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FY 2009 FOREIGN ASSISTANCE GOALS

The foreign assistance goals of the United States Government (USG) in Asia and the Middle East (AME) are to help build and sustain democratic, well-governed states that respond to the needs of their people, reduce widespread poverty, bolster democratic reform and economic growth, and mitigate the influence of extremist regimes and movements. The principal purpose of the AME Regional Program is to advance these goals by providing technical and subject matter experts who can advise the 19 field missions, and represent their interests to stakeholders and partners through strategic outreach initiatives. These experts – in health, education, agriculture, environment, civil society, among others – help missions scale-up programs, conduct program planning and design tasks, adhere to best practices, and comply with regulatory requirements. The AME Regional Program also helped conduct assessments, create frameworks, review cultural contexts, and establish mechanisms that will improve program design, implementation, and evaluation across the region.

HIGHLIGHTS BY PROGRAM OBJECTIVE

Governing Justly and Democratically

States in the AME region are dominated by consolidated autocratic regimes, fragile democracies and states struggling to effectively protect and provide basic human rights to their peoples. Many key government functions and institutions in the Asia and Middle East regions are ineffective, making states weak, fragile, and more vulnerable to extremism and terrorism. Broad challenges include weak democratic institutions, poor governance, and corruption. In many of these countries, support for more radical, intolerant, and anti-Western strains of Islamism is on the rise. Good governance is integral to achieving the goals of stability, increased prosperity, and economic opportunity.

Because this complex set of problems poses such unique challenges, the AME Regional Program in FY 2009 has started a project to create, refine, and pilot the tools necessary to navigate this environment. Research is devoted to carrying out analysis, conducting country assessments, and advancing learning to broaden democratic space, promote moderation, and make democratic

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institutions more responsive to the needs of their citizens, especially the poor. Ready access to high-quality technical expertise and analytic services in Washington has helped the AME Bureaus to build state-of-the-art knowledge on opening political space, countering extremism, and supporting moderate voices that are most often found in civil society.

FY 2009 activities undertaken included training for AME field mission democracy and governance officers in counter-extremism assessment and program development techniques, analysis, and staff seminars on how democracy and governance can target the poor, and an expert interagency briefing on Lebanon's electoral process and outcomes.

Investing in People

Health

The AME Regional Program operates in four broad areas within the field of health: maternal and child health (MCH), reproductive health and family planning (FP/RH), HIV/AIDS, and Water and Sanitation. In recognition of their close relationship, all of the MCH and FP/RH activities are integrated. In FY 2009, the centerpiece MCH and FP/RH activity – a scaling-up of best practices in public health – continued reporting success across both regions. Four country teams received new small grants – Egypt, India, Bangladesh, and Yemen. FY 2009 program highlights from both continuing and new small grant activities include:

- In Yemen, Vitamin A distribution to mothers in the hospital increased from zero to 97 percent. The Yemeni Government Ministry of Health agreed to include Vitamin A on a list of essential RH drugs, and issued a national directive to provide Vitamin A to all women who deliver in public hospitals.
- In Egypt, each registered expectant mother is targeted to receive 6 home visits from a health professional within 40 days of delivery, as part of a community-based postpartum FP effort in Kafr Shokr District in Kaliobia Governorate, in cooperation with Save the Children and the Egyptian Ministry of Health.
- In Indonesia, a dramatic drop in maternal mortality was observed after the introduction of a Comprehensive Emergency Obstetric and Neonatal Care (CEONC) training and quality improvement package at Tangerang hospital in Jakarta. Before CEONC, there were 30 deaths per 3,000 live births (1 percent). In the first six months of project implementation, this was reduced to 12 deaths per 3,500 live births (0.3 percent).

As a result of these successes, national governments are adding these best practices to health services in hospitals, facilities, and communities, based on successes and lessons learned. This best-practices initiative continues to be an effective and inexpensive way to increase the impact of maternal/child health and family planning programs.

