than simply posting the leads; and specializing in sectors that have a direct developmental impact. GTN worked closely with other government export promotion programs including those of the Department of Commerce (DOC), the Small Business Administration, the Export Import Bank and international trade promotion offices in 33 states to leverage these programs in the promotion of economic development in USAID partner countries. GTN played a coordinating role among these agencies in some of the smaller and poorer countries, especially in FY 00, when GTN expanded its operations in Africa and Southeast Europe. GTN now has technical representatives in 39 countries. About half of these representatives are co-located with private sector business associations and the other half with U.S. Foreign Commercial Service offices. GTN has positioned itself to serve the local business communities.

Field Support

-- Africa. With \$1.7 million in FY00 ESF funds, GTN started up operations in twelve African countries. The first deal (Uganda - \$50,000 for computer equipment) occurred during FY00. A GTN regional trading network is being piloted in Kenya and Uganda with the long-term objective of institutionalizing a mechanism that will promote trade among all the GTN countries in Africa as well as with U.S. suppliers of goods and services. The Africa program already faces serious constraints, particularly in helping buyers find financing to buy the products they require. These have been identified for monitoring attention in FY 01.

-- Europe and Eurasia. GTN is collaborating with the Europe and Eurasia (E&E) Bureau on two important initiatives: GTN Southeast Europe (GTN-SEE) and the Eurasian-American Partnerships for Environmentally Sustainable Economies, or EcoLinks. Using SEED/Stability Pact funding from the E&E Bureau, GTN-Southeast Europe was launched in 1998 as a series of bilateral programs. In FY 00, we added a regional trade dimension to these bilateral GTN operations. The regional trade work should build linkages among the GTN partner organizations to promote cross-border trade in the region. As GTN-SEE already boasts a network of partners throughout the region and a database of more than 5,000 European SMEs that could/should trade with each other and with the U.S. companies in the GTN database. GTN-SEE trade activity facilitates regional integration, economic growth and stability in this turbulent region of the world. Two deals resulted from this work in FY00: a relatively small purchase of blankets (Macedonia) and a \$1.9 million purchase of health kits and school furniture (Kosovo). GTN also collaborates with the E&E Office of Environment, Energy and Urban Development and the DOC to support EcoLinks. DOC representatives in Bulgaria, Croatia, the Czech Republic, Hungary, Kazakhstan, Poland and Romania collect and distribute environmental trade leads, and help create environmental partnerships between

NGOs, government agencies and the private sector. No deals materialized in FY00 with the EcoLinks startup.

-- Asia. GTN has collaborated since XX works in support of the U.S. - Asia Environmental Partnership (US-AEP), a program jointly managed by the ANE Bureau and DOC. Eight deals were concluded in FY 00: Malaysia (Earthcare products - \$15 million), Korea (water/wastewater treatment - \$3.4 million and modular incinerator - \$31,000), Philippines (Medical waste, \$575,000), India (water/wastewater treatment -\$200,000), Taiwan (environmental services - \$140,000), and the Philippines (an agency distributorship). In support of a separate agreement with USAID/ Mongolia, a trade mission for the construction industry in Mongolia resulted in the introduction of U.S. building technology including better insulation materials and techniques, manufacture of ferro-cement pipes and clapboard exteriors, and in the conclusion of at least one deal - a \$50,000 distributorship agreement. GTN has independently expanded coverage in Indonesia to new development sectors and has begun to receive non-environmental leads. Most leads thus far have received good response, and the GTN representative in Jakarta is following upon all leads.

-- North Africa and Middle East region. GTN received leads from the Tunisian American Chamber of Commerce. One deal developed - a freezing tunnel for fresh fruits (\$150,000). GTN started up a well-funded and ambitious program with the American Chamber in Cairo and has begun to receive leads. The programs in both Morocco and Jordan were deactivated during FY00.

-- LAC region. There have been no regional bureau or mission contributions to the GTN work to date. This reason, combined with lackluster performance of TIPS/DevNet in representing GTN in South America, caused G/EGAD to cut back the LAC program. Only Mexico partners with GTN. The region remains very important to GTN, however, due to its proximity to U.S. suppliers and the size LAC market. During FY00, GTN facilitated deals in Argentina (video cameras for well inspection - \$140,000), Brazil (environmental measuring instruments - \$20,000), Chile (environmental consulting services - \$200,000) and Mexico (desalination - \$600,000 and food dehydration equipment - \$200,000).

Direct Development Impact.

GTN was designed to promote, through international trade, the transfer of technology in sectors that are key to USAID efforts to promote economic development. The primary measure used to track GTN performance is the annual dollar value of transactions that resulted from GTN efforts. For FY00, \$24.6 million in reported transactions were completed, compared to the FY00 target of \$80.0 million and compared to \$119.7 million in FY 99. In FY 00, GTN leveraged at least 18 deals with a median value of \$200,000. Performance in FY 00 can be characterized as producing slightly fewer deals with a slightly higher median value compared to earlier years.

Close monitoring of performance has enabled GTN managers to improve the quality of leads from the field being pushed toward U.S. suppliers. The FY00 distribution by the number of successful deals across the GTN sectors was: environment and energy, 70%; information and communications, 10%; health, 10%; agriculture, 10%; and other, 0%. The environment and energy program continues to be the strongest component of GTN.

Performance and Prospects:

With three fledgling regional programs requiring intensive organizational development, GTN staff have been involved with hiring, orientation and training, setting up institutional relationships, and related activities with a number of representatives in the Southeast Europe, Africa, and EcoLinks programs. Work has also begun in building a regional trading capability for Southeast Europe, importing and adapting six local business databases into the GTN electronic platform. The mature USAEP suffered the loss of several of its top-performing representatives; new representatives have been hired, but are less experienced. A memorandum of understanding was negotiated with a private sector firm in California, Mediproducts.com, to define a strategic partnership that will provide better service to clients requiring medical equipment and supplies. GTN is committed seeking out such private sector partners and to refocusing its efforts on improving the generation of quality trade leads that will be of interest to U.S. businesses.

Possible Adjustments to Plans:

In response to not meeting its dollar volume target for FY00, G/EGAD is in the process of reviewing all aspects of its operations with the aim of providing better service to our business clients overseas and in the

U.S. The Center acknowledges that tending to the new responsibilities has distracted from maintaining the effectiveness of the core services of GTN and is taking steps to restore and enhance those services. A new lead-matching and deal-facilitation computer platform is being built in order to provide a more reliable and powerful tool to GTN's representatives in the field and the U.S.-based support staff. Upgrades of several other elements of the program are underway and other upgrades are planned.

Other Donor Programs:

The European Union is programming increasing resources toward promoting developing country trade with the EU member countries. These programs, and other bilateral trade-enhancing subsidies, may present a challenge as GTN starts to charge fees for its services

Major Contractors and Grantees:

IESC Cooperative Agreement (exp 08/03); Chemonics International task order under SEGIR General Business, Trade and Investment contract (exp. 08/ 01); Kenan Institute Cooperative Agreement (exp. 12/01); new contract planned in FY02 to replace Chemonics task order.

Performance Data Table Fiscal Year: FY2003

Objective Name: Private sector business linkages support U.S. technology transfer in support of development objectives

Objective ID: 933-006

Approved:

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 6.1 Actual transfer of U.S. environment, energy, health, agribusiness and information technologies.

Indicator: Completed transactions

Disaggregated By:

Unit of Measure: Dollar volume

Year	Planned	Actual
1998	50,000,000	78,000,000
1999	75,000,000	119,700,000
2000	80,000,000	28,600,000
2001	85,000,000	NA
2002	90,000,000	NA

Source:
GTN Trade Lead Tracking System

Indicator/Description:
Estimated value of completed business transactions: private sector exchange of a service or product.

Comments:
Limitations on the quality of these data must be acknowledged. Even though GTN promotes business deals, it avoids inserting itself between potential parties to a deal. The parties to GTN-promoted deals have no obligation to alert GTN when deals are completed and many times these parties treat the value and other details of the deals as proprietary information. GTN policy has been to ask as unobtrusively as possible to be informed when deals occur and to be informed of the value of the deals. Oftentimes one or the other of the parties will provide the information and GTN will include it in its running list of deals. This information is often captured as late as several months after the deal. Sometimes deals that had been agreed to later fall apart. Furthermore, the information is oftentimes later updated or otherwise revised. GTN is in the process of implementing a new Program Monitoring Plan and anticipates better quality data for FY01. GTN is also now requiring, when US companies register, to agree to provide certain information when a deal is concluded.

SO Text for SO: 933-007 Increased science and technology cooperation among Middle Eastern and developing countries, and utilization of U.S. and Israeli technical expertise by developing countries

Country/Organization: Center for Economic Growth and Agricultural Development

Objective ID: 933-007

Objective Name: Increased science and technology cooperation among Middle Eastern and developing countries, and utilization of U.S. and Israeli technical expertise by developing countries

Self Assessment: Meeting Expectations

Primary Links to Agency Strategic Framework: **(Please Assign Percentages, Total Equals 100):**

0% 1.1 Critical private markets expanded and strengthened
35% 1.2 More rapid and enhanced agricultural development and food security encouraged
10% 1.3 Access to economic opportunity for the rural and urban poor expanded and made more equitable
0% 2.1 Rule of law and respect for human rights of women as well as men strengthened
0% 2.2 Credible and competitive political processes encouraged
5% 2.3 The development of politically active civil society promoted
0% 2.4 More transparent and accountable government institutions encouraged
0% 3.1 Access to quality basic education for under-served populations, especially for girls and women, expanded
0% 3.2 The contribution of host-country institutions of higher education to sustainable development increased
0% 4.1 Unintended and mistimed pregnancies reduced
0% 4.2 Infant and child health and nutrition improved and infant and child mortality reduced
0% 4.3 Deaths, nutrition insecurity, and adverse health outcomes to women as a result of pregnancy and childbirth reduced
0% 4.4 HIV transmission and the impact of the HIV/AIDS pandemic in developing countries reduced
15% 4.5 The threat of infectious diseases of major public health importance reduced
0% 5.1 Threat of global climate change reduced
10% 5.2 Biological diversity conserved
5% 5.3 Sustainable urbanization including pollution management promoted
0% 5.4 Use of environmentally sound energy services increased
20% 5.5 Sustainable management of natural resources increased
0% 6.1 Urgent needs in times of crisis met
0% 6.2 Personal security and basic institutions to meet critical intermediate needs and protect human rights re-established

Link to U.S. National Interests: National Security

Primary Link to MPP Goals: Regional Stability

Secondary Link to MPP Goals (optional): Economic Development

(Page limitations for narrative begin here):

Summary of the SO:

Three separate activities comprise the program focussed on achievement of this Strategic Objective:
? The U.S.-Israel Cooperative Development Research Program (CDR) is a competitive research grants program for collaborative research activities that involve scientists from Israel working with their counterparts in the developing countries of the world on topics in agriculture, natural resources, health, engineering, and social sciences. Grants are selected based upon technical merit and relevance to the needs

of the developing countries, and a major portion of each grant is spent on training equipment and infrastructure for the developing country partner institution(s). U.S. scientists may also participate in a CDR grant. In FY 00, there were about 70 active CDR research projects at any one time.

? The Middle East Regional Cooperation Program (MERC) is a competitive research grants program specifically focussed on promoting peace and cooperation through the collaboration of Arab and Israeli scientists on topics relevant to development in the Middle East region. Again, strengthening the capacity of developing country institutions is stressed. U.S. scientists may also participate on MERC projects if their technical expertise is required, but projects are required to demonstrate significant levels of direct Arab-Israeli cooperation. In FY 00, there were about 20 active MERC projects.

? The U.S.-Israel Cooperative Development Program (CDP) is implemented by MASHAV, the development cooperation unit of the Israeli Ministry of Foreign Affairs, as a core grant to partially fund the overall Israeli development assistance program. MASHAV uses its USAID funding to train developing country personnel in both Israel and their home countries in fields such as irrigated crop production, dairy management and a variety of health, small business, and rural development topics. CDP funds are used to support the organizational development of Israeli training institutions, but not for developing country institutional partnerships.

Key Results:

Organizational and Institutional Leadership.

In FY 99, USAID and MASHAV began a transition to phasing-out the core grant approach in favor of developing new partnerships at the field level. The interest of the USAID Mission in the Central Asian Republics (CAR) matched well with the interests and capabilities of MASHAV and its partners. It became the pilot case for the new approach. In FY 00, the Israelis participated in the Mission's strategy development exercise, identifying areas in which Israel's expertise was particularly strong and could work toward mutual benefit of the CAR countries, USAID, and MASHAV. The E&E Bureau agreed to provide additional "transition" funding to permit MASHAV to close out some of the centrally-funded activities that would not receive bilateral support (due to perceived priority, effectiveness, etc.). The Memorandum of Understanding was signed by the Mission and MASHAV representatives in early FY 01. Other Missions have also expressed interest in exploring bilateral relationships with MASHAV.

Moving to a country-based programming modality represents a major operational change for MASHAV, but is a logical next step for the increasingly mature development assistance program. The fundamentally political goal of the CDP, increasing the diplomatic and commercial acceptance of Israel throughout the developing countries of Africa, Asia, Latin America, and the CAR, has been achieved since the first CDP grant was made. MASHAV now has development assistance relationships with more than 70 countries around the world. Centrally-allocated Development Assistance (DA) funding is too scarce to continue to fund the organization. Further, USAID Missions have reported that, while Israeli technical assistance has often been helpful, in many cases it has been too unfocused to have a major impact. The new direct partnership approach is one means that USAID/CAR and others see as a way to increase the impact of MASHAV's assistance.

