

# AGENCY FOR INTERNATIONAL DEVELOPMENT



**Congressional Presentation  
Fiscal Year 1985**

**ANNEX I**

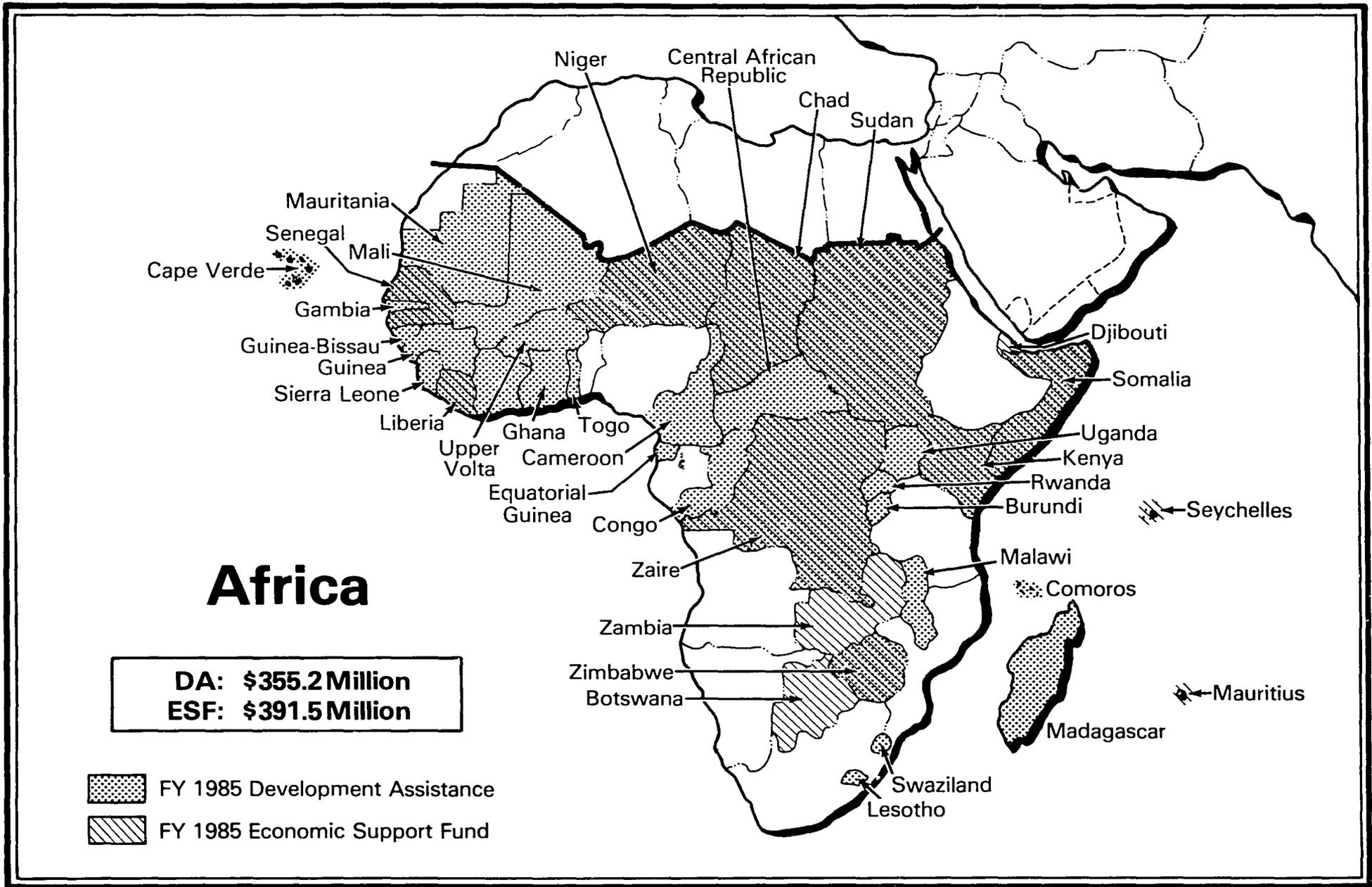
**Africa**

AFRICA

Responsible Officer:



FRANK J. DONATELLI  
*Assistant Administrator*  
*Bureau for Africa*



## ANNEX I

Annex I presents to the Congress all the Development Assistance (DA) and Economic Support Fund programs (ESF) proposed for Africa for which A.I.D. is requesting funds for FY 1985.

The annex begins with a summary table which provides a breakout by country and appropriation account of the Africa region's funding requirements from FY 1982 to FY 1985. There is also a regional summary table showing economic and social data for African countries that receive either A.I.D. DA or ESF. Following these tables is a regional narrative which provides a summary statement of the Agency's programs in Africa. Thereafter follows a description of the DA programs, divided into four geographic regions, with overview statements for the Sahel and the Southern Africa Regions. Country narratives describe the total A.I.D. program, including those projects for which funds are being requested in FY 1985. These narratives are followed by planned project summary sheets which present in detail requests for proposed new projects in FY 1985. The Chad, Kenya, Liberia, Niger, Somalia, Sudan, Senegal, Zaire and Zimbabwe narratives include a description of both the DA and ESF programs in those countries. Narratives for the six programs that receive only ESF funds in FY 1985 are included under the appropriate geographic grouping.

The next section of Annex I presents a brief overview of the total ESF request, followed by tables which provide budget data on all the activities for which ESF are requested. As indicated above, ESF country narrative statements are already included in the first section of this annex.

Note that the regional projects presented in this annex are different from centrally funded activities, which are described in Annex V.

The final section of Annex I includes tables on terminating programs.

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\*Receives both Development Assistance and Economic Support Funds in FY 1985.

\*\*Receives only Economic Support Funds.

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\*Receives both Development Assistance Funds and  
Economic Support Funds in FY 1985.

\*\*Receives only Economic Support Funds.

SUMMARY OF PROGRAMS BY COUNTRY AND APPROPRIATION  
(IN THOUSANDS OF DOLLARS)

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REGION: BUREAU FOR AFRICA

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C O U N T R Y	TOTAL	AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION	POPULATION PLANNING	HEALTH	EDUCATION AND HUMAN RESOURCES DEVELOPMENT	SELECTED DEVELOPMENT ACTIVITIES	SAHEL DEVELOPMENT PROGRAM	ECONOMIC SUPPORT FUND	OTHER PROGRAMS
-----									
LEININ									
1982	---	---	---	---	---	---	---	---	---
1983	---	---	---	---	---	---	---	---	---
1984	---	---	---	---	---	---	---	---	---
1985	---	---	---	---	---	---	---	---	---
BOTSWANA									
1982	10,984	---	---	---	---	---	---	10,984	---
1983	10,000	---	---	---	---	---	---	10,000	---
1984	10,000	5,533	---	---	4,467	---	---	---	---
1985	10,000	---	---	---	---	---	---	10,000	---
BURUNDI									
1982	5,008	3,902	---	---	---	1,106	---	---	---
1983	5,527	3,997	---	330	---	1,200	---	---	---
1984	3,661	3,161	---	---	---	500	---	---	---
1985	4,300	1,550	500	500	---	1,750	---	---	---
CAMEROON									
1982	15,335	15,335	---	---	---	---	---	---	---
1983	18,942	18,942	---	---	---	---	---	---	---
1984	22,200	18,955	---	---	3,245	---	---	---	---
1985	20,400	9,900	---	---	10,500	---	---	---	---
CAPE VERDE									
1982	3,450	---	---	---	---	---	3,450	---	---
1983	2,210	---	---	---	---	---	2,210	---	---
1984	2,000	---	---	---	---	---	2,000	---	---
1985	2,000	---	---	---	---	---	2,000	---	---
CENTRAL AFR REPUBLIC									
1982	1,000	1,000	---	---	---	---	---	---	---
1983	---	---	---	---	---	---	---	---	---
1984	1,200	1,200	---	---	---	---	---	---	---
1985	2,000	2,000	---	---	---	---	---	---	---
CHAD									
1982	2,822	---	---	---	---	---	---	2,822	---
1983	2,000	---	---	---	---	---	2,000	---	---
1984	5,225	---	---	---	---	---	2,225	3,000	---
1985	15,000	---	---	---	---	---	5,000	10,000	---

SUMMARY OF PROGRAMS BY COUNTRY AND APPROPRIATION  
(IN THOUSANDS OF DOLLARS)

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C O U N T R Y	TOTAL	AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION	POPULATION PLANNING	HEALTH	EDUCATION AND HUMAN RESOURCES DEVELOPMENT	SELECTED DEVELOPMENT ACTIVITIES	SAHEL DEVELOPMENT PROGRAM	ECONOMIC SUPPORT FUND	OTHER PROGRAMS
<b>COMOROS</b>									
1982	---	---	---	---	---	---	---	---	---
1983	---	---	---	---	---	---	---	---	---
1984	750	750	---	---	---	---	---	---	---
1985	400	400	---	---	---	---	---	---	---
<b>CONGO</b>									
1982	1,000	1,000	---	---	---	---	---	---	---
1983	1,000	1,000	---	---	---	---	---	---	---
1984	1,000	1,000	---	---	---	---	---	---	---
1985	1,000	1,000	---	---	---	---	---	---	---
<b>DJIBOUTI</b>									
1982	2,000	---	---	---	---	---	---	2,000	---
1983	1,986	---	---	---	---	---	---	1,986	---
1984	3,000	---	---	---	---	---	---	3,000	---
1985	3,500	---	---	---	---	---	---	3,500	---
<b>EQUATORIAL GUINEA</b>									
1982	1,000	1,000	---	---	---	---	---	---	---
1983	1,000	1,000	---	---	---	---	---	---	---
1984	1,000	1,000	---	---	---	---	---	---	---
1985	1,000	1,000	---	---	---	---	---	---	---
<b>GAMBIA</b>									
1982	1,219	---	---	---	---	---	1,219	---	---
1983	3,899	---	---	---	---	---	3,899	---	---
1984	3,500	---	---	---	---	---	3,500	---	---
1985	4,000	---	---	---	---	---	4,000	---	---
<b>GHANA</b>									
1982	1,368	---	---	---	1,368	---	---	---	---
1983	---	---	---	---	---	---	---	---	---
1984	---	---	---	---	---	---	---	---	---
1985	1,000	---	1,000	---	---	---	---	---	---
<b>GUINEA</b>									
1982	1,102	1,102	---	---	---	---	---	---	---
1983	2,000	2,000	---	---	---	---	---	---	---
1984	2,000	1,500	---	500	---	---	---	---	---
1985	2,600	2,600	---	---	---	---	---	---	---

SUMMARY OF PROGRAMS BY COUNTRY AND APPROPRIATION  
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C O U N T R Y	TOTAL	AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION	POPULATION PLANNING	HEALTH	EDUCATION AND HUMAN RESOURCES DEVELOPMENT	SELECTED DEVELOPMENT ACTIVITIES	SAHEL DEVELOPMENT PROGRAM	ECONOMIC SUPPORT FUND	OTHER PROGRAMS
-----									
GUINEA-BISSAU									
1982	2,380	2,380	---	---	---	---	---	---	---
1983	2,000	2,000	---	---	---	---	---	---	---
1984	2,000	1,000	---	---	1,000	---	---	---	---
1985	2,000	1,500	---	---	500	---	---	---	---
KENYA									
1982	38,912	13,000	4,000	9,523	---	1,675	---	10,714	---
1983	60,594	27,274	2,510	810	---	---	---	30,000	---
1984	74,200	31,403	2,300	---	---	500	---	40,000	---
1985	85,000	29,380	---	---	---	620	---	55,000	---
LESOTHO									
1982	10,215	4,024	---	2,300	3,891	---	---	---	---
1983	12,281	6,361	40	2,553	3,327	---	---	---	---
1984	9,279	3,479	---	1,450	4,350	---	---	---	---
1985	10,300	5,703	---	1,294	3,003	300	---	---	---
LIBERIA									
1982	47,041	6,561	---	---	4,813	667	---	35,000	---
1983	44,800	4,000	300	3,500	2,000	3,000	---	32,000	---
1984	46,117	7,333	---	1,342	2,295	1,000	---	34,150	---
1985	59,500	6,530	---	3,000	3,300	1,670	---	45,000	---
MADAGASCAR									
1982	---	---	---	---	---	---	---	---	---
1983	---	---	---	---	---	---	---	---	---
1984	---	---	---	---	---	---	---	---	---
1985	2,000	2,000	---	---	---	---	---	---	---
MALAWI									
1982	7,721	2,152	---	2,869	2,700	---	---	---	---
1983	7,088	3,623	---	731	2,734	---	---	---	---
1984	7,600	3,000	1,400	1,000	---	2,200	---	---	---
1985	10,000	4,400	1,800	1,800	---	2,000	---	---	---
MALI									
1982	9,611	---	---	---	---	---	9,611	---	---
1983	9,882	---	---	---	---	---	9,882	---	---
1984	8,700	---	---	---	---	---	8,700	---	---
1985	10,000	---	---	---	---	---	10,000	---	---

SUMMARY OF PROGRAMS BY COUNTRY AND APPROPRIATION  
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REGION: BUREAU FOR AFRICA

C O U N T R Y	TOTAL	AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION	POPULATION PLANNING	HEALTH	EDUCATION AND HUMAN RESOURCES DEVELOPMENT	SELECTED DEVELOPMENT ACTIVITIES	SAHEL DEVELOPMENT PROGRAM	ECONOMIC SUPPORT FUND	OTHER PROGRAMS
<b>MAURITANIA</b>									
1982	6,307	---	---	---	---	---	6,307	---	---
1983	5,146	---	---	---	---	---	5,146	---	---
1984	2,540	---	---	---	---	---	2,540	---	---
1985	3,500	---	---	---	---	---	3,500	---	---
<b>MAURITIUS</b>									
1982	2,000	---	---	---	---	---	---	2,000	---
1983	2,000	---	---	---	---	---	---	2,000	---
1984	2,000	---	---	---	---	---	---	2,000	---
1985	2,000	---	---	---	---	---	---	2,000	---
<b>NIGER</b>									
1982	12,982	---	---	---	---	---	12,982	---	---
1983	21,000	---	---	---	---	---	16,000	5,000	---
1984	21,000	---	---	---	---	---	16,000	5,000	---
1985	25,000	---	---	---	---	---	18,000	7,000	---
<b>NIGERIA</b>									
1982	---	---	---	---	---	---	---	---	---
1983	---	---	---	---	---	---	---	---	---
1984	---	---	---	---	---	---	---	---	---
1985	---	---	---	---	---	---	---	---	---
<b>RWANDA</b>									
1982	6,477	5,977	500	---	---	---	---	---	---
1983	5,260	3,560	1,700	---	---	---	---	---	---
1984	4,800	3,000	1,800	---	---	---	---	---	---
1985	5,500	5,000	500	---	---	---	---	---	---
<b>SAO TOME/PRINCIPE</b>									
1982	---	---	---	---	---	---	---	---	---
1983	---	---	---	---	---	---	---	---	---
1984	---	---	---	---	---	---	---	---	---
1985	---	---	---	---	---	---	---	---	---
<b>SENEGAL</b>									
1982	16,200	---	---	---	---	---	16,200	---	---
1983	19,058	---	---	---	---	---	14,058	5,000	---
1984	31,942	---	---	---	---	---	21,942	10,000	---
1985	32,000	---	---	---	---	---	17,000	15,000	---

SUMMARY OF PROGRAMS BY COUNTRY AND APPROPRIATION  
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COUNTRY	TOTAL	AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION	POPULATION PLANNING	HEALTH	EDUCATION AND HUMAN RESOURCES DEVELOPMENT	SELECTED DEVELOPMENT ACTIVITIES	SAHEL DEVELOPMENT PROGRAM	ECONOMIC SUPPORT FUND	OTHER PROGRAMS
-----									
SEYCHELLES									
1982	2,000	---	---	---	---	---	---	2,000	---
1983	2,000	---	---	---	---	---	---	2,000	---
1984	2,000	---	---	---	---	---	---	2,000	---
1985	2,000	---	---	---	---	---	---	2,000	---
SIERRA LEONE									
1982	3,148	2,345	---	---	803	---	---	---	---
1983	1,000	1,000	---	---	---	---	---	---	---
1984	1,000	1,000	---	---	---	---	---	---	---
1985	1,300	1,300	---	---	---	---	---	---	---
SOMALIA									
1982	34,400	13,201	---	1,199	---	---	---	20,000	---
1983	47,901	10,663	---	4,238	---	---	---	21,000	12,000
1984	52,762	13,000	1,600	3,162	---	---	---	35,000	---
1985	57,000	18,500	1,500	---	2,000	---	---	35,000	---
SUDAN									
1982	124,871	14,340	596	6,000	---	2,555	---	100,000	880
1983	115,282	25,932	---	1,000	---	1,500	---	82,250	4,550
1984	142,700	15,600	2,700	2,100	---	2,300	---	120,000	---
1985	143,000	22,655	---	---	---	5,345	---	120,000	---
SWAZILAND									
1982	3,677	5,297	---	---	3,380	---	---	---	---
1983	6,137	2,037	---	1,057	3,043	---	---	---	---
1984	7,355	4,078	---	---	3,777	---	---	---	---
1985	7,900	2,300	---	2,000	3,000	600	---	---	---
TANZANIA									
1982	10,646	7,646	---	---	3,000	---	---	---	---
1983	---	---	---	---	---	---	---	---	---
1984	5,027	3,427	---	---	1,600	---	---	---	---
1985	---	---	---	---	---	---	---	---	---
Togo									
1982	3,414	1,022	---	2,392	---	---	---	---	---
1983	3,430	2,731	---	699	---	---	---	---	---
1984	3,900	1,603	---	2,292	---	---	---	---	---
1985	3,000	1,000	---	2,000	---	---	---	---	---

SUMMARY OF PROGRAMS BY COUNTRY AND APPROPRIATION  
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REGION: BUREAU FOR AFRICA

C O U N T R Y	TOTAL	AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION	POPULATION PLANNING	HEALTH	EDUCATION AND HUMAN RESOURCES DEVELOPMENT	SELECTED DEVELOPMENT ACTIVITIES	SAHEL DEVELOPMENT PROGRAM	ECONOMIC SUPPORT FUND	OTHER PROGRAMS
<b>UGANDA</b>									
1982	6,999	6,999	---	---	---	---	---	---	---
1983	7,550	7,550	---	---	---	---	---	---	---
1984	9,000	8,000	---	1,000	---	---	---	---	---
1985	10,000	8,700	---	1,300	---	---	---	---	---
<b>UPPER VOLTA</b>									
1982	11,202	---	---	---	---	---	11,202	---	---
1983	270	---	---	---	---	---	270	---	---
1984	7,800	---	---	---	---	---	7,800	---	---
1985	7,000	---	---	---	---	---	7,000	---	---
<b>ZAIRE</b>									
1982	10,348	7,071	348	2,929	---	---	---	---	---
1983	14,535	6,181	2,000	1,035	319	---	---	5,000	---
1984	16,692	7,100	1,592	---	---	---	---	8,000	---
1985	27,000	9,886	---	2,114	---	---	---	15,000	---
<b>ZAMBIA</b>									
1982	19,999	---	---	---	---	---	---	19,999	---
1983	15,483	---	---	---	---	---	---	15,483	---
1984	20,000	---	---	---	---	---	---	20,000	---
1985	20,000	---	---	---	---	---	---	20,000	---
<b>ZIMBABWE</b>									
1982	75,000	---	---	---	---	---	---	75,000	---
1983	60,000	---	---	---	---	---	---	60,000	---
1984	40,000	---	---	---	---	---	---	40,000	---
1985	30,000	---	3,292	---	11,708	---	---	15,000	---
<b>SAHEL REG PROGRAM</b>									
1982	33,194	---	---	---	---	---	32,853	---	331
1983	32,476	---	---	---	---	---	31,579	---	397
1984	41,912	---	---	---	---	---	41,912	---	---
1985	31,000	---	---	---	---	---	31,000	---	---
<b>SOUTHERN AFR REG</b>									
1982	17,305	---	---	---	3,000	---	---	14,305	---
1983	17,443	---	---	---	3,050	---	---	14,393	---
1984	19,000	---	---	---	3,000	---	---	16,000	---
1985	37,000	---	---	---	---	---	---	37,000	---

SUMMARY OF PROGRAMS BY COUNTRY AND APPROPRIATION  
(IN THOUSANDS OF DOLLARS)

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REGION: BUREAU FOR AFRICA

C O U N T R Y	TOTAL	AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION	POPULATION PLANNING	HEALTH	EDUCATION AND HUMAN RESOURCES DEVELOPMENT	SELECTED DEVELOPMENT ACTIVITIES	SAHEL DEVELOPMENT PROGRAM	ECONOMIC SUPPORT FUND	OTHER PROGRAMS
-----									
AFRICA REGIONAL									
1982	57,534	19,137	1,598	16,659	12,890	7,000	---	---	---
1983	53,612	11,769	5,154	15,079	14,868	10,798	---	---	934
1984	79,733	10,179	4,250	14,200	13,513	10,125	---	---	27,516 <u>b/</u>
1985	126,499	12,471	5,750	13,200	12,150	7,928	---	---	75,000 <u>c/</u>
TOTAL									
1982	524,911	134,991	7,342	43,871	35,845	13,003	93,824	294,824	1,211
1983	619,842	141,720	11,714	31,032	29,341	16,498	85,044	286,112	18,381
1984	715,145 <u>a/</u>	146,300	15,642	27,046	37,247	16,625	106,619	338,150	27,516 <u>b/</u>
1985	821,699	149,775	14,342	27,208	46,161	20,213	97,500	391,500	75,000 <u>c/</u>

a/ FY 1984 total excludes \$2,317.7 thousand which has already been notified for deobligation and has not yet been identified for reobligation by project. (See Table at end of Africa Bureau Overview narrative for levels by country.)

b/ Consists of \$12,516 thousand African Refugee Assistance P.L. 97-121 and \$15,000 thousand State Migration and Refugee Assistance P.L. 98-63.

c/ Economic Policy Initiative for Africa.

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ECONOMIC AND SOCIAL DATA  
REGIONAL SUMMARY

REGION: AFRICA (NON-SAHEL)

COUNTRY	ECONOMY		EDUCATION		POPULATION				HEALTH		
	GNP PER CAPITA (DOLLARS)	LITERACY RATE (PERCENT)	TOTAL (THOUSANDS)	ANNUAL GROWTH RATE (PERCENT)	DENSITY (PERSONS / SQUARE MILE)		% IN URBAN AREAS	LABOR FORCE IN AGRICULTURE (PERCENT)	PEOPLE PER DOCTOR	LIFE EXPECTANCY (YEARS)	INFANT DEATHS PER 1,000 BIRTHS
DEVELOPMENT ASSISTANCE RECIPIENTS											
BOTSWANA	1,010	41	1,001	3.6	5	3	26	78	9,972	51.1	75
BURUNDI	230	27	4,561	2.8	605	374	2	84	45,020	42.7	117
CAMEROON	880	40	9,251	2.7	140	45	37	70	16,503	47.9	134
CENTRL AFRICAN REP	320	33	2,512	2.8	118	9	43	88	20,274	45.4	138
CONGO	1,110	.	1,694	3.0	38	12	43	34	7,468	60.3	114
EQ. GUINEA	180	.	268	2.5	237	28	56	76	58,000	47.9	136
GHANA	400	30	13,367	3.2	470	123	37	53	9,923	50.4	79
GUINEA	300	.	5,430	2.7	299	56	20	82	16,627	45.4	158
GUINEA-BISSAU	190	19	827	1.8	127	55	25	83	10,000	42.8	142
KENYA	420	47	18,580	4.1	655	68	15	78	11,625	56.0	71
LESOTHO	540	.	1,438	2.5	146	112	9	87	18,642	51.8	104
LIBERIA	520	21	2,091	3.3	767	42	34	70	9,276	54.1	132
MALAWI	200	.	6,612	3.2	367	128	10	86	41,007	44.7	164
RWANDA	250	50	5,644	3.3	892	490	5	91	38,792	46.0	102
SIERRA LEONE	320	.	3,705	2.7	221	122	24	65	18,067	47.9	201
SOMALIA	280	6	6,248	2.3	33	16	32	82	18,485	44.3	172
SUDAN	380	.	20,539	2.7	69	19	27	72	8,782	47.1	119
SWAZILAND	760	55	632	3.0	100	81	10	74	9,185	47.9	142
TANZANIA	280	73	20,524	3.2	116	49	13	83	17,553	52.5	103

ECONOMIC AND SOCIAL DATA  
REGIONAL SUMMARY

REGION: AFRICA (NON-SAHEL)

COUNTRY	ECONOMY		EDUCATION		POPULATION				HEALTH		
	GNP PER CAPITA (DOLLARS)	LITERACY RATE (PERCENT)	TOTAL (THOUSANDS)	ANNUAL GROWTH RATE (PERCENT)	DENSITY (PERSONS / SQUARE MILE)		% IN URBAN AREAS	LABOR FORCE IN AGRICULTURE (PERCENT)	PEOPLE PER DOCTOR	LIFE EXPECTANCY (YEARS)	INFANT DEATHS PER 1,000 BIRTHS
DEVELOPMENT ASSISTANCE RECIPIENTS											
TOGO	380	38	2,823	3.1	390	113	20	67	18,164	48.0	99
UGANDA	220	52	13,819	3.2	300	135	11	83	26,812	54.6	97
ZAIRE	210	55	31,250	2.9	460	30	38	75	15,529	47.9	118
DA SUMMARY	348	48	172,816	3.1	59	26	24	76	14,785	49.6	114

ECONOMIC AND SOCIAL DATA  
REGIONAL SUMMARY

REGION: AFRICA (NON-SAHEL)

COUNTRY	ECONOMY		EDUCATION		POPULATION				HEALTH		
	GNP PER CAPITA (DOLLARS)	LITERACY RATE (PERCENT)	TOTAL (THOUSANDS)	ANNUAL GROWTH RATE (PERCENT)	DENSITY (PERSONS / SQUARE MILE)		% IN URBAN AREAS	LABOR FORCE IN AGRICULTURE (PERCENT)	PEOPLE PER DOCTOR	LIFE EXPECTANCY (YEARS)	INFANT DEATHS PER 1,000 BIRTHS
					POP/AGR LAND	POP/TOTAL LAND					
ECONOMIC SUPPORT FUND RECIPIENTS											
BOTSWANA	1,010	41	1,001	3.6	5	3	26	78	9,972	51.1	75
DJIBOUTI	480	.	276	3.0	344	38	.	.	4,297	.	141
KENYA	420	47	18,580	4.1	655	68	15	78	11,625	56.0	71
LIBERIA	520	21	2,091	3.3	767	42	34	70	9,276	54.1	132
MAURITIUS	1,270	79	1,002	1.6	2,138	1,310	54	29	2,418	66.3	33
SEYCHELLES	1,800	58	65	1.3	3,341	597	.	20	2,790	.	17
SOMALIA	280	6	6,248	2.3	33	16	32	82	18,485	44.3	172
SUDAN	380	.	20,539	2.7	69	19	27	72	8,782	47.1	119
ZAIRE	210	55	31,250	2.9	460	30	38	75	15,529	47.9	118
ZAMBI	600	.	6,346	3.2	36	19	43	67	10,407	50.4	112
ZIMBABWE	870	69	8,376	3.3	252	47	24	60	7,027	55.5	87
ESF SUMMARY	403	49	95,774	3.1	36	19	30	73	6,216	50.3	109
REGION SUMMARY	385	49	188,881	3.1	67	28	25	75	9,886	50.0	112

ECONOMIC AND SOCIAL DATA  
REGIONAL SUMMARY

REGION: AFRICA (SAHEL)

COUNTRY	ECONOMY		EDUCATION		POPULATION				HEALTH		
	GNP PER CAPITA (DOLLARS)	LITERACY RATE (PERCENT)	TOTAL (THOUSANDS)	ANNUAL GROWTH RATE (PERCENT)	DENSITY (PERSONS / SQUARE MILE)		% IN URBAN AREAS	LABOR FORCE IN AGRICULTURE (PERCENT)	PEOPLE PER DOCTOR	LIFE EXPECTANCY (YEARS)	INFANT DEATHS PER 1,000 BIRTHS
					POP/AGR LAND	POP/TOTAL LAND					
DEVELOPMENT ASSISTANCE RECIPIENTS											
CAPE VERDE	340	37	297	1.2	1,164	188	14	57	6,674	62.2	96
CHAD	110	.	4,990	2.5	23	9	20	85	41,940	41.2	144
GAMBIA	370	20	638	2.6	358	135	19	79	13,171	42.8	196
MALI	190	9	7,393	2.3	55	14	21	73	25,555	44.0	168
MAURITANIA	460	17	1,591	2.0	9	4	26	85	13,697	44.0	140
NIGER	330	10	6,083	3.3	103	11	13	91	42,719	44.0	139
SENEGAL	430	.	6,335	3.2	131	73	26	76	15,739	44.0	105
UPPER VOLTA	240	9	6,569	2.5	123	56	10	82	50,000	39.5	181
DA SUMMARY	275	11	33,396	2.7	41	13	18	81	17,069	42.9	149

ECONOMIC AND SOCIAL DATA  
REGIONAL SUMMARY

REGION: AFRICA (SAHEL)

COUNTRY	ECONOMY		EDUCATION		POPULATION				HEALTH		
	GNP PER CAPITA (DOLLARS)	LITERACY RATE (PERCENT)	TOTAL (THOUSANDS)	ANNUAL GROWTH RATE (PERCENT)	DENSITY (PERSONS / SQUARE MILE)		% IN URBAN AREAS	LABOR FORCE IN AGRICULTURE (PERCENT)	PEOPLE PER DOCTOR	LIFE EXPECTANCY (YEARS)	INFANT DEATHS PER 1,000 BIRTHS
					POP/AGR LAND	POP/TOTAL LAND					
ECONOMIC SUPPORT FUND RECIPIENTS											
NIGER	330	10	6,083	3.3	103	11	13	91	42,719	44.0	139
SENEGAL	430	.	6,335	3.2	131	73	26	76	15,739	44.0	105
ESF SUMMARY	381	10	12,418	3.2	115	18	20	83	23,003	44.0	122
REGION SUMMARY	275	11	33,896	2.7	41	13	18	81	17,069	42.9	149

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## AFRICA BUREAU OVERVIEW

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	41,261	26,261	-	-	-	-	15,000	-
Grants	578,581 <sup>1</sup>	115,459	11,714	31,032	29,341	16,498	271,112	103,425
Total	619,842	141,720	11,714	31,032	29,341	16,498	286,112	103,425
1984 <sup>d/</sup>								
Loans	41,690	40,290	-	-	1,400	-	-	-
Grants	673,455	106,010	15,642	27,046	35,847	16,625	338,150	134,135
Total	715,145	146,300	15,642	27,046	37,247	16,625	338,150	134,135
1985								
Loans	6,900	-	-	-	6,900	-	-	-
Grants	814,799	149,775	14,342	27,208	39,261	20,213	391,500	172,500
Total	821,699	149,775	14,342	27,208	46,161	20,213	391,500	172,500

a/ Includes \$85.0 million from Sahel Development Program, \$0.90 million Foreign Disaster Assistance Act 1974 (FDAA) and \$17.5 million African Refugee Assistance P.L. 97-121.

b/ Includes \$106.6 million from Sahel Development Program, \$12.5 million African Refugee Assistance P.L. 97-121 and \$15 million State Migration and Refugee Assistance P.L. 98-63.

c/ Includes \$97.5 million Sahel Development Program and \$75 million for the Economic Policy Initiative.

d/ FY 1984 total excludes \$2.3 million which has already been notified for deobligation and has not yet been identified for reobligation by project (see country table at end of narrative).