The Analysis, Information, and Management (AIM) project continues to compile a massive database of health data and trends for AME countries that guides strategy development and program design for U.S. Agency for International Development (USAID) missions and implementing partners, and provides common performance indicators for senior AME leadership. It also facilitates results reporting and Congressional inquiries. Key issue briefs worked on by AIM during FY 2009 include Afghanistan's Health Program, Health Systems Strengthening in Central Asia, and Preparing for the Middle East Youth Bulge. These briefs convey Regional Bureau strategic thinking to other Operating Units within USAID, as well as outside audiences such as Congress and other USG

agencies. AIM gave essential logistics support leading up to the 2009 Health Managers Workshop held in Siem Reap, Cambodia. The workshop intended to provide updates and management guidance to 50 USAID staff on topics such as newly-initiated USG initiatives, staff retention, and USG interagency processes.

The Health Policy Initiative (HPI) project continued to provide support to People Living with HIV/AIDS (PLHIV) in the Middle East and North Africa (MENA) Region, through its Investing in PLHIV Leadership project. There are few PLHIV in the MENA region engaged in the policy and programmatic decision-making processes who can also act as effective advocates for the right to health, social services, and protection from stigma and discrimination. The project has continued its successful activities focused on the creation of a cadre of PLHIV leaders who will have the knowledge and skills to develop and lead PLHIV activities in the region.

In May 2009, HPI implemented the first regional workshop by and for female PLHIV in Tunisia. The workshop brought together 23 women living with and affected by HIV from 9 countries across the region. The workshop succeeded in increasing participants' understanding of HIV, developing a regional support network for female PLHIV, and establishing collaborative relationships among regional organizations. As a result of the workshop, the first PLHIV support group for women was established in Jordan. HPI refined its program curricula and training tools, including "Basic HIV," "Trainer of Trainers: HIV Support and Advocacy," and "A Women-Centered Approach." The tools and materials developed will be translated into Arabic.

Technical briefs prepared under the auspices of the AIM project highlighted topics that are relevant to each sub-region and examined the impact of demographic topics on various aspects of the population, both in terms of providing background information and of explaining the role of USAID programs in these areas. A brief on Afghanistan documented contributions to the success of health programs – MCH, family planning, etc. – in the country, and is being widely distributed to other Federal Government agencies. A Health Systems Strengthening brief was developed for the Central Asia Region that highlights outstanding achievements in health sector reform, including in the technical area of maternal and child health. This brief has allowed USAID to broadcast its results in a user-friendly manner to various audiences, including USG agencies and foreign ministries in Central Asia. Population Health and Nutrition sector briefs for AME have been posted on the USAID website and are widely distributed as a representation of the Bureaus' activities. AIM also collected and analyzed historical health trend data on 11 public health indicators from 8 different sources, and completed a set of slides on nine South Pacific countries in order to inform the Asia Bureaus' Front Office's decision to open a Mission in the South Pacific.

In FY 2009, the AME Regional Program continued its support through the Advancing the Blue Revolution Initiative task order to increase access to clean drinking water and transform water management, thereby improving security, prosperity, and health in the MENA region – one of the most water-deprived regions of the world. This activity augmented the efforts of USAID's Cairo-based Office of Middle East Programs and other field missions in the MENA region to improve water resources management and increase access to safe water and sanitation. Resources are promoting transboundary water cooperation among countries; strengthening regional institutions to support the sharing and replication of best practices, experience, and information; and strengthening regional programs and initiatives aimed at improving water supply and sanitation service delivery.

Education

The AME Regional Program operates in both program elements under the education program area of basic education and higher education. The education program seeks to improve the quality and relevance of education and ensure equitable access at all levels of education systems in the region, in both formal and non-formal settings. In FY 2009, basic and higher education funds for all AME field missions totaled over \$555 million, an increase of over \$100 million from FY 2008. AME education staff provided direct field support to 19 field missions by providing guidance and information, analyzing, and disseminating education data and trends; assisting in scaling-up education initiatives and best practices; and addressing other implementation, legal, and legislative issues. In addition, AME education staff also acted as the liaison with other USAID bureaus, government agencies, and educational institutions.