Technical Leadership

In FY 00, G/EGAD provided technical leadership in the review of 47 CDR and 16 MERC proposals, working with the U.S. National Academy of Sciences (NAS), the Department of State (DOS), and eight panels of pro bono scientific peer reviewers to ensure that funding is directed to proposals that adhere to high standards of scientific investigation. In addition, the Center staff, working with NAS support, evaluated 124 pre-proposals submitted to CDR and 75 submitted to MERC. In the MERC Program, ESF funding provided by the DOS is premised on direct Arab-Israeli cooperation. Conditions or "provisos" were placed on most of the CDR and MERC successful grant applications by the Center in order to ensure that funded proposals were technically strong, involved true collaboration among partners, were relevant to development, and were structured to increase research capacity in developing country institutions.

Field Support.

CDR and MERC funded research is often conducted in developing and transitional countries in which USAID has Missions. Missions are informed of the proposals that rank highly in the peer review process and are asked to comment, although they rarely choose to get involved in the projects themselves. The research guidelines are developed and refined annually to respond to the interests of the E&E Bureau in its buy-in to CDR to support activities in the historically Muslim Central Asian Republics (CAR) and in the Republic of Georgia, and to the interests of the DOS's Near East Affairs Bureau in supporting Middle East cooperation through MERC.

CDR and MERC pre-proposal reviews generally involve the participation of technical specialists from the relevant regional bureaus as well as from other Centers in the Global Bureau (usually ENV and PHN). Both the ANE Bureau and DOS/NEA are represented on the MERC Committee, and Mission comments on full proposals are formally sought as part of the MERC selection process.

Direct Development Impact

Periodic progress reports are required for all CDR and MERC grants, and USAID undertakes field evaluations of grants from time to time. In FY 00, three major evaluations were conducted on large individual projects. The findings of all three indicated that the research being funded is having an impact on the availability and adoption of relevant technologies in the broad areas of agriculture, biology, and health. One evaluation stated, "The strength of this program (MERC) is that the cooperation between the countries is improving rapidly opening avenues of communication that were previously non-existent between these countries. Another strength of the program is the involvement of the private industry, which is not too surprising in an integrated industry. It is hoped that the industry involvement will lead to an increase of in-kind contributions to the project." Progress reports and evaluations indicate that CDR and MERC collaborative research has produced improved technologies for irrigated agriculture, advanced work in saline agriculture, improved agricultural water management techniques, greatly improved bio-pest controls, expanded knowledge of both human and animal diseases and improved resource/asset management technologies for natural resources and wildlife management. In addition, developing country institutions obtain training, equipment, travel and communication links to the worldwide scientific community, and financial management skills.

Performance and Prospects:

USAID funding has catalyzed cooperation that otherwise would not have occurred, and United States involvement has enabled Israeli collaboration in countries otherwise closed to Israel. The effectiveness of these programs, particularly MERC, is dependent upon the political track of the peace negotiations, as well as the willingness of participants to engage in cooperation in the face of the growing concerns in the Middle East. Recent setbacks have affected the bilateral Israeli-Palestinian MERC grants most heavily due to institutional closures, but very few partnerships have been broken off. However, that program continues to receive many new applications in the FY 01 competitive review process. CDR and CDP activities in Central Asia are also dependent on donor and import restrictions as well as institutional and administrative problems in the assisted countries.

Due to the issues cited above and an almost complete turnover of MERC grants during FY 97 and 98, our collaboration indicators for the CDR and MERC grants programs fell well behind targets. However, in FY 99 and 00, with a number of new MERC projects fully operational, cooperation as measured by in-country meetings and joint workshops has sharply increased, exceeding our targets. The number of jointly authored technical publications, an indicator of more substantive collaboration, was also expected to increase as these projects mature, especially since G/EGAD's recent emphasis has favored selecting projects committed to more direct Arab-Israeli cooperation. However, recent events in the region and the reaction of some of the professional societies there may make this goal very difficult to achieve.

MASHAV uses nearly all its U.S. funds for activities outside the Middle East, and the number of technical assistance consultancies requested and filled remained fairly constant. However, the overall MASHAV

Program's emphasis on expanding Middle East activities continued, with the number of trainees from other Middle Eastern countries doubling in two years to 1236 for Calendar Year 1999, with only a slight decrease to 1195 for 2000, despite the deterioration of relations in the region in September 2000.

Possible Adjustments to Plans:

The transformation of the USAID-MASHAV relationship from one that is centrally-funded and politically-driven to one that is built upon mutual interests in promoting development in specific countries in a transformation that should take place over the FY 00 - FY 03 period. The initiation of the phase-out of central funding had been delayed several times at the request of Congress. However, since it has become clear that the purpose of the original CDP core grant to MASHAV has been achieved, recent Congressional language has confirmed support for phasing-out the USAID core funding for Israel's own foreign assistance program.

No changes are anticipated in the basic objectives of the CDR and MERC Programs. However the Center is prepared to accept temporary reductions in direct cooperation on grants when absolutely necessary, as well as the almost inevitable delays in implementing project work required to preserve the essential collaborative nature of the MERC projects.

Other Donor Programs:

The Government of Israel, which manages the CDP, contributes 1/3 of the funding attributed to that program. CDR and MERC projects receive matching funds, at levels varying widely among individual grants. These funds come from Israeli and collaborating Arab and developing country research institutions, as well as from participating U.S. partners, such as the University of Wisconsin, Texas A&M, Harvard, Langston, Ohio State, Tufts, and San Jose State Universities, the U.S. Geological Survey, the USDA, and the National Institutes of Health.

Major Contractors and Grantees:

The Government of Israel, Ministry of Foreign Affairs administers CDP, in practice as a buy-in to its own foreign assistance program. MERC and CDR grants are awarded by USAID and the U.S Embassy in Tel Aviv directly to Israeli and U.S. research institutions, which, in turn, make sub-grants to their collaborating partner institutions. The U.S. National Academy of Sciences assists USAID in the peer review of proposals for CDR and MERC, as well as in the monitoring of technical performance reports.

Performance Data Table Fiscal Year: FY2003

Objective Name: Increased science and technology cooperation among Middle Eastern and developing countries, and utilization of U.S. and Israeli technical expertise by developing countries

Objective ID: 933-007

Approved: 6/97

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 7.1 Collaboration between Israeli and other Middle Eastern or developing country scientists established

Indicator: Number of joint publications

Disaggregated By:

Unit of Measure: Number of publications authored by both Israeli and Middle Eastern or developing country scientists.

Year	Planned	Actual
1996	NA	25
1997	35	32
1998	40	34
1999	50	34
2000	50	33
2001	50	NA
2002	50	NA

Source:

Annual grant reports

Indicator/Description:

Number includes products of all grants in MERC and CDR.

Comments:

AmEmbassy Tel Aviv and the National Academy of Sciences review progress reports submitted as a grant requirement from the grantees, and derive the number of joint publications submitted that fiscal year.

The targets were set based on estimates in 1997 and the assumption of relatively constant budgets for the overall programs. Experience in 1998,1999 indicates that these targets may have been ambitious for the years listed, but eventually achievable.

The fact that not all grantees file progress reports on time is a limitation of the data. FY 1999 results are based upon a compliance rate of 86% of the grantees.

Performance Data Table Fiscal Year: FY2003

Objective Name: Increased science and technology cooperation among Middle Eastern and developing countries, and utilization of U.S. and Israeli technical expertise by developing countries

Objective ID: 933-007

Approved: 6/97

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 7.1 Collaboration between Israeli and other Middle Eastern or developing country scientists established

Indicator: Number of regional meetings and workshops per year

Disaggregated By:

Unit of Measure: Number of meetings and workshops in the Middle East or developing countries per year.

Year	Planned	Actual
1996	NA	10
1997	15	17
1998	20	14
1999	25	37
2000	30	32
2001	30	NA
2002	30	NA

Source:
Annual grant reports

Indicator/Description:
Number is cumulative across all grants in MERC and CDR.

Comments:
AmEmbassy Tel Aviv and the National Academy of Sciences review progress reports submitted as a grant requirement from the grantees and derive the number of meetings and workshops reported that FY.

With changes in funding and management at USAID and the ending and replacement with new MERC grants during FY 1997 and 1998, the collaboration indicators for the CDR and MERC grants programs fell behind targets. However, in FY 1999, with a number of new MERC projects fully operational, cooperation as measured by in-country meetings and joint workshops has sharply increased from 14 to 37, exceeding the target of 25.

The fact that not all grantees file progress reports on time is a limitation of the data. FY 1999 results are based upon a compliance rate of 86% of the grantees.

Performance Data Table

Fiscal Year: FY2003

Objective Name: Increased science and technology cooperation among Middle Eastern and developing countries, and utilization of U.S. and Israeli technical expertise by developing countries

Objective ID: 933-007

Approved: 6/97

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 7.2 Israeli agricultural technical expertise transferred to Middle Eastern and developing countries

Indicator: Sustained FY 1996 level of technical assistance consultancies in developing countries.

Disaggregated By:

Unit of Measure: Number of consultancies

Year	Planned	Actual
1996	NA	90
1997	90	78
1998	90	102
1999	90	99
2000	90	92
2001	90	NA
2002	90	NA

Source:

MASHAV requests for payments

Indicator/Description:

Number of requests for technical consultants filled. USAID funding of this program is projected to decline, thus FY 2002 target lowered to 70.

Comments:

Data for fiscal year consultancies attributed to USAID's core contributions to Israeli program can be derived from the vouchers sent to USAID for payment. Note: Years in data table are fiscal years.

Performance Data Table

Fiscal Year: FY2002

Objective Name: Increased science and technology cooperation among Middle Eastern and developing countries, and utilization of U.S. and Israeli technical expertise by developing countries

Objective ID: 933-007

Approved: 6/97

Country/Organization: Center for Economic Growth and Agricultural Development

Result Name: IR 7.2 Israeli agricultural technical expertise transferred to Middle Eastern and developing countries

Indicator: Number of trainees from Middle Eastern countries (total MASHAV program).

Disaggregated By:

Unit of Measure: Number of trainees

Year	Planned	Actual
1996	NA	600
1997	800	601
1998	1,000	1,032
1999	1,200	1,236
2000	1,300	1,195
2001	1,400	NA
2002	1,500	NA

Source:

MASHAV: Annual reports

Indicator/Description:

Number of trainees from Middle Eastern countries (only) attending MASHAV courses each calendar year

Comments:

The Israeli Development Agency (MASHAV) keeps its records in calendar years.

USAID is reliant upon another nation to self-report on its own foreign assistance activities. Due to issues of sovereignty, the US is not in a position to independently verify these data. This situation might be viewed as a data limitation.

R4 Part III: Resource Request

This Resource Request is being developed during a time of great transition, not only in the Center for Economic Growth and Agricultural Development, but within the Agency as a whole and within the organizations of several of our major partners.

G/EGAD has spent nearly a year in design of a new Strategic Plan for the FY 2002-2010 period. This Plan is being submitted concurrently with this R4. In the Plan, we define Strategic Objectives (SOs) we hope to achieve and describe the Intermediate Results (IRs) that will guide activity design and implementation. One of the "bridge" SpOs, 933-006, presented in the Results Report above, has been folded into the new Strategic Objective 009. The wording of each SO has been carefully specified to better reflect the Center's "manageable interests", thus solving a criticism that has surfaced regularly in previous years' Results Reports. Correspondence between the "old" or "bridge" SOs and the Plan SOs, however, is fairly clear and still consistent with the Agency's 1997 Strategic Plan, especially for Goal 1 and its associated Strategic Objectives.

The Plan assumes, further, that the human and financial resource levels of FY 01 are the appropriate starting point for the Strategic Plan. These levels correspond to the "control" budget and to G Bureau-determined personnel ceilings that the Center was given to guide development of this R4. The Plan proposes, however, a substantial ramp-up of budget resources for key global issues, including trade capacity building, agricultural biotechnology, open access to plant and animal genetic material, and poverty, as well as an increased level of staffing in the Office of Development Credit to manage the expanded levels of Development Credit Authority proposed for FY 02. We, have, therefore, included in the presentation below an "expanded" budget request that reflects the Plan's "high scenario" for FY 02 - FY 10.

We feel that the conceptual framework of this Strategic Plan is sound and allows for coherent program expansion in response both to the evolution of global problems and opportunities as well as to changes in Agency focus and capacity. Many of the programs included in the Plan, especially at the Intermediate Result level, would permit either horizontal extension or vertical deepening.

The new directions the Administrator-Designate has proposed for the Agency appear to be highly consistent with the Plan's framework. However, as USAID continues to respond to the strategic vision of the new Administrator of the Agency and the overall policy direction of the U.S. Government and State Department, we expect to refine the G/EGAD program portfolio to reflect these and other changes.

A. Budget Resource Request

G/EGAD's strategy for the planning period of FY 02- FY 10 can be implemented with approximately \$79 million per year of core DA funds, an additional \$27 million amount of transfers of obligating authority from Mission field support funds per year and OYB transfers of funding for both the Israeli MERC program (approximately \$7 million per year) and for the Microenterprise Initiative (approximately 20 million a year.) Table X-1 outlines the DA core funding request by SO for FY 03. For SO 8, "Open, Competitive Economies Promoted," \$14.876 million per year is anticipated to support five IRs. For SO 9, "Food Availability and Access Sustainably Increased," about \$55 million per year is anticipated to support three IRs. For SO 10, "Access to Economic Opportunities for the Poor Expanded," around \$6.8 million per year is requested to both provide core support to the Microenterprise Initiative and to support policy work related to poverty-reduction. (These figures exclude the OYB transfers from regional bureaus that bring the total to \$25 million for G Bureau, centrally-managed Microenterprise Initiative funding.)