### I. Africa's Development Profile

There is a continent-wide economic crisis in Africa. At a time when the number of people, and their aspirations, are growing, the ability of African economies to meet those legitimate needs is shrinking. At a time when U.S. interests in Sub-Saharan Africa are expanding, fewer African countries seem able to avoid the political instability related to social and economic deterioration. Governments cannot maintain the institutions, the infrastructure or the services created by past investments made during the period of moderate but steady growth in the 1960s and early 1970s. Global economic recession, worsening terms of trade and falling world demand for African products, high international interest rates and the inflexibility of the undiversified African economies have all contributed to this grave situation.

But, increasingly, donors and government officials have come to recognize faulty economic policies as the binding constraint to economic growth and progress throughout the region. Balance of payments, budget and food deficits are forcing African countries to

## AFRICA BUREAU OVERVIEW

review and reform their basic approach to development and growth. Countries such as Sudan, Zambia, Somalia, Uganda, Madagascar and Mali have already made difficult but important policy reforms. Many opportunities now exist for donors and government officials to engage in a dialogue to bring about the necessary policy reforms for Africa's development.

Declining productivity, low and stagnant per capita income, short life expectancy, low literacy rates, high rates of population growth, malnutrition, unemployment, and pervasive endemic diseases characterize this vast continent. Four times the size of the continental United States, Sub-Saharan Africa is comprised of forty-six countries and a population estimated at 350 million. Its foreign trade amounts to about a quarter of GNP, with only two or three primary commodities accounting for the bulk of each country's foreign exchange earnings. Agriculture employs about 70 percent of the population and accounts for up to 65 percent of GDP. Modern wage employment absorbs only about 10 percent of the labor force. Economic stagnation, which is especially evident in agriculture, has clearly affected the vast majority of Africans.

The deterioration in agriculture, the lack of economic diversification and the inability to respond to changing world markets, and rising oil bills have been the major factors behind the balance of payments crises in the late 1970s. The balance of payments problems were also exacerbated by the accelerating growth in food imports which averaged 9% per year. During this period current account deficits increased to an average of about 9 percent of GNP, twice the average rate for all oil importing developing countries. Deficit financing led to substantial external borrowing and a subsequent average debt service ratio of 17 percent of export earnings. In some countries the debt service payments and arrears currently exceed total country export earnings. Of the 18 Paris Club reschedulings during the period 1980-1982, 14 involved African countries.

These factors have also led to stagnation in income. The growth of real GDP in Africa between 1972-1982 was the lowest of any region of the world, and average growth in per capita GNP is projected between 1.0% and negative 0.1% between 1980 and 1990.

The heart of the economic problem in Africa is the inability of countries in the region to attain adequate growth rates in food production and agricultural exports. Not only is broad-based agricultural development the key to increasing incomes, employment and foreign exchange earnings, it is also essential for improvements in nutrition, health and the general quality of life. It is also necessary for raising government revenues, primarily derived from direct and indirect taxes on agriculture, so that government services and infrastructure can be maintained.

## AFRICA BUREAU OVERVIEW

But export crop production in 1980 was barely equal to the levels established in 1960, meaning that Africa failed to take advantage of the favorable growth in the volume of world trade. The purchasing power of exports declined, during the last decade, at an average rate of 2.7% per year with about half of that decline because of a decline in volume and half because of the terms of trade. Further threatening Africa's long term agricultural outlook is rapid deforestation, which is causing severe soil erosion in many areas.

Over the last two decades per capita food production dropped by 20 percent. As Africa's population grew at an estimated annual rate of 2.8% in the 1970s, the average per capita growth rate in agriculture, for all crops, was minus 1.4% . The rate for food production per capita was minus 1.2%. From the year 1980 to 2000, the population of Sub-Saharan Africa is projected to increase at the faster rate of 3% a year. Consumption of basic food staples is expected to expand at the rate of 3.2% annually which, if poor production performance continues, will result in a projected food deficit ten times greater than the current shortfall.

By the year 2000, 35 of 46 countries in Africa are projected to have food deficits. To fill them, Africa's food imports are projected to increase about 10 percent annually. Cyclical droughts place an even greater strain on the limited capacity of these countries to meet the basic nutritional needs of their peoples and place enormous increasing demands on Africa's scarce foreign exchange earnings. Current consumption is being financed at the expense of productive investments.

Conflict and food deficits in Africa also create movements of displaced persons and refugees. These destitute people require more than simple life support and can be an enormous drain on host country resources. Approaches are needed to bring refugee populations into basic development programs within the countries of sanctuary.

Massive investments by donors and host governments are required if the significant policy, institutional and human resource constraints to longer term development are to be relieved within a reasonable time frame. Trained manpower is in short supply, and about 75 percent of the population is functionally illiterate. Extensive disease in Africa further reduces labor productivity in rural areas and often precludes human habitation in fertile valley areas with greater agriculture potential. Life expectancy averages just 47 years, and 80 percent of Sub-Saharan Africans have no access to basic health care. Low caloric intake, which falls below minimal nutritional standards even in nondrought years, is further worsening health and reducing labor productivity.

## AFRICA BUREAU OVERVIEW

The United States plans to respond to the challenge of Africa's crises through an assistance program whose primary objectives are economic stabilization and increased food production. The foundation of the proposed assistance strategy rests on the following assumptions: a) that much of the economic stagnation in Africa is the result of a poor policy framework; b) that the absence of adequate incentives for the private sector, primarily the small farm holder, inhibits the development of more efficient management and utilization of resources; c) that the prevalence of a weak institutional base hampers the implementation of development initiatives; and, d) that insufficient donor coordination results in duplication of effort and competition for scarce manpower among projects.

In implementing this strategy and the proposed aid programs, it is important to remember that there is substantial resource endowment and opportunities in the region for long-term economic growth:

- Africa has the potential for increasing annual production of cereals by 16 million metric tons from rainfed land and by 9 million metric tons from irrigated land, for an annual total of an additional 25 million metric tons. This compares to a total production of 42 million metric tons in the period 1977-79. The potential average annual increase in livestock products is estimated at one million metric tons.
- Sub-Saharan Africa has nine major river basins running through several countries in the Sahel, Central and Southern Africa which offer the possibility of putting some 14 million hectares under irrigation and which also have great hydropower potential. The continent is estimated to have over one-third of the world's potential hydropower resources and energy from hydropower is one of Africa's greatest under-utilized resources.
- There has also been a steady increase in locating of oil deposits, particularly in coastal waters. Only a small portion of the land has been surveyed in detail and the potential is believed far greater than current production levels would suggest. Some African countries are already major producers of minerals such as copper, cobalt, chrome, and uranium and known deposits have yet to be exploited.
- Since 1960, life expectancy increased from 39 to 47 years and child death rates fell from 38 to 25 per thousand indicating improved health status. The number of medical and nursing personnel per capita doubled.

## AFRICA BUREAU OVERVIEW

- In the area of food production, agriculture research activities have been initiated, new hybrid cereals varieties have been developed, and seed multiplication activities replicated. A number of African countries are re-examining food pricing, marketing strategies and other policies affecting agricultural production. New policy frameworks offering more incentives to production are emerging. We believe the time is auspicious to encourage this policy reform and enlarge assistance to food and agriculture production.

To achieve the end objectives of economic stabilization and increased food production, the program in FY 1985 will expand upon efforts already underway in policy reform, private sector initiatives and institution building, with training emphasized as a key element to strengthening the institutional base. To accelerate, strengthen and expand current efforts in policy reform and donor coordination, the Economic Policy Initiative is proposed for FY 1985. This initiative will be used to increase support for the actual implementation of reforms in those countries prepared to pursue policy reforms in key sectors and will enhance A.I.D.'s ongoing development programs designed to meet Africa's pressing needs.

### II. Progress in Programs

While AID remains a minor donor in most African countries, our assistance and influence have contributed significantly to recent progress on the continent.

- Macro-economic and sectoral policy reform:  
The United States through the Seed Multiplication and Grain Marketing projects played a major role in getting the Government of Upper Volta to revise its grain pricing policy. Production prices were raised significantly to encourage food grain production and free movement of grain permitted throughout the country.

As coordinator of the Cooperation for Development in Africa (CDA) Health Technical Committee, A.I.D. has initiated field activities in immunization, malaria treatment and oral rehydration in Zaire, Togo and Liberia through its Combatting Childhood Communicable Disease project. A.I.D. coordination of the CDA health initiative provides the vehicle for policy discussions between African CDA members and other donors. By the end of 1983 the program was reaching an estimated 1.5 million children. The operations research and inter-country training components were started and nine country assessments conducted in 1983. Six of these assessments will be the basis for expansion of the program into an additional six countries in 1984.

## AFRICA BUREAU OVERVIEW

Through the Club-du Sahel/CILSS mechanism a series of recurrent cost studies and workshops have been conducted to sensitize Sahelians and other donors to the importance of assessing recurrent costs prior to undertaking investments. This has laid the foundation for improved government policies and donor programs to minimize recurrent costs.

Donor coordination has been strengthened by decisions taken at the Club-du Sahel V/CILSS conference hosted by the European Community in Brussels. A.I.D. was able to get a consensus among the donors and host governments that each Sahelian government invite donors annually to discuss collectively the proposed current country development requirements and objectives, and the proposed programs of each donor.

Members of the Cooperation for Development in Africa (CDA) Forestry and Fuelwood Initiative have adopted a decentralized approach to encourage larger-scale African national reforestation capabilities and efforts. In Somalia and Senegal the governments have taken the lead in coordinating domestic and donor programs and resources, developing new distinctive styles of planning and enlisting popular participation. As a result the problem is now being accorded increased development priority and needed additional resources.

### -- Institution Building:

Through the Senegal Rural Health Services Project, Phase I (685-0210), A.I.D. has fostered the strengthening of both Ministry of Health (MOH) and private sector participation in health service delivery from the region to the village level. Nearly 300 trained village health workers have private sector financial support and improved MOH technical support. The project has laid the organizational, administrative, and financial foundation for the introduction of specific targeted preventive health measures in Phase II of the project.

With A.I.D. assistance Zimbabwe is implementing a program for the extension of child spacing information and services through its Child Spacing and Fertility Association (CSFA). The project (613-0219) has developed a unique field program through its cadre of highly qualified rural educator distributors (ED). Supportive supervision is provided on a regular basis through the CSFA structure. The effectiveness of this organization in reaching rural Zimbabweans makes the project a model for other African child spacing programs.

The Training for Rural Development II project (698-0662) in Tanzania is improving planning and management capability through training at national, regional and village levels. The training

## AFRICA BUREAU OVERVIEW

provides a problem identification/team building/action planning approach to integrated rural development and thus far has had an enormous impact on the effectiveness of Tanzania's decentralized administrative system in four major districts of the country. Participating villagers are also experiencing major improvements in their own planning and community development efforts. The success of this project makes it a prototype for development of administration training projects in other developing countries.

Within the Agricultural Systems Support project (615-0169) in Kenya, Edgerton Agriculture College has been expanded to double its former capacity and the training of its faculty to M.A. and Ph.D. levels will soon be completed. The college has already embarked on a program to offer in-service courses to extension agents, adult education on agricultural topics, and management training to public and private sector entrepreneurs and managers.

### -- Private Sector Initiatives:

A.I.D.'s two sector grants to Zimbabwe in agriculture and education employ the CIP mechanism to generate local currency. The Government of Zimbabwe sells 80% of the foreign exchange to the private sector. The proceeds from the sale of the foreign exchange provides resources for many smaller development activities and thereby creates a multiplier effect on the economic benefits of this program in Zimbabwe.

Because of the renewed focus on private sector initiatives A.I.D. has successfully generated new private sector initiatives throughout Africa such as the Rural Private Enterprise Project in Kenya (615-0220) and the Small Economic Activity Development Project (686-0249) in Upper Volta. A.I.D. is also in the process of developing additional private sector activities such as the Rehabilitation of Productive Enterprises Project in Uganda.

### -- Improved Food Production:

Under the CIMMYT (International Maize and Wheat Improvement Center) project in East and Southern Africa involving about nine countries, the coordination of farming systems research among national level agricultural research and extension institutions is improving. The project facilitates and improves information exchanges, developing and disseminating agricultural technologies, and directing research and extension to farmer needs.

One important outcome of the zonal planning and design process under the Cooperation for Development in Africa (CDA) and the supporting A.I.D. project (698-0435), Strengthening African

## AFRICA BUREAU OVERVIEW

Agricultural Research (SAAR), is the full collaboration and participation of two key African regional organizations. A.I.D. is providing technical assistance and limited commodity support (micro-computers) to the Sahel Institute (INSAH) and the Southern African Coordination Conference (SADCC) to assist them in their joint efforts with member countries to inventory and assess agricultural research resources with a view to developing their own long-term country and zonal research programs.

In Niger, the Cereals Research project (683-0225) has introduced higher-yield seeds (millet and sorghum) to a number of farmers. Progress has been made towards controlling the cost of production of the improved seed varieties in order to make the operations of the seed multiplication centers financially self-sustainable.

### -- Technology Transfers:

With A.I.D. support, VITA, working with CILSS in the Sahel, has tested and demonstrated that lightweight chimneyless wood-burning stoves show potential of good wood economies, portability, low cost, ease of construction, and quality control not before achieved in programs promoting high mass stoves with or without chimneys. National and regional training sessions and conferences have been conducted to promote fuel-efficient stoves and preparation for massive dissemination of efficient stoves has begun.

Two A.I.D.-financed projects in Senegal, Casamance Regional Development (685-0205) and Bakel Small Irrigated Perimeters (685-0208), have introduced major changes in new water control techniques.

Under the regional Family Health Initiatives Project (698-0662), the Center for Development and Population Activities (CEDPA) provided a small grant to improve and extend the delivery of family planning/health services through the availability of trained women who can implement community-based programs. Without further A.I.D. financing, graduates of this management-oriented training program have initiated small community-based income generating activities. One graduate from Senegal became a trainer and subsequently trained other women at her place of employment, a private, non-profit organization, in management, health and family planning.

### III. FY 1985 Program Emphases

The FY 1985 budget request includes \$355.2 million for Development Assistance, of which \$97.5 million is for the Sahel Development Program. Under the Economic Support Funds, \$391.5 million is being

## AFRICA BUREAU OVERVIEW

requested. In addition, \$231.7 million is requested for PL 480 programs of which \$148.5 million is for Title I, including \$48.0 million for Title III, and \$83.2 million is for Title II. The funds support the ongoing development program. In addition, A.I.D. is requesting \$75 million for the Economic Policy Initiative.

Program emphases will be in support of and consistent with the Africa Bureau's Strategic Plan for development assistance. The foundation of the proposed strategy is (a) macro-economic and sectoral policy reform; (b) increased private sector participation in development; (c) strengthened institutions, and (d) greater donor coordination. To enact this strategy program concentration will be as follows:

### A. Economic Policy Initiative

A five year \$500 million Economic Policy Initiative is proposed of which \$75 million is requested for FY 1985.

Much of the economic stagnation that has enveloped Africa is the result of a poor policy framework. Country economic policy adjustments are essential for the maintenance of financial stability and the acceleration of growth. Policy reform, however, will require that donors participate in and support the implementation of agreed upon reforms if such reforms are to have the development impact desired within a reasonable time frame.

The Initiative will act as a catalyst for improving donor coordination and serve as an incentive for policy reform. The donor coordination and policy reform will complement the three principles which guide the Africa Bureau's assistance strategy in Africa: macroeconomic and sectoral policy reform, private sector participation and institutional development. Assistance provided by this initiative will be used primarily in those countries prepared to pursue policy reforms in key sectors and to strengthen institutional and skilled manpower capacities of those countries to implement such reforms.

For a detailed discussion of this program refer to the main volume of the Congressional Presentation.

### B. Private Sector Activity:

Accelerated economic growth in Africa requires more efficient use of existing human resources by widening the scope of individual economic decision making and permitting the development of a dynamic private sector. One of the main reasons we believe that significant policy changes are required in Africa is that present policies focus too heavily on the public sector contribution to development and leave too little scope for the contribution that individuals can make to national development. Enlisting the private sector in

## AFRICA BUREAU OVERVIEW

development is an efficient way to expand employment and productivity. Moreover, maximizing use of the private sector will lessen the burden of already over-extended governments.

A.I.D., in several African countries, has demonstrated to host governments the impact that can be obtained when private traders are responsible for delivering goods and services to the rural areas. Other areas being explored are macro-economic policy changes which provide more, or easier access to, credit and foreign exchange to the private sector (Zimbabwe, Kenya); improvement of the general investment climate by changes in law and/or practice and by administrative deregulation decisions (Sudan, Somalia, Liberia); reduction of subsidies (Zimbabwe, Somalia, Kenya); provision of market news (Zimbabwe); allowing private transporters (through out East Africa); and supporting the mobilization of local capital (Kenya, Zimbabwe). These initiatives are being supported and financed through a variety of programs including development assistance projects, foreign exchange under balance of payments programs, PL480 commodities, research and consulting services and local currency generations.

### C. Agriculture:

Agriculture continues to be the central focus of our long term development effort. About 60 percent of our aid is allocated to the agriculture sector. In FY 1985 approximately \$150.0 million will be allocated for agriculture, rural development and nutrition. Program priorities are:

1. Creation of national policies and programs that give African farmers adequate incentives to expand agricultural output, especially food;
2. Building of self-sustaining African institutions that provide appropriate technology, inputs and services at the time and in the quantity necessary for effective production and distribution of food products; and,
3. Support for institutional and human resource development programs that provide the means for greater participation by farmers in the development process, including policy planning, to build popular support and acceptance of programs necessary for self-sustaining growth.

Projects will address technology transfer, provision of inputs and services, market development (Somalia), and transport (Sudan and Liberia).

## AFRICA BUREAU OVERVIEW

Institutional development and training will be central to the Agriculture Management project in Kenya and the Rural Development Management project in Somalia.

Research support projects are planned in Somalia, Liberia, Rwanda and Malawi.

### D. Education and Human Resources Development:

In FY 1985 both new and ongoing programs totaling \$46.2 million, which would include the integration of education with agricultural production, will help expand Africa's human resource capacity. A.I.D. Education and Human Resources Development focus in Africa will be devoted to:

1. Improving the efficiency and effectiveness of primary school systems. There will be emphasis on improving production of appropriate teaching materials and use of innovative technologies of instruction, including radio, as a means of overcoming the traditionally poor quality instruction offered in rural areas. The Rural Information System project (669-0134) in Liberia, for example, is using the radio to broadcast educational programs to the rural population, 80% of whom are relatively isolated. In FY 1985 assistance is being requested to improve the quality of primary school instruction in Liberia, under the new Improved Efficiency of Learning II projects (669-0166).
2. By improving the quality of the non-formal educational programs, A.I.D. will help African countries in their effort to develop literacy and numeracy skills sufficient to bring presently illiterate adults into the development process. Also included will be skills training for small scale entrepreneurs and farmers to increase their productivity. This will aid them in becoming viable participants in the private sector. The ongoing Lesotho Basic and Non-Formal Education Systems project (632-0222) is working on reorienting basic education to meet basic development needs and improving the educational system's capacity to educate and train persons in subjects that support rural-based income and employment.
3. Support will be provided to strengthen selected indigenous institutes to develop their capacity to provide instruction and to undertake research, policy analysis and planning in the Human Resource Sector. Particular emphasis will be given to national and regional institutes that offer training and other support services in the areas of management and development administration.

## AFRICA BUREAU OVERVIEW

4. Participant training activities such as the African Manpower Development project (698-0433) provide training opportunities for Africans to study in the United States or in Third Countries. Training will focus at the upper levels of indigenous organizations both in the public and private sectors and on those technical and managerial skills where there is particular shortage of manpower. In addition, development management improvement will be emphasized across all sectors. For example, within the Sahel account, the Sahel Manpower Development Project (625-0960), all long-term U.S. participants must agree to enroll in two courses in management.

### E. Population:

The high population growth rates in Africa coupled with a reduction in mortality is increasing consumption expenditures and, thus, reducing resources available for production investments. To relieve competing demands on limited investment resources and improve family health and well-being, the Bureau will continue to promote voluntary family planning through the following program initiatives totaling \$14.3 million in FY 1985:

1. In close collaboration with host governments and private organizations, assist in developing country-specific strategies for the phased introduction of voluntary family planning services and educational programs;
2. Training and informational programs to broaden the knowledge and skill base of African leaders, service delivery personnel and potential users of family planning services;
3. Development of adequate demographic, biomedical and social science research data bases for those involved in the creation of policies and programs; and,
4. Strengthening, where acceptable to host countries, public and private institutions to implement more effective population policies and programs.

The regional Family Health Initiatives (FHI) project (698-0662) is currently meeting the funding needs of a wide range of short-term population activities in Africa on both a bilateral and regional basis. An evaluation of this project in FY 1984 will provide guidance for a new FY 1985 Population Planning project which will either provide new direction to regionally supported population activities or modify the existing FHI project to include a greater emphasis on policy formation, information, education and communication activities, establishment of base line data, and service provider training.

## AFRICA BUREAU OVERVIEW

### F. Health and Nutrition:

The A.I.D. Africa Bureau health and nutrition program, totaling \$27.2 million in FY 1985, seeks to remove poor health as a barrier to overall socio-economic development especially in agriculture and to minimize unnecessary suffering and death by assisting sub-saharan African countries develop the capacity to:

1. Develop basic health service delivery systems which improve cost-effective interventions for the control of common diseases, improvement of nutritional status, and introduction of child spacing;
2. Develop health manpower resource capacities;
3. Strengthen health planning and management capabilities; and
4. Improve technologies for the effective control of endemic diseases.

Through the regional Combatting Childhood Communicable Disease (CCCD) program (698-0421), a concentrated effort will continue to be made to institutionalize national programs of immunization, oral rehydration, and malaria prophylaxis. By FY 1985 CCCD project activities will have been initiated in nine African countries.

The Bureau will continue to give strong support to successful development or strengthening of primary health care delivery systems. Greater access to basic health services is expected to contribute to an improved quality and quantity of the labor force and the educability of the labor force.

### G. Energy, Forestry and Environment:

A.I.D. will assist African countries to refine and improve the methods for planning and implementing sustainable development programs which incorporate natural resource management and environmental protection as insurance of long-term economic productivity.

Energy related activities will emphasize building host country capability in national energy policy, planning and management, including energy supply and demand data gathering and analysis. A second area of emphasis will be on promoting the commercialization, marketing and dissemination of energy technologies and systems. Forestry activities will focus on achieving greater integration of agriculture and forestry and on fostering government forestry organizations oriented to development and service.

## AFRICA BUREAU OVERVIEW

A.I.D.'s environmental policy will be to continue to focus on ensuring the environmental soundness of A.I.D. assisted programs and assisting LDCs through programs that build institutional and scientific capacity to identify and solve environmental and natural resource problems.

### H. The Economic Support Fund Program:

The FY 1985 request for \$391.5 million is intended to provide the resources necessary to promote economic or political stability in areas where the United States has special strategic interests. Economic Support Funds (ESF) in FY 1985 are requested for Botswana, Djibouti, Kenya, Liberia, Mauritius, Niger, Senegal, Seychelles, Somalia, Sudan, Zaire, Zambia, Zimbabwe, Southern Africa Regional and Chad. These countries are currently experiencing a broad range of economic and political problems such as balance of payments and budgetary deficits, external debt burdens, deteriorating terms of trade and declining output, and the threat of political instability.

A.I.D., to the extent possible, will use ESF and non-emergency PL 480 as negotiating instruments to achieve policy reforms which promote economic stabilization as has been the case in Sudan and Somalia and as a means for relieving severe foreign exchange restrictions. Local currencies generated from the commodity import and PL 480 programs are programmed in agreement with the host governments for financing development activities, especially A.I.D. financed DA funded activities. Therefore, in addition to the political and security objectives of these funds, A.I.D. makes every effort to assure that they have a developmental effect as well.

### I. PL 480:

Food aid is a particularly important element of our efforts to eliminate hunger, improve food security and foster economic growth and development. Our PL 480 program has increasingly turned to addressing the underlying causes of the need for food aid.

In FY 1984 the PL 480 program totals \$211.8 million and is increasing because of the food availability crisis in Africa. By January 1984 the PL 480 program had already been augmented by an additional \$32.7 million in emergency food assistance. This brought the FY 1984 emergency food aid contribution to \$74.2 million (185,000 metric tons) which is already more than that provided in all of FY 1983. Mozambique, Ghana, Senegal, and Somalia are particularly affected by the food crisis. The remaining food assistance has been distributed to other countries in need throughout Africa. Unfortunately the food crisis in Africa is not an extraordinary occurrence, and we expect emergency food demands to continue into the foreseeable future.

## AFRICA BUREAU OVERVIEW

In FY 1985, the request for PL 480 totals \$231.7 million of which \$148.5 is for Title I, including \$48.0 million for Title III, and \$83.2 million for Title II. (Potential emergency claims are not included.) Self-help measures, use of local currency sales revenues, policy dialogue, and integration with other forms of non-food assistance are intended to enhance the development impact of Title I. Title III\*, which permits forgiveness of PL 480 loans with PL 480 Title III generated local currencies, will be continued in Sudan, Senegal and Somalia, Title II grant commodities have been channeled traditionally into direct food distribution programs through maternal-child health centers, school feeding programs and food for work projects, all of which are administered by U.S. registered private voluntary organizations or by the World Food Program. The Africa Bureau seeks to give these programs the greatest possible development impact.

\*See Main Volume PL 480 narrative for a detailed explanation of this program.

PREVIOUSLY NOTIFIED DEOBLIGATIONS  
TO BE REOBLIGATED IN AFRICA  
IN FY 1984

(in actual dollars)

<u>Country Program</u>	<u>Appropriation</u>	<u>FY 84 Obligation</u>
Botswana	ESF (G)	\$ 644,121
	SSA (G)	155,879
Cameroon	ARDN (G)	101,388
	EHRD (G)	98,000
Ghana	EHRD (G)	50,000
Guinea Bissau	ARDN (G)	40,000
Kenya	ARDN (G)	99,000
	EHRD (G)	49,000
Liberia	ARDN (G)	30,000
	EHRD (G)	48,000
Sudan	ARDN (G)	80,582
Swaziland	SDA (G)	10,229
Tanzania	ARDN (G)	143,160
Zaire	ARDN (G)	170,000
	HE (G)	30,000
Africa Regional	EHRD (G)	338,383
	HE (G)	80,000
	SDA (G)	150,000
TOTAL		\$2,317,742

DEVELOPMENT ASSISTANCE PROGRAM

SAHEL DEVELOPMENT PROGRAM

OVERVIEW OF THE  
SAHEL DEVELOPMENT  
PROGRAM

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## SAHEL OVERVIEW

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	95,941	-	-	-	-	-	10,000	85,941
Total	95,941	-	-	-	-	-	10,000	85,941
1984								
Loans	-	-	-	-	-	-	-	-
Grants	124,619	-	-	-	-	-	18,000	106,619
Total	124,619	-	-	-	-	-	18,000	106,619
1985								
Loans	-	-	-	-	-	-	-	-
Grants	129,500	-	-	-	-	-	32,000	97,500
Total	129,500	-	-	-	-	-	32,000	97,500

a/ Sahel Development Program

b/ Includes \$897,000 carryover from Foreign Disaster Assistance Act of 1974 (FDAA).

c/ Includes \$3.619 million from Sahel Development Program prior year funds.

FY 1985 PROGRAM HIGHLIGHTS	
-	Agricultural Production - rainfed agriculture - \$11 million.
-	River Basin Development and Irrigation - increase in irrigated agriculture through river basin development - \$9 million.
-	Forestry and Ecology - increase fuelwood production while preserving natural resources base - \$7.5 million.
-	Institution building - continued support of Sahelian institutions - \$9.6 million.
-	Health and Population - support of health and population activities - \$9.3 million.

## SAHEL OVERVIEW

### Development Overview

The Sahel Development Program is A.I.D.'s regional response to overcoming the serious economic constraints plaguing eight African countries which share similar problems and developmental objectives. A.I.D.'s program in the Sahel has evolved from emergency relief in the face of a catastrophic drought in the early 70's, to project assistance aimed at the transformation of agricultural technologies in the late 70's. At present, the strategy provides for a combination of project and non-project assistance aimed at comprehensive institution building supportive of national food staple productivity. From FY's 75-83 annual A.I.D. assistance to the Sahel has averaged \$113 million including P.L. 480 food aid. Within the past ten years, two regional institutions have been established which now serve as the entities for planning, coordinating and channeling donor assistance to the Sahel. The Permanent Interstate Committee for Drought Control in the Sahel (CILSS), founded in 1973, is composed of Cape Verde, Chad, The Gambia, Mali, Mauritania, Niger, Senegal and Upper Volta. The Club des Amis du Sahel (Club) was founded in 1976, and is presently composed of 20 donor nations, of which the United States is a member. Together these organizations have developed a common strategy aimed at achieving (1) food self-sufficiency on a regional basis by the end of the century, (2) environmental stabilization, and (3) long-term economic growth.