Key activities included managing the implementation of Training Future Leaders, a cross-sector scholarship program that aims to train a new generation of development leaders in Asia and the Middle East by providing scholarships for Master's-degree programs in education, public health, government, economics, and natural resources management. The program includes opportunities for leadership training, and mentors from the participant's host country and U.S. universities are engaged. In FY 2009, 23 scholarships were granted, including 5 to education professionals. All participants carried out a community development project prior to receiving the scholarship for graduate study.

AME staff continued its support of the Broader Middle East and North Africa through assisting literacy efforts by working with the United Nations to build the capacity of Ministry of Education administrators in West Bank and Gaza and Morocco to oversee literacy assessments in their countries. AME also used analytical assessments to support education assessments in Lebanon, Cambodia, Vietnam, and East Timor better to focus educational development efforts in these countries. AME developed Education Sector Profiles for each country where USAID has programs to determine education trends, challenges, and opportunities. A research report was done on post-primary education and an inventory of the teacher training programs supported by AME countries was produced.

The primary activity in FY 2009 for the AME Regional Program's basic education portfolio was to design a new School Dropout Prevention Program (SDPP). Effective dropout prevention programming is of critical importance in the AME region, where student dropout rates – particularly in the early grades – are high, and where most countries have a growing youth population. The large cohorts of children and youth are placing a major strain on education systems in these two regions, as evidenced by high rates of out-of-school children, repetition, school dropouts, and low or decreasing transition rates from primary to secondary school. High dropout rates mean that large numbers of school-age children forfeit the increased benefits of additional years of education, and have significantly greater difficulty in finding employment. This program will include field research in four pilot countries – Cambodia, India, Tajikistan, and Timor-Leste – to increase the effectiveness of education programs to prevent student dropout by identifying evidence-based interventions, models, and best practices. The SDPP program will focus on three key results: identification of risk factors and conditions that increase the likelihood of students dropping out of school in four AME countries; identification of successful school dropout-prevention programming elements, and determining the effectiveness of prevention interventions in reducing school dropout rates in four AME countries. After an initial identification and analysis phase, promising pilot activities will be implemented in the four pilot countries.

Economic Growth

Trade and Investment

Slow economic growth, low levels of international trade and investment, and the resulting high levels of unemployment, underemployment, and poverty plague many AME countries. These economic failures are partly the result of a business environment inhospitable to trade and investment, which itself reflects ineffective government institutions and counter-productive policies. In response, the AME Regional Program launched the Enhancing Government Effectiveness (EGE) project in FY 2008 and conducted institutional assessments of selected national ministries in West Bank/Gaza, Yemen, and Morocco in order to uncover the political and economic factors that enhance or constrain their ability to provide public services effectively. In Vietnam, EGE conducted an assessment that looked at the effectiveness of the Institute of Legislative Studies as a research and analytical services arm of the National Assembly, which serves as an instrumental body in the passage of economic, trade and investment regulations.

One of the key findings of EGE was that a country's domestic political economy can be a critical factor in explaining the performance of government organizations and the policies and regulations they implement. EGE focused much attention on a country's "ruling coalition" which is usually made up of a narrow mix of the ruling party, the military and security forces, and the business elite. According to EGE, "these coalitions maintained societal support for the regime through an elaborate system providing all sorts of private goods characterized by rent-seeking, clientelism, and corruption."¹ This behavior can extend itself to the business sector. Investors in the AME region, especially at the small-to-medium enterprise (SME) level, have consistently operated in an environment characterized by an uneven playing field that favors certain incumbent politically connected firms at the expense of new entrants and competitors. EGE proposed a framework for analysis of select host country governments and institutions. EGE has also provided guidance on how ministries and donors can support institutional capacity development, including in fragile and conflict-prone AME countries.