For the Israeli/Middle East programs, SpO 11, the MERC program will be continued with ESF support transferred from the State Department. Historically, this support has averaged \$7 million per year although we anticipate a level of only \$5 million for FY 01 - FY 03. The CDR program will remain steady at \$1.5 million per year in DA core funds, although we expect an additional \$1.5 million per year in field support FREEDOM Support Act (FSA) funds for activities in Central Asia to be transferred to G/EGAD. Core funding for the CDP program with MASHAV will be stepped down to \$2 million in FY 02 and \$1 million in FY 03. It is phased out completely with no funds in FY 04.

The Development Credit Authority is a tool to implement the G/EGAD Strategic Plan as well as to provide a new funding mechanism to Missions to implement their objectives. G/EGAD, through its Office of Development Credit (DC), manages the Development Credit Authority (DCA) planning, risk analysis, and monitoring process as well as remaining appropriated funds for the Micro and Small Enterprise Development (MSED) activity. In FY 01, DCA received \$6.5 million in loan transfer authority, \$1.5 million of which was to be for activities in the urban/environmental area. In addition, \$1.5 million was appropriated for MSED. No MSED request was made for FY 02, but the request for DCA transfer authority is anticipated to rise to \$25 million in FY 02 and to remain at least that level in subsequent years. The attached table provides the break out of transfer authority, guarantee amounts, and credit Administrative Expense (AE) funds needed to manage the program.

An "expanded" budget request for FY 03 would enable the Center to implement its Strategic Plan more aggressively and to provide Agency and USG leadership in key areas that can not be funded at the control levels. An additional \$2 million to SO 8 (open, competitive economies promoted) would enable us to raise the level of investment in trade capacity-building, including strengthening of the financial services sector in ways that better facilitate trade. An additional \$15 million to SO 9 (science and technology developed to improve agricultural productivity...) would better meet needs for: responding to Congressional and developing country interest in expanded support for biotechnology applications in agriculture; providing leadership to the world community in preserving the world's largest collection of genetic material and enhancing scientists' and researchers' access to this collection in perpetuity; sparking the formation of an alliance to establish a web-enabled Agriculture and Environment Global Information System (AEGIS) as a Geographic Information System "backbone" to which many countries and organizations would contribute; initiating medium-term programs on climate variability, rural financial markets, and technology transfer/outreach. An additional \$1 million for SO 10 would strengthen our global leadership on microenterprise development as a means for reducing poverty.

B. Staff Resource Request

Table X-2a presents the USDH staff required, by backstop, for the strategy period. The number of OE-funded staff (i.e., all Offices and staffs other than the Office of Development Credit) remains capped at 40, based on the ceiling provided by G Bureau Management in FY 2001. This compares with USDH 42 that were on board in FY 2000. In addition, in FY 2001, DC has 10 AE-funded USDH. Together, we expect to meet the overall G/EGAD USDH ceiling of 50 at end-FY 01.

However, due to the large anticipated increases in loan transfer authority and subsequent contingent liability to the USG, the number of staff in DC is increased. Table X-2b compares DCA funding and AE-funded USDH staffing. If the expected transfer authority increases are actualized, the number of AE-funded USDH is expected to increase almost immediately to 15, bringing the G/EGAD total USDH staff to 55. If outsourcing plans do not work out and/or the requested level of DCA transfer authority grows with demand, then even this level may need to be revisited again next year.

Table X-3 presents the total staff requirement, with USDH as well as program-funded staff included. In FY 01, G/EGAD was given, in addition to its ceiling of 50 USDH (OE- and AE-funded) staff, a ceiling of 45 program-funded staff. To offset the loss of two USDH from the 52 level in FY 2000, G/EGAD is proposing to add two additional program-funded technical staff, probably under the CASU mechanism, in FY 2001. These additional staff are critically needed to assist in the major conceptual and design work needed to actualize the newer elements of the strategy. With this addition, the number of program-funded staff would rise temporarily to 47 in FY 2001, but in FY 2002, we anticipate the departure to an off-site location of the two in-house ODC institutional contractors. With their departure, the program-funded staff would revert to the previously established ceiling.

As our organizational and institutional partnerships have developed, we have been seriously constrained from full participation in activities by our \$ 210,000 OE/travel budget. Our FY 03 request level, therefore, is increased to \$ 275,000.

FY 2001 Budget Request by Program/Country

Fiscal Year: 2001 Program/Country: G/EGAD
 Approp: DA
 Scenario:

S.O. #, Title	FY 2001 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY2002
	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: Improved access to financial and business development services, particularly to the microenterprises of the poor															
Bilateral	3,000	0	3,000	0	0	0	0	0	0	0	0	0	0	1,500	1,500
Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	3,000	0	3,000	0	0	0	0	0	0	0	0	0	0	1,500	1,500
SO 2: Improved food availability, economic growth and conservation of natural resources through agricultural development															
Bilateral	57,925	32,425	0	0	0	0	0	0	0	0	0	25,500	0	54,030	24,819
Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	57,925	32,425	0	0	0	0	0	0	0	0	0	25,500	0	54,030	24,819
SO 3: Appropriate and functioning policies, market reforms, and institutions are developed to accelerate economic growth in emerging markets and priority countries															
Bilateral	7,066	0	7,066	0	0	0	0	0	0	0	0	0	0	4,362	3,533
Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	7,066	0	7,066	0	0	0	0	0	0	0	0	0	0	4,362	3,533
SO 6: Private sector business linkages support U.S. technology transfer in support of development objectives															
Bilateral	5,000	0	5,000	0	0	0	0	0	0	0	0	0	0	2,500	2,500
Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	5,000	0	5,000	0	0	0	0	0	0	0	0	0	0	2,500	2,500
SpO 7: Increased science and technology cooperation among Middle Eastern and developing countries and utilization of U.S. and Israeli technical expertise by developing countries															
Bilateral	4,500	0	4,500	0	0	0	0	0	0	0	0	0	0	3,400	3,400
Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	4,500	0	4,500	0	0	0	0	0	0	0	0	0	0	3,400	3,400
Bilateral	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bilateral	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Bilateral	77,491	32,425	19,566	0	0	0	0	0	0	0	0	25,500	0	65,792	35,752
Total Field Support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL PROGRAM	77,491	32,425	19,566	0	0	0	0	0	0	0	0	25,500	0	65,792	35,752

FY 2001 Request Agency Goal Totals	
Econ Growth	51,991
Democracy	0
HCD	0
PHN	0
Environment	25,500
Program ICASS	0

FY 2001 Account Distribution (DA only)	
Dev. Assist Program	77,491
Dev. Assist ICASS	0
Dev. Assist Total:	77,491
CSD Program	0
CSD ICASS	0
CSD Total:	0

Prepare one set of tables for each Fiscal Year (FY2001, FY2002, FY2003)
 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: G/EGAD
 Approp: DA
 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 8: Open, Competitive Economies Promoted																		
Bilateral		11,600		11,600				0									5,800	5,800
Field Spt		11,600	0	11,600	0	0	0	0	0	0	0	0	0	0	0	0	5,800	5,800
SO 9: Science and Technology Developed to Improve Agricultural Productivity, Natural Resource Management, Markets, and Human Nutrition																		
Bilateral		55,256	33,016									22,240					53,000	23,000
Field Spt		55,256	33,016	0	0	0	0	0	0	0	0	22,240	0	0	0	53,000	23,000	
SO 10: Access to economic opportunities for the poor expanded																		
Bilateral		5,050		5,050													2,525	2,525
Field Spt		0	0	5,050	0	0	0	0	0	0	0	0	0	0	0	2,525	2,525	
SpO11: Increased technical cooperation among middle eastern, developing countries and the U.S.																		
Bilateral		3,500	0	3,500								0					3,500	1,500
Field Spt		0	0	3,500	0	0	0	0	0	0	0	0	0	0	0	3,500	1,500	
Bilateral		0																
Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bilateral		0																
Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bilateral		0																
Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Bilateral		75,406	33,016	20,150	0	0	0	0	0	0	0	22,240	0	0	0	64,825	32,825	
Total Field Support		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL PROGRAM		75,406	33,016	20,150	0	0	0	0	0	0	0	22,240	0	0	0	64,825	32,825	

FY 2002 Request Agency Goal Totals	
Econ Growth	53,166
Democracy	0
HCD	0
PHN	0
Environment	22,240
Program ICASS	0
GCC (from all Goals)	5,585

FY 2002 Account Distribution (DA only)	
Dev. Assist Program	75,406
Dev. Assist ICASS	0
Dev. Assist Total:	75,406
CSD Program	0
CSD ICASS	0
CSD Total:	0

Prepare one set of tables for each Fiscal Year (FY2001, FY2002, FY2003)
 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 2003 Budget Request by Program/Country

Fiscal Year 2003 Program/Country: G/EGAD
 Approp: DA
 Scenario:

S.O. #, Title	FY 2003 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY2003
	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 8: Open, Competitive Economies Promoted															
Bilateral	14,876		0	14,876	0	0	0	0	0	0	0	0	0	12,438	7,438
Field Spt		14,876	0	14,876	0	0	0	0	0	0	0	0	0	0	0
	14,876		0	14,876	0	0	0	0	0	0	0	0	0	12,438	7,438
SO 9: Science and Technology Developed to Improve Agricultural Productivity, Natural Resource Management, Markets, and Human Nutrition															
Bilateral	55,000		34,700	0	0	0	0	0	0	0	0	20,300	0	53,000	23,000
Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	55,000		34,700	0	0	0	0	0	0	0	0	20,300	0	53,000	23,000
SO 10: Access to economic opportunities for the poor expanded															
Bilateral	6,800		0	6,800	0	0	0	0	0	0	0	0	0	5,925	3,400
Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	6,800		0	6,800	0	0	0	0	0	0	0	0	0	5,925	3,400
SpO 11: Increased technical cooperation among middle eastern, developing countries and the U.S.															
Bilateral	2,500		0	2,500	0	0	0	0	0	0	0	0	0	3,000	1,000
Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	2,500		0	2,500	0	0	0	0	0	0	0	0	0	3,000	1,000
Bilateral	0		0	0	0	0	0	0	0	0	0	0	0	0	0
Field Spt	0		0	0	0	0	0	0	0	0	0	0	0	0	0
	0		0	0	0	0	0	0	0	0	0	0	0	0	0
Bilateral	0		0	0	0	0	0	0	0	0	0	0	0	0	0
Field Spt	0		0	0	0	0	0	0	0	0	0	0	0	0	0
	0		0	0	0	0	0	0	0	0	0	0	0	0	0
Bilateral	0		0	0	0	0	0	0	0	0	0	0	0	0	0
Field Spt	0		0	0	0	0	0	0	0	0	0	0	0	0	0
	0		0	0	0	0	0	0	0	0	0	0	0	0	0
Total Bilateral	79,176		34,700	24,176	0	0	0	0	0	0	0	20,300	0	74,363	34,838
Total Field Support	0		0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL PROGRAM	79,176		34,700	24,176	0	0	0	0	0	0	0	20,300	0	74,363	34,838

FY 2003 Request Agency Goal Totals	
Econ Growth	58,876
Democracy	0
HCD	0
PHN	0
Environment	20,300
Program ICASS	0
GCC (from all Goals)	5,585

FY 2003 Account Distribution (DA only)	
Dev. Assist Program	79,176
Dev. Assist ICASS	0
Dev. Assist Total:	79,176
CSD Program	0
CSD ICASS	0
CSD Total:	0

Prepare one set of tables for each Fiscal Year (FY2001, FY2002, FY2003)
 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

Org G/EGAD End of year On-Board FY 2001 Estimate	MD/DCS SO 1	AFS SO 2	EM SO 3	BD SO 6	IP SpO 7	Total SO/SpO	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con- tract	Legal	All Other	Total Mgmt.	Total Staff
OE Funded: 1/														
U.S. Direct Hire	13	14	8	6	0	41	2	0	1	0	0	6	9	50
Other U.S. Citizens	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
Other FSN/TCN	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	13	14	8	6	0	41	2	0	1	0	0	6	9	50
Program Funded 1/														
U.S. Citizens	8	13	2	1	2	26	0	0	0	0	0	2	2	28
FSNs/TCNs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	8	13	2	1	2	26	0	0	0	0	0	2	2	28
Total Direct Workforce	21	27	10	7	2	67	2	0	1	0	0	8	11	78
TAACS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fellows	1	4	0	0	2	7	0	0	0	0	0	0	0	7
NEPs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	1	4	0	0	2	7	0	0	0	0	0	0	0	7
TOTAL WORKFORCE	22	31	10	7	4	74	2	0	1	0	0	8	11	85