To achieve these goals, A.I.D. funding via the Sahel Development Program is directed towards improving the productivity of dryland agriculture, expanding irrigation, increasing agricultural output through the control of pests and disease, protecting the environment through forestry/ecology efforts, and undertaking activities in institution-building, population and health which have a clear and direct relationship to agricultural production.

Most of A.I.D.'s assistance to the Sahel is channeled through bilateral projects which address area needs. However, about one-third of the program involves regional projects, which require a pooling of resources among various other donors, address problems common to Sahelian countries and which are most susceptible to a regional solution, e.g. river basin development. Moreover, the regional approach permits A.I.D.: (1) to strengthen regional Sahelian organizations, as evidenced by A.I.D. support of the CILSS, the Sahel Institute, the Agro-Hydrological and Meteorological Institute (AGRHYMET), and river basin commissions; (2) to avoid duplication of, yet support, specific regional interests as in the case of the zonal agricultural research programs, weather and hydrological forecasting and crop protection; (3) to introduce policy changes, new concepts and technological approaches in selective fields which are not readily accepted by the individual Sahel nations, as in the case of food aid coordination, cereals price harmonization and recurrent cost analysis; (4) to foster intra-African cooperation, such as regional water resources planning and

## SAHEL OVERVIEW

CILSS sectoral strategy studies; and (5) to serve as a catalyst for donor collaboration and to exert an influence on Sahelian development greater than the amount which the U.S. contribution would imply.

The Sahel countries represent one of the poorest, least endowed regions in the world, with an average per capita income less than \$200 per year. Shared characteristics are a limited resource base: rainfall is low and variable; the soils are sandy, poor, and increasingly degraded by deforestation and the reduction of fallow periods; traditional agriculture and livestock production account for the dominant share of economic activity; and exports are concentrated in traditional livestock products, a few cash crops such as groundnuts and cotton, and limited mineral exports which have faced declining prices during recent years. Recently, the economies have been further weakened by external debt and balance of payments problems and adverse climatic conditions reminiscent of the devastating drought of the 70's. Deficiencies in the physical infrastructure and the limited development of political, governmental and private sector organizations increase the difficulty of development efforts. The overall literacy rate is less than 15% which has a predictable impact on development. All Sahelian organizations are hampered by shortages of trained personnel.

While U.S. interests in the Sahel are primarily humanitarian, we are increasingly recognizing the political and economic importance of this region. Although the Sahel has the potential to feed itself, and possibly even to export food over the long term, requirements for food aid have continued at high levels in the face of continuing adverse weather and difficult development conditions. Assisting the Sahelians to achieve their objective of food self-sufficiency would advance United States humanitarian and political interests and would provide opportunities for U.S. private investment. Enhanced institutional and physical infrastructure are necessary to encourage investment in Sahelian resources such as uranium in Niger, phosphate in Upper Volta, iron in Mauritania, and bauxite in Mali. By strengthening Sahelian economies, we will enhance regional political stability and preclude Libyan expansionism.

By the year 2000, the Sahel population will reach 50 million and will require 11.5 million tons of cereal food annually for adequate nutrition. Meeting the long-term strategy goals of food self-sufficiency, environmental improvement and long-term economic growth will require that development efforts in the Sahel involve both rainfed and irrigation projects. To meet consumption requirements by the year 2000, output of rainfed agriculture must increase by two percent annually between 1980 and 2000, and irrigated production must increase by 12,500 to 37,500 hectares per year depending on the degree of self-sufficiency sought and the rate of growth realized in rainfed productivity. Increased basic and applied research will be the cornerstone to improving rainfed agriculture. River basin development

## SAHEL OVERVIEW

projects will provide the analytical and regional resource planning framework needed for development of water control and storage in irrigation - a prerequisite to major expansion in irrigated agriculture.

While the goals of the Sahel Development Program continue to be accepted as valid, the regional project portfolio has been undergoing a rigorous review since early 1982 based on A.I.D.'s and other donors' increasing experience in the region. Evaluations of the first generation of A.I.D. projects have demonstrated that serious constraints to development will not be easily overcome and that the Sahel Development Program must maintain a long-term, systematic approach with increased emphasis on agricultural research, human resource development, infrastructure, institution-building, policy reform and improvement of the region's data base and planning capabilities.

Progress to date: The most telling accomplishment of A.I.D. and other donor assistance to the Sahel is the very survival of the eight Sahelian countries. The past two years have seen catastrophic drought conditions prevailing in the region. Due largely to external assistance and some internal reforms, the Sahel has remained politically and economically stable and, in spite of these adverse conditions, is even making marginal advances. The following are noteworthy achievements of the coordinated CILSS/Club approach to date:

Planning/Coordination - The CILSS and Club have supported A.I.D. efforts to improve management, evaluate the impact of programs and initiate requisite corrective actions. This desire for a coordinated approach was demonstrated at the recent Club V Conference in Brussels, in which Sahelian governments and donors approved the principle of a concerted effort to coordinate donor assistance at the country level. Coordination of host country development plans and donor programs are expected to take the form of meetings initiated by host governments which will be held at regular intervals in each country, with special priorities attached to food production. Moreover, due to regional coordination, donor commitments to the Sahel from 1980 to 1982 averaged \$1.698 million per year. This is 26% more than for the previous three year period. On a bilateral basis, a good example of increased cooperation is the World Bank and A.I.D. rural road maintenance program in Senegal.

Agriculture Research and Institutional Development - A.I.D. assistance is primarily directed towards this sector. On both a regional and bilateral level, the Sahel Development Program is focussing on basic and applied research involving improved seed production and crop protection practices for staple food products. One indication of progress attained through such an approach is the ten-fold increase in rice production in the Bakel area of Senegal. Since livestock represents a significant element within the Sahelian economies, A.I.D. is renewing its effort to

## SAHEL OVERVIEW

transform traditional herding practices into viable commercial enterprises. Increased emphasis is being given to developing village cooperatives which will have the economic and managerial capacity to function in a more liberalized market economy. To achieve the latter, both agriculture project and non-project assistance is attempting to induce reform that will encourage farm production. To support the fragile ecology, A.I.D. is continuing to strengthen host country capacity to manage and rationally exploit its scarce forest resources.

Attaining regional food self-sufficiency in the long-term will be dependent upon exploiting the Sahel's major rivers and streams, which at present are being used largely for recessional agriculture. Therefore, A.I.D. strategy in river basin development is to assist in establishing the planning framework, data base and apportionment principles that will provide the underpinnings of future infrastructure development. A.I.D.'s initial efforts in river basin development have consisted of multi-purpose planning and pre-feasibility studies in the four Sahel river basins under these organizations: the Senegal (OMVS), the Gambia (OMVG), the Niger (NBA) and Lake Chad (LCBC).

Financial and Program Management - The Sahel Regional Financial Management project (625-0950) and the FAA 121(d) process of host country accounting system review have been the focal points of A.I.D.'s efforts to improve the management of the Sahel Development Program. Responding to concerns reflected in audits completed during 1980-1981 on several projects, A.I.D. has launched exceptional measures to help insure effective management, especially in accounting of funds for local costs financing of the Sahel program. Over the past two years, the local costs accounts (182 in total) of every Sahel project were re-examined by the responsible field missions. Of these, all but a few (for which disbursements have been halted) have been found to be adequate, or have been strengthened to satisfy the requirements of Section 121(d) of the Foreign Assistance Act.

In addition, A.I.D. has conducted region-wide financial management training programs in which both A.I.D. and host country management level personnel participate. Host country accountants have been trained in the use of simplified accounting systems and procedures which meet A.I.D.'s requirements for accountability and which provide management information. As a further outgrowth of this effort, A.I.D. modified its own internal project manager training course to include more financial management skills training.

To insure that the current momentum towards better management is maintained, the Africa Bureau is paying particular attention to the Sahel program staffing requirements, internal operations procedures, management and financial training of personnel and other constraints

## SAHEL OVERVIEW

to project implementation. To this end, a \$5 million Sahel Regional Financial Management project was approved in 1982. Its primary purpose is to help host country institutions in the improvement of financial and management systems, including necessary staff training over the next three years. An additional \$2 million in FY 84 will expand host country staff capability to manage proceeds accruing from P.L. 480 and non-project assistance activities. In addition, A.I.D. has expanded its efforts to include a major assessment of A.I.D.'s internal management and organization for the implementation of the Sahel Development Program. Through our self-initiated effort A.I.D. is inducing a new awareness and appreciation among donors and host-country governments for rigorous management oversight of their development activities.

Economic Stabilization - A.I.D. is becoming increasingly involved, in conjunction with the IMF and other donors, in economic stabilization efforts in order to insure that governmental systems do not collapse and that there is time to implement policy reforms, build institutional capacity and perform the requisite agricultural research. ESF programs in Chad, Niger and Senegal and PL-480 generated local currency programs in Cape Verde, Mauritania, Senegal and Upper Volta are in part directed at balance of payments and recurrent cost problems.

Policy Dialogue - Two major topics have been pursued - cereals sector policy and recurrent costs. Policy reforms are moving forward: increasing farmgate prices in Senegal, Niger, Mali, and Mauritania; reducing input subsidies in Niger, Senegal and Upper Volta; reducing the role of parastatals in Mali, Senegal and Upper Volta; lowering consumer price subsidies in Senegal and Cape Verde; and curbing public sector growth in The Gambia, Mali, Niger, Senegal, and Upper Volta. The recurrent cost issue has been the subject of a recent regional symposium and the CILSS and the Club are continuing to organize recurrent cost seminars in all Sahelian countries to devise solutions. The best example of concrete progress on this front is the Niger and Senegal national primary health care program which, through A.I.D. intervention, has now become a fully self-supporting program - financed through user charges.

### Requested Year Program (FY 1985)

The basic priorities of the Sahel Development Program have remained unchanged during the past five years, reflecting the continuing commitment of Sahelian governments and the donor community, as well as the long term nature of their objective. These goals are: (1) food self-sufficiency on a regional basis by the year 2000, (2) environmental stabilization and (3) long-term economic growth.

While our basic priorities remain unchanged, a new assistance dimension has

## SAHEL OVERVIEW

been added to address short term balance-of-payment problems. In Senegal, Niger and Chad, ESF non-project assistance, in the form of commodity import programs and cash transfers, is being provided to assist these countries to stabilize their fragile economies.

In FY 1985, \$97.5 million in Sahel Development Program funds is requested to contribute towards understanding and overcoming the constraints to increased agricultural production, and to developing the human, institutional and physical infrastructure necessary to achieve lasting food production capabilities and environmental stabilization. United States assistance will continue to focus on rainfed agriculture (\$11 million), which has received less than 10 percent of all donor assistance during recent years. However, the United States will also support the concurrent development of irrigated agriculture (\$9 million) through river basin development in Senegal, Niger, Mauritania and Mali. A.I.D. assistance will also continue in ecology (\$2 million) and forestry (\$5.5 million); this assistance is aimed at the preservation of the region's natural resource base and increasing the production, supply and conservation of the region's principal source of energy, firewood. Finally, A.I.D. will continue initiatives reflecting priority concerns in institution building (\$9.6 million), health (\$8.4 million) and population (\$0.9 million).

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Cape Verde

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FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (655) CAPE VERDE

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 297  
 PER CAPITA GNP..... (DOLLARS,1981) 340  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) . %  
 ANNUAL RATE OF INFLATION (1970-81) 11.2%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 (1982) TOTAL 62.2 MALE 60.4 FEMALE 64.1  
 (1970) TOTAL 56.9 MALE 55.1 FEMALE 58.8  
 ADULT LITERACY RATE (1970) TOTAL 37% MALE 230% FEMALE 240%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 18%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 1,164  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: CORN ,BEANS-DRY , 32% (1982)  
 CASH: BANANAS , , 24% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) BANANAS , ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) CORN ,BEANS-DRY ,WHEAT  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 57%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 ( .) ( .) ( .)  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 ( .) ( .) ( .)  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 ( .) ( .) ( .)  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. ( .) . % ( .) . % ( .) . %  
 AS % OF GNP..... ( .) . % ( .) . % ( .) . %  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) ( .) ( .) ( .)  
 EQUIVALENT TO . MONTHS OF IMPORTS ( .)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1979) FISH ,BANANAS ,SALT  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1972) 0 (1973) 1 (1974) 0  
 AS % OF TOTAL EXPORTS ( .) .% ( .) .% ( .) .%  
 MAJOR IMPORTS....(1979) PETROLEUM ,CORN ,RICE  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1976) 1 (1977) 1 (1978) 2  
 AS % OF TOTAL IMPORTS ( .) .% ( .) .% ( .) .%  
 TRADE BALANCE(\$ MILLIONS, U.S.)( .) .( .) .( .) .  
 TRADING PARTNERS: PORTUGAL ,FRANCE ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP ( .) . %  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... ( .) .  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... ( .) . %

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 1.5% (1978) 0.6% (1983) 1.2%  
 POPULATION IN URBAN AREAS.....(1980) 25% (1982) 14%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 35 (1983) 28  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. ( .) . %  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 37.1% (15-64YRS) 59.8% (65+ YRS) 3.1%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 96  
 PEOPLE PER PHYSICIAN..... (1977) 6,674  
 MAJOR CAUSES OF  
 DISEASE (1980) INFLUENZA ,INTESTINAL INFEC ,HELMINTHIASIS  
 DEATH.. (1980) ENTERITIS ,ILL-DEFINED CAUS ,SENILITY  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 107%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY( .) . %  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... ( .) TOTAL . % MALE . % FEMALE . %  
 SECONDARY..... ( .) TOTAL . % MALE . % FEMALE . %  
 POST SECONDARY.. ( .) TOTAL . % MALE . % FEMALE . %  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

U.S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years - Millions of Dollars)							ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)							
COUNTRY CAPE VERDE							A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS							
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-83		
	1978	1979	1980	1981	1982				TOTAL.....	IBRD	IFC	IDA	IJB	AJB
<b>I. ECONOMIC ASSISTANCE - TOTAL</b>	11.4	7.4	5.8	6.5	6.0	49.9	-	49.9	3.4	17.9	7.2	36.4		
Loans	-	-	-	-	-	3.0	-	3.0	0.0	0.0	0.0	0.0		
Grants	11.4	7.4	5.8	6.5	6.0	46.9	-	46.9	3.4	17.9	7.2	36.4		
<b>a. A.I.D. and Professional Agencies</b>	8.0	2.9	3.1	3.6	3.5	28.3	-	28.3	0.0	0.0	0.0	0.0		
Loans	-	-	-	-	-	3.0	-	3.0	0.0	0.0	0.0	0.0		
Grants	8.0	2.9	3.1	3.6	3.5	25.3	-	25.3	0.0	0.0	0.0	0.0		
(Economic Support Fund)	-	-	-	-	-	1.0	-	1.0	0.0	0.0	0.0	0.0		
<b>b. Food for Peace (PL 480)</b>	3.4	4.5	2.7	3.0	2.5	21.6	-	21.6	0.0	0.0	0.0	0.0		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	3.4	4.5	2.7	3.0	2.5	21.6	-	21.6	0.0	0.0	0.0	0.0		
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Title II - Total Grants	3.4	4.5	2.7	3.0	2.5	21.6	-	21.6	0.0	0.0	0.0	0.0		
Emerg. Relief, Econ. Develop. & World Food Program	3.4	4.5	2.7	3.0	2.5	21.6	-	21.6	0.0	0.0	0.0	0.0		
Voluntary Relief Agencies	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>c. Other Economic Assistance</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Peace Corps	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Narcotics	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Other	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>II. MILITARY ASSISTANCE - TOTAL</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Credits or Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>a. MASF Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	11.4	7.4	5.8	6.5	6.0	49.9	-	49.9	3.4	17.9	7.2	36.4		
Loans	-	-	-	-	-	3.0	-	3.0	0.0	0.0	0.0	0.0		
Grants	11.4	7.4	5.8	6.5	6.0	46.9	-	46.9	3.4	17.9	7.2	36.4		
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
* LESS THAN \$50,000.														

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE				
1. D.A.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-82	
United States	-	11.0	11.0	
Germany Fed. Rep.	-	8.9	8.9	
Sweden	-	7.8	7.8	
France	-	5.2	5.2	
Netherlands	-	3.0	3.0	
Other	-	6.2	6.2	
Total	-	42.1	42.1	
2. O.P.E.C. COUNTRIES (Gross Disbursements)				
C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES				
	CY 1981	CY 1982	CY 1954-82	
USSR	Negl.	-	5	
Eastern Europe	Negl.	-	5	
China	-	-	15	
Total	-	-	25	

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	2,210	-	-	-	-	-	-	2,210
Total	2,210	-	-	-	-	-	-	2,210
1984								
Loans	-	-	-	-	-	-	-	-
Grants	2,000	-	-	-	-	-	-	2,000
Total	2,000	-	-	-	-	-	-	2,000
1985								
Loans	-	-	-	-	-	-	-	-
Grants	2,000	-	-	-	-	-	-	2,000
Total	2,000	-	-	-	-	-	-	2,000

a/ Sahel Development Program

FY 1985 PROGRAM HIGHLIGHTS	
-	A.I.D. will continue to concentrate on the ongoing project in watershed management with expanded attention on crop research and agricultural extension and other production support services. Essentially all funding (\$2.0 million) will be used to finance activities which contribute to the program emphasis on increasing food production.

CAPE VERDE

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	3,666	2,575	1,909
Total AID	3,666	2,575	1,909
P.L. 480**			
Title I (of which Title III is)	( - )	( - )	( - )
Title II	2,692	4,384	3,680
Total P.L. 480	2,692	4,384	3,680
Total AID and P.L. 480	6,358	6,959	5,589

\*AID levels represent actual and estimated expenditures.  
\*\*P. L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	4	2	2
PASAC <sup>c</sup>	2	2	2
Contract	0	2	2
Total	6	6	6
Participants <sup>d</sup>			
Noncontract	16	55	47
Contract	0	5	6
Total	16	60	53

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(in 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		-		-		-
World Food Programs		410		717		1,643
Gov't-to-Gov't		2,282		3,667		2,037
Title II Total		2,692		4,384		3,680
Total P.L. 480		2,692		4,384		3,680

## CAPE VERDE

### Development Overview

The principal constraints to economic development in Cape Verde are its meager natural resource endowment, limited infrastructure, lack of trained manpower and an exceedingly arid climate. Low and erratic rainfall and a scarcity of irrigated land severely constrain agricultural production, resulting in a chronic food deficit situation. Development is further inhibited by the dispersion of the islands, which hinders transportation and communication. Adverse climatic conditions which began in 1968 and have further declined since then, have created great stress on the fragile rural-based economy, provoking environmental deterioration and increasing the rate of urban migration. With few employment opportunities available outside the agriculture sector, unemployment is a serious problem throughout the islands and a major concern of the Government of Cape Verde (GOCV). Combined unemployment and underemployment is estimated at 40%. Estimated GNP per capita is \$300. The most recent population estimate is 300,000. Although the Government has devoted considerable energy to arranging adequate food supplies through commercial purchases as well as donor commitments, it has not neglected long term planning. Cape Verde's first four year National Development Plan was presented in 1982.

Under the Plan, rural development is accorded top priority because most of the people still live in rural areas, and these are the poorest. While projections of growth of the agricultural sector are not overly encouraging, Cape Verde expects to increase its food security and improve the nutrition of its people through increasing areas devoted to irrigation, diversifying food production, and improving farm to market facilities.

The GOCV's agriculture development plans focus on labor intensive soil and water conservation, reforestation, the exploration and development of groundwater resources for irrigation, the introduction of some drought resistant crops, training of agricultural technicians and the institutionalization of applied agricultural research capacity. These activities require large outlays of public funds, and this approach has already begun to return dividends in terms of reclaimed land and water resources. The land reform inaugurated in January 1983 seeks to achieve a better distribution of land in terms of those who actually work the soil and provide incentives for increased investment by private farmers.

Investments are being made in other sectors as well under a policy of decentralized sector development. Light industry will be developed at the principal port city of Mindelo where a yard for ship repair is under construction. Commercial infrastructure and hotel facilities are to be expanded. Private firms are being substituted for public enterprise in construction.

## CAPE VERDE

### U.S. Interests and Objectives

United States interests in Cape Verde stem from: (1) the country's strategic geographic location at the intersection of several sea and air routes between Africa, Europe, the United States and Latin America; (2) its position as an influential member of the non-aligned group of nations playing a role in several major regional issues including Southern African negotiations; (3) humanitarian concern for the continuing drought conditions and resulting human and economic hardship facing Cape Verde, designated by the U.N. as a Relatively Least Developed Country (RLDC); and (4) strong historical and family ties between Americans and Cape Verdeans because of the large community of Americans of Cape Verdean descent.

### A.I.D. Development Strategy

Following Cape Verde's independence, U.S. economic assistance began in 1975 with emergency food shipments to counter the particularly severe drought which had been affecting the Sahel since 1968. To date, bilateral aid expenditures in the form of grants excluding emergency food aid have totaled approximately \$18 million. Of this amount an initial \$7.79 million provided the entire population of Sal Island with a reliable water and power source in the form of a functioning desalinization plant. Subsequent assistance has focussed on employment generation and conservation activities. Over the past years 2,900 people have reconstructed 540 structures and planted over 60,000 trees.

The United States strategy in Cape Verde encourages the economic development of the country in order to lessen its dependence on foreign donors for budget support and food imports. United States resources will be increasingly focused on activities that address the key constraints to increased food production and eventual food self-sufficiency.

Evaluation of previous A.I.D. experience in Cape Verde has led to the design and implementaton of projects intended to increase food production, maximize use of available land and water resources and strengthen the GOCV's institutional capacity to maintain and expand these activities. Related technology transfer includes erosion control measures, irrigation systems, investigation of crops more suitable to the climate and topography of Cape Verde and technology for harnessing solar and wind energy. A.I.D. is also concerned with agricultural policies and has supported changes encouraging production by the small private farmer. For example, A.I.D. helped influence the GOCV to increase artificially low prices of imported grain in order to stimulate local production. FY 1983 bilateral funds were invested exclusively in the Food Crop Research Project, a major element in the program described above.

A three-year program of Food for Development using P.L. 480 resources, which started in 1982, provides 15,000 MT per year of corn that is sold locally.

## CAPE VERDE

The generated local currency is used to support a series of rural works projects, that have conserved land and water resources, and made possible modest increases in agricultural production. A recent evaluation concluded with proposals to increase emphasis on the production aspect.

### A.I.D. Program (FY's 1983-1984)

All A.I.D. resources for FY's 1983 and 1984 are being used to support the strategy of increased food production. In FY 1983 \$2,210,000 and in FY 1984 \$389,000 are being added to the Food Crop Research Project (655-0011). In FY 1984, A.I.D. will fund the first tranche of the Watershed Management II Project, described in last year's presentation. Also in FY 1984, A. I. D. will develop with the GOCV a second P.L. 480, Title II, Section 206 Project to help meet recurring food needs for the period 1985-87.

The Watershed Management I Project (655-0006) was evaluated in November 1982 and the current P.L. 480 Project in October 1983. The two evaluations concluded that A.I.D. has effectively contributed to meeting the country's imported food needs and providing substantial employment for the rural people of Santiago Island. The land and water conservation structures built are having an important favorable impact on the environment. In accordance with the evaluations, A.I.D. will give greater attention to increased land-use analysis, to extension work with farmers and to marketing systems and infrastructures. Reinforcing the work on water control structures, A.I.D. will begin emphasizing upstream activity carried out on private farm lands in the interests of expanding the opportunities for food production in Cape Verde.

### Requested Year Program (FY 1985)

Funding will be required for the continuation and expansion of the Watershed Management II Project. This will continue employment generation activities involving 2,000 - 3,000 rural workers who will carry out labor-intensive soil conservation and water resources development activities.

A new three-year Food for Development Program is required to meet a portion of the food deficit which Cape Verde continues to experience as a result of 16 years of inadequate rainfall. The funds generated during 1985-87 will be used mainly to finance the local costs of soil and water conservation projects in those watersheds in which A.I.D. is involved.

Research results generated by the Food Crop Research Project at Sao Jorge, will through an expanding extension effort, be applied to farmers fields in neighboring watersheds covered by the Watershed Management and P.L. 480 projects.

Efforts will be undertaken to increase the supply of water for irrigation

and to expand simple irrigation infrastructure in the hope of stimulating an increased production of cash crops for both export and domestic food consumption.

A.I.D.'s efforts in FY 1985 and subsequent years will be heavily influenced by a joint Cape Verdean-U.S. Program Review to be carried out during the spring-summer of 1984. This review, the first of its kind by the two governments, will set the stage for the future A.I.D. assistance strategy in Cape Verde.

COUNTRY DEVELOPMENT OFFICER: Frank Diamond (Acting)

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: CAPE VERDE

CP 35

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
TARRAFAL WATER RESOURCES	G 655-0003	77	80	2,200	2,200	2,200	2,104	---	---	---	---
TOTAL FOR ACCOUNT GRANTS				2,200	2,200	2,200	2,104	---	---	---	---
LOANS				---	---	---	---	---	---	---	---
HEALTH											
SAL DESALINATION/POWER	G 655-0005	78	81	525	525	525	446	---	79	---	---
TOTAL FOR ACCOUNT GRANTS				525	525	525	446	---	79	---	---
LOANS				---	---	---	---	---	---	---	---
SELECTED DEVELOPMENT ACTIVITIES											
TARRAFAL WATER RESOURCES	G 655-0003	77	80	2,200	2,200	17	17	---	96	---	---
TOTAL FOR ACCOUNT GRANTS				2,200	2,200	17	17	---	96	---	---
LOANS				---	---	---	---	---	---	---	---
SAHEL DEVELOPMENT PROGRAM											
WATERSHED MANAGEMENT	G 655-0006	79	82	6,275	6,275	6,275	3,965	---	1,700	---	609
PRIMARY AND NONFORMAL EDUCATION	G 655-0008			---	---	3,000	1,913	---	---	---	---
FOOD CROP RESEARCH	G 655-0011	32	84	3,658	4,188	3,299	4	389	700	---	300
WATERSHED MANAGEMENT II	G 655-0013	34	38	---	6,500	---	---	1,611	---	2,000	500
TOTAL FOR ACCOUNT GRANTS				9,963	16,963	12,574	5,882	2,000	2,400	2,000	1,909
LOANS				9,963	16,963	12,574	5,882	2,000	2,400	2,000	1,909
TOTAL FOR COUNTRY GRANTS				14,888	21,888	15,316	8,449	2,000	2,575	2,000	1,909
LOANS				14,888	21,888	15,316	8,449	2,000	2,575	2,000	1,909

\* Refers to the planned project summary sheet

C Level of effort activity

52

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (677) CHAD

**\*BASIC DATA\***

TOTAL POPULATION.. (THOUSANDS,MID 1983) 4,990  
 PER CAPITA GNP..... (DOLLARS,1981) 110  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 1.5%  
 ANNUAL RATE OF INFLATION (1970-81) 7.8%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( . ) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 41.2 MALE 39.8 FEMALE 42.8  
     (1970) TOTAL 39.3 MALE 38.0 FEMALE 40.6  
 ADULT LITERACY RATE ( . ) TOTAL .% MALE .% FEMALE .%

**\*AGRICULTURE\***

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
     (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1980) 57%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1980) 23  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: MILLET ,SORGHUM ,RICE 36% (1982)  
     CASH: COTTON ,PEANUTS , 9% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COTTON ,LIVESTOCK ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT ,RAW SUGAR ,TEA  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 85%

**\*CENTRAL GOVERNMENT FINANCES\***

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     (1974) 69 (75) 85 (76) 85  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     (1974) 80 (75) 95 (76) 97  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     (1974) -11 (75) -10 (76) -12  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. (1974) 19.1% (75) 19.9% (76) 25.8%  
     AS % OF GNP..... (1974) 4.0% (75) 3.8% (76) 5.0%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
     (\$MILLIONS, U.S.) (1979) 17 (80) 12 (81) 12  
 EQUIVALENT TO 1.7 MONTHS OF IMPORTS (1977)

**\*FOREIGN TRADE\***

MAJOR EXPORTS... (1979) COTTON ,LIVESTOCK ,LEATHER  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1976) 1 (1977) 0 (1982) 0  
     AS % OF TOTAL EXPORTS (1974) 4% (1976) 1% (1977) 0%  
 MAJOR IMPORTS....(1979) CEMENT ,PETROLEUM ,FOODSTUFFS  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 2 (1981) 1 (1982) 2  
     AS % OF TOTAL IMPORTS (1975) 7% (1976) 3% (1977) 6%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1976) -15(77) -36(82) -20  
 TRADING PARTNERS: FRANCE ,NIGERIA ,CAMEROON  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1980) 46.0%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1983) 152  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1977) 12.6%

**\*SOCIAL DATA\***

POPULATION GROWTH RATE...(1970) 2.1% (1978) -2.4% (1983) 2.5%  
 POPULATION IN URBAN AREAS.....(1970) 11% (1983) 20%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 44 (1983) 51  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 42.3% (15-64YRS) 54.2% (65+ YRS) 3.5%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 144  
 PEOPLE PER PHYSICIAN..... (1977) 41,940  
 MAJOR CAUSES OF  
 DISEASE (1982) PARASITIC DISEAS , ,  
 DEATH.. (1982) PNEUMONIA ,TETANUS ,TUBERCULOSIS  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 72%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1975) 26%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
     PRIMARY..... (1976) TOTAL 35.0% MALE 51.0% FEMALE 19.0%  
     SECONDARY..... (1976) TOTAL 3.0% MALE 6.0% FEMALE 1.0%  
     POST SECONDARY.. (1976) TOTAL 0.2% MALE 0.3% FEMALE 0.0%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