In FY 2009, the AME Regional Program also supported Alliances, Analyses, and Program Support (AAPS), a buy-in to the USAID Economic Growth, Agriculture, and Trade Bureau's Business Growth Initiative project. AAPS conducted an assessment of Global Development Alliances supported by AME missions, which provides recommendations on how to promote successful economic growth alliances. AAPS also prepared an analytical assessment of economic growth options in support of USAID/Yemen's strategy development. Finally, economic prospects and challenges briefing papers were prepared for six Middle East countries at the request of AME Bureau senior management. AAPS assistance promotes systemic policy and institutional reforms for expanded trade and investment, broad-based economic growth, and poverty reduction in Asia and Middle East.

Agriculture

Many countries in Asia and the Middle East face a growing crisis in agriculture and food security. In South Asia, where 40 percent of the world's poor live and subsist on less than \$1 per day, the challenge lies in both improving agricultural productivity of the key food staples and alleviating policy roadblocks that impede distribution and trade of agricultural commodities. In the Middle East, the challenge lies in improving the livelihoods of rural households and communities in areas where water scarcity, land degradation, and water quality deterioration are prevalent.

¹ USAID, Enhancing Government Effectiveness, pg. 31.

During FY 2009, under the AME Regional Program, USAID supported three key actions:

- Cereal Systems Initiative for South Asia (CSISA), led by the International Rice Research Institute with support from the Bill and Melinda Gates Foundation, targeted to produce an additional 5 million tonnes of grain annually and increase the yearly incomes of 6 million poor rural households by at least \$350 as the project scales up
- Improving Food Security in Asia, a multidimensional analysis by the International Food Policy Research Institute that aims at making the case for and developing alliances to advance food security in South Asia
- Middle East Water and Livelihoods Initiative (WLI) that proposes to develop and demonstrate integrated water and land-use management strategies in target watersheds to reverse current trends of overuse of scarce water resources, land degradation, and water quality deterioration; increasing productivity; and improving rural livelihoods. The WLI is implemented by the International Center for Agricultural Research in the Dry Areas.

All three activities are new and complementary to each other with the first two supporting the Global Hunger and Food Security (GHFS) Initiative of Obama Administration and the third (WLI) providing a parallel program in a geopolitically important region containing seven partner countries that are not included in the GHFS.

CSISA and WLI were both developed with the intention to scale-up in the future. CSISA is well on the way to this goal. Given the persistence of massive poverty in South Asia, the project will improve cereal productivity and farm income in four countries of South Asia. CSISA will provide an overall strategy and an umbrella for contributing new science and technologies to accelerating short- and long-term cereal production growth in South Asia's most important grain baskets. It builds on technologies developed and lessons learned from the Rice-Wheat Consortium, the Irrigated Rice research Consortium, and many other investments in agricultural research and development by both public and private sector partners, including USAID.

Through creating and facilitating innovative public-private sector partnerships in key geographical hubs of Bangladesh, India, Pakistan, and Nepal that represent key intensive cereal production systems, the project will boost the deployment of existing varieties, hybrids, crop management technologies, and market information. The hubs provide training in mechanisms for rapid adoption and intensification of improved cereal seed and crop management practices, for understanding critical components of public-private sector partnerships, and for developing business plans and supporting policies to stimulate private-sector investments.

Environment

The AME Regional Program supported Mission programs that worked on regional forest and biodiversity conservation, including Cambodia, which placed 200,000 hectares of biologically diverse forests under improved management and prevented emissions of greenhouse gases from these areas. It also assisted field missions in identifying the critical trends impacting the environment in preparation for future programming, as FY 2009 was the year many Missions began planning for new strategies and programs. In FY 2009, AME program-funded environment staff provided technical assistance to Missions, including the Regional Development Mission for Asia, Cambodia, and other East Asia Missions, to help with assessments, strategic planning, program design, and evaluations related to clean energy, climate change, and biodiversity conservation. In Washington, the Senior Environmental Policy Advisor worked with the Office of the U.S. Trade Representative

and the Department of State to support the negotiation of a Memorandum of Understanding between the United States and China to combat illegal logging and the Strategic and Economic Dialogue with China.