1/ Excludes TAACS, Fellows, and NEPS

Org G/EGAD End of year On-Board FY 2002 Estimate	EM/BD/DCS SO 8	AFS SO 9	MD SO 10	IP SpO11	Total SO/SpO	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con- tract	Legal	All Other	Total Mgmt.	Total Staff
OE Funded: 1/													
U.S. Direct Hire	29	13	4	0	46	2	0	1	0	0	6	9	55
Other U.S. Citizens	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
Other FSN/TCN	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	29	13	4	0	46	2	0	1	0	0	6	9	55
Program Funded 1/													
U.S. Citizens	3	13	8	2	26	0	0	0	0	0	2	0	28
FSNs/TCNs	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	3	13	8	2	26	0	0	0	0	0	2	0	28
Total Direct Workforce	32	26	12	2	72	2	0	1	0	0	8	9	83
TAACS	0	0	0	0	0	0	0	0	0	0	0	0	0
Fellows	0	4	1	2	7	0	0	0	0	0	0	0	7
NEPs	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	0	4	1	2	7	0	0	0	0	0	0	0	7
TOTAL WORKFORCE	32	30	13	4	79	2	0	1	0	0	8	9	90

1/ Excludes TAACS, Fellows, and NEPs

Org G/EGAD End of year On-Board FY 2003 Estimate	BD/EM/DCS SO8	AFS SO9	MD SO10	IP SpO11	Total SO/SpO	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con- tract	Legal	All Other	Total Mgmt.	Total Staff
OE Funded: 1/													
U.S. Direct Hire	29	13	4	0	46	2	0	1	0	0	6	9	55
Other U.S. Citizens	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
Other FSN/TCN	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	29	13	4	0	46	2	0	1	0	0	6	9	55
Program Funded 1/													
U.S. Citizens	3	13	8	2	26	0	0	0	0	0	2	2	28
FSNs/TCNs	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	3	13	8	2	26	0	0	0	0	0	2	2	28
Total Direct Workforce	32	26	12	2	72	2	0	1	0	0	8	11	83
TAACS	0	0	0	0	0	0	0	0	0	0	0	0	0
Fellows	0	4	1	2	7	0	0	0	0	0	0	0	7
IDIs	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	0	4	1	2	7	0	0	0	0	0	0	0	7
TOTAL WORKFORCE	32	30	13	4	79	2	0	1	0	0	8	11	90

1/ Excludes TAACS, Fellows, and NEPs

USDH Staffing Requirements by Backstop, FY 2000 - FY 2003 - 2004

Functional Backstop (BS)	Number of USDH Employees in Backstop in:			
	FY 2001	FY 2002	FY 2003	FY 2004
Senior Management				
SMG - 01	2	2	2	2
Program Management				
Program Mgt - 02	6	6	6	6
Project Dvpm Officer - 94	1	1	1	1
Support Management				
EXO - 03	1	1	1	1
Controller - 04	2	7	7	7
Legal - 85				
Commodity Mgt. - 92				
Contract Mgt. - 93				
Secretary - 05 & 07	3	3	3	3
Sector Management				
Agriculture - 10 & 14	13	13	13	13
Economics - 11	4	4	4	4
Democracy - 12				
Food for Peace - 15				
Private Enterprise - 21	18	18	18	18
Engineering - 25				
Environment - 40 & 75				
Health/Pop. - 50				
Education - 60				
General Dvpm. - 12*				
RUDO, UE-funded - 40				
Total	50	55	55	55

*GDOs: If you have a position that is currently designated a BS-12 GDO, list that position under the occupational backstop that most closely reflects the skills needed for the position.
 RUDOs: Do not forget to include those who were in UE-funded RUDO positions. Remaining IDIs: list under the occupational Backstop for the work they do.

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

TABLE IV-3: DETAIL OF AE-FUNDED STAFF (IN RELATION TO BUDGET) OF DEVELOPMENT CREDIT OFFICE

		FY 2001	FY 2002	FY 2003
Transfer Authority	(1)	\$ 8.0	\$ 25.0	\$ 25.0
Carryover		\$ 6.0		
New Guarantee Amount	(2)	\$ 218	\$ 389	\$ 389
New authorized projects	(3)	31	56	43
Existing Portfolio	(4)	\$ 2.6 Billion	\$ 2.7 Billion	\$ 2.9 Billion
Credit AE funds		\$ 2.4*	\$ 7.5**	\$ 8.0**
Staffing Requirement (Total)		10	15	15
AE-Funded Staff (On-site)				
Private Enterprise	BS-21	4	5	5
Financial Manager	BS-04	5	6	6
Program Analyst	BS-85		3	3
Secretary	BS-05	1	1	1
Total AE-Funded Staff		10	15	15
New credit authorized amount per employee		\$ 21.8	\$ 26.0	\$ 26.0

Notes:

Includes WAE workdays 130

Includes WAE workdays 390

Office/Bureau:G/EGAD

OC	Object Class Code Title	FY 2001 Estimate	FY 2002 Target	FY 2003 Target	FY 2003 Request
11.8	Special personal services payments U.S. PSCs IPA/Details-In/PASAs/RSSAs Salaries				
	Subtotal OC 11.8	0	0	0	0
12.1	Personnel Benefits U.S. PSCs - Benefits IPA/Details-In/PASAs/RSSAs Benefits				
	Subtotal OC 12.1	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				
	Subtotal OC 21.0	210	210	210	275
23.3	Communications, Utilities, and Miscellaneous Charges Commercial Time Sharing Other Communications, Util, and Misc. Charges				
	Subtotal OC 23.3	0	0	0	0
24.0	Printing & Reproduction Subscriptions & Publications Other Printing and Reproduction				
	Subtotal OC 24.0	0	0	0	0
25.1	Advisory and assistance services Studies, Analyses, & Evaluations Management & Professional Support Services Engineering & Technical Services				
	Subtotal OC 25.1	0	0	0	0
25.2	Other services Non-Federal Audits Grievances/Investigations Manpower Contracts Staff training contracts Other Miscellaneous Services				
	Subtotal OC 25.2	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				
	Subtotal OC 25.3	0	0	0	0
25.7	Operation & Maintenance of Equipment & Storage				
25.8	Subsistence and support of persons (contract or Gov't)				
26.0	Supplies and Materials				
31.0	Equipment IT Software Purchases IT Hardware Purchases Other Equipment Purchases				
	Subtotal OC 31.0	0	0	0	0
	Subtotal	210	210	210	275
Additional Object Class Codes (If Required)					
Total Other Object Class Codes					
		0	0	0	0
Total Budget					
		210	210	210	275

Information Annex Topic: Environmental Impact

The Categorical Exclusion to the Procedures for Initial Environmental Examination (IEE) for G/EGAD Center's SOs and SpO was approved on May 14, 1998 by DAA/G/EGAD and Global Bureau's Environmental Officer. The IEEs are effective through G/EGAD's current approved strategic planning period date of FY 2003 for the following SOs and SpO:

SO1: Improved Access to Financial and Business Development Services, Particularly to the Microenterprises of the Poor (formerly SSO#1)

SO2: Improved Food Availability, Economic Growth, and Conservation of Natural Resources through Agricultural Development (formerly SSO#2)

SO3: Appropriate and Functioning Economic Policies, Market reforms and Institutions are Developed to Accelerate Economic Growth in Emerging Markets and Priority Countries (formerly SSO#3)

SO4: Private Sector Business Linkages Support U.S. Technology Transfer in Support of Development Objectives (formerly SpO#3)

SpO1: Increased Science and technology Cooperation Among Middle Eastern and Developing Countries and Utilization of US and Israeli Technical Expertise by Developing Countries (formerly SpO#4)

Copies of the SO and SpO Categorical Exclusion to the Procedures for an Initial Environmental Examination are on file in G/EGAD.

Information Annex Topic: Global Climate Change

Climate change is an issue that demands our attention and will not go away. The Inter-governmental Panel on Climate Change (IPCC) predicts that local climate variability due to climate change will increase and become more intense particularly in the tropics. Climate variability will lower agricultural productivity and increase food insecurity.

The EGAD staff has increased its level of discussions and coordination with international agencies that are developing strategies to cope with impacts of climate change on food production. The center will continue to intensify working with our partners to encourage agricultural activities to enable farmers, extension specialists and policy makers in developing countries to cope with effects of climate variability. In order to facilitate greater coordination inside and outside the agency, EGAD's Office of Agriculture and Food Security has pulled together a Climate Variability Team. The team will develop a strategic plan that carries out the Congressional mandates accompanying Title XII legislation and the recently ratified UN Convention to Combat Desertification. The team will coordinate activities within the agency, internationally and at the science and policy levels.

AFS under Strategic Support Objective #2 *Improved Food Availability, Economic Growth and Conservation of Natural Resources through Agricultural Development* supports science and technology programs by the international agricultural research centers of the Consultative Group on International Agricultural Research (CGIAR), independent agricultural research centers such as the International Fertilizer Development Center (IFDC), and Collaborative Research Support Programs (CRSPs). Our partners carry out an array of research activities that can be attributed towards USAID's Climate Change Initiative (CCI) objectives. By our estimates, we attribute \$5.775 million in FY 00 EGAD allocations through secondary coding to CCI. This amount is slightly more than the previous year and it is almost 12 percent of EGAD allocations for agricultural research and technology programs.

The broad impacts of AFS-supported research activities include (a) increasing awareness and capacity of developing countries to cope with climate variability issues (e.g., adaptation, vulnerability assessment, vulnerability reduction and mitigation), (b) increasing use of technology and farming practices to improve natural resource management in developing countries including land use and agroforestry management, policy advances, public and private funding leveraged, and institutional capacity strengthened, and (c) other climate variability activities in developing countries.

The major environmental impacts of research carried out by the CGIAR centers and its partners come indirectly through the adoption of the technologies and other innovations that result from such research. The range of impacts related to the environment and natural resources is broad, and is associated with changes in soil quality and movement, water quantity and quality, natural resource sustainability and biodiversity conservation. Most of the relevant impacts are associated with changes in land and water use that have occurred because of adoption of the innovations derived from research aimed at increasing food supply and security. Given the complexity of tracing linkages between research and environmental impacts it is impossible to assess impacts of annual research accomplishments.

An October 2000 CGIAR report of Standing Panel on Impact Assessment (1) looked at land-saving implications of productivity-enhancing innovations. The report stated the following.

“The preliminary analysis revealed that land saved from deforestation as a result of productivity research in seven key mandated food crops was in the range of 170 to 420 million hectares, with another 50 million hectares in reduced requirements for permanent pasture attributable to forage/livestock research. Assuming that average carbon storage per hectare is 100 tons and has a value \$1 per ton, the environmental savings may be placed at 10-25 billion over 2 decades. Also assuming that 40 percent of the lands developed would have been cleared

forests with an average value in biodiversity of \$5 per hectare, additional environmental savings amount to \$200-500 million.”

“The environmental benefits associated with a reduction of deforestation of this magnitude – biodiversity, carbon storage, erosion or downstream damage – can reasonably be expected to be highly significant and important from a global perspective.”

More work on impact assessment and formation of internet databases will be done in this area in the upcoming year. The following comments are linked to the G/ENV Reporting Framework for Climate Change.

I. Increased Participation in the UN Framework Convention on Climate Change (UNFCCC)

A. Policy Advances Supporting the UNFCCC

B. Increased Capacity to Meet Requirements of the UNFCCC

AFS played an international leadership role in raising awareness of how sustainable agriculture practices promotes poverty alleviation. AFS along with IFAD and WMO co-sponsored a workshop on Carbon Sequestration, Sustainable Agriculture and Poverty Alleviation in August 2000. AFS staff played a major role in organizing the workshop. People from over 40 countries attended the workshop. The recommendations of the workshop detailing the workability of soil carbon sequestration on degraded lands was presented at two side meetings at Lyon SBSTA meetings, September 2000, prior to COP-6 in Bonn. This series of meetings informed developing country policy makers about the linkage of carbon markets for agricultural carbon sequestration to poverty alleviation in developing countries.

II. Reduced Greenhouse Gas Emissions from the Land Use, Forestry Activities, and Natural Resource Management

A. Land Use/Forest Management Activities

The Soil Management CRSP released an updated version of the Nutrient Management Support System for soil nutrient management. The software diagnoses, recommends and compares economic outcomes of different nutrient sources, crops, and price scenarios. Worldwide scores of scientists and extension specialists collaborated to test the system. The Soil Management CRSP determined that peach palm groves owned by small holder farmers accumulate large quantities of carbon in above ground vegetation and below ground. Peach palm groves may be good candidates for carbon sequestration projects because they accumulate about 13 tons of above ground dry matter per hectare in 8 years.

The RAISE program carried out the ARAP program in Nicaragua to establish and diffuse capacity to help in-country smallholder farmers better cope with climatic disasters. A three-year project by RAISE increased community capacity in Madagascar to mitigate future climatic disaster through the establishment of disaster committees and capacity building to better maintain infrastructure.

G/EGAD/AFS provided technical assistance to Haiti and Dominican Republic missions to redesign their hillside agriculture, environment and watershed programs to ensure that vulnerability reduction to extreme climate events is included as an activity.

The INTSORMIL CRSP increased the development and diffusion of drought tolerant crops and the attendant technologies necessary for adaptation in Eastern Africa (Sudan, Eritrea, Ethiopia, Djibouti, Uganda, Kenya and Somalia) with the Inter-Governmental Authority on Development (IGAD).

IFDC developed a way to identify the crops that are most sensitive to inter-annual climate variability associated with El Nino anomalies and quantify the shifts in observed yield distribution. IFDC is

calibrating the Century model to predict soil carbon levels for use in developing countries by measuring soil carbon content in long-term experiments that include different farming practices.

The SANREM CRSP refined the Global Agriculture Sector Model (GASM) for predicting the impact of climate variability and El Nino south oscillation events on agriculture.