U.S. OVERSEAS LOANS AND GRANTS – OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years – Millions of Dollars)							ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)							
COUNTRY CHAD							A. ASSISTANCE FROM INTERNATIONAL AGENCIES – COMMITMENTS							
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-83		
	1978	1979	1980	1981	1982				TOTAL.....	IBRD	IFC	IDA	IDB	ADB
<b>I. ECONOMIC ASSISTANCE – TOTAL</b>	19.4	10.0	3.3	-	5.2	71.4	-	71.4	6.1	20.3	0.0	270.9		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	19.4	10.0	3.3	-	5.2	71.4	-	71.4	0.0	0.0	0.0	0.0		
<b>a. A.I.D. and Predecessor Agencies</b>	11.2	3.1	0.2	-	3.7	28.4	-	28.4	0.0	0.0	0.0	80.4		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	11.2	3.1	0.2	-	3.7	28.4	-	28.4	0.0	0.0	0.0	0.0		
(Economic Support Fund)	-	-	-	-	2.8	2.8	-	-	0.0	0.0	0.0	0.0		
<b>b. Food for Peace (PL 480)</b>	5.3	6.2	3.5	-	2.5	35.0	-	35.0	0.0	15.1	0.0	49.1		
Loans	-	-	-	-	-	-	-	-	0.0	5.2	0.0	25.0		
Grants	5.3	6.2	3.5	-	2.5	35.0	-	35.0	6.1	0.0	0.0	9.6		
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-	0.0	0.0	0.0	106.8		
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	-	-	-	-		
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	-	-	-	-		
Title II - Total Grants	5.3	6.2	3.5	-	2.5	35.0	-	35.0	-	-	-	-		
Emerg. Relief, Econ. Develop. & World Food Program	5.1	5.4	2.9	-	1.2	30.2	-	30.2	-	-	-	-		
Voluntary Relief Agencies	0.7	0.3	0.7	-	1.3	4.8	-	4.8	-	-	-	-		
<b>c. Other Economic Assistance</b>	1.4	0.7	-	-	-	8.0	-	8.0	-	-	-	-		
Loans	-	-	-	-	-	-	-	-	-	-	-	-		
Grants	1.4	0.7	-	-	-	8.0	-	8.0	-	-	-	-		
Peace Corps	1.4	0.7	-	-	-	8.0	-	8.0	-	-	-	-		
Narcotics	-	-	-	-	-	-	-	-	-	-	-	-		
Other	-	-	-	-	-	-	-	-	-	-	-	-		
<b>II. MILITARY ASSISTANCE – TOTAL</b>	-	-	-	-	-	-	-	-	-	-	-	-		
Credits or Loans	-	-	-	-	-	-	-	-	-	-	-	-		
Grants	-	-	-	-	-	-	-	-	-	-	-	-		
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	19.4	10.0	3.3	-	5.2	71.4	-	71.4	-	-	-	-		
Loans	-	-	-	-	-	-	-	-	-	-	-	-		
Grants	19.4	10.0	3.3	-	5.2	71.4	-	71.4	-	-	-	-		
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	-	-	-	-		
+ LESS THAN \$50,000.														
							<b>B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE</b>							
							<b>1. D.A.C. COUNTRIES (Gross Disbursements)</b>							
							CY 1981 CY 1982 CY 1978-82							
							United States 1.0 4.0 34.0							
							France 43.0 23.4 157.2							
							Germany Fed. Rep. 0.3 2.3 12.3							
							Norway - 0.4 8.7							
							Switzerland 1.2 1.4 5.7							
							Other 1.0 3.6 11.0							
							Total 46.5 35.1 228.9							
							<b>2. O.P.E.C. COUNTRIES (Gross Disbursements)</b>							
							<b>C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES</b>							
							CY 1981 CY 1982 CY 1954-82							
							USSR - - 5							
							Eastern Europe - - -							
							China - - 70							
							Total - - 75							

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs <sup>a/</sup>	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	2,000	-	-	-	-	-	-	2,000
Total	2,000	-	-	-	-	-	-	2,000
1984								
Loans	-	-	-	-	-	-	-	-
Grants	5,225	-	-	-	-	-	3,000	2,225
Total	5,225	-	-	-	-	-	3,000	2,225
1985								
Loans	-	-	-	-	-	-	-	-
Grants	15,000	-	-	-	-	-	10,000	5,000
Total	15,000	-	-	-	-	-	10,000	5,000

<sup>a/</sup> Sahel Development Program

FY 1985 PROGRAM HIGHLIGHTS	
-	Economic Support Funds will: <ol style="list-style-type: none"> <li>(1) finance selected rehabilitation and development oriented ministries (\$5 million)</li> <li>(2) initiate a longer term project centered on strengthening the capability of the GOC to conduct food crop research (\$5 million)</li> </ol>
	Sahel Development Program Funds will: <ol style="list-style-type: none"> <li>(1) continue relief and rehabilitation activities to improve the seed program; conduct Food-for-Work activities and restore, through training, the quality of the GOC administration (\$5 million)</li> </ol>

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RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	535	5,886	11,005
Total AID	535	5,886	11,005
P.L. 480**			
Title I	3,244	3,312	909
(of which Title III is)	( - )	( - )	( - )
Title II	3,244	3,312	909
Total P.L. 480	3,244	3,312	909
Total AID and P.L. 480	3,779	9,198	11,914

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	3	7	9
PASA <sup>c</sup>	0	0	0
Contract	2	5	7
Total	5	12	16
Participants <sup>d</sup>			
Noncontract	19	20	32
Contract			
Total	19	20	32

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(in 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimate <sup>1</sup> )		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		1,353		1,284		909
World Food Programs		1,891		2,028		-
Gov't-to-Gov't		-		-		-
Title II Total		3,244		3,312		909
Total P.L. 480		3,244		3,312		909

## CHAD

### Development Overview

Chad is suffering from the devastation of civil strife and natural disasters. The cumulative effects of years of drought, 17 years of internal fighting, as well as the latest unprovoked Libyan invasion and occupation of the northern region have severely disrupted Chad's fragile economy. Chadians were forced to flee their villages in February 1979, and again in March 1980, because of civil war. In early August 1983 Chadians were compelled to leave their homes because of bombing by Libyan aircraft and attacks by Libyan supported rebels. This fighting and the resultant damage to the northern oases further eroded nomadic living standards. Much of the country's physical infrastructure has been destroyed either in combat or through lack of maintenance. Chad experienced another year of abnormally low food production because of inadequate rainfall and the heavy fighting last summer. Poor harvests have created the prospect of more deaths due to disease and malnutrition. The banking system was wrecked by civil war as banks were looted and closed. Just two banking institutions have been re-established but they are insufficient to meet the heavy financial and credit requirements for rehabilitation and reconstruction.

In addition, Chad during 1983 suffered a severe epidemic of rinderpest, outbreaks of meningitis and a sudden expulsion by Nigeria of 30,000 Chadians. For over two months the Nigerian border was, for practical purposes, closed to Chadian commercial traffic. This further inhibited economic recovery and increased the cost of living.

In spite of these problems, Chad in addition to the energy and patience of its population, has two other important potential resources to generate revenue for development. A consortium of international oil companies is planning exploration of possibly substantial oil reserves in southern Chad, and potential yields from north of Lake Chad may satisfy Chad's domestic needs, thus precluding the necessity of foreign exchange petroleum imports.

Given the rapidly increasing livestock numbers in the southern farming zone, which is still only 35% of capacity, the national herd could reach its full capacity while stable herd numbers are maintained in the north. Good animal health care and prudent water point development are also necessary if the herds are to reach full capacity. This would permit an increased domestic per capita meat consumption while increasing exports through the end of the century.

The Government of Chad (GOC) under the leadership of Hissein Habre continues to make limited progress. The GOC has the reputation, among donors operating in Chad, as being honest and dedicated to reconstructing Chad. A.I.D. believes the GOC it is making a sincere effort at improving the quality of Chadian life in the face of many domestic and external obstacles. For example, small-scale industries and markets have been restored and are functioning. Civil servants now receive half pay and

## CHAD

have remained at their posts under trying circumstances. They are attempting to re-establish government services.

Over the past year, the GOC, with donor assistance, has developed its reconstruction objectives for the next several years. The GOC's top rehabilitation priorities are: (1) meeting food and health needs; and (2) re-establishing vital government infrastructure necessary to economic recovery.

A number of factors are working against Chad's early reconstruction. Extensive destruction of property, disruption of governmental and private infrastructure to provide needed production and marketing inputs, lack of credit, displacement of rural people and the continued threat of Libyan-supported fighting make the task difficult. Chad's tax base remains very weak and is confined largely to customs receipts. At the same time, government operating costs, including those for security and essential non-food imports, are burdens likely to increase substantially during this period. These circumstances, in effect, represent the rationale for significant levels of highly concessional assistance during this emergency period, with the emphasis on restoring the agricultural and health sectors.

### U.S. Interests and Objectives

The U.S. primary political interest is to help assure the territorial integrity and independence of Chad. To this end, we support the effectiveness of its Government, by providing diplomatic support and military assistance as it faces continued Libyan aggression. The U.S. interest in Chad is also humanitarian: to help relieve the suffering of one of the poorest countries in the world. The Chadian government desperately needs international assistance to meet the current emergency and to restore the productivity of the Chadian people. Our support to the GOC is designed to increase the Government's effectiveness in addressing its manifold problems.

### A.I.D. Development Strategy

Since the re-establishment in 1983 of a permanent A.I.D. presence in Chad, A.I.D. has placed heavy emphasis on undertaking humanitarian relief and rehabilitation (R&R) activities that help in providing at least minimally adequate levels of food and health supplies. A.I.D. proposes to proceed with these and other R&R activities in a manner that will facilitate the initiation of economic development. In FY 1983, the United States made a significant donation in the realm of food-aid by committing 19,000 Metric Tons (MT) of Title II commodities for emergency relief and another 4,400 MT for regular programs. Transport funds were provided to ensure that the foodstuffs reached rural areas.

## CHAD

Under the Relief and Rehabilitation Project (677-0041), A.I.D. hopes to: (1) continue small-scale agriculture infrastructure restoration; and (2) strengthen the financial management capabilities of our Chadian counterparts. An activity within the R&R Project (677-0041) will seek to improve and restore the efficiency of the Ministry of Health. Under the regional African Resettlement Services and Facilities Project, two activities will be financed. One will assist the Abeche region in re-establishing farming and livestock raising and the other will promote the development of small private enterprises in Ndjamen, Chad's capital.

The use of P.L. 480 resources to enhance economic and social development will continue in FY 1984 and 1985. Accordingly, Food-for-Work components will be incorporated in several relief and rehabilitation activities. In close collaboration with the United States, the World Food Program will also make use of P.L. 480 resources in its reconstruction program. A.I.D. anticipates that the proposed emergency sales of 2,500 MT of Title II rice to be sold in Ndjamen, Chad's capital, through the National Cereals Office (ONC) will generate sales proceeds to provide limited financial means for restoration of Chad's seed, crop protection, public works, disaster relief, extension and epidemiology services. In addition, A.I.D. proposes a \$3 million program grant to selected development ministries: e.g., Agriculture and Health to finance GOC operating expenses.

The GOC, while allowing relief organizations much latitude on their behalf, nevertheless needs to strengthen and improve its administrative and technical skills. Therefore, a portion of our SDP regional fund is financing training in African institutions.

A.I.D.'s strategy for the next few years consists of a two-stage approach to assist the GOC in their rehabilitation efforts. The first stage, now underway and expected to continued through FY 1985, concentrates on providing relief and rehabilitation assistance.

During this first stage local currency generated through the proceeds of rice sales, program grants or a commodity import program will support the basic government apparatus dedicated to economic development, by restoring the Public Works and Health Ministries' ability to function and to begin the process leading to improved productivity and income of small farmers and merchants.

This first stage will lay the groundwork for a follow-on stage which will begin medium-term development. As currently projected, this second stage, building on our relief and rehabilitation (R&R) efforts, will center on strengthening the Government's capabilities to increase agricultural production.

In implementing our strategy, A.I.D. recognizes that during the first

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stage, the GOC's resources and capabilities will be extremely limited and our responsibilities for assuring the utilization of our aid will be greater than is normally the case. A.I.D. will give careful study to the formulation and development of economic policies appropriate to Chad's evolving circumstances. For this purpose, a comprehensive Country Development Strategy will be completed this fiscal year. Furthermore, A.I.D. will work closely with other donors, particularly with the French and U.N. agencies, to assure that the range of policy alternatives which are formulated and presented to the Government for its consideration are those that are technically feasible.

### A.I.D. Program (FY's 1983-1984)

#### Agriculture, Rural Development

From January 1983, when an A.I.D. presence was re-established, through January 1984, the P.L. 480 Title II Program managed by CARE and WFP made substantial progress in delivering 19,000 metric tons of food aid. Transport funds were also provided to ensure that the foodstuffs reached rural areas. Based on the recommendations of the GOC's Office of Natural Calamities, CARE participated in a priority feeding program for those distribution points with the largest number of nutritionally vulnerable recipients. This targeting process will continue.

In view of a considerably weakened government institutional infrastructure, most of our assistance is programmed through private voluntary organizations operating in Chad. In FY 1983, CARE, utilizing funds provided by the United States Government, repaired schools and irrigation canals and has already begun rebuilding agricultural access roads. A grant with another PVO, AFRICARE, provides technical assistance to the Ministry of Public Works. An AFRICARE technician is expected to arrive in Chad in January 1984 and will remain there for two years during which time he will conduct an assessment of the condition of the existing equipment and order spare parts and other equipment necessary for the Public Works Department to function efficiently. The technician will also train and supervise the employees in equipment and road system maintenance. This year's activities will include third country training for mechanics. AFRICARE is also involved in helping an existing Chadian cooperative to improve their vegetable and fruit yields. AFRICARE will provide an agricultural technical package which includes such items as fertilizers, improved seeds, garden tools, etc. The improved seeds have already been tested in other ecological zones similar to that of the project site. The project manager will train and supervise the cooperative members in the proper use of the materials provided. To supplement their income until the harvest, the cooperative members will also participate in food for work activities administered by the World Food Program and CARE. The design of two activities, funded from the Regional African Resettlement Services and Facilities project (698-0502), have just been completed. The review and approval of these activities will be

## CHAD

completed by the end of January 1984. The first one, designed and to be implemented by AFRICARE, is a rural development activity which seeks to improve the farming and livestock practices in the war-affected region of Abeche. The second activity, designed and implemented by VITA, seeks to develop local small private enterprises such as brick-making, wood burning cook stoves, metal work and canning. The project site is Ndjamena, Chad's capital. The civil war and Libyan aggression have undermined progress the GOC has made towards development and has placed the country in a critical budgetary situation. Due to insufficient budgetary resources, the development Ministries are barely functioning. In response to this situation, a \$3 million program grant will be obligated in FY 1984 to assist the GOC in the mobilization of its moribund developmental ministries.

### Health

In cooperation with other international donors, A.I.D. in FY 1983 provided essential medicines and medical supplies to stock the National Pharmacy for up to six months. Technical assistance was provided to put in place management, accounting and delivery systems. To meet the need for effective health programming in Chad, A.I.D. is developing a health planning activity within the Relief and Rehabilitation Project (677-0041) which will restore and improve the Ministry's capability to use donor assistance. Based upon epidemiological and health status profiles established by this activity, the Ministry will have a rational base for health program development. It will concentrate on four areas: sector analysis, sectoral planning, national planning and resource utilization.

### Education and Human Resources

Chad's potential for development lies in its ability to exploit its agricultural potential and known petroleum reserves. A constraint to achieving this is Chad's lack of skilled manpower in the areas of agriculture, geology and financial management. In FY's 1983 and 1984, the regional Sahel Manpower Development Project (625-0960) will provide training at African institutions in financial management and accounting procedures, agricultural planning and geology. To ensure that the proceeds generated by any future P.L. 480 rice sales activity are effectively used, in-country training will be conducted by a United States technical assistance team on procedures dealing with the receipt, storage and sale of P.L. 480 commodities as well as deposit of the sale proceeds. The team will also design a similar monitoring system to ensure that the use of the sales proceeds by the ministries conform to the programs approved by both A.I.D. and the GOC.

### Requested Year Program (FY 1985)

#### ESF Funding Requirements: \$10 million

Five million dollars is required for a program grant (677-0047) to selected Chadian rehabilitation and development-oriented ministries. These funds

## CHAD

will support the GOC's ability to resist Libyan expansionism by countering some of the harsh effects of Libya's invasion and occupation. In addition, this assistance will increase the Government's ability to provide desperately needed services to Chadians, subsequently helping it to sustain its authority and credibility.

Five million dollars is required to fund a food crop research project (677-0048). Building on other donor, GOC efforts and complementing our efforts in seed improvements, A.I.D. hopes to begin the establishment of three analytical and service laboratories. These facilities will: (1) test seeds to assure quality control; (2) test soil to provide data critical to agricultural planning and applied research; and (3) monitor pest damage and test potential pest control measures.

### SDP Funding Requirement: \$5 million

To complete activities under the Relief and Rehabilitation Project (677-0041), A.I.D. requests \$5 million for the following activities. Three million dollars is requested for a seed activity. The purpose is to restore, re-organize and re-equip the seed improvement selection, multiplication and processing capacity of the Research Directorate (RD) of the Ministry of Agriculture (MOA). The seed multiplication and processing centers throughout Chad have not functioned since 1979. The MOA has appointed personnel to these centers, but they are unable to function because of lack of seed stock, laboratory and processing equipment, and fully trained personnel. Farmers are forced to purchase expensive imported seed or to use lower quality unprocessed seed from their food stores. This activity, through the provision of technical advisors, equipment, laboratory construction, training and improved seed technology will re-establish Chad's sorghum and millet seed multiplication and processing capability. The seed multiplication and processing of these important food crops is a starting point of the Government's efforts to increase agricultural production.

One million dollars is requested for the CARE Agricultural Infrastructure Restoration R&R activity. This activity provides CARE/Chad with additional resources to conduct specified Food-for-Work activities with the objective of assisting the rehabilitation of Chad's agricultural production and stimulating broad-based economic growth. The CARE/Chad activity will provide monthly food rations to an estimated 12,000 recipients over an 18 month period which is the time estimated to place arable land back in cultivation.

One million dollars is requested for a Development Management and Financial Training R&R activity. This activity will strengthen the financial management capabilities of Chadian civil servants associated with A.I.D. projects. The training will be directed towards the Ministries of Agriculture, Health, Natural Disasters and Public Works, with which A.I.D.

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currently works or plans to conduct development activities. This activity will initially provide 200 selected civil servants with an understanding of A.I.D. project implementation and will help restore the GOC's administrative capability.

MISSION DIRECTOR: John Wood

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

PROGRAM: CHAD

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH FY83- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	EXPENDI TURES
SAHEL DEVELOPMENT PROGRAM											
RURAL SANITARY WATER	G 677-0022	78	79	1,669	1,669	968	856	---	---	---	---
CARE FOOD DELIVERY AND RURAL WORKS (PVO)	G 677-0023	78	80	256	319	256	104	---	---	---	---
CHAD ROAD MAINTENANCE	G 677-0032	78	79	4,500	4,500	1,254	1,079	---	---	---	---
RELIEF & REHABILITATION ACTIVITIES I	G 677-0041	83	85	5,500	10,500	2,000	500	2,225	3,426	5,000	3,035
TOTAL FOR ACCOUNT GRANTS				11,925	16,988	4,478	2,539	2,225	3,426	5,000	3,035
LOANS				---	---	---	---	---	---	---	---
ECONOMIC SUPPORT FUND											
RELIEF & REHABILITATION ACTIVITIES I	G 677-0041	82	82	2,822	2,822	2,822	---	---	1,296	---	470
STRENGTHENING DEVELOPMENT MINISTRIES	G 677-0047	84	85	---	8,000	---	---	3,000	3,000	5,000	5,000
FOOD CROP RESEARCH	* G 677-0048	85	90	---	10,000	---	---	---	---	5,000	2,500
TOTAL FOR ACCOUNT GRANTS				2,822	20,822	2,822	---	3,000	4,296	10,000	7,970
LOANS				---	---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				14,747	37,810	7,300	2,539	5,225	7,722	15,000	11,005
LOANS				---	---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column -- All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: CHAD

PLANNED PROGRAM SUMMARY SHEET

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Food Crop Research		ESF			FY 1985 5,000	Life of Project Funding 10,000	
Number 677-0048	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 1985	FY 1990	FY 1991

Purpose: To strengthen the capacity of the Chadian Ministry of Agriculture (MOA) to conduct food crop research and to provide analytical services in seed testing, soil testing and plant protection.

Project Description: Chad is divided into two major zones--Sahelian and Sudanese, with rainfall variations of 0-1300 mm. The principle food crops are millet, sorghum, decrue sorghum, cowpea, and peanuts. In the southern zone cotton-based cropping systems predominate. Chad's serious problems of ecological degradation are accelerated by inadequate management of soils under cultivation. The MOA has inadequate facilities and staff to confront these critical problems. As crop losses up to 25% of total harvest are reported in Chad, developing a national capacity for crop protection is a priority.

This project will take a first step to develop an applied food crop research capacity in Chad. This first step concentrates on strengthening four divisions within the MOA--agronomic research, plant protection, agricultural statistics, and food crop production. As most MOA professionals have just the equivalent of a baccalaureate or less, training will be provided using in-country and Africa-based training as much as possible.

This project will also support the development of three analytical and service laboratories in Ndjamená for seed testing, soil testing and plant protection. Developing a national capacity for seed testing, which is necessary to insure quality control, will complement the nascent A.I.D. seed program and the on-going FAO program at Dougui. The soil testing laboratory will provide necessary mechanical and chemical analysis to agricultural research and development projects, with an ultimate goal of providing national analytical services to farmers. A.I.D. will finance the construction and operation of a phytopathology/entomology laboratory, and will assist the plant protection division to monitor pest damage and to test potential pest countermeasures.

Relationship of Project to A.I.D. Country Strategy: This project will strengthen the Ministry of Agriculture's capability to provide support to food crop research and development activities to the ultimate advantage of the small farmer. Through the provision of service laboratories and technical training, a foundation will be laid upon which an expanded agricultural program can be built.

Host Country and Other Donors: At the present time donor activities in agricultural research are limited to an IRCT (Institut de Recherches du Coton et des Textiles Exotiques) program in southern Chad and some UNDP/FAO activities in seed selection. The International Conference on Assistance to Chad held in Geneva in November 1982 promised increased donor financing of agricultural research and development activities. The facilities and technical training of MOA staff are not adequate to support these programs at the present time. This project will provide service laboratories and training to MOA officials which are fundamental to other donor activities.

Beneficiaries: The major beneficiaries of this project will be four divisions within the Ministry of Agriculture--the agronomic research, the plant protection, the agricultural statistics and the agricultural production divisions. This project is viewed as a foundation activity for further agricultural research and development activities whose ultimate beneficiaries are small farmers.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (635) GAMBIA

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 638  
 PER CAPITA GNP..... (DOLLARS,1981) 370  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 1.6%  
 ANNUAL RATE OF INFLATION (1970-81) 10.7%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( . ) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 (1982) TOTAL 42.8 MALE 41.2 FEMALE 44.4  
 (1970) TOTAL 40.3 MALE 38.8 FEMALE 41.9  
 ADULT LITERACY RATE (1980) TOTAL 20% MALE 29% FEMALE 12%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 24%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 358  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: RICE ,MILLET 27% (1982)  
 CASH: PEANUTS , 38% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) PEANUTS , ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) RILE ,WHEAT ,RAW SUGAR  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 79%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 (1976) 21 (77) 28 (78) 49  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 (1976) 24 (77) 40 (78) 67  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 (1976) -3 (77) -12 (78) -17  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. ( . ) . % ( . ) . % ( . ) . %  
 AS % OF GNP..... ( . ) . % ( . ) . % ( . ) . %  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) ( . ) . ( . ) . ( . ) .  
 EQUIVALENT TO . MONTHS OF IMPORTS ( . )

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) NUTS ,FISH ,PALM KERNELS  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1980) 0 (1981) 0 (1982) 0  
 AS % OF TOTAL EXPORTS (1979) 0% (1980) 0% (1981) 0%  
 MAJOR IMPORTS....(1981) TEXTILES ,FOODSTUFFS ,TOBACCO  
 IMPORTS FROM U.S.-  
 (\$ MILLIONS, US, CIF) (1980) 5 (1981) 4 (1982) 6  
 AS % OF TOTAL IMPORTS (1979) 7% (1980) 4% (1981) 3%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) -41(80) -89(81) -79  
 TRADING PARTNERS: UNITED KINGDOM ,FRANCE ,NETHERLANDS  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 104%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 4  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 10.1%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.6% (1978) 2.5% (1983) 2.6%  
 POPULATION IN URBAN AREAS.....(1970) 15% (1982) 19%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 47 (1983) 48  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 44.4% (15-64YRS) 52.6% (65+ YRS) 3.0%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 196  
 PEOPLE PER PHYSICIAN..... (1976) 13,171  
 MAJOR CAUSES OF  
 DISEASE (1980) MALARIA ,GONORRHEA ,SCHISTOSOMIASIS  
 DEATH.. (1967) GASTROINTESTINAL ,FLU & PNEUMONIA ,MALARIA  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 93%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1970) 12%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1979) TOTAL 42.0% MALE 56.0% FEMALE 28.0%  
 SECONDARY..... (1979) TOTAL 12.0% MALE 17.0% FEMALE 7.0%  
 POST SECONDARY.. ( . ) TOTAL . % MALE . % FEMALE . %  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

U.S. OVERSEAS LOANS AND GRANTS – OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years – Millions of Dollars)							ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)							
COUNTRY GAMBIA							A. ASSISTANCE FROM INTERNATIONAL AGENCIES – COMMITMENTS							
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-82		
	1978	1979	1980	1981	1982				TOTAL.....	IBRD	IFC	IDA	IDB	ADB
<b>I. ECONOMIC ASSISTANCE – TOTAL</b>	2.8	5.9	7.4	7.7	3.1	33.5	-	33.5	0.0	13.5	18.1	96.1		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	2.8	5.9	7.4	7.7	3.1	33.5	-	33.5	0.0	0.0	0.0	0.0		
<b>a. A.I.D. and Predecessor Agencies</b>	1.3	4.5	4.7	5.6	1.2	13.6	-	13.6	0.0	8.0	0.0	35.4		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	1.3	4.5	4.7	5.6	1.2	13.6	-	13.6	0.0	0.0	0.0	0.0		
(Economic Support Fund)	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>b. Food for Peace (PL 480)</b>	1.1	0.3	1.9	1.3	1.1	13.7	-	13.7	0.0	0.0	0.0	0.0		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	1.1	0.3	1.9	1.3	1.1	13.7	-	13.7	0.0	0.0	0.0	0.0		
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Title II - Total Grants	1.1	0.3	1.9	1.3	1.1	13.7	-	13.7	0.0	0.0	0.0	0.0		
Emerg. Relief, Econ. Develop. & World Food Program	0.3	0.1	1.2	0.2	0.3	7.5	-	7.5	0.0	0.8	0.0	7.0		
Voluntary Relief Agencies	0.3	0.7	0.7	1.1	0.8	6.2	-	6.2	0.0	0.0	0.4	1.8		
<b>c. Other Economic Assistance</b>	0.4	0.5	0.8	0.8	0.8	6.2	-	6.2	0.0	4.7	17.7	51.9		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	0.4	0.5	0.8	0.8	0.8	6.2	-	6.2	0.0	0.0	0.0	0.0		
Peace Corps	0.4	0.5	0.8	0.8	0.8	6.2	-	6.2	0.0	0.0	0.0	0.0		
Narcotics	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Other	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>II. MILITARY ASSISTANCE – TOTAL</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Credits or Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	2.8	5.9	7.4	7.7	3.1	33.5	-	33.5	0.0	13.5	18.1	96.1		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	2.8	5.9	7.4	7.7	3.1	33.5	-	33.5	0.0	13.5	18.1	96.1		
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
* LESS THAN \$50,000.	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE			
1. D.A.C. COUNTRIES (Gross Disbursements)			
	CY 1981	CY 1982	CY 1978-82
United States	5.0	6.0	18.0
Germany Fed. Rep.	5.0	7.2	33.8
United Kingdom	4.7	4.3	26.4
Netherlands	1.3	1.0	5.5
Japan	0.6	3.8	4.4
Other	3.3	2.1	9.6
Total	19.9	24.4	97.7
2. O.P.E.C. COUNTRIES (Gross Disbursements)			
	CY 1981	CY 1982	CY 1978-81
	11.1	N.A.	29.9
C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES			
	CY 1981	CY 1982	CY 1954-82
USSR	-	-	Negl.
Eastern Europe	-	-	-
China	-	-	25
Total	-	-	25

THE GAMBIA

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs <u>a/</u>	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	3,899	-	-	-	-	-	-	3,899
Total	3,899	-	-	-	-	-	-	3,899
1984								
Loans	-	-	-	-	-	-	-	-
Grants	3,500	-	-	-	-	-	-	3,500
Total	3,500	-	-	-	-	-	-	3,500
1985								
Loans	-	-	-	-	-	-	-	-
Grants	4,000	-	-	-	-	-	-	4,000
Total	4,000	-	-	-	-	-	-	4,000

a/ Sahel Development Program

FY 1985 PROGRAM HIGHLIGHTS	
-	An integrated farming system focussed on increased and diversified production through application of appropriate cropping options (\$3,723,000)
-	Economic or advisory assistance in policy formulation and improvement of analytical capability of government institutions (\$237,000)

THE GAMBIA

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	2,508	5,481	5,690
Total AID	2,508	5,481	5,690
P.L. 480**			
Title I (of which Title III is)	( - )	( - )	( - )
Title II	447	1,025	-
Total P.L. 480	447	1,025	5,690
Total AID and P.L. 480	2,955	6,506	5,690

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	6	6	6
PASAC <sup>c</sup>	1	1	1
Contract	5	5	6
Total	12	13	13
Participants <sup>d</sup>			
Noncontract	16	15	25
Contract	-	-	-
Total	16	15	25

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(in 000 MT/\$ 000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		447		802		818
World Food Programs		-		223		281
Gov't-to-Gov't		-		-		-
Title II Total		447		1,025		1,099
Total P.L. 480		447		1,025		1,099

## THE GAMBIA

### DEVELOPMENT OVERVIEW

The Gambia is a small, densely populated country with approximately 650,000 inhabitants. It occupies a narrow strip of land along both sides of the Gambia River, forming a long, narrow enclave of 10,400 square KMs inside Senegal. Per capita GNP is approximately \$260; the annual population growth rate 2.7 percent; life expectancy 42 years, and the literacy rate 15 percent. The population is 70 percent rural, but there is a clear pattern of rural migration to Banjul, the capital. Educational opportunities are severely limited with only 12 percent of school age children enrolled in secondary and 42 percent in primary schools. Technical training opportunities are insufficient to meet the needs of the economy. The Gambia is clearly one of the world's least developed countries.