The Asia and Middle East Bureaus in Washington support the work of 19 USAID Missions and are responsible for program coordination with other U.S. Government agencies and private organizations interested in the region. The Asia Bureau also supported Mission programs that worked on regional forest and biodiversity conservation including Cambodia that placed 200,000 hectares of biologically diverse forests under improved management and prevented emissions of greenhouse gases from these areas. It also assisted field missions in identifying the critical trends impacting the environment in preparation for future programming as FY 2009 was the year many Missions began planning for new strategies and programs. AME-funded environment staff provided training to 200 Mission Officers and partners on AME Environmental Regulation (22 CFR 216) procedures and environmental strategic programming.

ASIA'S FUTURE-CRITICAL THINKING FOR A CHANGING ENVIRONMENT

Asia is facing some of the world's most serious environmental challenges stemming from rapid economic development and population growth, urbanization and industrialization, and unabated natural resource extraction and consumption, all resulting in a complex combination of local and regional-scale risks to environment and human health. The situation is compounded by the emerging threat of climate change.

Recognizing these trends and their impacts on our portfolio, USAID convened a series of expert consultations to consider the cumulative impacts of these trends and what we could do about them. Eight expert consultations were carried out with representatives from across the US government, international research institutions, NGOs, foundations and the private sector. The information was synthesized in a report and transferred to Asia Mission environment, program and general development staff through an interactive training. Together we considered the trends and were in strong agreement that environmental concerns needed to be integrated across all sectors. At least two Missions (Cambodia and the Central Asian Republics) were willing to experiment within their new strategies. The concept of integration was also included in the FY2011 Global Climate Change Policy Paper with a specific budget line item.

NATURAL RESOURCES & BIODIVERSITY ALLIANCE FOR PREY LONG CAMBODIA

Environment funding supported the conservation of Prey Long forest of Cambodia utilizing alliance building. Prey Long covers 200,000 ha and is the largest primary lowland dry evergreen forest remaining in mainland Southeast Asia. Healthy wildlife populations include endangered species such as elephants, gaur, tiger and Asiatic black bear. There are approximately 600,000 people relying on the forest for their survival but logging and mining are threatening the forests and the people's livelihoods.

To conserve the forests, alliances are being established. These include alliances among local communities to advocate for forest rights and for conservation. Also, working across the democracy and governance and economic growth portfolios, the Cambodia Mission is contributing

additional resources to link community products such as resins and honey to markets. At the international level, a partnership has been formed with the Blue Moon Fund aiming to establish financing from carbon markets for the area. A total economic valuation of the area is being completed and is a necessary step to demonstrate to the government the financial benefits to conservation.

ENERGY

Rising demand for energy is emerging as a serious concern. An effective South Central Asian Energy Corridor provides the region with an opportunity to enhance their economic development and grow more prosperous. In more developed regions of the globe already have core elements in place, such as integrated energy grids, trade and access. Helping these regions to develop enhances prospects for increased economic stability, both regionally and globally.

Energy is a fundamental driver of growth and development around the world, and the use of energy has been steadily expanding along with the world's populations and economies. Despite decades of progress, over 977 million people in the AME region lack access to modern forms of energy, some 60% of the world's total. Our ability to provide secure access to clean, affordable and safe sources of energy to maintain global economic growth must complement our desire to protect our environment. The development and climate change challenge is to increase access to clean energy in developing countries in a manner which: (a) increases energy security and affordability; (b) stimulates economic growth; and (c) minimizes the social and environmental impact of energy use and production. FY09 funding will focus on improving the energy security of countries in Central and South Asia through support for the integration of their energy markets. A new regional program will be designed to foster international cooperation in several areas, including increased market transparency and cross-border energy trade, strengthened commercial operations, diversified energy supplies, and deployment of cleaner energy technologies. This program will contribute to the economic growth and stabilization of two critical countries -- Afghanistan and Pakistan.