G/EGAD/AFS staff had discussions with IFAD and WRI and other partners about setting up a carbon sequestration network and a clearinghouse on carbon sequestration, poverty reduction and climate variability. The purpose of the clearinghouse is to enable a functional carbon market that includes smallholders in developing countries and that gives smallholders access to the necessary institution mechanisms to implement project-base activities.

Research at ICARDA has shown that farming practices can contribute to greater cereal productivity in semi-arid locations and increased soil organic carbon levels.

ICRAF is leading an East African effort to increase the number of trees on farms despite population increases.

Both CIFOR and ICRAF are active in efforts to increase the value of forests, making their maintenance and use more attractive economically. Non-timber forest products (bamboo, rattan, and foods of various kinds) provide important means for people to remain in the forest, earning a livelihood and preserving important biodiversity and carbon sinks. These approaches are an integral part of CIFOR's and ICRAF's community-based forest management programs.

B. Policy Advances

In the Philippines, the SANREM CRSP continued to use a participatory research approach and a training network to enable communities to change policy, practice, technology and enhanced institutional capacity in order to establish and maintain sustainable landscapes in watersheds. The community is responsible for improving water quality, stabilizing hillsides, promoting and tree planting. In West Africa, SANREM has catalyzed the creation of a sustainable local, inter-village Natural Resources Management Advisory Council designed to address issues of environmental degradation, declining agricultural productivity, land-use management, conservation, and conflict in the context of decentralization.

C. Public and Private Funding Leveraged

CIAT is working with community organizations in ways that have led to forest buffer zone being established, and over 200,000 trees being planted for firewood and reforestation. Terracing of cultivated steepplands is a catalytic event for farmers. There is a shift in land use away from staple crops to fruit crops with greater market value. Tree cover affords the best protection of steeppland watershed and downstream infrastructure

D. Institutional Capacity Strengthened

Peru's soil conservation service became a client and user of the Tradeoff model software developed for policy-makers under the Soil Management CRSP. The Soil Management CRSP along with IFDC continues to develop and test the Tradeoff Analysis and Tradeoff Model software with it collaborators at CIP, IFDC, ILRI, Wageningen University and local government agencies in Peru and Ecuador. About scientists in ASARECA were trained to use early warning biophysical models to identify climate-related stress in livestock.

The Global Livestock CRSP provided advanced research experience to six Central Asian scientists from Turkmenistan, Uzbekistan and Kazakhstan in the technologies for measuring and modeling CO₂ fluxes in range lands. The Global Livestock CRSP is collaborating with other agencies to obtained additional funding to determine the extent of carbon sequestration in range lands and potential for increasing productivity of range land in central Asia.

ICRAF and CIFOR report continued good progress with policy dialogue, workshops and other capacity building activities in Indonesia, Brazil and other locations in raising the awareness of policy-makers and stakeholders to advantages of controlling fires and logging of tropical forests. Progress has been made in reducing the losses by forest fire. Both CIFOR and ICRAF continue to build capacity in policy and technology networks enable decision-makers to make sustainable use of forests.

III. Reduced Greenhouse Gas Emissions form the Energy Sector, Industry, and Urban Areas

IV. Other Climate Change Activities

WHAT WE PLAN TO DO (FY 2001 activities if funding is available)

G/EGAD/AFS will work with LAC and AFR-SD bureaus to develop capacity to use geospatial information technology for environmental/natural resource management tracking needs.

G/EGAD/AFS will participate with G/ENV to evaluation developing country National Actions Plans (NAPs) under the UN Convention to Combat Desertification to ensure that climate adaptation activities specific to agriculture are included in the plans. The office will also participate in the collection of mission and bureau statistics on implementation of these activities in USAID presence countries as part of US Senate reporting requirements.

G/EGAD/AFS will review and circulate the Soil Management CRSP's paper on soil carbon measurement.

G/EGAD/AFS staff will work with LAC and AFG-SD Bureaus to develop capacity to use geospatial information technology for various types of commodity certification and natural resource management tracking needs. These technologies are transferable to the implementation, measurement and verification of international treaty compliance including biodiversity, climate hazard mitigation and carbon sequestration.

EGAD and ENV Centers will work together to develop a mutual plan to protect economic growth and the environment in development countries.

G/EGAD staff have made valiant efforts to complete the GCC spreadsheets. As we go to press, we have not been able complete the spreadsheets in a satisfactory manner. They remain "under construction".

References:

1. CGIAR Technical Advisory Committee's Standing Panel on Impact Assessment. 2000. Environmental Impacts of the CGIAR An Initial Assessment. TAC Secretariat, FAO. P71.

FY00 Climate Change Reporting Guidance - Data Tables

Please fill in the YELLOW cells to complete the table.

Table 1.0 - Background Information

Country, Region, Office, or Program Reporting:	G/EGAD/AFS
Name of person(s) & IR Teams completing tables:	Charles Sloger, AFS Climate Variability Team
Name #1:	
SO Team Name and number1:	
Name #2:	
SO Team Name and number2:	
Name #3:	
SO Team Name and number3:	
Contact information	
Address (1):	USAID, RRB SUITE 2.11
Address (2):	
Street:	
City, Address Codes:	Washington, DC 20523-2110
Telephone number:	202-712-1902
Fax number:	202-216-3010
Email address:	csloger@usaid.gov
Other relevant information:	

FY00 Reporting Units participating in the Climate Change Initiative

AFR/SD – CARPE	LAC/RSD
AFR/SD – FEWS	Lithuania
Albania	Macedonia
Armenia	Madagascar
Bangladesh	Malawi
Bolivia	Mali
Brazil	Mexico
Bulgaria	Moldova
CEE Regional	Mozambique
Central America (G-CAP)	Nepal
Central Asia Republics	Nicaragua
East Asia Environmental Initiative	NIS Regional
Ecuador	Panama
EGAD	Paraguay
Egypt	Peru
G/ENV/EET	Philippines
G/ENV/ENR	Poland
G/ENV/GCC	RCSA
G/ENV/UP	Romania

Please fill in the YELLOW cells to complete the table.

TABLE 1.1

Result 1: Increased Participation in the UNFCCC

Indicator 1: Policy Development Supporting the Framework Convention on Climate Change

PLEASE SEE DEFINITIONS BELOW

Policy Measure	STEP 1: Policy Preparation and Presentation	STEP 2: Policy Adoption	STEP 3: Implementation and Enforcement	List Activities Contributing to Each Policy Category	SO Number for Activity	CN/TN Number for Activity
Ex: Integration of climate change into national strategic, energy, and sustainable development strategies	1	1		Gov't-established interagency group has completed all necessary analysis and preparation to develop NEAP.	3.2	CN-23-222
Integration of climate change into national strategic, energy, and sustainable development strategies						
Emissions inventory						
Mitigation analysis						
Vulnerability and adaptation analysis						
National Climate Change Action Plan						
Procedures for receiving, evaluating, and approving Activities Implemented Jointly (AIJ) proposals						
Procedures for monitoring and verifying greenhouse gas emissions						
Growth baselines for pegging greenhouse gas emissions to economic growth						
Legally binding emission reduction targets and timetables						
Other (describe)						
Other						
Sub-total (number of policy steps achieved):	0	0	0			
	TOTAL (number of policy steps achieved):					

Definitions: Policy Steps Achieved

Policy Measure	"Policy measures" may include documentation demonstrating a legal, regulatory, or other governmental commitment to a defined course of action. Thus, for example, "policy measures" would include: a national, state, provincial, or local law; a regulation or decree; guidance issued by an agency, ministry, or sub-national body; a land use plan; a National Environmental Action Plan; a Climate Change Action Plan; or a National Communication to the IPCC. The term "policy measures" does not include technical documentation, such as technical reports or land use maps, nor site-specific activities reported under Indicators 1 and 2 (e.g., legal demarcation of individual site or granting of community access to single location).
Policy Preparation and Presentation (Step 1)	Draft bill, policy or regulation, vetted through relevant stakeholders in government, non-government, the private sector and civil society, and introduced for debate in appropriate legislative, regulatory, or governmental body.
Policy Adoption (Step 2)	Policy intervention is approved and adopted by the appropriate administrative agency or legislative body. Can take the form of the voting on a law; the issuance of a decree, etc.
Policy Implementation and Enforcement (Step 3)	Actions that put the policy interventions into effect, such as agency personnel trained in procedures, appropriate institutions created or strengthened, or legislation implemented through the appropriate government agency.
Definitions: Types of Activities	
Adaptation	Adjustments in practices, processes or structures of systems to projected or actual changes of climate (may be spontaneous or planned).
Emissions inventory	Detailed listing of GHG sources and sinks.

Growth Baselines	An approach that would link countries' emissions targets to improvements in energy efficiency.
Joint Implementation (JI)	The process by which industrialized countries can meet a portion of their emissions reduction obligations by receiving credits for investing in GHG reductions in developing countries.
Mitigation	An action that prevents or slows the increase of greenhouse gases (GHGs) by reducing emissions from sources and sinks.
National Climate Change Action Plan	Plans that delineate specific mitigation and adaptation measures that countries will implement and integrate into their ongoing programs. These plans form the basis for the national communications that countries submit to the UNFCCC Secretariat.

Please fill in the YELLOW cells to complete the table.

TABLE 1.2					
Result 1: Increased Participation in the UNFCCC					
Indicator 2: Increased capacity to meet requirements of the UNFCCC					
Categories	Types of Support Provided (Enter the number of Training/TA activities for each category)		List the Activities that Contribute to Each Capacity Building Category	SO Number for Activity	CN/TN Number for Activity
	Training	Technical Assistance			
Ex: Support for joint implementation activities	1	3	Provided training and assistance in the economic and financial evaluation of energy efficient projects for consideration in JI activities.	2.4	CN-23-222
Monitoring and verifying GHG emissions					
Growth baselines for pegging GHG emissions to economic growth					
Development of emissions reduction targets and timetables					
Support for joint implementation activities					
Support for Vulnerability and Adaptation Activities					
Other (describe)					
Other					
Total number of points for Training/Technical Assistance:	0	0			

7	Reduce methane and ammonia volatilization in rice paddies	Bangladesh	Dinajpur		5									
8	Farmer implemented conservation practices in a watershed	Philippines	Buckidnon111		1									
9	Nutrient Management Support System	global application, 3 specific sites in Philippines, Costa Rica and Mali			1	1000	h,k	1	1,2,4,5					
15														
Total area (hectares):					#REF!	Total area:	#REF!	Total area:	#REF!					
<p>Note: If you need to list more than 45 individual entries in this table, please create a second copy of this spreadsheet, following the instructions at bottom.</p>														

Codes for Land Use and Forestry Sector									
Principal Activities:		Predominant Vegetation Type:			Predominant Managed Land Type:		Codes for Additional Information:		
1	Conservation of natural ecosystems (may include protected area management, extraction of non-timber products, etc. but <i>not</i> timber harvesting.)	A	Tropical evergreen forest	H	Tropical grassland and pasture	1	Agricultural systems: Less than 15% of the area under trees	1	Maps
2	Sustainable forest management for timber using reduced-impact harvesting (non-timber forest products may also be harvested)	B	Tropical seasonal forest	I	Temperate grassland and pasture	2	Agroforestry systems: Greater than 15% of the area under trees	2	Geo-referenced site coordinates
3	Afforestation/reforestation/plantation forests	C	Temperate evergreen forest	J	Tundra and alpine meadow	3	Plantation Forests: At least 80% of the area under planted trees	3	Biomass inventory
4	Agroforestry	D	Temperate deciduous forest	K	Desert scrub	4	Protected areas	4	Rainfall data
5	Sustainable agriculture	E	Boreal forest	L	Swamp and marsh			5	Soil type data
		F	Temperate woodland	M	Coastal mangrove				
		G	Tropical open forest / woodland	N	Wetlands				
		O	Mediterranean forest / Vegetation						