The economy is predominantly agricultural (58 percent of GDP) with groundnuts the major product, comprising between 30 and 40 percent of GDP and 90 percent of the country's export earnings. Subsistence cropping consists primarily of millet, sorghum, rice and maize. Local production provides only 70 percent of the population's food requirements and about 30-35,000 tons of rice are commercially imported each year. Trade and transport are also important elements of the economy which is indicative of the country's role as a major port for Senegal and other countries in West Africa. Tourism has emerged as an economic factor, contributing 6 percent of GDP and employing 3,000 persons. Industrial activity is limited to two groundnut oil mills, a brewery, a soft drink factory and a shoe manufacturer.

The Gambia has the characteristics of under-development and macro-economic crisis common to most Sub-Saharan countries. Its agriculture is overwhelmingly dependent on one crop, peanuts. Institutions are rudimentary and weak. There is a shortage of skilled persons at all levels. Terms of trade have turned sharply against peanuts, the predominant export crop, with little hope of improvement in sight. This has caused a deepening foreign exchange and budgetary crisis, with decreasing farm income and difficulties in maintaining rice imports in the offing. An inability to finance the recurrent costs of past investments in infrastructure, institutions and services is another consequence of domestic revenue shortfalls and foreign exchange shortages.

Conditions are not uniformly bleak, however, and in many respects prospects are better than elsewhere, provided the right action is taken now. Land and range resource degradation is relatively lower than elsewhere in the Sahel. Soil and climate are suitable for production of many food alternatives to rice and peanuts. Farmers have shown themselves to be adaptable and responsive to incentives. While the government and donors have relied heavily on public sector investment, public institutions, and top-down

## THE GAMBIA

patterns for developing agricultural development projects focusing on rice and peanuts, the government is also amenable to other approaches. It has accepted stringent financial measures imposed by the IMF, started reforms in the area of taxes and subsidies, and has generally weighted its efforts in favor of agricultural production, as opposed to urban consumer subsidization. The government has expressed its intention to transfer the administration of marketing, storage, and credit programs to private cooperatives.

From A.I.D.'s view, the government's primary economic problem is not one of adhering to outmoded policies and investment patterns but of fully developing and implementing the proper policies and of allocating resources to address immediate production short-falls.

### U.S. INTERESTS AND OBJECTIVES

U.S. interests in The Gambia are based on humanitarian and development considerations which compel support for one of the world's poorest countries with: a history of parliamentary democracy; a favorable investment climate; and a strong orientation toward private enterprise. U.S. interests are served through helping The Gambia maintain its stability through activities designed to further economic and social growth.

### A.I.D. ASSISTANCE STRATEGY

The Gambia has no natural resources, little manufacturing potential, and only a slowly emerging tourist industry. The best hope for The Gambia's development rests on exploiting the potential of its agricultural sector. Agriculture can increase its contribution to the economy in two ways: through expanding food production, especially in cereals; and, producing a broader range of agricultural products primarily for export. The new emphasis on crop diversification provides a new dimension to our past agricultural sector strategy approach. Achieving these two objectives will require a substantial transfer of technology and the strengthening of agricultural institutions - both long-term propositions. Beyond these long-term requirements of the sector, more immediate attention needs to be directed to the economic policy framework, e.g., subsidies, farm-gate prices, input credit. This policy examination is needed to direct resources to areas of most promise and otherwise encourage production efforts. A.I.D.'s strategy is to assist The Gambia to fully exploit its agricultural sector by providing a combination of technical assistance and training to strengthen institutions, transfer technology, and encourage the adoption of policies necessary to achieving a diversified, more productive private agricultural sector.

The start of A.I.D.'s technology transfer and institution building will be

## THE GAMBIA

directed toward developing The Gambia's applied agricultural research capability. This research will center on feasible methods which can be employed by small farmers. The Agriculture Research and Diversification project (635-0219) to be started in FY 1985 will develop appropriate technology and analysis enabling The Gambia to diversify its economy. The Mixed Farming and Resource Management (635-0203), Soil and Water Resources Management (635-0202), Gambia Forestry (635-0205) and Cooperative Development (635-0208) projects will provide the technical bases for improving livestock, conservation, and literacy in the agricultural sector respectively. These projects have provided the experience necessary for development of the new consolidated farming systems approach by showing that farmer-centered demonstration of an appropriate technology package might provide an economic and effective method of modifying cropping patterns. Further project experience points to the necessity of integrating various activities, such as soil and water management, food crops, cash crops, grazing practices, fuelwood production, etc., at the village/farm level. This integration has been found to be necessary to effect increases in balanced farm production, food security, and farmer income.

While this longer term assistance program is pursued, A.I.D. plans to provide some relief to The Gambia's food shortage problem through a PL-480 Title II Section 206 program. A second important impact of this program will be in the generation of local currency to help defray the costs of agriculture development-related activities.

The Government of The Gambia (GOTG) recognizes that food self sufficiency and a healthy economy can only be achieved if policy determinations facilitate the development program. However, the capability of the Ministry of Finance and other government organizations to gather and analyze information as a basis for policy determination is extremely limited. A.I.D. has recognized this and on request of the Government has provided periodic short-term expert assistance over the past year to analyze data and advise on policy formulation. Because of the crucial need to accelerate assistance to develop a sound policy climate, A.I.D. expanded this assistance through a project devoted solely to economic and financial policy development. This project, Economic/Financial Policy Advisory Assistance (635-0225), focuses on building an adequate analytical capability within key government policy-making organizations, and, while this capability is being developed, provide expert analysis and advice on policy formulation of most immediate concern.

### A.I.D. PROGRAM (FYs 1983-1984)

No new A.I.D. project assistance was started in FY 1983. The ongoing projects in the agriculture sector: Mixed Farming, Gambia Forestry, and Soil and Water Management, continued as the Mission slightly modified its

## THE GAMBIA

agricultural sector development approach to give increased emphasis to crop diversification. One major project, Mixed Farming and Resource Management (635-0203) was subjected to an in-depth evaluation. Three evaluation findings of significance were: (1) that the project stress further an appropriate technical package for maize production; (2) innovations in farm practices, especially cropping patterns, can be successful if approached through village/farm demonstration; (3) a single intervention is likely to be more acceptable than several discrete activities if included in a comprehensive but flexible package that includes all related farm systems concerns such as cash crops, food crops, grazing, forage production, fuelwood, etc. The evaluation led to an extension of the project to allow more time for refining project activities and integrating them in a farming systems package. The Mission also evaluated The Gambia Forestry project and determined, with GOTG officials, that the project should concentrate on those activities most likely to bring the most immediate benefits to farmers, e.g. village tree plantings.

In FY 1984, two new activities are being started - Economic/Financial Policy Advisory Assistance (635-0225) and PL-480 Title II Section 206 Assistance; the former will assist in determining country economic policy, the latter will provide food assistance and thus contribute to alleviating The Gambia's food problem.

### REQUESTED YEAR PROGRAM (FY 1985)

By FY 1985 A.I.D. expects to have integrated the various assistance activities now funded through the following bilateral and regional projects: Mixed Farming and Resource Management (635-0203), Gambia Forestry (635-0205), Integrated Pest Management (625-0928.35) and Regional Food Crop Protection (625-0928.4). A new comprehensive agriculture sector project, Agriculture Research and Diversification (635-0219) will be inaugurated with \$3.723 million. This eight year, sixteen million dollar effort will be the core of A.I.D. assistance in the ensuing years. It will combine those activities necessary for a balanced agriculture assistance program focused on increased agricultural production, improved cropping systems and applied research centered on farm demonstrations.

Research efforts will involve (1) testing of legumes as fallowing crop, (2) testing new varieties and packages of native cereals, (3) continual importation and testing of new crops from outside The Gambia, and (4) seed multiplication. Institutional development efforts will be carefully controlled to provide a level of research and extension services within the capability of The Gambia to support.

## THE GAMBIA

Advisers provided through the Economic/Financial Policy Advisory Assistance project (635-0225) will provide Government policy makers with analyses of immediate economic problems and advice on policy steps necessary to correct them. The longer range objectives of establishing local analytical capacity within the Government will be started through in-country analytical skills training. In addition selected government employees will be sent overseas for more intense skills training so that on their return they can provide the Government with a nucleus of qualified economic analysts. This project will receive a final tranche of funding (\$237,000) during the fiscal year.

The remaining \$40,000 in this \$4 million country program will be used to continue Peace Corps implemented rural development activities.

A.I.D. REPRESENTATIVE: Byron Bahl

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

PROGRAM: GAMBIA

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES
SAHEL DEVELOPMENT PROGRAM										
SOIL AND WATER RESOURCES MANAGEMENT UNIT	G 635-0202	78	83	2,747	2,747	1,383	---	400	---	400
MIXED FARMING AND RESOURCE MANAGEMENT	G 635-0203	79	84	9,000	9,000	4,130	1,697	2,000	---	1,900
GAMBIA FORESTRY	G 635-0205	79	79	1,575	1,575	747	---	828	---	---
RURAL ROADS MAINTENANCE SYSTEMS	G 635-0206	79	83	6,344	6,344	1,003	---	1,500	---	2,000
COOPERATIVES DEVELOPMENT (PVO)	G 635-0208	80	83	1,000	1,000	636	---	364	---	---
INTEGRATED RURAL DEVELOPMENT (PVO)	G 635-0217	81	81	300	300	151	---	149	---	---
AGRICULTURAL RESEARCH & DIVERSIFICATION	* G 635-0219	35	89	---	16,000	---	---	---	3,723	900
SMALL PROJECT ASSISTANCE-AID/PC	G 635-0221	83	87	200	200	---	40	40	40	40
ECONOMIC POLICY ADVISORY ASSISTANCE	G 635-0225	84	85	---	2,000	---	1,763	200	237	450
TOTAL FOR ACCOUNT GRANTS				21,166	39,166	19,269	8,050	5,481	4,000	5,690
LOANS				---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				21,166	39,166	19,269	8,050	5,481	4,000	5,690
LOANS				---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: THE GAMBIA

PLANNED PROGRAM SUMMARY SHEET

Project Title Agriculture Research and Diversification Project		Funding Source SDF	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 635-0219		<input checked="" type="checkbox"/> NEW	ED. & HR	Sel. Act.	FY 1985 3,723	Life of Project Funding 16,000	
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING	Population				Initial Obligation FY 1985	Estimated Final Obligation FY 1989	Estimated Completion Date of Project FY 1992

Purpose: Develop an agricultural system with the potential to produce the crops necessary for food self-sufficiency.

Project Description: The Gambia's major economic resource is its land and the agricultural products produced from it. Unfortunately groundnuts, the predominant crop, no longer commands a price sufficient to cover the country's foreign currency needs for rice and other imports. This is resulting in a deteriorating balance-of-payments situation and insufficient food for its people. This project will attempt to slow and then reverse this trend by providing assistance in the form of policy advice, technical expertise, training and research all focussed on expanding and broadening agricultural production while preserving the ecological resource base. If successful, this will lead toward food self-sufficiency through increased production and eventually reduce for export. Project interventions will be centered on a comprehensive farming-systems approach. This approach will provide small farmers appropriate technological packages so that they can choose the cropping patterns that will provide them security in the form of food and cash crops. The farming systems method on which project interventions will be formulated has been established from experience gained (and documented through evaluations) from A.I.D.-sponsored projects implemented over the past few years, especially Mixed Farming and Resource Management project 635-0203).

A.I.D. will pursue project objectives with a combination of technical assistance, supply of essential commodities and equipment, and training. These will be aimed at establishing the institutional capability to maintain and improve on the advances in technology and cropping patterns resulting during the life of the project.

Relationship of Project to A.I.D. Country Strategy: A.I.D. has determined that improvements in agricultural production and marketing are the most reasonable route to development of a viable economy in The Gambia. This project with its comprehensive approach to development of the agricultural

sector becomes the core implementation mechanism of this strategy and is expected to result in the production, processing and marketing changes necessary for successful pursuit of the objectives of the country development strategy.

Host Country and Other Donors: Over the life of the project the Government and private sector in The Gambia are expected to make sizeable contributions to project activities. The Government will be committing staff and other institutional resources necessary for vigorous implementation of project activities. In addition, Government budget allocations will be provided to underwrite the cost of local expenses, especially those of a recurring nature. As agriculture production increases and the Government policy/regulation climate becomes more salubrious, private sector investment in the processing and marketing of agriculture products is expected to increase. During the life of the project small farmers will be contributing to the project, if not in the form of cash, certainly in taking risks, providing use of land, equipment and labor. While it is not possible to accurately predict the total value of resources contributed from these sources during the life of the project, they should be equal to, or greater than \$6,000,000. Other donors are not yet scheduled to make a direct contribution to the project. However, activities in forest management funded by the Federal Republic of Germany, agriculture provided through FAO and UNDP and a possible World Bank investment in the agriculture sector will complement activities of this project.

Beneficiaries: The population of The Gambia is approximately 70 percent rural and these citizens depend directly or indirectly on farm products for income and subsistence. Therefore, they are potential direct beneficiaries of the project. The rural folk are the poorest in the society and the most affected by the fluctuations of peanut prices and inadequate food crop production.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (688) MALI

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 7,393  
 PER CAPITA GNP..... (DOLLARS,1981) 190  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 2.0%  
 ANNUAL RATE OF INFLATION (1970-81) 9.7%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 (1982) TOTAL 44.0 MALE 42.5 FEMALE 45.7  
 (1970) TOTAL 40.3 MALE 38.8 FEMALE 41.9  
 ADULT LITERACY RATE (1976) TOTAL 9% MALE 14% FEMALE 6%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) -2.6%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 42%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 55  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: RICE ,MILLET ,SORGHUM 25% (1982)  
 CASH: COTTON ,PEANUTS , 10% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COTTON ,PEANUTS ,LIVESTOCK  
 MAJOR AGRICULTURAL IMPORTS:(1982) RICE ,WHEAT ,RAW SUGAR  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 73%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 (1979) 170 (80) 291 (81) 267  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 (1979) 212 (80) 366 (81) 260  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 (1979) -42 (80) -74 (81) 7  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. (1979) 17.0% (80) 10.6% (81) 12.2%  
 AS % OF GNP..... (1979) 2.9% (80) 2.9% (81) 2.8%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) (1978) 9 (79) 7 (80) 15  
 EQUIVALENT TO 0.6 MONTHS OF IMPORTS (1980)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) LIVESTOCK ,NUTS ,FISH  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1980) 0 (1981) 1 (1982) 1  
 AS % OF TOTAL EXPORTS (1979) 0% (1980) 0% (1981) 1%  
 MAJOR IMPORTS....(1981) TEXTILES ,MOTOR VEHICLES ,PETROLEUM  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 7 (1981) 5 (1982) 9  
 AS % OF TOTAL IMPORTS (1979) 3% (1980) 2% (1981) 2%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) -125(80) -103(81) -115  
 TRADING PARTNERS: , ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 72.7%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 36  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 23.7%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.1% (1978) 2.2% (1983) 2.3%  
 POPULATION IN URBAN AREAS.....(1970) 15% (1982) 21%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 49 (1983) 49  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 45.5% (15-64YRS) 51.9% (65+ YRS) 2.7%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 168  
 PEOPLE PER PHYSICIAN..... (1977) 25,555  
 MAJOR CAUSES OF  
 DISEASE (1980) MALARIA ,INFLUENZA ,  
 DEATH.. (1979) ACUTE RESP. INFE ,MALARIA ,MEASLES  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 83%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1976) 9%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1978) TOTAL 28.0% MALE 36.0% FEMALE 20.0%  
 SECONDARY..... (1977) TOTAL 9.0% MALE 13.0% FEMALE 5.0%  
 POST SECONDARY.. (1977) TOTAL 0.6% MALE 1.1% FEMALE 0.1%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 3.1%

U.S. OVERSEAS LOANS AND GRANTS – OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years – Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)				
COUNTRY MALI									A. ASSISTANCE FROM INTERNATIONAL AGENCIES – COMMITMENTS				
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	TOTAL .....	FY 1981	FY 1982	FY 1983	FY 1946-83
	1978	1979	1980	1981	1982					FY 1981	FY 1982	CY 1978-82	
<b>I. ECONOMIC ASSISTANCE – TOTAL</b>	16.1	19.0	17.3	15.9	11.9	173.3	1.5	171.8	22.2	52.0	35.3	543.0	
Loans	-	-	-	-	-	6.8	1.5	5.3	0.0	0.0	0.0	0.0	
Grants	16.1	19.0	17.3	15.9	11.9	166.5	-	166.5	0.0	2.5	0.0	3.2	
<b>a. A.I.D. and Procurement Agencies</b>	10.1	16.5	15.5	14.5	9.6	114.3	1.3	113.0	20.7	20.0	34.4	253.3	
Loans	-	-	-	-	-	6.4	1.3	5.1	0.0	0.0	0.0	0.0	
Grants	10.1	16.5	15.5	14.5	9.6	107.9	-	107.9	0.0	25.6	1.4	85.6	
(Economic Support Fund)	-	-	-	-	-	3.5	-	-	0.9	5.0	0.0	49.8	
<b>b. Food for Peace (PL 480)</b>	5.3	1.4	0.5	-	0.3	50.4	0.2	50.2	0.0	0.0	0.0	0.0	
Loans	-	-	-	-	-	0.4	0.2	0.2	0.0	0.0	0.0	0.0	
Grants	5.3	1.4	0.5	-	0.3	50.0	-	50.0	0.0	0.0	0.0	0.0	
Title I - Total Sales Agreements	-	-	-	-	-	0.4	0.2	0.2	-	-	-	-	
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	-	-	-	-	
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	0.4	0.2	0.2	-	-	-	-	
Title II - Total Grants	5.3	1.4	0.5	-	0.3	50.0	-	50.0	-	-	-	-	
Emerg. Relief, Econ. Develop. & World Food Program	5.3	1.4	0.5	-	0.3	49.8	-	49.8	-	-	-	-	
Voluntary Relief Agencies	-	-	-	-	-	0.2	-	0.2	-	-	-	-	
<b>c. Other Economic Assistance</b>	0.7	1.0	1.2	1.4	1.5	8.6	-	8.6	-	-	-	-	
Loans	-	-	-	-	-	-	-	-	-	-	-	-	
Grants	0.7	1.0	1.2	1.4	1.5	8.6	-	8.6	-	-	-	-	
Peace Corps	0.7	1.0	1.2	1.4	1.5	8.6	-	8.6	-	-	-	-	
Narcotics	-	-	-	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	-	-	-	
<b>II. MILITARY ASSISTANCE – TOTAL</b>	-	0.1	0.1	0.1	0.1	3.5	*	3.5	-	-	-	-	
Credits or Loans	-	-	-	-	-	-	-	-	-	-	-	-	
Grants	-	0.1	0.1	0.1	0.1	3.5	-	3.5	-	-	-	-	
<b>a. MAP Grants</b>	-	-	-	-	-	1.9	-	1.9	-	-	-	-	
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	*	*	*	-	-	-	-	
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	0.1	0.1	0.1	0.1	1.4	-	1.4	-	-	-	-	
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	0.2	-	0.2	-	-	-	-	
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-	
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	16.1	19.1	17.4	16.0	12.0	176.8	1.5	175.3	-	-	-	-	
Loans	-	-	-	-	-	6.8	1.5	5.3	-	-	-	-	
Grants	16.1	19.1	17.4	16.0	12.0	170.0	-	170.0	-	-	-	-	
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-	
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	-	-	-	-	-	-	-	
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	-	-	-	-	
* LESS THAN \$50,000.									<b>B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE</b>				
									1. <u>O.A.C. COUNTRIES (Gross Disbursements)</u>				
									CY 1981	CY 1982	CY 1978-82		
									United States	18.0	13.0	83.0	
									Germany Fed. Rep.	36.1	28.9	204.1	
									France	65.7	28.4	203.6	
									Canada	11.2	9.4	47.5	
									Netherlands	6.4	3.6	36.3	
									Other	11.6	12.8	54.7	
									Total	149.0	96.1	629.2	
									2. <u>O.P.E.C. COUNTRIES (Gross Disbursements)</u>				
									CY 1981	CY 1982	CY 1978-81		
									6.6	N.A.	37.9		
									<b>C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES</b>				
									CY 1981	CY 1982	CY 1954-82		
									USSR	5	20	120	
									Eastern Europe	-	-	25	
									China	-	-	125	
									Total	5	20	270	

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs <sup>a/</sup>	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	9,882	-	-	-	-	-	-	9,882
Total	9,882	-	-	-	-	-	-	9,882
1984								
Loans	-	-	-	-	-	-	-	-
Grants	8,700	-	-	-	-	-	-	8,700
Total	8,700	-	-	-	-	-	-	8,700
1985								
Loans	-	-	-	-	-	-	-	-
Grants	10,000	-	-	-	-	-	-	10,000
Total	10,000	-	-	-	-	-	-	10,000

a/ Sahel Development Program

FY 1985 PROGRAM HIGHLIGHTS	
A.I.D. will address constraints to development of the agricultural sector in order to achieve its goal of increased rural food production and income. An integrated approach will include:	
- Support of agronomic research (\$1,560,000).	
- Improvement of extension services through training (\$2,000,000).	
- Reinforcement of production services (\$1,400,000).	
- Strengthening the livestock (\$3,000,000) and forestry (\$2,000,000) sub-sectors.	

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RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	6,660	13,834	12,512
Total AID	6,660	13,834	12,512
P.L. 480**			
Title I (of which Title III is)	( - )	( - )	( - )
Title II	4,307	2,534	-
Total P.L. 480	4,307	2,534	-
Total AID and P.L. 480	10,967	16,368	12,512

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	21	27	25
PASAC <sup>c</sup>	1	7	7
Contract	20	19	18
Total	42	53	50
Participants <sup>d</sup>			
Noncontract	21	62	69
Contract	-	-	-
Total	21	62	69

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(in 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		-		-		-
World Food Programs		1,751		2,534		2,481
Gov't-to-Gov't		2,556		-		-
Title II Total		4,307		2,534		2,481
Total P.L. 480		4,307		2,534		2,481

## MALI

### DEVELOPMENT OVERVIEW

Although Mali is one of the poorest countries in the world, it has the physical and social potential, plus the political will, for economic development. It probably has more potential for increased agricultural production than any other Sahelian country, through exploiting the irrigation potential of the Niger and Senegal Rivers, improving the productivity of dryland agriculture and reducing its vulnerability to drought, and realizing the potential of its livestock resources. Mali has a cohesive, industrious society with a strong tradition of commercial entrepreneurship. The Government of the Republic of Mali (GRM) is gradually but firmly implementing a liberalization program which offers substantially better hopes of self-sustaining economic growth, including participation by a reinvigorated private sector.

Both planned and on-going measures within the framework of the Government's program of economic and fiscal reform address the main causes of Mali's poor economic performance. The GRM has drastically reduced monopolies over external trade and has relinquished its control over coarse grain marketing. Under the terms of a successfully completed IMF Stand-by Program, the GRM has reduced its budget and balance of payments deficits, curbed the growth of the public payroll, and abolished its policy of guaranteed public sector employment for all secondary and higher-level education graduates. Having achieved the performance targets under the first program, the GRM and the IMF have reached agreement on an 18-month follow-up Stand-by program. With World Bank assistance, the GRM is planning an ambitious program to cut down the size and improve the financial performance of public enterprises, notably office closures and work force reductions. The Government plans to rely increasingly on the private sector as the main source of employment growth. Much remains to be done, but GRM gives every indication that it is determined to continue this reform program.

Despite this development potential, Mali is an extremely poor country. The per capita GNP is only \$190, the tenth lowest in the world, and the real income of many Malian farmers is substantially less. Life expectancy is only 45 years, the infant mortality rate is 150 per thousand, 10 percent of adults are literate, and the population is increasing at a rate of 2.3 percent per year. About five million rural Malians, who comprise 80 percent of the total population, have little or no access to opportunities to improve their lives, such as education, health care, safe water, improved agricultural services, or credit.

Nature and geography are partly to blame for this bleak picture. About 75 percent of Mali's active population works in agriculture, but roughly two-thirds of the land suitable for cultivation is susceptible to severe droughts, which sometimes threaten the survival of farmers and herders

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dependent on minimal rainfall for food, pasturage and income. A vast, landlocked country more than 500 miles away from the nearest seaport, Mali incurs considerable transportation costs which adversely affect trade and hinder the economic exploitation of national resources. Mali's vastness also inhibits provision of government services, such as education, health and agricultural extension.

In addition, a number of constraints have hindered the development of Mali's agricultural sector. These are: (1) policy constraints which keep producer prices low, limit the role of the private sector, and burden public sector payrolls; (2) management and planning deficiencies, whereby rural development organizations and state enterprises perform poorly, technical assistance is not well utilized, and there is a paucity of well trained planners and administrators; and (3) agricultural sector constraints such as the lack of viable agricultural technologies for large regions of the country, the poor performance by the extension and input delivery systems, the low level of investment in agricultural research, and the shortage of agricultural specialists to manage projects and conduct research.

Consequently, at least for the near future, high levels of external assistance will continue to be needed to develop Mali's potential and stimulate economic growth. The U.S. believes that investment in productive sectors is the best approach to helping Mali achieve self-sustaining development, and is concentrating aid in the agricultural sector.

### U.S. INTEREST AND OBJECTIVES

The U.S. has a continuing interest in Mali as an independent, politically and economically viable country, free of domination by outside powers, and friendly towards the West. The U.S. believes that a strong Malian economy will help promote regional stability; will enhance the country's political and economic independence and will decrease its susceptibility to undue influence of any particular bloc, coalition, or neighbor; will enable Mali to become a better trading partner for the U.S.; and will offer greater opportunities for U.S. investment.

The U.S. supports the broad range of economic and fiscal reforms initiated by the GRM during the past three years and believes these measures offer the greatest hope for economic development. In concert with other Western donors, we plan to continue to support and encourage the Malian Government in its reform efforts.

### A.I.D. DEVELOPMENT STRATEGY

Through its A.I.D. programs, the U.S. will help Mali increase its rural productivity and income through agricultural development. By working to

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overcome critical technical and manpower constraints to development, A.I.D. aims to improve the economic and social well being of the Malians.

To achieve the objective of increasing rural household productivity and incomes, A.I.D. has reoriented its strategy to concentrate its limited resources on the agricultural sector, in a few agro-ecological zones with good production potential. A.I.D. is focusing its efforts on the alleviation of constraints to agricultural development through: (1) accelerating agricultural policy reform; (2) improving project management and development planning; and (3) strengthening Malian agricultural research, extension and training organizations. In implementing its new program, A.I.D will balance short-term production efforts, medium-term policy and management improvement efforts, and investments in longer-term institutional development in agricultural research and education.

In each of these areas, A.I.D. has designed or is designing projects leading to removal of key production constraints; complementing other donor efforts; and fitting in with the GRM's national development plans, recurrent cost outlooks and absorptive capacity.

The impact of U.S. assistance to Mali should be improved through this more sharply focussed strategy. New projects, beginning in FY 1983, reflect this orientation. The changes in program direction and composition will become especially evident in FY 1985.

### A.I.D. PROGRAM (FYs 1983-1984)

In consolidating and reorienting its program of activities during fiscal years 1983 and 1984, A.I.D. has allocated the principal part of its budget to support agricultural sector development--agronomic research, crop production/extension, agricultural education/training, and livestock sector development. In support of these investments, the U.S. has encouraged policy reforms, financed training in development planning and project management, and funded activities to strengthen energy and natural resource management.

#### A. Policy Reform :

A.I.D. has made important progress during the past two years in seeking reform of policies that have negative impact upon development. The U.S. Mission participated with other Western donors in convincing the GRM to increase the price to producers for coarse grains, to reduce the role of the Malian Agricultural Marketing Office (OPAM) as market regulator, and to expand the role of the private sector in cereals marketing. A.I.D. is planning to provide food through the P.L. 480 Title II Section 206 program as part of the multi-donor grain stabilization effort. A.I.D. provided the GRM technical assistance to develop its national food sector strategy.

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Several important policy concessions have also been made within the context of U.S.-financed development projects. In both Operation Haute Vallee and the Livestock Sector projects, the GRM has agreed to apply terms of credit and rates of interest in accordance with those of commercial banks. Further, the Government has been willing to consider private sector options for the supply of inputs and credit, as evidenced by the pilot program in Dire and the GRM's commitment to establishing village associations under the terms of the project grant agreements for Operation Haute Vallee and Livestock. As a consequence of policy dialogue related to A.I.D.'s forestry activities, the Government has discontinued the traditional rural police role of forestry agents within the Village Reforestation project zone, has authorized the sale of seedlings to offset recurrent operating costs, and has agreed to encourage the establishment of private tree nurseries.

### B. Agricultural Development:

The U.S. will concentrate its crop production assistance in two regions. A.I.D. supports dryland farming of food and cash crops in the Second Region through the ongoing Operation Haute Vallee Project (688-0210). A.I.D. began redesigning this project in FY 1983. The number of sub-activities has been reduced and the role of the technical assistance team expanded to improve project performance. In the First Region, (Western Mali) A.I.D. will explore the production potential of small irrigated perimeters through the new regionally-funded Senegal River Basin Integrated Development Project (625-0621), to be initiated in FY 1984.