Definitions: Natural Ecosystems	
Natural Ecosystems	Any areas that have not experienced serious degradation or exploitation of biomass, and without significant harvest of biomass. This includes protected areas, areas used for the extraction of non-timber forest products, and community-managed forests with minimal timber extraction. Areas where non-timber forest products are harvested can be counted in this category but not those that are managed for timber. The latter are included in 2b below. The distinction is important as different approaches are employed in estimating carbon for "natural areas" (2a) and "managed areas" (2b). Natural areas include: (1) protected areas; (2) areas where non-timber forest products are extracted if significant biomass is not removed (often managed as community-based forest management areas); and (3) any other areas which exclude larger-scale biomass harvest from a management regime including many areas managed by communities and/or indigenous groups.
Definitions: Managed Lands Categories	
Sustainable Forest Management for Timber, using Reduced Impact Harvesting (RIH)	<p>A timber management activity will be considered to have a positive impact on carbon (relative to conventional methods) if it employs RIH practices and/or other key criteria. RIH is a package of practices proven to minimize environmental damage and carbon emissions during the logging of natural tropical forest. To be included, an activity must include most of the following practices:</p> <ul style="list-style-type: none"> - tree inventorying, marking and mapping; - careful planning and marking of skidder trails; - vine cutting prior to harvest, where appropriate; - directional felling of trees; - appropriate skidding techniques that employ winching and best available equipment (rubber tired skidder/animal traction) to minimize soil - proper road and log deck construction; - a trained work force and implementation of proper safety practices; - fire mitigation techniques (fire breaks); - existence of a long-term management plan. <p>Report on the area where government, industry or community organizations are carrying out forest management for commercial timber using the techniques above, or forest management areas that have been "certified" as environmentally sound by a recognized independent party. Only the area where sound planning and harvesting is being currently practiced should be included (not the whole concession or forest).</p>
Agroforestry	Agroforestry covers a wide variety of land-use systems combining tree, crop and/or animals on the same land. Two characteristics distinguish agroforestry from other land uses: 1) it involves the deliberate growing of woody perennial on the same unit of land as agricultural crops and/or animals either spatially or sequentially, and 2) there is significant interaction between woody and non-woody components, either ecological or economical. To be counted, at least 15 percent of the system must be trees or woody perennials grown for a specific function (shade, fuel, fodder, windbreak). -- Include the area of land under an agroforestry system in which a positive carbon benefit is apparent (i.e., through the increase in biomass, litter or soil organic matter). Do not include agroforestry systems being established on forestlands that were deforested since 1990.
Reforestation/ Afforestation	The act of planting trees on deforested or degraded land previously under forest (reforestation) or on land that has not previously been under forest according to historical records (afforestation). This would include reforestation on slopes for watershed protection; mangrove reforestation or reforestation to protect coastal areas; commercial plantations and community tree planting on a significant scale, and/or the introduction of trees in non-forested areas for ecological or economic purposes. -- Include the area under reforestation or afforestation (i.e., plantation forests and/or community woodlots). Do not include natural forested areas that have been recently deforested for the purpose of planting trees. Do not include tree planting in agroforestry systems (include this under agroforestry).
Sustainable Agriculture	<p>Agricultural systems that increase or maintain carbon in their soil and biomass through time by employing certain proven cultural practices</p> <ul style="list-style-type: none"> - no-tillage or reduced tillage - erosion control/soil conservation techniques, especially on hillsides - perennial crops in the system - higher crop yields through better nitrogen and soil management - long-term rotations with legumes - the use of organic mulches, crop residues and other organic inputs into the soil - better management of agrochemicals, by stressing careful fertilizer management that will increase yields while minimizing the use of petro-
Special Instructions: Creating a Copy of this Spreadsheet	
Step 1	Finish filling any cells you are working on and hit " Return " or " Enter ".
Step 2	Click on " Edit " in the menu bar, above. Go down and click on " Move or Copy Sheet ". The "Move or Copy" dialog box will open. (NOTE: You may also open this dialog box by using the right button on your mouse to click on the "T4-2.1 Land Use" tab near the bottom of the screen.)
Step 3	Next, scroll down in the dialog box and click on " T2.1 Land Use ".
Step 4	Next, click on the box at bottom to Create a copy .
Step 5	Hit " OK ". A new copy of T2.1 Land Use will appear in the row of tabs near the bottom of the screen. PLEASE NOTE: Some cells may not retain all the original text when the sheet is copied, especially in the definitions sections.

Please fill in the YELLOW cells to complete the table.

TABLE 2.3							
Result 2: Reduced Net Greenhouse Gas Emissions from the Land Use/Forest Management Sector							
Indicator 3: National/sub-national policy advances in the land use/forestry sector that contribute to the preservation or increase of carbon stocks and sinks, and to the avoidance of greenhouse gas emissions							
PLEASE SEE DEFINITIONS BELOW		Enter the number of separate steps for each measure					
Policy Measure	Scope (N or S)	STEP 1: Policy Preparation and Presentation	STEP 2: Policy Adoption	STEP 3: Implementation and Enforcement	List Activities Contributing to Each Policy Category	SO Number for Activity	CN/TN Number for Activity
Ex: Facilitates establishment and conservation of protected areas	N	2	1		Two studies completed on national protected areas law for the Environment Min., including recommendations for legal reform; revised National Protected Areas Law adopted, Min. Decree No. 1999/304.	3.1	TN-556-27
Facilitates improved land use planning							
Facilitates sustainable forest management							
Facilitates establishment and conservation of protected areas							
Improves integrated coastal management							
Decreases agricultural subsidies or other perverse fiscal incentives that hinder sustainable forest management							
Corrects protective trade policies that devalue forest resources							
Clarifies and improves land and resource tenure							
Facilitates soil fertility management	S	1	1		Philrice is using the Nurient Management Support System for fertilizer recommendations on the island of Mindanao Philippines	2	
Stakeholder meeting on the health, environmental and productivity impacts of pesticides Carchi, Ecuador	S	1	1		Carchi stakeholders signed "Declaration for Life, environment and production" calling for prohibition of highly toxic pesticides.	2	
Other							
Sub-total(number of policy steps achieved)		2	2	0			
Total (number of policy steps achieved):				4			

Definitions: Scope	
National Policies (N)	Policies that influence issues on a countrywide level.

Sub-national Policies (S)	Policies that affect a tribal nation, province, state or region that are neither national nor site specific in impact.
Definitions: Policy Steps Achieved	
Policy Measure	"Policy measures" may include documentation demonstrating a legal, regulatory, or other governmental commitment to a defined course of action. Thus, for example, "policy measures" would include: a national, state, provincial, or local law; a regulation or
Policy Preparation and Presentation (Step 1)	Draft bill, policy or regulation, vetted through relevant stakeholders in government, non-government, the private sector and civil society, and introduced for debate in appropriate legislative, regulatory, or governmental body.
Policy Adoption (Step 2)	Policy intervention is approved and adopted by the appropriate administrative agency or legislative body. Can take the form of the voting on a law; the issuance of a decree, etc.
Policy Implementation and Enforcement (Step 3)	Actions that put the policy interventions into effect, such as agency personnel trained in procedures, appropriate institutions created or strengthened, or legislation implemented through the appropriate government agency.

Please fill in the **YELLOW** cells to complete the table.

TABLE 2.5a				
Result 2: Reduced Net Greenhouse Gas Emissions from the Land Use/Forest Management Sector				
Indicator 5a: Increased Capacity to Address Global Climate Change Issues				
Types of institutions strengthened to address GCC issues	Number of Institutions Strength-ened	Names of Associations, NGOs, or other Institutions Strengthened	SO Number for Activity	CN/TN Number for Activity
Ex: NGOs	3	Friends of Nature Foundation, SITA, Sustainable Forests Unlimited	3.2	CN-23-222
NGOs				
Private Institutions				
Research/Educational Institutions	2	PhilRice in Philippines and INIAP in Ecuador	2	
Public Institutions	2	Municipality of Lantapan, Philippines and Madiama Commune, Mali	2	
Total Number of Institutions Strengthened:	4			

Please fill in the YELLOW cells to complete the table.

Table 2.5b					
Result 2: Reduced Net Greenhouse Gas Emissions from the Land Use/Forest Management Sector					
Indicator 5b: Technical Capacity Strengthened through Workshops, Research, and/or Training Activities					
Category	Types of Support Provided (Enter the number of Training/TA activities for each category)		List the Activities that Contribute to Each Capacity Building Category	SO Number for Activity	CN/TN Number for Activity
	Training	Technical Assistance			
Ex: Advancing sustainable forest management	1	3	Presentation of nursery & reforestation studies; US training on resource mgmt; env'l impact assessment law training; forest restoration & recovery workshop. TA for fire prevention.	3.3	CN-23-222
Advancing improved land use planning	5	15	Crop productivity-enhancing technologies presented to NARS, NGOs and communities	2	
Advancing sustainable forest management					
Advancing establishment and conservation of protected areas		5	Community training for protecting buffer areas near parks	2	
Advancing integrated coastal management					
Advancing decreases in agricultural subsidies or other perverse fiscal incentives that hinder sustainable forest management					
Advancing the correction of protective trade policies that devalue forest resources					
Advancing the clarification and improvement of land and resource tenure	2	5	Training on land tenure and availability of agriculture inputs in land management.	2	
Other (describe)					
Number of categories where training and technical assistance has been provided:	7	25			

Please fill in the YELLOW cells to complete the table.

TABLE 3.1												
Result 3: Reduced Net Greenhouse Gas Emissions from the Energy Sector, Industry and Urban Areas												
Indicator 1: Emissions of Carbon Dioxide Equivalents Avoided, due to USAID Assistance (Measuring Carbon Dioxide, Methane, and Nitrous Oxide)												
PLEASE SEE FUEL TYPE CODES BELOW												
3.1 A - CO2 Emissions avoided through renewable energy activities			3.1 B - CO2 emissions avoided through end use energy efficiency improvements				3.1 C - CO2 emissions avoided through energy efficiency improvements in generation, transmission, and distribution (including new production capacity)			SO number for Activity	CN/TN Number for Activity	
Activity	3.1A: MW-h produced in electricity generation	3.1A: BTU's produced in thermal combustion	3.1A: Fuel type replaced (use codes)	3.1B: MW-h saved	3.1B: BTU's saved in thermal combustion	3.1B: Fuel type saved (use codes)	3.1C: MW-h saved	3.1C: BTU's saved in thermal combustion	3.1C: Fuel type saved (use codes)			
Renewable Energy Production Prog.	512,258		J								2.1	CN-120-97
Steam & Combustion Efficiency Pilot Proj.					1,832,144	J					2.1	CN-120-97
Power Sector Retrofits							912,733			T	2.1	CN-120-97
Totals:	0	0		0	0		0	0				
PLEASE SEE FUEL TYPE CODES BELOW												
3.1 D - CO2 emissions avoided as a result of switching to cleaner fossil fuels (including new production capacity)					3.1 E - Methane emissions captured from solid waste, coal mining, or sewage treatment		3.1 F - Tonnes of nitrous oxide emissions avoided through improved agriculture		SO number for Activity	CN/TN Number for Activity		
Activity	3.1D: MW-h produced in electricity generation	3.1D BTUs produced in thermal combustion	3.1D Old fuel type (use codes)	3.1D New fuel type (use codes)	3.1E: Tonnes of methane	3.1F: Tonnes of nitrous oxide						
Clean Fuels Program	4,551		H	FF				2	CN-120-97			
Municipal Landfill Proj.						450		2	CN-120-97			
Sust. Ag. & Devt. Proj.							575	2	CN-120-97			
Totals:	#REF!	#REF!			#REF!	#REF!						

Codes for Fuel Type			
Fuel Types	Code	Fuel Name	
Liquid Fossil	Primary Fuels	A	Crude oil
		B	Orimulsion
		C	Natural gas liquid
	Secondary Fuels	D	Gasoline
		E	Jet kerosene
		F	Other kerosene
		G	Shale oil
		H	Gas/diesel oil
		J	Residual fuel oil
		K	LPG
		L	Ethane
		M	Naphtha
		N	Bitumen
		O	Lubricants
		P	Petroleum coke
		Q	Refinery feedstocks
		R	Refinery gas
S	Other oil		
Solid Fossil	Primary Fuels	T	Anthracite (coal)
		U	Coking coal
		V	Other bituminous coal
		W	Sub-bituminous coal
		X	Lignite
		Y	Oil shale
		Z	Peat
	Secondary fuels/ products	AA	BKB & patent fuels
		BB	Coke oven gas coke
		CC	Coke oven gas
		DD	Blast furnace gas
Gaseous Fossil	EE	Natural gas (dry)	
Biomass	FF	Solid biomass	
	GG	Liquid biomass	
	HH	Gas biomass	

Please fill in the YELLOW cells to complete the table.

TABLE 3.3

Result 3: Decreased Net Greenhouse Gas Emissions from the Energy Sector, Industry, and Urban Areas

Indicator 3: National/sub-national policy advances in the energy sector, industry and urban areas that contribute to the avoidance of greenhouse gas emissions

PLEASE SEE DEFINITIONS BELOW

Policy Measure	Scope (N or S)	STEP 1: Policy Preparation and Presentation	STEP 2: Policy Adoption	STEP 3: Implementation and Enforcement	List Activities Contributing to Each Policy Category	SO Number for Activity	CN/TN Number for Activity
Example: Facilitates improved demand side management or integrated resource planning	N	2	1		Mission supported introduction of two decrees for energy tariff reforms (pursuant to National Energy Reform Law) in the national parliament; one decree was adopted.	2.4	CN-577-92
Facilitates improved demand side management or integrated resource planning							
Facilitates competitive energy markets that promote market-based energy prices, decrease fossil fuel subsidies, or allow open access to independent providers							
Facilitates the installation of energy efficient or other greenhouse gas reducing technologies, including improved efficiencies in industrial processes							
Facilitates the use of renewable energy technologies							
Facilitates the use of cleaner fossil fuels (cleaner coal or natural gas)							
Facilitates the introduction of cleaner modes of transportation and efficient transportation systems							
Promotes the use of cogeneration							
Other (describe)							
Sub-total (number of policy steps achieved):		0	0	0			
Total (number of policy steps achieved):				0			

Definitions: Scope	
National Policies (N)	Policies that influence issues on a countrywide level.
Sub-national Policies (S)	Policies that affect a tribal nation, province, state or region that are neither national nor site specific in impact.
Definitions: Policy Steps Achieved	
Policy Measure	"Policy measures" may include documentation demonstrating a legal, regulatory, or other governmental commitment to a defined course of action. Thus, for example, "policy measures" would include: a national, state, provincial, or local law; a regulation or decree; guidance issued by an agency, ministry, or sub-national body; a land use plan; a National Environmental Action Plan; a Climate Change Action Plan; or a National Communication to the IPCC. The term "policy measures" does not include technical documentation, such as technical reports or land use maps, nor site-specific activities reported under Indicators 1 and 2 (e.g., legal demarcation of individual site or granting of community access to single location).

Policy Preparation and Presentation (Step 1)	Draft bill, policy or regulation, vetted through relevant stakeholders in government, non-government, the private sector and civil society, and introduced for debate in appropriate legislative, regulatory, or governmental body.
Policy Adoption (Step 2)	Policy intervention is approved and adopted by the appropriate administrative agency or legislative body. Can take the form of the voting on a law; the issuance of a decree, etc.
Policy Implementation and Enforcement (Step 3)	Actions that put the policy interventions into effect, such as agency personnel trained in procedures, appropriate institutions created or strengthened, or legislation implemented through the appropriate government agency.

Please fill in the YELLOW cells to complete the table.

Table 3.4				
Result 3: Reduced Net Greenhouse Gas Emissions from the Energy Sector, Industry and Urban Areas				
Indicator 4: Strategies/Audits that Contribute to the Avoidance of Greenhouse Gas Emissions				
Activity	Number of audits or strategies completed	Number or audit recommendations or strategies implemented	SO Number for Activity	CN/TN Number for Activity
Steam & Combustion Efficiency Pilot Project	41	35	2.1	CN-577-92
Total:	0	0		

Please fill in the YELLOW cells to complete the table.

TABLE 3.5						
Result 3: Reduced Net Greenhouse Gas Emissions from the Energy Sector, Industry and Urban Areas						
Indicator 5: Value of Public and Private Investment Leveraged by USAID for Activities that Reduce Greenhouse Gas Emissions						
PLEASE SEE DEFINITIONS BELOW						
Activity	Source of Leveraged Funds	Methodology for determining amount of funding	Direct Leveraged Funds	Indirect Leveraged Funds	SO Number for Activity	CN/TN Number for Activity
National Renewable Energy Program	Dept. of Energy, World Bank-GEF	DOE direct buy-in to USAID. In FY99, GEF funded replication of NREP activity begun in FY98, called the Renewables for Economic Devt Proj.	\$120,000	\$2,500,000	2	CN-577-92
Total:			\$0	\$0		

Definitions: Funding Leveraged	
Direct Leveraged Funding	Funding leveraged directly in support of USAID activities and programs, including: - funding leveraged from partners for joint USAID activities; - funding for activities in which USAID developed enabling policies, regulations, or provided pre-investment support - obligated or committed funding for direct follow-on MDB loan programs (prorated); - obligated or committed funding for direct follow-on private-sector funded programs that reach financial closure - joint implementation investments; - Development Credit Authority investments.
Indirect Leveraged Funding	Funding dedicated by other donors or governments to replicate programs that USAID initiated, but which USAID does not or will not itself fund.

Please fill in the YELLOW cells to complete the table.

TABLE 3.6a

Result 3: Reduced Net Greenhouse Gas Emissions from the Energy Sector, Industry and Urban Areas

Indicator 6a: Increased Capacity to Address Global Climate Change Issues

Types of institutions strengthened to address GCC issues	Number of Institutions Strength-ened	Names of Associations, NGOs, or other Institutions Strengthened	SO Number for Activity	CN/TN Number for Activity
Ex: NGOs	3	Center for Cleaner Production, Association of Industrial Engineers, National Solar Energy Foundation, Clean Air Alliance, Institute for Industrial Efficiency	2.4	CN-577-92
NGOs				
Private Institutions				
Research/Educational Institutions				
Public Institutions				
Total Number of Institutions Strengthened:	0			

Please fill in the YELLOW cells to complete the table.

Table 3.6b

Result 3: Reduced Net Greenhouse Gas Emissions from the Energy Sector, Industry and Urban Areas

Indicator 6b: Technical Capacity Strengthened through Workshops, Research, and/or Training Activities

Category	Types of Support Provided (Enter the number of Training/TA activities for each category)		List the Activities that Contribute to Each Capacity Building Category	SO Number for Activity	CN/TN Number for Activity
	Training	Technical Assistance			
Example: Use of renewable energy technologies	1	3	Developed sustainable markets for renewable energy technologies. Over 200 renewable energy systems installed. Training for utilities, government officials, NGOs. Study on renewable energy applications completed.	2.4	CN-577-92
Improved demand-side management or integrated resource planning planning					
Competitive energy markets that promote market-based energy prices, decrease fossil fuel subsidies, or allow open access to independent providers					
Installation of energy efficient or other greenhouse gas reducing technologies, including improved efficiencies in industrial processes					
Use of renewable energy technologies					
Use of cleaner fossil fuels (cleaner coal or natural gas)					
Introduction of cleaner modes of transportation and efficient transportation systems					
Use of cogeneration					
Other (describe)					
Total number of points for Training/Technical Assistance:	0	0			

Please fill in the YELLOW cells to complete the table.

Table 4								
Result 4: Reduced Vulnerability to the Threats Posed by Climate Change								
Indicator: USAID Programs that Reduce Vulnerability to Climate Change								
PLEASE SEE DEFINITIONS BELOW								
Key Area	Country	Budget	Duration	Type of Program (see codes below)	Description	SO Name	SO Number for Activity	CN/TN Number for Activity
Example: ii	South Africa	\$1,200,000	FY96-FY99	3	Technical assistance to Rand Water Board to address water resources planning for water shortages	Increased Access to Environmentally Sustainable Housing and Urban Services for the HDP	SO6	
iii	Global	\$2,775,000	FY00	1	Research to produce global products for managing nutrients, rangelands, livestock, aquaculture and pests	Improved Food Availability, Economic Growth and Conservation of Natural Resources through Agricultural Development	SO2	
v	Bangladesh	\$5,000,000	FY99-FY00	3	Agricultural systems approach to increase supply of calcium-rich vegetables and other products in households.	Improved Food Availability, Economic Growth and Conservation of Natural Resources through Agricultural Development	SO2	
iii	Global	\$3,000,000	FY00	1,3	Research and extension on productivity-enhancing technologies for crops, agroforestry, forests, livestock and agricultural inputs.	Improved Food Availability, Economic Growth and Conservation of Natural Resources through Agricultural Development	SO2	

	Key Area Codes	Definitions	Codes for Type of Programs
Coastal Zones	i	Number of programs that are reducing the vulnerability of coastal populations, infrastructure, habitats and living resources to accelerated sea level rise or other environmental changes associated with climate change (e.g., water availability, resource availability, temperature).	1. Urban/Infrastructure
			2. Natural Resource
Emergency Preparedness	ii	Number of programs that are increasing ability to cope with and minimize the damage from natural disasters (e.g., drought, famine, disease outbreaks) through surveillance, early warning, emergency preparedness, capacity building, etc.	1. Early Warning System
			2. Humanitarian Response
			3. Capacity Building
Agriculture & Food Security	iii	Number of programs that are increasing adaptability and resilience of agriculture and food systems to changes in temperature, water availability, pest and pathogen presence or prevalence, soil moisture and other changes in environmental parameters (e.g., crop diversification, water conservation and delivery, flexible market and trade systems).	1. Research and Development
			2. Policy Reform
			3. Extension/ Demonstration
Biodiversity/Natural Resources	iv	Number of programs that are increasing the adaptability of natural ecosystems and levels of biodiversity to changes in temperature, water availability, pest and pathogen presence or prevalence, soil moisture and other changes in environmental parameters (e.g., establishment of biological corridors, habitat conservation, preservation of ex situ germplasm).	1. Preservation of Biodiversity
			2. Forest Conservation
Human Health and Nutrition	v	Number of programs that are reducing vulnerability to climate change through improved access to and quality of health services, vector control, nutrition and environmental health interventions.	1. Improved Quality of Health Services
			2. Vector Control
			3. Improved Nutrition

Information Annex Topic: Greater Horn of Africa Initiative

INTSORMIL working closely with the Intergovernmental Authority on Agricultural Development (IGAD) has reviewed technologies, research and extension organizations and NGO activities in six key Horn of Africa countries. Key findings include serious underinvesting in water resource management, soil fertility and the seed sector. Concern was raised that seeds from orphan crops need to be maintained by the public sector for use in future years when those crops become more profitable. The study also noted the importance of market development to parallel the extension efforts to expand production. Specifically the positive work done by ICRISAT in Kenya to develop input and product markets while expanding chickpea production. A series of proposals will be developed in response to opportunities identified in the study.

The Emergency Program to Combat Cassava Mosaic Disease Pandemic

In sub-Saharan Africa, more than 200 million people depend on cassava as their main staple food. Since the 1980s, a virulent strain of the Cassava Mosaic Disease (CMD) has devastated cassava production in East Africa, covering more than 750,000 kilometers. The effects have been devastating, with farmers typically abandoning cassava production. Region-wide losses have been estimated at in excess of \$100 M annually. Since October 1998, USAID has supported efforts by the International Institute of Tropical Agriculture (IITA) and its national and NGO partners to implement an emergency program to tackle this pandemic. Strong progress has been made to monitor and forecast the pandemic's development, to multiply CMD resistant varieties and to conduct training in CMD management methods. Total USAID funding to date is approximately \$6 M. The internal rate of return on this investment has been enormous, approximately 167% (May 2000 cable, Kampala 002498). Cassava production in USAID's target areas increased from less than 1,000 metric tons (mt) in 1997, to 342,000 mt in 1999 with an estimated market value of \$40 M. All of the above work has been made possible by USAID's continued investment in IITA for more than 20 years which has provided the foundation for the mobilization of partners and technologies to quickly respond and tackle this pandemic.

Crises Mitigation in Livestock Systems in Africa

This USAID supported project led by the International Livestock Research Institute (ILRI) recently completed a study on "Traditional Coping Mechanisms to Crisis Situations in Livestock Systems in the Greater Horn of Africa." The study is based on questionnaires involving 663 pastoral households about the effects of the 1995-97 drought and 1997-98 El Niño floods on their herd dynamics and human welfare. Information provided by the study to the Global Livestock CRSP's Livestock Early Warning System (LEWS), led by Texas A&M, facilitated the establishment of a monitoring system in drought prone areas the Greater Horn of Africa. The system uses a mix of traditional and modern technologies developed by Texas A&M University that will provide 6-8 weeks earlier warning than the anthropometrics-based early warning system. The data is provided by representatives of the households who are regularly monitored. This information is used by the ILRI-based Crises Mitigation Office which is responsible for packaging the information emanating from these households into Early Warning messages to be used by the pastoralists, policy makers and other partners in initiating crisis-mitigating interventions.

Emergency Seed Aid in Kenya: A Case Study of Lessons Learned

This study conducted by the International Center for Tropical Agriculture (CIAT) and Mississippi State University reviewed the effectiveness of seed aid in Kenya, with emphasis on the process and products of aid delivered during the 1997 Long Rains (February to June). While focusing on a single season just after a drought, it draws on a history of almost 10 years of repeated seed aid. The study found farmers generally assessed the crops and varieties given as appropriate. But, farmers expressed strong discontent with all three 'process variables' -that is, the timing (generally late), targeting (not transparent), and quantities of seed received (too little). While vouchers were not given, exploration of their potential acceptability showed farmers very divided as to their usefulness and acceptability. Internal analysis showed that the goals of giving seed aid were not very transparent in the four cases analyzed. Based on an analysis of

practice, there were at least four different goals: (a) to fill a temporary seed gap-for the farmer to have something to plant; (b) to encourage self-help, or for farmers to achieve a self-sustaining seed-production strategy; (c) to give a gift to a political constituency-political combined with farming goals; and (d) to stimulate 'progressive' modern farming practices. The study found no concrete evidence that seed aid, *per se*, is strengthening farmer systems. And, to date, seed aid has been given without diagnosing what the constraint may be. There has also been little effort to examine the resiliency of farmer agricultural or seed systems, or to question whether giving farmers the seed physically is the best among several potential strategies.

Fodder Trees Boost Milk Production for Kenyan Farm Families

Farmers in the Embu District of central Kenya rank dairying as their second most important cash enterprise behind coffee-about 80 percent of farmers have improved dairy cows in minimum-grazing or zero-grazing systems. The demand for milk is high. Experimental and farm trials, coordinated by the national Agroforestry Research Project in collaboration with the International Center for Research in Agroforestry (ICRAF), identified *Calliandra calothyrsus*, a leguminous fodder tree, as a species that could be grown on farms, with the leaves being used as a substitute for commercial dairy meal. By feeding calliandra as a substitute, the farmer saves the money he would have spent buying and transporting 730 kg of dairy meal per cow during the year. Using calliandra increases a farmer's annual income by more than US \$150 per cow per year in a region where average farm income is less than US \$1,000. During the last two rainy seasons, 95,500 seedlings from these community-based group nurseries were transplanted to the fields of more than 400 farmers. Based on the need for 500 seedlings per cow per year, enough seedlings were produced to support about 190 cows. At a net annual benefit of US \$150 a cow, this represents a contribution of US \$28,500 per year into the community-an impressive first step.