A.I.D. is discontinuing the funding of two other crop production projects in other regions of Mali. Under the Action Riz-Sorgho Project (688-0206), to be completed in early FY 1984, U.S. support helped establish a well-managed GRM extension service and financed the construction of 17 kms of dikes and a research station to increase rice and sorghum production in the parched Seventh Region. Crop production has been steadily increasing in the diked areas. A.I.D. phased out of Action Ble (688-0213) and, in the process, conducted a pilot program of direct support to wheat farmers of the food deficit Sixth Region. A.I.D. encouraged the formation of village associations and contracted with a Malian businessman to manage the input delivery and credit system. In 1983, a drought year, farmers using the small diesel pumps financed by A.I.D. produced about three times the normal crops.

Several A.I.D. evaluations have pointed out the need for affordable and acceptable new techniques if food production is to increase significantly. The U.S. is increasing its efforts in agricultural research to develop viable extension packages. With A.I.D. funding, the International Crop Research Institute for Semi-Arid Tropics (ICRISAT) is conducting plant breeding and on-station agronomic research on millet, sorghum and cowpeas (688-0226). An FY 1984 project, Farming Systems Research (688-0232) will complement this through a program of on-farm trials and surveys to develop more appropriate technologies for the small farmer.

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The U.S. is strengthening the Malian extension service through improvement of agricultural education. Under the Agricultural Officers Training Project (688-0207), A.I.D. financed the construction and equipping of a new school and is helping to revise the school curriculum and instruct teachers. One hundred sixty new extension agents graduate annually from the three training schools supported under the project.

In FY 1983, the GRM began implementing the new livestock sector project (688-0218). A.I.D. funds a number of activities to increase cattle and small ruminant production; animal health research; quality control of vaccine production; health delivery and veterinary extension systems; farm-level research to integrate forage production into existing cropping systems; and on-farm cattle finish feeding. To help insure good coordination and management of the project, the project includes a high-level Joint Management Committee plus a large technical assistance component for operational and financial management.

In the forestry sector, the Village Reforestation Project (625-0937), completed in FY 1983, is demonstrating the technical and economic viability of small scale, rural forestry activities that encourage good environmental practices, increase the supply of forest products and help sustain agricultural production.

In the field of energy and natural resource management, A.I.D. continues to support the development of solar, wind and biomass technologies for rural use through the Renewable Energy Project (688-0217) completed in FY 1983. Prototypes of a number of renewable energy devices have been developed by the GRM's Solar Energy Laboratory, such as improved woodstoves, windmills, solar dryers and water heaters. Under the completed Land Use Inventory Project (688-0205), the U.S. financed the compilation of maps and atlases, which will provide important new information on the country's soil, vegetable and water resources to help the government improve land use planning and resource investment.

### C. Planning and Management Improvement:

A.I.D. is assisting Mali in developing its human resources and strengthening its institutional capacity to manage development resources and solve critical development problems. Under the Development Leadership Training Project (688-0221) A.I.D. is funding annually fifteen promising mid-level personnel for U. S. Masters degree programs in planning and administration.

A.I.D. is trying to improve the management of ongoing projects in several ways: (1) All project administrators and accountants are receiving in-country training in financial management; (2) A.I.D. is funding technical assistance to supply critical administrative skills and to develop management expertise of Malian project staff through on-the-job training; (3) A.I.D. is closely examining the institutional capacities of implementing agencies and,

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particularly in the case of rural development organizations such as Operation Haute Vallee (OHV), is streamlining projects to make them more manageable by concentrating efforts on those activities directly related to production.

### REQUESTED YEAR PROGRAM (FY 1985)

The \$10 million budgeted for Mali in FY 1985 will enable the A.I.D. Mission to initiate one new project and continue ongoing programs that are critical to full implementation of the new U.S. assistance strategy. Over 80% of the budget will cover investments in research, training and production projects designed to attack principal obstacles to the development of the crops, livestock and forestry subsectors.

The U.S. will support the improvement of the GRM's national extension services through continued aid to the Agricultural Officers Training schools (688-0207), allocating an additional \$2 million to finance the completion of this project. The principal crops production project will continue to be the Operation Haute Vallee Project (688-0210); A.I.D. will provide an additional \$1.4 million to increase production of millet, sorghum, maize, and limited amounts of cotton and tobacco in this high production-potential area. A.I.D. will continue investing in agricultural research to develop improved technologies and find long-term technical solutions to Mali's agricultural problems. ICRISAT will continue its coarse grain agronomic research program. An additional \$1.6 million will be provided for the ongoing Farming Systems Research and Extension Project (688-0232) which takes an integrated approach to research on crops, livestock and forestry production.

A.I.D. will allocate an additional \$3 million toward strengthening Mali's livestock sector (688-0218), which is an important source of national income, nutrition and foreign exchange.

In FY 1985, A.I.D. will build on its previous experience in forestry interventions in Mali and will initiate an expanded Forestry Sector Development Project (688-0235). The effort, with initial funding of \$2 million, will be aimed at: strengthening the National Forestry Service; addressing policy issues, supporting agroforestry, village reforestation and technological development activities; and conducting research on promising indigenous and exotic tree species. The project will support environmental improvements for the benefit of small farmers and benefit the crops and livestock subsectors.

Technical and management capabilities of Malian personnel will be strengthened through provision of technical assistance and in-service training programs integrated into each project and through advanced specialized training in the United States and third countries. Promising Malian leaders will continue to receive advanced study in planning and management methods at American universities under the ongoing Development Leadership Training Project (688-0221).

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A.I.D. will continue to emphasize participation of the private sector in our projects, focusing upon provision of inputs and services in support of other ongoing agricultural projects.

MISSION DIRECTOR: David M. Wilson

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

PROGRAM: MALI

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
LIVESTOCK SECTOR I	G 653-0203	77	78	603	603	603	522	---	61	---	---
AGRICULTURAL OFFICERS TRAINING	G 688-0207	77	81	5,000	5,000	5,000	4,876	---	124	---	---
TOTAL FOR ACCOUNT GRANTS LOANS				5,603	5,603	5,603	5,398	---	205	---	---
				5,603	5,603	5,603	5,398	---	205	---	---
				---	---	---	---	---	---	---	---
SAMEL DEVELOPMENT PROGRAM											
OPERATION MILS - PHASE II	G 689-0202	76	81	7,820	6,429	6,429	5,010	---	1,419	---	---
LIVESTOCK SECTOR I	G 698-0203	77	81	9,482	9,482	9,482	8,436	---	600	---	446
LAND USE INVENTORY	G 689-0205	78	82	5,222	5,492	5,222	4,537	270	335	---	270
ACTION RIZ-SORGHO	G 688-0206	76	82	2,223	2,223	2,223	1,371	---	352	---	---
AGRICULTURAL OFFICERS TRAINING	G 688-0207	77	86	2,350	4,830	2,350	1,014	480	352	2,000	400
RURAL HEALTH SERVICES DEVELOPMENT	G 638-0208	77	81	2,705	2,705	2,705	1,810	---	460	---	435
OPERATION HAUTE VALLEE	G 633-0210	78	86	18,395	18,395	13,912	10,580	1,600	2,716	1,400	2,000
KAYES-NIORD ROAD	G 638-0212	80	80	2,400	2,400	2,400	23	---	650	---	1,000
ACTION BLE	G 633-0213	78	81	2,066	2,066	2,066	1,964	---	102	---	---
RENEWABLE ENERGY	G 688-0217	78	83	4,517	4,517	4,517	2,406	---	1,490	---	621
LIVESTOCK SECTOR II	G 689-0218	82	86	18,220	18,220	9,665	585	1,000	3,000	3,000	4,000
DEVELOPMENT LEADERSHIP TRAINING	G 633-0221	81	86	4,566	4,566	3,167	577	1,400	900	---	900
TRAINING CENTER FOR RURAL WOMEN	G 638-0225	80	80	500	500	500	247	---	253	---	---
SEMI-ARID TROPICS RESEARCH II	G 638-0226	81	84	3,750	3,750	2,340	1,359	910	750	---	800

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

CP 85

PROGRAM: MALI

PROJECT TITLE	* L / PROJECT NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES
FARMING SYSTEMS R & D	G 638-0232	84	91	---	12,329	---	---	3,000	250	1,560	500
SMALL PROJECT ASSISTANCE (PS)	G 588-0234	83	87	200	200	---	---	40	40	40	40
FORESTRY DEVELOPMENT	* G 688-0235	85	89	---	10,000	---	---	---	---	2,000	1,000
VILLAGE REFORESTATION	G 688-0937	83	83	160	160	160	---	---	60	---	100
TOTAL FOR ACCOUNT GRANTS				84,576	113,264	67,638	40,769	8,700	13,629	10,000	12,512
LOANS				84,576	113,264	67,638	40,769	8,700	13,629	10,000	12,512
TOTAL FOR COUNTRY GRANTS				90,179	118,867	73,241	46,167	8,700	13,834	10,000	12,512
LOANS				90,179	118,867	73,241	46,167	8,700	13,834	10,000	12,512

ESF

Econ. Policy Reform Program G 688-0240 85 85 18,000 18,000

18,000 cas 7/20/85

\* Refers to the planned project summary sheet  
 C Level of effort activity  
 FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date.  
 For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

## PROGRAM: MALI

## PLANNED PROGRAM SUMMARY SHEET

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
					FY 1985	Life of Project Funding	
Forestry Sector Development		SDP			2,000	10,000	
Number 688-0235	<input checked="" type="checkbox"/> NEW				Population	ED. & HR	Sel. Act.
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 1985	FY 1989	FY 1994

Project Purpose: The overall objective of this ten-year project is to enable the Malians to make better use of their important forestry resources and to assist in forestry production and rehabilitation, particularly in the Fifth Region (Mopti). The national level purpose is to improve forestry policy, planning and research to maximize the contribution of the forestry sector to the Malian economy, environment and food self-sufficiency. At the regional level, the purpose is to increase forest production, environmental management and contributions to food production.

Project Description: The project addresses three major constraints to increasing the forestry sector's role in development. First, there is a need for policy reformulation, especially in areas such as the roles of forestry agents, the economic policies surrounding investments, revenues and recurrent costs, and incentives to environmental management and forest production. Second, there is a lack of research results that would lead to improved technological packages for forestry production projects. Third, the institutional weakness of the otherwise dynamic and competent national forestry service in planning and evaluation inhibits the development of coherent programs. The project approach and activities are being designed to overcome these constraints within the forestry sector. It builds upon A.I.D.'s experience gained under the Mali Village Reforestation project (625-0937), and on lessons learned from forestry interventions elsewhere in the Sahel.

A.I.D. will provide technical assistance, training, commodities, and operating expense support for two complementary components. At the national level, these inputs will strengthen the institutional capacity of the GRM forestry service, primarily in the areas of sector planning and research. A.I.D. support will improve policy development, coordination, planning and documentation. The National Institute for Forestry Research will be aided in conducting research on indigenous and exotic species and in developing technologies which can be extended to farmers, herders and villagers to improve agricultural production and

environmental management. At the regional level, in the Fifth Region (Mopti), parallel reinforcement will be given to research and planning. A.I.D. will also support a series of production-oriented activities such as tree nurseries, fuelwood plantations, windbreaks, and forage production.

Relationship of the Project to A.I.D. Strategy: Because forestry activities have a direct impact on rural households and contribute in significant ways to both the crops and livestock subsectors, this project is an important component of the Mission's overall agricultural strategy. It will complement other A.I.D. financed projects, including the Farming Systems Research and Livestock Sector projects, which also focus on the forestry sub-sector. In its approach, this project supports A.I.D.'s emphases on policy dialogue and reform, institution building, and the transfer of improved technologies.

Host Country and Other Donors: The GRM should be able to contribute substantially to this project with trained personnel through the national Forestry Fund which is replenished through the sale of permits and the collection of fines. The production activities planned for the Mopti region will complement pilot projects being implemented by CARE and A.I.D. The national level research and planning support will be coordinated with activities financed by the Swiss, Germans and World Bank.

Beneficiaries: The group that will immediately benefit from the project will be the one million small farmers and herders of Mali's Fifth Region who will benefit from increased production of food, forage, fuel, and fiber and will gain important off-season income through the transformation and sale of a wide range of forest products. In addition, a limited number of forestry professionals will benefit from training and technical assistance which, in turn, will help strengthen the national forestry service.

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FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (682) MAURITANIA

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 1,591  
 PER CAPITA GNP..... (DOLLARS,1981) 460  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) -0.5%  
 ANNUAL RATE OF INFLATION (1970-81) 9.7%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( . ) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1981) TOTAL 44.0 MALE 42.5 FEMALE 45.7  
     (1970) TOTAL 40.3 MALE 38.8 FEMALE 41.9  
 ADULT LITERACY RATE (1976) TOTAL 17% MALE 920% FEMALE 930%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
     (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1980) 19%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 9  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: MILLET ,SORGHUM ,RICE 53% (1982)  
     CASH: , , .% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) CATTLE , ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT ,RICE ,  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 85%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     (1977) 206 (78) 212 (79) 211  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     (1977) 243 (78) 231 (79) 242  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     (1977) -37 (78) -19 (79) -32  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. ( . ) . % (78) 33.3% (79) 29.1%  
     AS % OF GNP..... ( . ) . % (78) 15.2% (79) 12.6%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
     (\$MILLIONS, U.S.) (1980) 147 (81) 166 (82) 143  
 EQUIVALENT TO 5.2 MONTHS OF IMPORTS (1981)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) IRON ORE ,FISH ,CATTLE  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1980) 0 (1981) 0 (1982) 0  
     AS % OF TOTAL EXPORTS (1978) 2% (1980) 0% (1981) 0%  
 MAJOR IMPORTS....(1981) FOODSTUFFS ,MANUFACTURES ,PETROLEUM  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 22 (1981) 30 (1982) 29  
     AS % OF TOTAL IMPORTS (1979) 3% (1980) 7% (1981) 8%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) -138(80) -125(81) -116  
 TRADING PARTNERS: , ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 216%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1981) 54  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 20.0%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 1.7% (1978) 1.9% (1983) 2.0%  
 POPULATION IN URBAN AREAS.....(1970) 13% (1982) 26%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 50 (1983) 47  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 45.8% (15-64YRS) 51.5% (65+ YRS) 2.7%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 140  
 PEOPLE PER PHYSICIAN..... (1977) 13,697  
 MAJOR CAUSES OF  
 DISEASE (1977) PARASITIC DISEAS ,DYSENTERY ,MALARIA  
 DEATH.. (19 ) , ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 94%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1970) 17%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
     PRIMARY..... (1978) TOTAL 28.0% MALE 36.0% FEMALE 20.0%  
     SECONDARY..... (1978) TOTAL 6.0% MALE 11.0% FEMALE 2.0%  
     POST SECONDARY.. (1977) TOTAL 0.3% MALE 0.6% FEMALE 0.1%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

U.S. OVERSEAS LOANS AND GRANTS — OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years — Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)				
COUNTRY MAURITANIA									A. ASSISTANCE FROM INTERNATIONAL AGENCIES — COMMITMENTS				
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-83	
	1978	1979	1980	1981	1982				TOTAL.....	1981	1982	1978-82	
<b>I. ECONOMIC ASSISTANCE — TOTAL</b>	9.2	8.7	11.6	15.8	11.2	88.0	2.2	85.8	26.8	17.3	7.3	380.7	
Loans	-	-	-	-	-	1.4	2.2	0.8-	0.0	0.0	0.0	126.0	
Grants	9.2	8.7	11.6	15.8	11.2	86.6	-	86.6	0.0	0.0	0.0	17.9	
<b>a. A.I.D. and Professional Agencies</b>	6.0	6.3	2.7	8.5	5.3	38.3	2.2	36.1	15.0	12.7	4.5	78.8	
Loans	-	-	-	-	-	1.4	2.2	0.8-	0.0	0.0	0.0	0.0	
Grants	6.0	6.3	2.7	8.5	5.3	36.9	-	36.9	0.0	0.0	0.0	0.0	
(Economic Support Fund)	-	-	-	-	-	-	-	-	7.3	2.9	2.7	37.1	
<b>b. Food for Peace (PL 480)</b>	2.9	1.7	8.0	6.2	3.4	44.5	-	44.5	0.0	0.0	0.0	0.0	
Loans	-	-	-	-	-	-	-	-	3.7	0.2	0.0	19.0	
Grants	2.9	1.7	8.0	6.2	3.4	44.5	-	44.5	0.8	2.0	0.0	5.6	
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-	0.0	0.0	0.0	96.3	
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	
Title II - Total Grants	2.9	1.7	8.0	6.2	3.4	44.5	-	44.5	0.0	0.0	0.0	-	
Emerg. Relief, Econ. Develop. & World Food Program	2.8	0.8	6.7	3.4	1.7	36.3	-	36.3	0.0	0.0	0.0	-	
Voluntary Relief Agencies	0.1	0.9	1.3	2.8	1.7	8.2	-	8.2	0.0	0.0	0.0	-	
<b>c. Other Economic Assistance</b>	0.3	0.7	0.9	1.1	1.5	5.2	-	5.2	0.0	0.0	0.0	-	
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	
Grants	0.3	0.7	0.9	1.1	1.5	5.2	-	5.2	0.0	0.0	0.0	-	
Peace Corps	0.3	0.7	0.9	1.1	1.5	5.2	-	5.2	0.0	0.0	0.0	-	
Narcotics	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	
Other	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	
<b>II. MILITARY ASSISTANCE — TOTAL</b>	-	-	-	*	*	0.1	-	0.1	0.0	0.0	0.0	-	
Credits or Loans	-	-	-	*	*	-	-	-	0.0	0.0	0.0	-	
Grants	-	-	-	*	*	0.1	-	0.1	0.0	0.0	0.0	-	
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	*	*	0.1	-	0.1	0.0	0.0	0.0	-	
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	9.2	8.7	11.6	15.8	11.2	88.1	2.2	85.9	26.8	17.3	7.3	380.7	
Loans	-	-	-	-	-	1.4	2.2	0.8-	0.0	0.0	0.0	126.0	
Grants	9.2	8.7	11.6	15.8	11.2	86.7	-	86.7	0.0	0.0	0.0	17.9	
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	5.9	2.4	3.5	0.0	0.0	0.0	0.0	
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	5.9	2.4	3.5	0.0	0.0	0.0	0.0	
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE				
1. D.A.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-82	
United States	19.0	13.0	58.0	
France	31.6	22.9	110.2	
Germany Fed. Rep.	8.0	13.7	59.1	
Netherlands	4.5	1.0	12.7	
Japan	2.7	9.0	12.3	
Other	2.6	3.7	14.7	
Total	68.4	63.3	267.0	
2. O.P.E.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-81	
	72.1	N.A.	333.7	
C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES				
	CY 1981	CY 1982	CY 1954-82	
USSR	-	-	10	
Eastern Europe	-	-	10	
China	-	-	85	
Total	-	-	105	

\* LESS THAN \$50,000.

## MAURITANIA

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs <sup>a/</sup>	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	5,146	-	-	-	-	-	-	5,146
Total	5,146	-	-	-	-	-	-	5,146
1984								
Loans	-	-	-	-	-	-	-	-
Grants	2,540	-	-	-	-	-	-	2,540
Total	2,540	-	-	-	-	-	-	2,540
1985								
Loans	-	-	-	-	-	-	-	-
Grants	3,500	-	-	-	-	-	-	3,500
Total	3,500	-	-	-	-	-	-	3,500

<sup>a/</sup> Sahel Development Program

FY 1985 PROGRAM HIGHLIGHTS	
<p>A.I.D. will continue to help Mauritania meet its emergency needs while longer-term programs help address the basic constraints to development.</p> <ul style="list-style-type: none"> <li>- Continued food aid and support to agricultural policy reform and food marketing through the P.L. 480 Title II Section 206 program.</li> <li>- Water Resources project and completion of the Rural Roads Improvement project will help develop rural infrastructure. (\$1,500,000).</li> <li>- Rural Health Services project will continue to provide basic health services and immunizations in rural areas of Mauritania.</li> <li>- Manpower and institutional development will continue to be addressed through the Human Resources Development project (\$1,960,000).</li> </ul>	

## MAURITANIA

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	2,353	4,515	3,288
Total AID	2,353	4,515	3,288
P.L. 480**			
Title I (of which Title III is)	( - )	( - )	( - )
Title II	5,976	8,798	6,221
Total P.L. 480	5,976	8,798	6,221
Total AID and P.L. 480	8,329	13,313	9,509

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	9	14	13
PASA <sup>c</sup>	1	0	0
Contract	14	16	16
Total	24	30	29
Participants <sup>d</sup>			
Noncontract	9	27	29
Contract	0	0	0
Total	9	27	29

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(In 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		1,450		2,000		1,667
World Food Programs		1,569		1,503		1,373
Gov't-to-Gov't		2,957		5,295		3,181
Title II Total		5,976		8,798		6,221
Total P.L. 480		5,976		8,798		6,221

## MAURITANIA

### DEVELOPMENT OVERVIEW

Mauritania is a country faced both with chronic drought conditions and a weak, unstable economy. Rainfall has been insufficient ever since the drought of the early 1970s. This situation has worsened over the past year and domestically produced food now accounts for only about 10% of total requirements. Conditions are generally at least as bad as they were in the early 1970s. The desertification process may, in many areas, be irreversible. The country's development objectives are also hampered by the lack of reliable water supplies and the poor communications and transportation links to the rural interior. Although the development of irrigated agriculture in the Senegal River basin could provide a long-term solution to Mauritania's precarious agricultural situation, the country will continue to be a net food importer for the rest of this century.

The Mauritanian economy is highly susceptible to both the vagaries of rainfall and fluctuations in the world economy which affect export revenues. Persistent drought affects not only crop production but the economically important livestock herds. The recent world-wide recession has reduced export earnings of iron ore, which is one of Mauritania's principal sources of revenue. While there is an export market for the produce of Mauritania's rich off-shore fishing grounds, lack of effective Mauritanian control of use of these grounds limits the potential economic advantage. Under these circumstances, Mauritania has become highly dependent on foreign food aid and financial assistance.

The anticipated world-wide economic recovery should boost Mauritania's iron ore sales. Development of Mauritania's ability to realize domestic revenue from its rich fishing grounds and possible exploitation of other mineral resources holds some hope for the future. However, massive external debt, upon which current development efforts have been based, may prevent any recovery. According to recent figures, external debt is now over 200% of GDP. These factors, along with a lack of trained workers, a limited institutional base for extension of new techniques and one of the world's highest urbanization rates has created a grave development situation.

Despite these conditions, the Government of the Islamic Republic of Mauritania (GIRM) has made some progress in redefining its development policies and priorities. The Fourth National Development Plan emphasizes productive, labor intensive development projects and includes irrigated river basin development. The consumer subsidy on imported grain is being reduced and is eventually expected to be eliminated. The impetus for this action has resulted primarily from the U.S. P.L. 480 program. It should encourage domestic grain production and reduce the drain on GIRM revenues. The GIRM has been gradually devoting more of its resources to preventive rather than curative aspects of public health care. It is promoting a greater assumption of the cost of medicines and payment of health workers by the beneficiaries.

## MAURITANIA

A gradual reduction of agricultural input subsidies and the assumption by herders of a larger share of veterinary program costs is also being advocated. However, all these initiatives will be threatened if drought conditions worsen and further drain the country's economic strength, particularly in the rural sector.

### U.S. INTERESTS AND OBJECTIVES

The U.S. interest in Mauritania is primarily developmental and humanitarian. There are also political considerations arising from Mauritania's geographical and cultural position between Black Africa and the Arab/Berber north. Mauritania is next to the Western Sahara, is exposed to Libyan and Algerian pressure and has had continuing problems in its relationship to Morocco. The severe problems posed for Mauritania's survival by the drought constitute a challenge to stability in West and Northwest Africa. Economic development offers the best means to reduce Mauritania's vulnerability to outside pressure.

The U.S. programs in Mauritania are aimed at encouraging political stability, social integration and economic growth in a country whose quality of life is ranked among the worst in the world. Emergency food and medical assistance is aimed at helping to alleviate the impact of the current drought.

### A.I.D. DEVELOPMENT STRATEGY

The A.I.D. strategy in Mauritania is two fold; to combat the immediate threats to life and health being caused by continuing drought conditions, and to lay the groundwork for sound development progress in selected economic sectors. A.I.D. programs conform to the goals of the Club du Sahel and the Permanent Interstate Committee for Drought Control in the Sahel (CILSS). Our emergency program will emphasize provision of food aid and medical assistance. Development programs will focus on encouraging food pricing reforms through the P.L. 480 Title II Section 206 program, development of rural infrastructure, rural health and human resource development. A.I.D. is no longer working in the direct food production area due primarily to the difficulties of working with the appropriate GIRM Ministry but is attempting, through other programs, to indirectly raise food production while helping to improve the quality of life of the Mauritians.

Provision of food aid is of particular importance in view of Mauritania's continuing deficit. Against an estimated annual national requirement of 240,000 metric tons (MT) of cereal, domestic production has varied between 25,000 to 80,000 MT. Commercial imports have averaged 80 - 100,000 MT, with the deficit of 60 - 135,000 MT being met by international aid or reduced consumption.

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Activities to improve health conditions will ultimately increase the productivity of the rural population, which is plagued by high levels of debilitating conditions such as malnutrition, respiratory infections and diarrheal diseases. Direct efforts to combat child malnutrition and reduce the extremely high rates of infant mortality and morbidity are taking place under the Catholic Relief Services Maternal and Infant Nutrition Care program, (MCH) which utilizes P.L. 480 food. A.I.D. is also heavily involved in the expansion of health services to rural areas. We also plan to help Mauritania improve its village water resources.

A.I.D. experience in Mauritania has shown that one of the major constraints to both public and private sector development is the severe lack of well-trained technicians and administrators. This lack contributes to the weakness of Mauritanian institutions in practically all fields and inhibits the success of development activities. Therefore, A.I.D. will now concentrate much of its effort on human resource development. This will produce short-term benefits in the form of more effective implementation of on-going development programs. The human resources development program will also strengthen Mauritania's institutions so that their capacity to implement the country's strategy will be enhanced over the long-run.

### A.I.D. PROGRAM (FYs 1983-84)

Prior to 1983, the A.I.D. program in Mauritania concentrated on the agriculture rural development area and emphasized dryland and irrigated agricultural production and the development of environmental protection measures necessary to sustain production in the dryland interior. In 1983 this orientation was changed. This change resulted primarily from the difficulties in working with the appropriate GIRM Ministry. In addition, implementation of direct production projects was hampered by the weakness of Mauritanian institutions, lack of skilled technicians and problems of economic viability of dryland production schemes. As a result of these difficulties, a number of agricultural production projects were terminated. The A.I.D. program has been reoriented toward creating the capital and human infrastructure needed for longer-term agriculture and rural development; expanding our health program and also responding to immediate food needs resulting from the drought.

A. The P.L. 480 Program is a major part of our program. Food is provided under this program in three ways. The drought relief program, to meet immediate needs, may total 25,000 MT in FY 1984, depending upon Mauritanian needs and overall availabilities. The Catholic Relief Services has conducted an MCH program providing food and nutritional services to some of the children in Mauritania. The multi-year P.L. 480 Title II, Section 206 program, begun in FY 1983, under which 20,000 MT of cereals are imported annually, has provided a vehicle with sufficient leverage to influence Mauritanian policy

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regarding the sales prices for basic food grains and rice. U.S negotiations with the GIRM under this program have stressed price policy reform, while the sales proceeds are designated for appropriate projects, including food marketing. Substantial progress has been made. Since 1981, the GIRM has raised producer prices for millet and sorghum from 8 to 13 ouguiyas per kilogram, and for rice from 10 to 12.5 ouguiyas per kilogram. (Ouguiyas 55 = \$1 approximately). The ultimate objective of this program is to improve Mauritania's internal capacity to produce and manage the marketing, distribution and storage of foodstuffs, thus reducing its dependence on costly agricultural imports or concessional food aid. Increases in the sales prices of grains, effected through the 206 program, should continue to act as a catalyst for increased local grain production in the future, particularly if climatic conditions improve.

B. Through regional projects, efforts will be made toward longer-term agricultural development. The OMVS Agricultural Research II Project (625-0957) includes a component designed to improve the skills of Mauritania's agricultural research workers with emphasis on irrigated production. Rural infrastructure will be improved as work continues on the Rural Roads Improvement Project (682-0214) which is rehabilitating and upgrading crucial transportation links to the southern agricultural regions. This activity will improve the flow of agricultural inputs to the southern area and facilitate the movement of any agricultural surpluses which are generated. The Small Project Assistance (682-0232) activity with the Peace Corps will also provide some support for small-scale rural development activities.

C. In the health field, the Expanded Program of Immunization Project, executed under the regional Accelerated Impact Program (625-0937) which concluded in FY 1983, assisted the GIRM in the establishment of a network of fixed and mobile immunization facilities and in the immunization of a large percentage of Mauritanian children and mothers against communicable diseases. The Rural Medical Assistance Project (682-0202), completed in December, 1983, has achieved its goals of training nearly 200 village health workers in the Trarza Region of Mauritania and of demonstrating the viability of such a system as the first line of defense in a preventive disease program in rural villages. These two projects will be combined and geographically expanded in the Rural Health Services Project (682-0230), approved in late FY 1983. This project will be the core of U.S. activities in the health field. Emphasis in FY 1984 will be on laying the administrative and technical groundwork for the new project by upgrading Mauritanian skills in management and financial administration, recruiting a new technical assistance team, and assuring that vital equipment and medical supplies are available to continue nationwide immunization activities, as well as primary health care interventions in the Trarza Region.

D. Development of human resources is also a major part of our program. A Human Resources Development Project (682-0233) is being developed for FY 1984

## MAURITANIA

funding. This project will finance manpower planning and training of mid-level technical and administrative personnel in the public and private sector. Particular emphasis will be placed on training in agricultural development. Technical assistance will be provided for the identification of training needs and candidates. Training will continue under the regional Sahel Manpower Development II Project (625-0960). The Sahel Regional Financial Management Project (625-0950) will train accountants and supervisory personnel to improve management and accountability of A.I.D. supported projects.

### REQUESTED YEAR PROGRAM (FY 1985)

In FY 1985, the U.S. will continue to help Mauritania meet its immediate food needs while improving the infrastructure needed for long-term development. The P.L. 480 programs will continue at a level of about \$6 million (non-emergency).