Benefits of Climbing Beans in Africa Far Exceeds Donor Investment

In the mid 1990's bean production in the Kakamega region of western Kenya was falling drastically as bean plants turned yellow and the crop failed year after year. "I had to stop growing beans," reported Kenya farmer Eunice Changirwa. She complained that beans became a rare treat in her family's diet, since it was too expensive to buy beans brought in from other parts of Kenya. Kenyan breeder Rueban Otsyla of the Kenya Agricultural Research Institute (KARI) identified the problem as root rots that were attacking the plants. He obtained a grant through the International Center for Tropical Agriculture's (CIAT) regional network financed by USAID and other donors to work on this problem. Otsyla visited Rwanda where there are high-yielding root rot resistant climbing beans that had been introduced from South America by CIAT in the late 1980s. He brought seed of these materials back to western Kenya and in collaboration with local NGOs the new seed was distributed to Kenyan farmers. In addition, CIAT and Kenyan scientists have developed improved planting methods for the climbing beans, and promoted the use of organic material. Patrick Nekesa of the NGO Association for Better Land Husbandry says, "high yielding climbing beans were the right technology at the right place and at the right time." By 1997 more than a thousand farmers around Kakamega had adopted the new climbing beans, and by 1999 this figure had more than tripled. Based on the rapid spread of the new beans, it is estimated that they will become as widely grown in Kenya as they are in Rwanda. By 2003 as many as 40,000 farmers are projected to be growing the CIAT introduced climbing beans. At that point, the annual value of improved climbing beans in Kenya is expected to exceed US \$5M annually. By 1999 the original investment in Otsyla's work had already been paid back by increased bean production more than 20 times the value of the original grant from CIAT financed by USAID.

CIP Using Sweetpotatoes to Raise Vitamin A Intake In Kenya

In Western Kenya, new varieties of orange-fleshed sweet potatoes that are rich in beta-carotene, a precursor of vitamin A, were introduced and promoted to 20 women's groups by CIP and Kenyan scientists to help alleviate vitamin A deficiencies, especially among young children. Sweetpotatoes are a traditional crop in Kenya and the major sweet potato producing region is the western part of the country where vitamin A deficiency is common and white-fleshed varieties, low in beta-carotene, are primarily consumed. Half of the women's groups also received a package designed to promote the use and consumption of orange sweet potatoes, including nutrition education and training in food processing, packaging, preparation and marketing. Results indicate that orange-fleshed sweetpotatoes and sweetpotato-based food products were acceptable to both producers and consumers and helped increase vitamin A intake. Several of the new sweetpotato varieties grown in the on-farm trials performed well with respect to yield an pest resistance and

also were high in beta-carotene. The appearance, taste, texture of the new varieties were well accepted by community groups. Processed food products made by substituting sweetpotato for other ingredients were also popular. And growing conditions in the study proved favorable for growing several crops of sweetpotato per year. All of these factors could make sweetpotato an affordable beta-carotene-rich food, attainable year-round.

Information Annex Topic: Success Stories

Microenterprise Success Story:

Charp Sok had a lot weighing her down two years ago. Her husband's job, cutting wood for someone else, brought in only enough money for them to eat rice and water twice a day; their only other food was the vegetable greens that grow wild around them. Today the family has their own home and land and eats three meals a day.

Two years ago, when World Relief first began helping poor women in her neighborhood start a community bank, Sok wanted to join. The other women, who were a little better off than Sok, felt that her extreme poverty made her too high a risk. But a World Relief staff member felt more confident about Sok's determination and ability than did her neighbors. He brought Sok together with some other very poor women and helped them to form a village bank.

When Sok got her first loan of \$20, she bought the materials for a cart. She purchased a supply of wood from the rubber tree plantation and hauled it back in her cart. Her family worked hard to saw and chop the wood; then she sold it as firewood in the market. Sok never missed a weekly loan repayment, and she's now on her sixth loan. Her business has gradually expanded so that the family now uses two carts to haul all the wood back and forth. The business brings in about \$3.50 and day in profits.

USAID's Dairy Directive Program

It is estimated that in recent years the dairy directive has leveraged over \$50 million in private U.S. trade and investment in dairy sectors overseas. The most significant impacts have been in Eastern Europe where U.S. companies are competing with the highly subsidized European dairy industry. For example, in Poland, Land O'Lakes invested over \$10 million in its joint venture dairy plant and created a subsidiary (LOL Agra) with at least \$5 million in sales of feeds and seeds throughout the region (Poland, Hungary, Bulgaria and Romania).

In reaching small farmers in Albania, the dairy directive helped provide over 8,000 women dairy producers and 50 small and medium scale dairy plants with basic training, new product development, technology, cooling tanks, improved dairy breeds and increased herd sizes. In Uganda, Kenya, Tanzania, Malawi and Cameroon, the program has reached over 9,000 small producers with basic dairy education, doubled their production and more than doubled cash income for families.

In Eastern Europe, Africa and Latin America, the dairy directive has leveraged over \$2 million in the sale of dairy cattle semen, a major comparative advantage of U.S. companies.

The dairy directive has produced significant results in Africa. For example, Uganda has carried out major policy reforms, disbanded its marketing board and created a private dairy sector. The latter now has over 80 dairy cooperatives that are fully financially sustainable. The cooperatives now export to Kenya, Rwanda, Tanzania and other markets.

AFS Success:

G/EGAD/AFS over the last year has forged linkages with the specialty coffee industry, e.g. SCAA (Specialty Coffee Association of America) in order to expand the capacity of smallholder farmers to compete on the global market and increase their incomes at the same time that they protect the environment and promote sustainable agriculture. AFS's primary role is to help catalyze and replicate "Win-Win" approaches to agriculture worldwide that exemplify the above principles. One of those success stories that come out of this new, vibrant public-private partnership is found in USAID/Peru. Through technical assistance provided by Winrock International, a group of 1400 smallholder shade-coffee producers in the Apurimac Valley (2200 hectares/7,000 total beneficiaries including family members) were able to create a specialty coffee cooperative called INKAFE VRAE. Seattle's Best Coffee (SBC), which is now a close

partner with USAID through a recent MOU (Memorandum of Understanding) purchased two containers of their specialty coffee in 2000 at a premium price (in 2001 a planned 4-5 containers are to be marketed). Due to the improved competitiveness of this new smallholder coffee cooperative, INKAFE VRAE recently came out second in the national cupping competition for specialty coffees in Peru. This is further demonstration that USAID working with industry in public-private partnerships can help smallholders to compete successfully in global markets and they can protect the environment while they reduce poverty at well.

Investors Roadmap Success Story

The Investors Roadmap is a comprehensive in-depth diagnostic study of the individual steps required of an investor to become legally established and operational in a specific country. It addresses the procedural and administrative barriers to investment and business operations in the country. In its most fully developed form, the Investors Roadmap involves a three-phased process. First, it charts for government officials the needless “red tape” and administrative barriers to investment. Second, it makes them examine how these barriers can be reduced. Third, it assists them to reform institutions, regulations and laws that stand in the way of foreign and local investment. The Investors Roadmap has also been called the “Red Tape” Analysis or Administrative Barriers to Investment Analysis.

Thus, the Investors Roadmap traces the road an investor must take from business concept to the commencement of production. When this map has been meticulously charted, the conclusions are usually sobering. Everyone in the country knew that administrative red tape was a nuisance, but no one realized that it frequently amounted to the complete frustration of a projected investment. In many USAID assisted countries, it can take up to three years for an investor to complete the process.

The Investors Roadmap was discovered inadvertently. The first one was done in Ghana in 1995. There, President Rawlings had been touting the need for more foreign investment. The assistance he actually requested of USAID/Accra was a glossy brochure that would serve as a step-by-step guide for prospective investors. The Mission awarded a grant to the Foreign Investor Advisory Service (FIAS), an affiliate of the World Bank. FIAS called upon The Services Group, a private contractor, to work on the exercise. These experts proceeded just like a foreign investor who had arrived in Ghana to start a business. In the end, this first Roadmap did not become a glossy brochure, for it concluded that no investor would ever attempt to invest in a country with such cumbersome procedures.

The other antecedent to the Investors Roadmap came not from the perspective of the foreign investor, as one might assume, but from that of the informal micro-entrepreneur. In 1989, Hernando De Soto, after years of researching the informal sector in Peru, published *The Other Path*. He argued that the informal sector was forced to stay informal because the administrative burdens that it faced were virtually insurmountable. The basis for the argument was a step by step map of the total process. The Investors Roadmap, in fact, benefits foreign and local investors alike. Foreign investors introduce into a developing country world-class managerial expertise and new technologies. Micro and small domestic investors have an especially strong interest in supporting market-oriented institutions and policies.

- Since Ghana, the Investors Roadmap has been done in over 40 countries. In some countries, USAID Missions have worked with the government to complete reform in the three-phase process described above. For example, in Tanzania, the Investors Roadmap led to the following results:
- Customs clearance was reduced from 15 days to as little as 2 days,
- Before, there was no random inspection and over 80 % of all goods were inspected. Now, there is random inspection and only 30% of goods are inspected.
- Issuance of work permits for expatriates has been decreased from six months to one week.
- Application forms are provided in both English and Swahili, instead of just in Swahili.

Other countries, like Malawi and Mozambique, have pursued reform without further USAID assistance, but they are funding second Investors Roadmaps to see how the picture has changed after five years. Investor Roadmaps have been examined comparatively in the African COMESA group of countries to assist in

further trade integration. Geographically diverse countries like Russia and Kazakhstan have undertaken multiple Investor Roadmaps at the regional level.

The Investors Roadmap works because it creates “positive tension” within a government concerned by low levels of investment. It demonstrates to the government concretely that administrative barriers are discouraging both foreign investors and domestic investment. In this way, the Investors Roadmap is not a study, but, when successfully implemented, a very cost-effective means of accomplishing administrative reform.

Information Annex Topic: Updated Results Framework Annex

Part A. Results Framework. Provide a listing of the Operating Unit's Current Results Framework

The Current Strategic Framework for FY 1996-2003 is as follows:

SO 3: APPROPRIATE AND FUNCTIONING ECONOMIC POLICIES, MARKET REFORMS, AND INSTITUTIONS ARE DEVELOPED TO ACCELERATE ECONOMIC GROWTH IN EMERGING MARKETS.

- IR1: Research is carried out leading to the development of new methodologies that are applied to analyze or reform specific policies.
- IR2: Direct hire and contracted assistance from EGAD is used by Missions and leads to more effective and efficient delivery of technical assistance.
- IR3: Country level interventions by direct hire staff or EGAD program funded contractors/grantees results in policy or institutional reform.

SO 4: PRIVATE SECTOR BUSINESS LINKAGES SUPPORT U.S. TECHNOLOGY TRANSFER IN SUPPORT OF DEVELOPMENT OBJECTIVES.

- IR1: Business transactions occur with GTN support in the areas of environment, energy, health, agribusiness and information technology.

SO 2: IMPROVED FOOD AVAILABILITY, ECONOMIC GROWTH, AND CONSERVATION OF NATURAL RESOURCES THROUGH AGRICULTURAL DEVELOPMENT.

- IR1: Sustainable technologies and policies that enhance food availability developed and adopted.
- IR2: Policies and technologies that improve food access and agribusiness opportunities developed and adopted.
- IR3: Technologies, policies and practices that enhance the long-term conservation of natural resources developed and adopted.
- IR4: An information system established to enhance decision making for the agricultural sector.

SPO 1: INCREASED SCIENCE AND TECHNOLOGY COOPERATION AMONG MIDDLE EASTERN & DEVELOPING COUNTRIES AND UTILIZATION OF US AND ISRAELI TECHNICAL EXPERTISE BY DEVELOPING COUNTRIES

- IR1: Collaboration between Israeli and other Middle Eastern or developing country scientists established.
- IR2: Israeli agricultural technical expertise transferred to Middle Eastern or other developing countries.

SO 1: IMPROVED ACCESS TO FINANCIAL AND BUSINESS DEVELOPMENT SERVICES, PARTICULARLY TO THE MICROENTERPRISES OF THE POOR.

- IR1: Expanded delivery of financial and non-financial services to microentrepreneurs.
- IR2: Increased capability of financial and non-financial Institutions to service microentrepreneurs.
- IR3: Expanded dissemination of best practices in USAID supported programs and in the microenterprise development field.
- IR4: Indigenous financial institutions increase lending to micro and small businesses.
- IR5: Create linkages between formal financial institutions and micro and small businesses to facilitate sustained access to credit for those sectors.

Part B. New Indicator Reporting. Provide a report of indicators from the Operating Unit's Performance Monitoring Plan that the Operating unit proposes to report on in next year's R4 submission which are different from the indicators currently being reported.

**This applies to on-going strategies only. Indicators that will be used next year as part of a newly approved strategy need not be listed here.

SO Name

Indicator Level: Strategic Objective

Current Indicator Name

Proposed Indicator Name

	Actual	Planned
Baseline Year		
Target 2002		
Target 2003		

SO Name

Indicator Level: Strategic Objective

Current Indicator Name

Proposed Indicator Name

	Actual	Planned
Baseline Year		
Target 2002		
Target 2003		

SO Name

Indicator Level: Strategic Objective

Current Indicator Name

Proposed Indicator Name

	Actual	Planned
Baseline Year		
Target 2002		
Target 2003		

SO Name

Indicator Level: Strategic Objective

Current Indicator Name

Proposed Indicator Name

	Actual	Planned
Baseline Year		
Target 2002		
Target 2003		

SO Name

Indicator Level: Strategic Objective

Current Indicator Name

Proposed Indicator Name

	Actual	Planned
Baseline Year		
Target 2002		
Target 2003		

SO Name

Indicator Level: Strategic Objective

Current Indicator Name

Proposed Indicator Name

	Actual	Planned
Baseline Year		
Target 2002		
Target 2003		

SO Name

Indicator Level: Strategic Objective

Current Indicator Name

Proposed Indicator Name

	Actual	Planned
Baseline Year		
Target 2002		
Target 2003		

SO Name

Indicator Level: Strategic Objective

Current Indicator Name

Proposed Indicator Name

	Actual	Planned
Baseline Year		
Target 2002		
Target 2003		