The Rural Roads Improvement project is expected to be completed in FY 1985. Most of the local costs of this project will be financed from local currency proceeds from grain sales. A.I.D. will continue its support of technical and management training through the Human Resources project.

Strengthening of rural primary health care will continue to be implemented under the Rural Health Services Project (682-0230), which is already fully funded. During FY 1985, A.I.D. will expand the geographic scope of the village health worker program under this project. The expansion will encompass the Guidimaka Region in the agriculturally important southern tier of Mauritania.

Support to the Peace Corps' rural development initiatives will also continue through a \$40,000 obligation for the Small Project Assistance activity (682-0232).

The one new project in FY 1985 will be the Water Resources Management Project (682-0234), a \$1.5 million effort to assist in the development and improvement of village water supplies and facilities for selected rural communities.

MISSION DIRECTOR: Peter Benedict

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

PROGRAM: MAURITANIA

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES	
SAHEL DEVELOPMENT PROGRAM											
INTEGRATED RURAL DEVELOPMENT (GUIDIMAKA)	G 682-0201	79	82	3,901	3,901	3,901	3,560	---	---	---	
RURAL MEDICAL ASSISTANCE	G 682-0202	79	79	1,662	1,662	1,662	1,235	---	427	---	
RURAL LAND RECLAMATION	G 682-0203	81	82	8,900	8,900	2,122	170	---	---	---	
VEGETABLE PRODUCTION	G 682-0204	78	82	1,805	1,805	1,805	1,668	---	---	---	
RENEWABLE RESOURCES MANAGEMENT	G 682-0205	78	81	4,678	4,678	4,678	2,665	---	---	---	
OASES DEVELOPMENT	G 682-0207	80	82	5,991	5,991	3,042	1,322	---	---	---	
RURAL ROADS IMPROVEMENT	G 682-0214	82	82	4,810	4,810	4,810	289	---	2,300	2,000	
SMALL IRRIGGATED PERIMETERS (PVD)	G 682-0226	81	81	457	457	457	355	---	---	---	
RURAL HEALTH SERVICES	G 682-0230	83	83	5,000	5,000	5,000	---	---	1,300	1,000	
SECTION 206, PROGRAM SUPPORT	G 682-0231	83	83	106	106	106	---	---	28	28	
SMALL PROJECT ASSISTANCE-AID/PC	G 682-0232	83	87	200	200	---	---	40	60	60	
HUMAN RESOURCES DEVELOPMENT	G 682-0233	84	86	---	6,000	---	---	2,500	400	1,960	
WATER RESOURCES MANAGEMENT	* G 682-0234	85	85	---	1,500	---	---	---	---	1,500	
TOTAL FOR ACCOUNT GRANTS				37,510	45,010	27,583	11,264	2,540	4,515	3,500	3,288
LOANS				---	---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				37,510	45,010	27,583	11,264	2,540	4,515	3,500	3,288
LOANS				---	---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column — All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Water Resources Management		SDP			FY 1985 1,500	Life of Project Funding 1,500	
Number 682-0234	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 1985	FY 1985	FY 1988

Purpose: To improve the lives of the Mauritanian rural population by providing selected rural communities with better water supplies for human and agricultural use.

Project Description: The scarcity of water is Mauritania's chief deterrent to agricultural and livestock development as well as improvement in quality of life. The proposed water management project will seek to introduce new water supplies or improve existing ones in rural communities for human consumption as well as limited agricultural use.

The project will focus on communities in which ground water is the main water supply source. These communities may be either permanent or seasonal and may have existing, though inadequate, water supplies, or potential for developing new ones.

Existing water facilities will be improved or expanded through the drilling or digging of new wells and rehabilitation of wells on oases sites. Village maintenance of the new systems would be part of the project as would distribution of the water for personal consumption under improved sanitary conditions. This is of particular importance in a country where 80% of patients arriving at public health facilities suffer from complaints associated with inadequate water supplies or water-borne diseases. The project should help stabilize the rural population in the affected areas by providing more secure water for agriculture and livestock production as well as improving health conditions.

Relationship of Program to A.I.D. Country Strategy: The A.I.D. program in Mauritania emphasizes the development of rural infrastructure and improving the lives of the rural population. The introduction of reliable water supply into small communities is supportive of this overall strategy.

Host Country and Other Donors: The Government of Mauritania will cooperate with this program principally through the Ministry of Hydrology which has already carried out

hydrologic well drilling equipment. The implementation of the project will be through a PVO with experience in water supply and distribution.

Beneficiaries: Inhabitants of selected rural communities, both farmers and non-farmers, will benefit from the project.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (683) NIGER

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 6,083  
 PER CAPITA GNP..... (DOLLARS,1981) 330  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 0.2%  
 ANNUAL RATE OF INFLATION (1970-81) 12.2%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( . ) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 44.0 MALE 42.5 FEMALE 45.7  
     (1970) TOTAL 40.5 MALE 38.8 FEMALE 42.3  
 ADULT LITERACY RATE (1980) TOTAL 10% MALE 14% FEMALE 6%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
     (1973-1982) 2.4%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1980) 33%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 103  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: MILLET ,SORGHUM , 25% (1982)  
     CASH: PEANUTS ,COMPEAS , 10% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) LIVESTOCK ,COMPEAS ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT ,RICE ,RAW SUGAR  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 91%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     (1978) 224 (79) 294 (80) 367  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     (1978) 280 (79) 351 (80) 487  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     (1978) -56 (79) -57 (80) -120  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. (1978) 4.3% (79) 4.5% (80) 3.6%  
     AS % OF GNP..... (1978) 1.0% (79) 1.0% (80) 1.0%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
     (\$MILLIONS, U.S.) (1980) 126 (81) 110 (82) 34  
 EQUIVALENT TO 2.0 MONTHS OF IMPORTS (1981)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1980) URANIUM ORE ,NUTS ,LIVESTOCK  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1979) 0 (1980) 0 (1982) 1  
     AS % OF TOTAL EXPORTS (1978) 0% (1979) 0% (1980) 0%  
 MAJOR IMPORTS....(1980) FUELS ,MACHINERY ,TRANSPORT EQPT  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 24 (1981) 14 (1982) 11  
     AS % OF TOTAL IMPORTS (1979) 3% (1980) 3% (1981) 2%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) -134(80) -237(81) -174  
 TRADING PARTNERS: , ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 55.2%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1981) 63  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 13.0%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.9% (1978) 3.1% (1983) 3.3%  
 POPULATION IN URBAN AREAS.....(1970) 8% (1982) 13%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 51 (1983) 52  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 46.9% (15-64YRS) 50.6% (65+ YRS) 2.5%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 139  
 PEOPLE PER PHYSICIAN..... (1977) 42,719  
 MAJOR CAUSES OF  
 DISEASE (1981) MALARIA ,SKIN INFECTIONS ,INTESTINAL INFECTION  
 DEATH.. (1964) MENINGITIS ,MALARIA ,MEASLES  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 91%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1975) 27%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
     PRIMARY..... (1978) TOTAL 23.0% MALE 29.0% FEMALE 17.0%  
     SECONDARY..... (1978) TOTAL 4.0% MALE 5.0% FEMALE 2.0%  
     POST SECONDARY.. (1977) TOTAL 0.1% MALE 0.3% FEMALE 0.0%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

U.S. OVERSEAS LOANS AND GRANTS – OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years – Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)				
COUNTRY NIGER									A. ASSISTANCE FROM INTERNATIONAL AGENCIES – COMMITMENTS				
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-83	
	1978	1979	1980	1981	1982								
<b>I. ECONOMIC ASSISTANCE – TOTAL</b>	14.3	12.9	12.7	17.5	17.8	154.4	1.2	153.2	TOTAL	26.5	65.9	42.6	440.3
Loans	-	-	-	-	-	3.5	1.2	2.3	IBRD	3.0	0.0	0.0	0.0
Grants	14.3	12.9	12.7	17.5	17.8	150.9	-	150.9	IFC	3.0	2.6	0.0	2.6
<b>a. A.I.D. and Predecessor Agencies</b>	10.6	10.9	9.5	13.7	13.0	83.2	1.2	82.0	IDA	21.5	26.1	30.1	214.4
Loans	-	-	-	-	-	3.5	1.2	2.3	IDB	3.0	0.0	0.0	0.0
Grants	10.6	10.9	9.5	13.7	13.0	79.7	-	79.7	ADB	3.0	0.0	0.0	0.0
(Economic Support Fund)	-	-	-	-	-	-	-	-	AFDB	3.0	14.6	12.5	41.0
<b>b. Food for Peace (PL 480)</b>	2.3	0.1	1.0	1.4	2.1	49.3	-	49.3	UNJP	3.0	12.6	0.0	65.3
Loans	-	-	-	-	-	-	-	-	OTHER-UN	3.0	0.0	0.0	9.9
Grants	2.3	0.1	1.0	1.4	2.1	49.3	-	49.3	EEC	3.0	10.0	0.0	127.3
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-	<b>B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE</b>				
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	1. D.A.C. COUNTRIES (Gross Disbursements)				
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	CY 1981 CY 1982 CY 1978-82				
Title II - Total Grants	2.8	0.1	1.0	1.4	2.1	49.3	-	49.3	United States	10.0	21.0	60.0	
Emerg. Relief, Econ. Develop. & World Food Program	2.8	0.1	1.0	1.4	2.1	49.3	-	49.3	France	63.1	40.2	229.9	
Voluntary Relief Agencies	-	-	-	-	-	-	-	-	Germany Fed. Rep.	36.8	38.1	180.3	
<b>c. Other Economic Assistance</b>	1.4	1.9	2.2	2.4	2.7	21.9	-	21.9	Canada	3.6	6.0	54.2	
Loans	-	-	-	-	-	-	-	-	Japan	1.5	9.4	43.5	
Grants	1.4	1.9	2.2	2.4	2.7	21.9	-	21.9	Other	19.8	11.9	73.2	
Peace Corps	1.4	1.9	2.2	2.4	2.7	21.9	-	21.9	Total	134.8	126.6	641.1	
Narcotics	-	-	-	-	-	-	-	-	2. O.P.E.C. COUNTRIES (Gross Disbursements)				
Other	-	-	-	-	-	-	-	-	CY 1981 CY 1982 CY 1978-81				
<b>II. MILITARY ASSISTANCE – TOTAL</b>	-	-	-	2.5	2.4	5.0	-	5.0	United States	28.0	N.A.	46.0	
Credits or Loans	-	-	-	2.3	2.0	4.3	-	4.3					
Grants	-	-	-	0.2	0.4	0.7	-	0.7					
<b>a. MAP Grants</b>	-	-	-	-	-	0.1	-	0.1					
<b>b. Credit Financing - FMS</b>	-	-	-	2.3	2.0	4.3	-	4.3					
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	0.2	0.4	0.6	-	0.6					
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-					
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-					
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	14.8	12.9	12.7	20.0	20.2	159.4	1.2	158.2					
Loans	-	-	-	2.3	2.0	7.8	1.2	6.6					
Grants	14.8	12.9	12.7	17.7	18.2	151.6	-	151.6					
<b>Other U.S. Government Loans and Grants</b>	5.4	-	-	-	-	5.4	1.4	4.0					
a. Export-Import Bank Loans	5.4	-	-	-	-	5.4	1.4	4.0					
b. All Other Loans	-	-	-	-	-	-	-	-					
* LESS THAN \$50,000.									<b>C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES</b>				
									CY 1981 CY 1982 CY 1954-82				
									USSR				
									Eastern Europe				
									China				
									Total				

NIGER

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other <sup>a/</sup> Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	21,000	-	-	-	-	-	5,000	16,000
Total	21,000	-	-	-	-	-	5,000	16,000
1984								
Loans	-	-	-	-	-	-	-	-
Grants	21,000	-	-	-	-	-	5,000	16,000
Total	21,000	-	-	-	-	-	5,000	16,000
1985								
Loans	-	-	-	-	-	-	-	-
Grants	25,000	-	-	-	-	-	7,000	18,000
Total	25,000	-	-	-	-	-	7,000	18,000

<sup>a/</sup> Sahel Development Program

FY 1985 PROGRAM HIGHLIGHTS	
-	Program will emphasize policy reform, strengthening agricultural and livestock institutional capacity (\$12,455,000)
-	Major human resources effort will be launched to enhance institutional capacity. There will be continued support for expanded rural health services (\$5,545,000)
-	Economic Support Funds will address the immediate budgetary and balance of payments problems (\$7,000,000)

NIGER

RESOURCE FLOWS			
<i>(In thousands of dollars)</i>			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans			
Grants	9,469	29,103	26,018
Total AID	9,469	29,103	26,018
P.L. 480**			
Title I	-	-	-
<i>(of which Title III is)</i>	<i>( - )</i>	<i>( - )</i>	<i>( - )</i>
Title II	756	472	379
Total P.L. 480	756	472	379
Total AID and P.L. 480	10,225	29,575	26,379

\*AID levels represent actual and estimated expenditures.  
 \*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	23	24	24
PASA <sup>c</sup>	3	4	4
Contract	11	19	19
Total	37	47	47
Participants <sup>d</sup>	34	82	34
Noncontract			
Contract	26	36	41
Total	60	118	75

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
 (in 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total <i>(of which Title III is)</i>		-		-		-
Title II						
Voluntar. Agencies		-		-		-
World Food Programs		756		472		379
Gov't-to-Gov't		-		-		-
Title II Total		756		472		379
Total P.L. 480		756		472		379

## NIGER

### Development Overview

Niger, one of the world's least developed countries, has a potential for growth despite numerous constraints which presently hamper its development. Annual per capita income is \$340. Only 24% of the land is useful for agriculture and livestock, and productive land is vulnerable to severe droughts and infestations. Only 5% of the population of 5.8 million is literate, and 47% of the population is under 15 years of age. There are insufficient numbers of trained policy makers, administrators, planners, and operating personnel at all levels within the public and private sectors. Being landlocked, Niger's inadequate transport infrastructure and associated high transport costs further impede development. Regeneration of vegetation is being impeded by extensive fuelwood harvesting, and soil fertility is declining because of the use of cattle fodder and dung for fuel.

Despite these constraints, during the period 1975-1980, Niger demonstrated a real potential for growth. The Government of Niger (GON) judiciously allocated its uranium-derived revenues to internal investments and aimed at achieving self-sufficiency in cereals production. Rural sector production grew at a rate of 11% per year. Two years worth of reserve stocks in cereals were produced and herd sizes returned to their pre-drought numbers. By 1980, Niger seemed to be approaching its goal of food self-sufficiency in cereals production.

By 1982, however, due to problems within the nuclear energy industry, the demand for uranium dropped significantly. The decline in Niger's uranium revenues effectively stalled implementation of the five year development plan, forcing a reassessment of development options. From 1979 to 1981, the trade deficit rose by 31% to \$206.5 million (82.6 billion CFA francs). By 1982, public debt servicing rose to 50% of GDP. In the near term, the uranium market is not likely to recover.

The large public debt coupled with decreased revenues has required the GON to seek IMF assistance. The IMF has, in turn, pressed the GON to implement stringent fiscal policies which, however, threaten to stall development in agriculture, human resources, transport, and energy use. For example, in 1983, the GON reduced the national budget by 13.4%, allocating only 9% to investment activities compared to 30-40% during the 1977-1980 period. This decrease in funds allocated to ongoing development activities places them in serious danger of collapsing. It has, therefore, become critical that the GON receive balance of payments and budgetary support which will allow priority development activities in the primary sectors to continue while structural adjustments are made within the economy.

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### U.S. Interests and Objectives

United States interests in Niger are both strategic and humanitarian. The substantial uranium resources have given Niger a degree of importance beyond that of most Sahelian countries. Moreover, the country is directly exposed to Libya's expansionary efforts. The U.S. has an interest in the preservation of President Kountche's pragmatic, generally western-oriented government in the face of the Libyan threat. Niger is directly exposed to Qadhafi's expansionary efforts and President Kountche has often expressed concern over the threat posed to regional security by Libya. Given the deterioration of Niger's economic situation, the U.S. is concerned that Niger's vulnerability to Libyan inspired subversion may increase. U.S. assistance is designed to help narrow the gap between GON's resources and its essential budgetary and developmental needs in order to ensure internal stability and resist pressure from Libya.

The U.S. objective in the short-term is to provide balance of payments and budgetary support to relieve pressure upon the GON while it brings about structural economic adjustments by policy reforms with respect to subsidies, farmgate pricing, and private/public sector participation in the economy. These structural adjustments will also facilitate the successful implementation of A.I.D. project assistance which is focussed upon improving the quality of life in Niger through increased food production, improved health, stabilization of the environment and development of the country's human resource base.

### A.I.D. Development Strategy

A.I.D.'s development strategy in Niger has a short, medium, and long-term focus. The short-term strategy is directed at achieving economic and financial stabilization, sustaining existing investment activities, and utilizing more effectively Niger's available resources. Supportive of the GON goal of food self-sufficiency, in the medium-term, A.I.D. will continue efforts to increase food production, and concurrently, create an institutional planning capacity for development of irrigated agriculture. Over the long-term, training and research programs will emphasize respectively the development of human resources and the identification of appropriate technical packages for Niger's fragile agricultural base. The development of irrigated agriculture is part of A.I.D.'s long-run strategy.

Niger's public debt and decreased foreign exchange revenues have led the GON to implement stringent short-term economic measures which threaten to stall development. However, the GON is also modifying certain policies which have proven counterproductive both in terms of development and balance of payments. The GON still relies primarily on direct economic controls and public sector involvement in the management of the economy, thereby denying the advantages of free market forces. Examples of this are price controls

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and subsidization. While the intent of controls is to ensure affordable food supplies, the result can easily be reduction of supply unless the losses resulting from price control are compensated by subsidization. At a time of declining public sector resources, subsidies constitute a heavy financial burden on the GON, which it can ill afford. Consequently, in the short and medium-term, A.I.D. intends to encourage the GON to expand opportunities in the private sector that will generate additional economic activity and increase revenues; and concurrently to adopt policies favoring private resource mobilization, thereby reducing the extent of government intervention in the economy.

To achieve economic and financial stability, non-project assistance, such as the Rural Sector Development Grant, ESF, and P.L. 480 food, will be provided. (The P.L. 480 food program is necessitated by the disappointing cereals harvest in 1981 and 1982 due to low rainfall.) This assistance will relieve balance of payments pressure and the counterpart resources generated will be used to support the local cost components of ongoing development projects. The counterpart funds will also be used as leverage to encourage the GON to undertake five important policy reform actions in the agriculture and rural development sectors: (1) further reduction in Government subsidies to agricultural inputs; (2) relaxation of Government controls on farmgate prices; (3) increased opportunities for the private sector and individual cooperatives to produce and distribute farm equipment, provide for animal traction, and other agricultural inputs; (4) improvement in agricultural credit policy and in the management of credit systems; and (5) further review of the GON policy governing livestock and grain trade with Nigeria.

In the medium-term (3-5 years), continued support will be provided for the development of the agriculture and livestock sectors through project activities which finance institutional development, training and technology transfer. Again, A.I.D. strategy will stress shifting, where feasible, the financial burden of certain public sector roles to the private sector, cooperatives and local community groups. Indicators used to measure achievement of these objectives include the degree of increased availability and efficiency of food delivery systems, services, and technical inputs along with greater availability of related credit and local financial resources.

### A.I.D. Program (FY's 1983-1984)

#### Economic and Financial Stabilization Support and Policy Reform

In FY 1983, two important policy studies were prepared: Cereals Pricing and Marketing; and Economics of Agricultural Technical Packages. These studies were part of the continuing Joint Program Assessment being conducted by the GON and U.S.A.I.D./Niger and were instrumental in developing a policy

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dialogue between A.I.D. and the GON. Policy reform measures were designed and were subsequently incorporated into the Rural Sector Development Grant (CIP) Agreement. The Joint Program Assessment also sponsored an Agricultural Extension Seminar at Zinder, a Recurrent Costs Workshop and additional studies. The Evaluation Assistance Project (683-0229) has placed advisors in the Ministry of Plan who are assisting in strengthening the Evaluation Unit. Sectoral and project evaluations performed under this project have provided feedback that is influencing policy decisions and improving linkages and information exchanges between the Ministry of Plan, other technical ministries, and USAID.

FY 1983 marked the beginning of A.I.D.'s short and medium-term strategy objective of economic and financial stabilization. The GON received \$5 million of ESF funds as non-project assistance under the Rural Sector Development Grant (CIP) Project (683-0247). The \$5 million grant financed the foreign exchange costs of certain commodities and commodity-related services. It generated local currency to support development projects (particularly agriculture and rural development) mutually agreed upon by the GON and A.I.D. The \$5 million grant was also designed to encourage the GON to undertake five policy changes in the agriculture and rural development sectors noted above.

In FY 1984, A.I.D. plans to obligate \$5 million under a Sahel Development Program funded Rural Sector Development Grant Project (683-0246) and another \$5 million for the second ESF grant to the Rural Sector Development Grant (CIP) Project (683-0247). Both grants will make available foreign exchange to the GON and generate local currency to support development projects. The grants will, also, be the basis for continued dialogue with the GON to implement the five policy reforms in the agriculture and rural development sectors. Beginning in FY 1984, A.I.D. is also proposing a P.L. 480 Title II Section 206 program in vegetable oil, which will provide additional support for economic and financial stabilization goals and contribute local currency for use in support of ongoing agriculture and rural development activities.

### Institutional Development and Technology Transfer

A.I.D.'s medium-term strategy concentrates heavily on institutional development, training, and the transfer of appropriate technology in rainfed agriculture. Our objective is to increase food production by building more effective means to deliver services and goods to the small farmer and to increase the number of qualified personnel managing rural development activities. The Agricultural Production Support Project (683-0234), initiated in FY 1982 but not yet implemented, will improve the GON's capacity to extend adaptable and low cost technologies to small farmers. Cooperative managers and extension agents will be trained to improve upon and expand seed multiplication operations, improve extension

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practices, and strengthen the link between extension coordination and research. In FY 1983, several elements of this project were undergoing a process of analysis and evaluation (e.g., an economic study on seed multiplication, and an analysis of the agricultural input supply systems).

The Forestry and Land Use Planning Project (683-0230) is helping the GON assess its principal natural resources and identify the most practical ways of rehabilitating, protecting, and maintaining the country's soils, water, and natural vegetation. It also enables the GON Forestry Service to improve its planning capacity, train personnel, and initiate and test activities and alternate approaches to soil conservation and forestry production. The recommendations of a major evaluation conducted in FY 1983 will result in revisions to the implementation schedule which will include increased technical assistance and Nigerien counterpart participation. Contract staff should be on site in early 1984.

The Niger Cereals Research Project (683-0225) is a long term institutional development program using Title XII procedures with Purdue University. A.I.D. and Purdue are helping the Niger Institute of Agronomic Research strengthen adaptive research capabilities by providing technical assistance, training, and renovation of research facilities. The majority of long-term participants have arrived in the U.S. to begin training. Sorghum variety trials have started as part of the effort to develop improved cereal varieties and to establish more efficient production and protection practices. The project's first evaluation in 1984 will measure the extent to which national level research targets to improving agricultural productivity are being achieved.

In FY 1984, A.I.D. will conduct an interim evaluation to assess the training program, the effectiveness of extension agents, the degree of cooperative members' participation, the range of activities that cooperatives perform, and the extent of participation of the agents in cooperative management.

### Agriculture and Livestock Production

Tufts University heads the Title XII consortium that will begin implementation of the Integrated Livestock Production Project (683-0242) in FY 1984. The first year's objectives include establishing up to 20 new herder associations (or pre-cooperatives) which will undertake self-managed activities independent in large part from government involvement. Each association will manage a credit fund to purchase animals and grain, train health workers to perform routine preventive health procedures and teach functional literacy and numeracy. Also, the project will conduct interdisciplinary field research in animal productivity and nutrition, habitat utilization, marketing, and veterinary epidemiology.

The Niamey Department Development II Project (683-0240) is expanding the scope of its integrated rural development program by strengthening existing

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village organizations and government support services to ensure credit availability and the reliable delivery of agricultural inputs. In FY 1983, this project underwent an intensive audit and interim evaluation. Both focused on the importance of management in making recommended practices profitable and devising written guidelines and training programs for credit management and inventory control. During FY 1984, additional technical assistance will be available under this project for operating the credit fund, disseminating applied research results, and transferring management and organizational skills to local organizations.

### Private Enterprise Development

The Farm Equipment Enterprises Development Project (683-0243) will begin in FY 1984. This project will increase the availability of animal traction equipment by establishing a network of private metalworking enterprises to manufacture, assemble, repair, and modify farm equipment and its components. The project will help strengthen the institutional capacity of the Office of Nigerian Enterprise Promotion which has the mandate to develop private enterprise.

An Operational Program Grant was made to AFRICARE in late FY 1983 to implement the Rural Irrigated Agriculture Development II (Tara II) Project (683-0245). The grantee will consolidate infrastructure achievements of the Phase I project and encourage efforts toward self-management by members of the rice, fish, poultry and artisan cooperatives. Private sector participation will be increased and dependence on external and public sector support reduced. AFRICARE will assist in overhauling the pumping system to make irrigation available for double cropping.

### Human Resources Development

Human resources development is perhaps the most essential major effort and basic need in Niger. Investments are required to overcome the constraints caused by insufficient numbers of trained personnel. As part of the human resources development effort, A.I.D. has included training components in each A.I.D. project. In FY 1984, two projects, the Rural Sector Human Resources Project (683-0226) and the Rural Health Improvement Project (683-0208) will be continued. The Rural Sector Human Resources Project attempts to increase the capacity of the Institute for Practical Rural Development at Kolo to provide trained mid-level technicians. An evaluation will be done in early FY 1984 to see how successfully the project has met its stated objectives. Based on the results of the evaluation, A.I.D.'s future role in this multi-donor project will be determined. The Rural Health Improvement Project supports the GON's strategy to provide basic health care delivery to the rural population. Project activities include: selecting, training, and equipping village health worker teams; providing preventive and simple curative medicines; and supporting midwife and sanitation education. The project also has been expanded to include the development

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of a national capacity to plan and manage the rural health services system of Niger.

### Requested Year Program (FY 1985)

In FY 1985, A.I.D. will assist the GON with economic and financial stabilization support to prevent further deterioration of the economy. It will help Niger increase food production and contribute to its goal of food self-sufficiency by supporting the development of the agriculture and livestock sectors through project activities which encourage institutional development training and technology transfer. A.I.D. will begin a major initiative in human resources development to improve agriculture and livestock technology.

### Economic and Financial Stabilization Support and Policy Reform

The third tranche (\$7,000,000) of continuing ESF assistance will help to alleviate the GON's immediate budgetary and balance of payments problems. The Rural Sector Development Grant Project (683-0246) will receive \$3,990,000 to finance commodities and technical assistance. Through the use of ESF funds and the Rural Sector Development Grant, the GON will be further encouraged to implement fully the five policy changes in the agriculture and rural development sectors noted above.

### Institutional Development and Technology Transfer

For the Agricultural Production Support Project (683-0234), \$1,500,000 is proposed to develop appropriate technologies for dissemination to small farmers.

Another \$1,500,000 will be directed to the Niger Cereals Research Project (683-0225) to strengthen the adaptive research capabilities of Niger's Institute of Agronomic Research.

For the Forestry and Land Use Planning Project (683-0230), \$555,000 will enable the GON to further strengthen the planning and managerial capability of its Forestry Service.

### Agriculture and Livestock Production

The Integrated Livestock Production Project (683-0242) will receive \$1,100,000 to permit expansion of herder associations and training for herders in preventive health techniques and credit procedures. Range management and marketing studies will continue and the development of the food security index will be completed and ready for validation. Construction activities will be completed in FY 1985.

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For the Niamey Department Development Phase II Project (683-0240) \$1,770,000 will be provided to develop improved technical packages tailored to agro-climatic zones and make them available to field agents and farmer couples trained under the project. The project will continue the improvement of credit operations and strengthen local cooperative organizations.

### Private Enterprise Development

The Farm Equipment Enterprises Development Project (683-0243) will receive \$2 million in incremental funds to strengthen small privately owned enterprises to construct, repair and market farm implements.

### Human Resources Development

The Rural Health Improvement Project (683-0208) will receive \$2,400,000 to continue support for extended rural health services.

The sole new FY 1985 project will be the Training for Human Resources Planning Project (683-0252) for which initial funding of \$3,145,000 is proposed. The project seeks to increase the GON's institutional capacity to plan effectively for its human resources requirements. Long-term training in the U.S. is a major element. Technical assistance will be provided for the planning units of the Ministries of Plan and Rural Development. Work in the first year will be centered on the analysis of cost and workforce implications of the GON's new educational policy.

MISSION DIRECTOR: Irving Rosenthal

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

PROGRAM: NIGER

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD	PLANNED	-THROUGH FY83- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	EXPENDI TURES
HEALTH											
RURAL HEALTH IMPROVEMENT	G 683-0208	78	78	2,000	2,000	2,000	1,285	---	715	---	---
TOTAL FOR ACCOUNT GRANTS				2,000	2,000	2,000	1,285	---	715	---	---
LOANS				2,000	2,000	2,000	1,285	---	715	---	---
SAHEL DEVELOPMENT PROGRAM											
NIGER RANGE AND LIVESTOCK MANAGEMENT	G 683-0202	76	80	3,829	3,829	3,829	3,746	---	83	---	---
RURAL HEALTH IMPROVEMENT	G 683-0208	78	86	12,029	12,029	7,923	4,862	1,700	2,000	2,400	2,000
NIGER SHELTER SECTOR PLANNING	G 683-0224	78	80	571	571	571	429	---	142	---	---
NIGER CEREALS RESEARCH	G 683-0225	82	86	10,600	10,600	5,935	753	1,960	1,700	1,500	1,700
RURAL SECTOR HUMAN RESOURCES DEVELOPMENT	G 683-0226	79	82	5,030	5,030	5,030	2,800	---	1,304	---	926
EVALUATION ASST TO MINISTRY OF PLANNING	G 683-0229	81	82	2,000	2,000	2,000	355	---	750	---	852
FORESTRY AND LAND USE PLANNING	G 683-0230	80	85	3,839	3,839	2,484	1,023	800	1,296	553	1,300
AGRICULTURAL PRODUCTION SUPPORT	G 683-0234	82	87	19,990	19,990	5,845	842	2,600	4,354	1,500	1,500
NIGER SOLAR ENERGY	G 683-0235	78	78	500	500	500	240	---	260	---	---
LITERACY TRAINING	G 683-0237	81	81	1,810	1,810	1,810	201	---	609	---	1,000
NIAMEY DEPARTMENT DEVELOPMENT PHASE II	G 683-0240	81	86	13,582	13,582	8,536	4,612	1,900	2,500	1,770	2,500
INTEGRATED LIVESTOCK PRODUCTION	G 683-0242	83	87	17,500	17,500	10,110	---	---	1,000	1,100	2,500
FARM EQUIPMENT ENTERPRISE DEV. (PVO)	G 683-0243	84	88	---	8,000	---	---	2,000	400	2,000	1,000

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

PROGRAM: NIGER

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
RURAL IRRIGATED AGRI DEV II (PVD)	G 683-0245	83	83	750	750	750	---	---	450	---	200
RURAL SECTOR DEVELOPMENT GRANT	G 683-0246	34	88	---	15,000	---	---	5,000	1,500	3,990	3,000
SMALL PROJECT ASSISTANCE-AID/PC	G 683-0249	83	85	200	200	40	---	40	40	40	40
TRAINING FOR HUMAN RESOURCE PLNG.	* G 683-0252	85	87	---	5,000	---	---	---	---	3,145	500
TOTAL FOR ACCOUNT GRANTS				92,230	120,230	55,363	19,863	16,000	18,388	18,000	19,018
LOANS				92,230	120,230	55,363	19,863	16,000	18,388	18,000	19,018
				---	---	---	---	---	---	---	---
ECONOMIC SUPPORT FUND											
RURAL SECTOR DEV. GRANT-CIP	G 683-0247	83	85	5,000	17,000	5,000	---	5,000	10,000	7,000	7,000
TOTAL FOR ACCOUNT GRANTS				5,000	17,000	5,000	---	5,000	10,000	7,000	7,000
LOANS				5,000	17,000	5,000	---	5,000	10,000	7,000	7,000
				---	---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				99,230	139,230	62,363	21,148	21,000	29,103	25,000	26,018
LOANS				99,230	139,230	62,363	21,148	21,000	29,103	25,000	26,018
				---	---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: NIGER

## PLANNED PROGRAM SUMMARY SHEET

Title Training for Human Resources Planning		Funding Source  SDP	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)			
Number 683-0252		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Set. Act.	FY 1985 3,145	Life of Project Funding 5,000	
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING						Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
						FY 1985	FY 1987	FY 1988

Purpose: To increase the Niger Government's institutional capacity to plan effectively its human resources requirements needed for development.

Project Description: A recent assessment of the education and human resources sector in Niger concluded that the Government lacks the capacity to develop manpower and training plans as well as the supporting cost analysis. The Government must overcome this weakness to reach its development objectives. The Training for Human Resources Planning project will finance two related sub-activities over four years. These sources will include assistance to (1) the Human Resources Unit within the Ministry of Plan and (2) the Training and Human Resources Unit within the Ministry of Rural Development. A.I.D. will help the Ministry of Plan strengthen its analytical capability to plan and cost-out solutions to manpower issues across the sectors. The essential thrust will be to analyze cost and manpower implications of the Government's education policy as contained in the Zinder Declaration. Technical assistance will finance three experts in manpower and human resources planning and both short-term and long-term training in the U.S.

Relationship of Project to A.I.D. Country Strategy: A.I.D. has identified human resources as being a major constraint in meeting A.I.D.'s overall goal of food self-sufficiency in Niger. Shortages of manpower at the middle and higher levels in the agriculture and livestock sectors, poorly trained cadres, high adult illiteracy rate, and high training costs are examples of the constraints in this sector. Our strategy is endangered if these constraints are not removed. Thus, the project will contribute to the resolution of the problems by establishing an institutional foundation for attacking the human resources constraints in Niger.

Host Country and Other Donors: The World Bank is planning to provide assistance to improve the educational planning capacity within the Ministry of National Education (MNE).

The Bank's assistance will center on the formal education system and it will be included in the planned second education loan (FY 1985). The loan will finance improved educational planning, school mapping, school administration, and school construction within the Planning and Construction Unit of the Ministry of National Education. Many other donors, particularly the French and the UN agencies, contribute assistance to human resources development, especially in the formal education system. The Government's contribution will include personnel salaries and related recurrent costs.

Beneficiaries: Mid and high-level civil servants will directly benefit from the project since they will receive long and short-term U.S. training.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (685) SENEGAL

**\*BASIC DATA\***

TOTAL POPULATION.. (THOUSANDS,MID 1983) 6,335  
 PER CAPITA GNP..... (DOLLARS,1981) 430  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 0.2%  
 ANNUAL RATE OF INFLATION (1970-81) 12.0%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( . ) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 44.0 MALE 42.5 FEMALE 45.7  
     (1970) TOTAL 40.3 MALE 38.8 FEMALE 41.9  
 ADULT LITERACY RATE ( . ) TOTAL .% MALE .% FEMALE .%

**\*AGRICULTURE\***

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
     (1973-1982) -4.2%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 20%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 131  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: MILLET ,RICE , 35% (1982)  
     CASH: PEANUTS , , 20% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) PEANUTS , ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) RICE ,WHEAT ,RAW SUGAR  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 76%

**\*CENTRAL GOVERNMENT FINANCES\***

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     (1977) 351 (78) 436 (79) 507  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     (1977) 413 (78) 429 (79) 527  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     (1977) -61 (78) 7 (79) -20  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. ( . ) . % ( . ) . % (75) 10.3%  
     AS % OF GNP..... ( . ) . % ( . ) . % (75) 2.1%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
     (\$MILLIONS, U.S.) (1980) 9 (81) 21 (82) 24  
     EQUIVALENT TO 0.3 MONTHS OF IMPORTS (1978)

**\*FOREIGN TRADE\***

MAJOR EXPORTS... (1981) NUTS ,PHOSPHATES ,FISH  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1980) 9 (1981) 1 (1982) 1  
     AS % OF TOTAL EXPORTS (1980) 2% (1981) 0% (1982) 0%  
 MAJOR IMPORTS....(1981) MANUFACTURES ,MACHIN\*Y/TRANSP ,  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 48 (1981) 41 (1982) 31  
     AS % OF TOTAL IMPORTS (1980) 5% (1981) 5% (1982) 4%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1980) -475(81) -454(82) -360  
 TRADING PARTNERS: FRANCE , ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1982) 53.0%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1982) 85  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1982) 21.0%

**\*SOCIAL DATA\***

POPULATION GROWTH RATE...(1970) 3.0% (1978) 3.1% (1983) 3.2%  
 POPULATION IN URBAN AREAS.....(1970) 24% (1982) 26%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 47 (1983) 50  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1978) 4.0%  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 44.7% (15-64YRS) 52.5% (65+ YRS) 2.8%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 105  
 PEOPLE PER PHYSICIAN..... (1977) 15,739  
 MAJOR CAUSES OF  
 DISEASE (1981) MALARIA ,INFLUENZA ,MEASLES  
 DEATH.. (1982) ENTERIC DISEASE ,MALARIA ,ACUTE RESP. INFE  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 95%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1976) 37%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
     PRIMARY..... (1978) TOTAL 42.0% MALE 51.0% FEMALE 34.0%  
     SECONDARY..... (1975) TOTAL 10.0% MALE 14.0% FEMALE 6.0%  
     POST SECONDARY.. (1977) TOTAL 1.7% MALE 2.7% FEMALE 0.6%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

U.S. OVERSEAS LOANS AND GRANTS — OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years — Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)			
COUNTRY SENEGAL									A. ASSISTANCE FROM INTERNATIONAL AGENCIES — COMMITMENTS			
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1984-85
	1978	1979	1980	1981	1982				TOTAL.....	1981	1982	1978-82
<b>I. ECONOMIC ASSISTANCE — TOTAL</b>	21.5	22.7	27.0	35.5	30.9	203.9	0.5	203.4	142.1	36.4	57.2	780.3
Loans	-	-	7.0	7.0	7.0	8.6	0.5	8.1	55.8	0.0	0.0	158.9
Grants	21.5	22.7	20.0	28.5	23.9	195.3	-	195.3	25.2	0.0	0.0	32.8
<b>a. A.I.D. and Predecessor Agencies</b>	9.7	15.0	10.0	14.8	15.2	93.1	-	93.1	47.1	19.5	32.2	286.5
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Grants	9.7	15.0	10.0	14.8	15.2	93.1	-	93.1	0.0	0.0	0.0	0.0
(Economic Support Fund)	-	-	-	-	-	0.1	-	-	0.0	0.0	0.0	0.0
<b>b. Food for Peace (PL 480)</b>	11.2	5.9	15.1	18.6	12.7	38.9	0.5	88.4	0.0	0.0	0.0	0.0
Loans	-	-	7.0	7.0	7.0	8.6	0.5	8.1	0.0	0.0	0.0	0.0
Grants	11.2	5.9	8.1	11.6	5.7	30.3	-	80.3	0.0	0.0	0.0	0.0
Title I - Total Sales Agreements	-	-	7.0	7.0	7.0	8.6	0.5	8.1	0.0	0.0	0.0	0.0
Repayable in U.S. Dollars - Loans	-	-	7.0	7.0	7.0	7.0	-	7.0	0.0	0.0	0.0	0.0
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	1.6	0.5	1.1	0.0	0.0	0.0	0.0
Title II - Total Grants	11.2	5.9	8.1	11.6	5.7	30.3	-	30.3	0.0	0.0	0.0	0.0
Emerg. Relief, Econ. Develop. & World Food Program	7.1	0.5	3.1	4.2	0.6	36.0	-	36.0	0.0	0.0	0.0	0.0
Voluntary Relief Agencies	4.1	5.4	5.0	7.4	5.1	44.3	-	44.3	0.0	0.0	0.0	0.0
<b>c. Other Economic Assistance</b>	1.6	1.3	1.9	2.1	2.0	21.9	-	21.9	0.0	0.0	0.0	0.0
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Grants	1.6	1.3	1.9	2.1	2.0	21.9	-	21.9	0.0	0.0	0.0	0.0
Peace Corps	1.6	1.3	1.9	2.1	2.0	21.9	-	21.9	0.0	0.0	0.0	0.0
Narcotics	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Other	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>II. MILITARY ASSISTANCE — TOTAL</b>	0.1	0.1	0.2	0.2	0.3	11.8	4.9	6.9	12.0	10.0	11.0	212.6
Credits or Loans	-	-	-	-	-	8.0	4.9	3.1	0.0	0.0	0.0	0.0
Grants	0.1	0.1	0.2	0.2	0.3	3.8	-	3.8	0.0	0.0	0.0	0.0
<b>a. MAP Grants</b>	-	-	-	-	-	2.6	-	2.6	0.0	0.0	0.0	0.0
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	8.0	4.9	3.1	0.0	0.0	0.0	0.0
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	0.1	0.1	0.2	0.2	0.3	1.2	-	1.2	0.0	0.0	0.0	0.0
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	*	-	*	0.0	0.0	0.0	0.0
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	21.6	22.8	27.2	35.7	31.2	215.7	5.4	210.3	154.1	46.4	68.2	992.9
Loans	-	-	7.0	7.0	7.0	16.6	5.4	11.2	55.8	0.0	0.0	158.9
Grants	21.6	22.8	20.2	28.7	24.2	199.1	-	199.1	98.6	46.4	68.2	834.0
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	7.7	6.9	0.8	0.0	0.0	0.0	0.0
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	7.7	6.9	0.8	0.0	0.0	0.0	0.0
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0

\* LESS THAN \$50,000.

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PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs <u>a/</u>	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	19,058	-	-	-	-	-	5,000	14,058
Total	19,058	-	-	-	-	-	5,000	14,058
1984								
Loans	-	-	-	-	-	-	-	-
Grants	31,942	-	-	-	-	-	10,000	21,942
Total	31,942	-	-	-	-	-	10,000	21,942
1985								
Loans	-	-	-	-	-	-	-	-
Grants	32,000	-	-	-	-	-	15,000	17,000
Total	32,000	-	-	-	-	-	15,000	17,000

a/ Sahel Development Program

FY 1985 PROGRAM HIGHLIGHTS	
-	Continuation of balance of payments support program through: Economic Support Fund (\$15.0 million), Agriculture Production Support (\$5.0 million), and PL 480, Title I (\$8.0 million).
-	Continuation of project activities focused on increasing agricultural production through applied Agriculture Research (\$7.0 million), complemented by improved Rural Health (\$1.0 million) and Family Planning Services (\$3.9 million).

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RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	13,209	40,878	27,925
Total AID	13,209	40,878	27,925
P.L. 480**			
Title I	7,000	8,000	8,000
(of which Title III is)	( 7,000 )	( - )	( 8,000 )
Title II	5,259	9,192	5,618
Total P.L. 480	12,259	17,192	13,618
Total AID and P.L. 480	24,468	58,070	41,543

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	25	28	27
PASAC <sup>c</sup>	2	5	5
Contract	54	59	66
Total	81	92	98
Participants <sup>d</sup>			
Noncontract	50	46	30
Contract	7	15	17
Total	57	61	47

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(IN 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	6.0	1,000	6.0	1,000
Rice	11.1	3,500	20.0	7,000	10.0	4,000
Feedgrains	24.6	3,500	-	-	24.0	3,000
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		7,000		8,000		8,000 (8,000)
Title II						
Voluntary Agencies		4,935		5,039		5,240
World Food Programs		309		350		378
Gov't-to-Gov't		15		3,803		-
Title II Total		5,259		9,192		5,618
Total P.L. 480		12,259		17,192		13,618

## SENEGAL

### DEVELOPMENT OVERVIEW

As 1983 ended Senegal continued to be faced with serious economic problems. Poor in natural resources, over-dependent on a single crop (peanuts) for revenue, burdened by high population growth (now estimated at 3.2 percent), and beset by frequent drought, Senegal nonetheless boasted a strong, democratic leadership under President Abdou Diouf. The new government, elected in February 1983, has shown that it is prepared to reconsider Senegal's economic policies and institutions which, in the first two decades since independence, have proven ineffective.

Such fundamental reforms, threatening deeply entrenched interests, are not accomplished over night. In fact, Abdou Diouf, beginning his final year as Prime Minister, announced in December, 1979, the structural reform plan which his present government is continuing to implement. The reform plan aims to balance the budget and stimulate economic (especially rural) growth. It has received the enthusiastic endorsement of Senegal's major donors, including the International Monetary Fund (IMF), the World Bank, France, and the United States, which is concentrating mainly on the agricultural sector.

While President Diouf's previous government took a number of tough measures to stabilize the economy and raise returns to farmers, Senegal's deficits remained high in 1983. In July 1983, the present Diouf administration therefore negotiated a new one year Standby Agreement with the IMF, which allowed Senegal to purchase up to 63 million SDR and which set forth stringent performance criteria. Consequently, on August 19, President Diouf announced a full range of austerity measures, raising the prices of rice (24 percent), sugar (16 percent), cooking oils (20 percent), and petroleum products (8 percent), and cutting public employment and government subsidies. Although these difficult measures will help to redress Senegal's current budget imbalance, the Diouf government will require substantial donor assistance to meet the terms of the Standby and, at the same time, to reduce central controls on agriculture and provide major incentives for rural producers.

A.I.D.'s development focus on food production activities began in 1973 as a result of the 1968 - 1973 drought. Associated closely with these agricultural objectives are improved rural health and nutrition and the regeneration of increasingly desertified areas such as the Peanut Basin, upon which the productivity and well-being of Senegal depends. A.I.D.'s continuing support for project initiatives in these areas, coupled with the increasing emphasis on program assistance, assures the United States of an influential role in the national policy dialogue between the Government of Senegal and the major aid donors.

## SENEGAL

### U.S. INTERESTS AND OBJECTIVES

The primary U.S. interest in Senegal is to contribute to the stability of the present government and to maintain Senegal's long-term pro-Western outlook. Senegal's commitment to democracy and human rights is a matter of record, as is its desire for the peaceful resolution of conflicts in Africa and the Middle East. This commitment is influential in shaping African opinion and complements U.S. policy objectives in the region and in international fora. The U.S. assistance program constitutes an important element in promoting Senegalese opposition to Soviet and Libyan expansionism in West Africa and continued cooperation in granting the United States ready access to Senegalese communications and transportation facilities.

### A.I.D. DEVELOPMENT STRATEGY

To augment national production significantly, Senegal will have to confront several deep-seated problems; a complex centralized system featuring state supply services and marketing monopolies which are costly to administer and which discourage farm production and off-farm enterprises; a burgeoning population with a high degree of illiteracy, suffering from generally poor health and underemployment; and declining fuelwood reserves and soil fertility.

A.I.D.'s current development strategy for Senegal addresses these fundamental problems, in part, through support for President Diouf's economic structural reform program. The present A.I.D. strategy grows out of the U.S. program established in the years following the great Sahelian drought, and was framed in the light of the major evaluation of that program undertaken jointly with the Government of Senegal in 1980. Two of the principal conclusions of the joint evaluation were:

--Senegal's general economic position had taken a precipitous downward turn. The A.I.D. program must take account of Senegal's severe balance of payments and liquidity crisis, and thus must go beyond the traditional project assistance approach which A.I.D. had followed in Senegal until that time; and

--Senegal's Regional Development Agencies, cooperatives and rural credit systems were in serious difficulty. A.I.D. should not only help to reform and reorganize them, but should also find alternative institutions through which to reach rural producers.

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While Senegal, like most of the countries of developing Africa, has for the past 10 years been struggling against the deleterious effects of the worldwide petro/macro-economic situation, further exacerbated by the unfavorable or, at best, uncertain, Sahelian climatic conditions, there have been some gratifying areas of developmental progress. One such area, which will be extremely significant over the longer run, has been the increasingly close collaborative effort between the Government of Senegal and the bilateral and multilateral donors providing assistance to Senegal, which has resulted in much greater effectiveness and efficiency in both the planning and implementation of developmental activities.

At the project level, the success of the development of small irrigated perimeters along the Senegal River Basin has resulted in substantial increases in food crop production, often as high as ten-fold harvest yield increases in sorghum/millet over previous production levels. Delivery of medical services in the rural areas of the Sine Saloum Region has also been highly successful, due mainly to the introduction of the concept of increased local participation, not only in the operation of the system but also in the financing through local taxes and user fees of operational costs. Project efforts have resulted in the establishment of 378 village health huts and 48 government-operated health posts staffed by professional health workers to provide supervision and guidance to the village-level workers, who provide basic first-aid services and disperse medications for malaria, intestinal parasites and other sicknesses easily treated with medications.

Both of these project successes demonstrated dramatically and convincingly to the Government of Senegal the potential benefits of decentralization of developmental activities and encouraged the government to move increasingly toward localized planning and implementation of development programs.

Based on lessons learned, A.I.D. proposes a two-track approach to achieving its primary goal of assisting Senegal to reach food self-reliance by the year 2000. Therefore, A.I.D.'s project assistance is directed first toward a significant increase in and diversification of production and trade, and secondly, toward assisting the government to develop a system of basic village health care, including improved nutrition and access to family planning facilities. A.I.D. will undertake these activities in three geographic zones of relatively high potential over the next five years: the Casamance, the Sine Saloum and the Senegal River Basin. Concentration in these areas is based on the need to ensure program complementarity and management.

A.I.D.'s agriculture strategy will have three objectives: 1) continuing government decontrol and commercialization of the rural production process by encouraging traditional farmers' groups to form effective cooperatives

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and by helping regional development agencies to focus on effective extension programs; 2) promoting production through improved agronomic practices; and 3) enhancing natural resource management to combat the accelerating deterioration of soil and forestry resources engendered by the continuing drought situation.

A.I.D.'s health strategy will contribute to greater per capita food production by creating in the Sine Saloum Region a model self-supporting village health system to improve the health conditions of agricultural producers. If successful, this approach may be extended throughout the country. The Sine Saloum model is partially self-financing and provides simple preventive and curative services, including family planning and nutrition surveillance.

As recommended in the 1980 joint evaluation, the current A.I.D. strategy retains some elements of the former program, which sought to increase food production solely through selective project assistance. For example, A.I.D. will continue projects which build Senegalese capability for agricultural research and extension and which introduce village health systems.

Given the above, A.I.D.'s near term strategy will emphasize non-project aid using P.L. 480 Title I/III, the Economic Support Fund (ESF), and program grants. Over one-half of the bilateral program for FY 1983 and over seventy percent of the FY 1985 program will be non-project assistance designed to: 1) ease Senegal's balance of payments difficulties; 2) provide local currencies for productive undertakings to compensate for internal budget and counterpart fund shortages; and 3) continue a policy dialogue in conjunction with the IMF, the World Bank, and France, aimed at accelerating Senegal's structural reform program.

### THE A.I.D. PROGRAM (FY'S 1983 - 1984)

Since FY 1983, A.I.D.'s Senegal program has placed greater emphasis on non-project assistance, including the Agriculture Development Assistance program (685-0249) and the Economic Support Fund program (695-0262), both funded at a level of \$5 million, and a P.L. 480 Title III program of \$7 million, which has been extended into a fourth year. The Agriculture Development Assistance Project, by financing the importation of fertilizer, will encourage the Government of Senegal to undertake reforms in the pricing and marketing of fertilizer and to begin rebuilding the cooperative and rural credit systems. The ESF program, which in FY 1983 financed general imports to upgrade and maintain Senegal's rural roads network, will in FY 1984 provide budgetary resources to help meet the requirements set forth in the IMF Standby Agreement. A P.L. 480 Title I program in FY 1984 will also contribute to this objective.

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Sahel Development Program project assistance is continuing to support activities in the agriculture, rural health and nutrition, and soil/forestry regeneration areas and will increasingly focus on the development of the private sector.

A. Agriculture: The Casamance Regional Development Project (685-0205), A.I.D.'s largest undertaking in Senegal, seeks to strengthen the government's extension and research services in one of the most fertile areas of the country. The program evaluation in mid-1983 supported the joint GOS/A.I.D. objective of decentralizing and reorienting the regional development and extension agencies, SOMIVAC and PIDAC. The credit component, which will become fully operational in FY 1984, will make credit available to farmer groups and provide literacy and numeracy training. Recent evaluations of the project have verified substantial increases in production of both rice and maize as a result of A.I.D.'s assistance. This project will receive its final funding increment in FY 1984.

The Bakel Small Irrigated Perimeters Project (685-0208) is a pilot program for irrigated agricultural production on the Senegal River. Based on substantial and sustained increases in rice production and enthusiastic farmer participation, A.I.D. is considering expanding this project to the regional level under the OMVS Integrated Development Project (625-0261) in FY 1984. In the 1983/84 crop season, the Bakel project is expected to nearly double its cultivated hectareage to 1,100 ha.

A.I.D. also continues to be a major donor in efforts to help Senegal's agricultural research system provide small farmers with better methods and materials. Under the Agriculture Research and Planning Project (685-0223), Michigan State University is helping Senegal's Agriculture Research Institute (ISRA) establish farm systems research teams in two of the three principal growing zones, Casamance and Fleuve, with expansion to the Sine Saloum region scheduled for FY 1984. A.I.D. is also assisting agricultural research in the Senegal River Basin under the OMVS Agricultural Research Project (625-0957). Title III local currencies provided under the FY 1983 \$7 million amendment will be used to support the recurrent costs of ISRA while targetting major amounts at environmental rehabilitation programs in the Peanut Basin.

B. Health: A.I.D. is continuing to help in establishing Senegal's first village primary health care system in the Sine Saloum through the Rural Health Services Project (685-0210), which will be followed in FY 1984 by a Phase II project (685-0242). This second generation project will provide additional financial and human resources to expand the program and continue support to health posts and the regional level of the health care system. A recent evaluation concluded that the project will be almost totally sustained by the beneficiaries after the completion of Phase II. The final funding increment for the Family Health Phase I Project (685-0217) will be provided in FY 1984 to bridge the gap while the Family Health Phase II (685-0248) design is being carried out. The Bakel (685-0208) and Casamance (685-0205) agriculture production projects also contain health surveillance components.

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C. Institutional Development: A project management training program at the National School of Applied Economics (ENEA) will be conducted under the Rural Management Training Project (685-0256) through a contract with Texas Tech University. This training will focus particularly on training rural development agents in project design, implementation and evaluation by means of revising ENEA's curriculum. The final funding increment will be made for this project in FY 1984.

Two additional projects beginning in FY 1984 will be the Community and Enterprise Development Project (685-0260) and a program grant under the Economic Support Fund program (685-0278). The former, to be fully funded for \$9 million in FY 84, will utilize private and voluntary organizations (PVOs), indigenous as well as international, to strengthen agricultural production groups and small off-farm enterprises in the Sine Saloum region through training (including functional literacy) and credit. The PVOs will also assist other village organizations to implement development projects from other funding sources. An evaluation and management unit, as part of the project, will assess its progress.

Also in FY 1984, A.I.D. will carry out an assessment of Senegal's agriculture sector. A thorough study will be made of the Government of Senegal's plans to provide credit to small farmers before A.I.D. funds are made available for credit under the Agriculture Development Assistance Project (685-0249), initiated in late FY 1983. This study will provide the basis for further A.I.D. interventions in the agriculture sector.

D. P.L. 480 Title II will continue at relatively constant levels, with nutritional diet supplements for over 200,000 mothers and children. The final results of the Title II evaluation conducted in late FY 1983 will be the focal point of a joint GOS/A.I.D. workshop in FY 1984. The workshop conclusions will guide future Title II activities.

### REQUESTED YEAR PROGRAM (FY 1985)

While program assistance, amounting to over 70 percent of total funds to Senegal in FY 1985, will continue to be the primary element of the U.S. assistance program, Sahel Development Program assistance will remain targetted on those key developmental activities which have proven themselves effective in increasing agricultural production, improving rural health and nutrition and regenerating soils and forests. A.I.D. has initiated a comprehensive evaluation system to assure that successful activities are continued and less productive projects are redesigned or terminated.

Health: A.I.D. will provide the final funding increment for the Rural Health Services Phase II Project (685-0242), which will carry the project to completion in FY 1988. Family Health Care Phase II (685-0248) will begin in FY 1985, continuing family health/family planning activities begun under the initial project. This project will also expand from the urban setting of

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Phase I to the rural areas, with particular emphasis on the Senegal River Basin. Both of these health/population projects are closely linked to the primary objective of increasing per capita agricultural production in Senegal.

Agriculture: The Agricultural Research and Planning Project (685-0267)  
Phase II, also continuing a long-range effort, builds upon earlier achievements by refining research methodology and by improving ISRA's policy making capability. The project will help the government achieve food self-reliance by improving agricultural policies and technology.

The Agriculture Production Support program (685-0269) will continue to support the Government of Senegal's structural reform program while strengthening village level producer groups through training programs and access to credit. A further increment of ESF funds will be made in FY 1985 in support of the FY 1983 ESF program (685-0262) to continue the rural roads maintenance program, which is essential to farm marketing. Using World Bank-trained crews, over 1,000 miles of rural roads will be upgraded and maintained.

MISSION DIRECTOR: Sarah Jane Littlefield

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

PROGRAM: SENEGAL

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
AGRICULTURE, RURAL DEV. AND NUTRITION											
SMALL IRRIGATED PERIMETERS	G 685-0208	77	81	4,200	4,200	4,200	3,834	---	366	---	---
GRAIN STORAGE	G 685-0209	77	77	4,900	4,900	4,900	4,471	---	429	---	---
TOTAL FOR ACCOUNT GRANTS				9,100	9,100	9,100	8,305	---	795	---	---
LOANS				---	---	---	---	---	---	---	---
SELECTED DEVELOPMENT ACTIVITIES											
PATTE D'OIE IMPROVEMENT	G 685-0226	79	79	1,300	1,300	1,300	1,200	---	100	---	---
TOTAL FOR ACCOUNT GRANTS				1,300	1,300	1,300	1,200	---	100	---	---
LOANS				---	---	---	---	---	---	---	---
SAHEL DEVELOPMENT PROGRAM											
RANGE AND LIVESTOCK DEVELOPMENT I	G 685-0202	75	83	2,400	2,400	2,400	1,326	---	1,000	---	74
CASAMANCE REGIONAL DEVELOPMENT	G 685-0205	78	84	23,710	23,710	18,816	10,726	4,894	4,000	---	4,000
SMALL IRRIGATED PERIMETERS	G 685-0208	77	83	3,009	3,009	3,009	1,701	---	1,308	---	---
RURAL HEALTH SERVICES DEVELOPMENT	G 685-0210	77	83	2,075	2,075	2,075	1,546	---	250	---	279
FAMILY HEALTH SERVICES	G 685-0217	79	84	1,900	2,765	1,883	748	665	1,336	---	464
SAED TRAINING	G 685-0218	78	82	4,530	4,530	4,530	2,798	---	1,375	---	357
FUELWOOD PRODUCTION	G 685-0219	79	82	3,434	3,434	3,434	3,073	---	361	---	---
YOUTH JOB DEV-YMCA/ORGAN REHAB TRNG(PVO)	G 685-0222	79	83	3,008	3,008	3,008	2,051	---	957	---	---
AGRICULTURAL RESEARCH AND PLANNING	G 685-0223	81	84	4,950	4,950	4,950	960	---	1,300	---	1,300
SODESP LIVESTOCK PRODUCTION	G 685-0224	79	84	8,000	7,030	7,030	4,321	---	1,660	---	1,049

\* Refers to the planned project summary sheet

C Level of effort activity

135

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

PROGRAM: SENEGAL

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH FY83- OBLIG EXPENDI ATIONS TURES	-ESTIMATED FY84- OBLIG EXPENDI ATIONS TURES	-PROPOSED FY85- OBLIG EXPENDI ATIONS TURES			
NATIONAL PLAN FOR LAND USE - DEVELOPMENT	G 635-0233	81	82	2,000	2,000	2,000	769	---	1,039	---	192
SENEGAL CEREALS PRODUCTION PHASE II	G 685-0235	80	83	7,700	7,700	7,700	4,270	---	2,400	---	1,030
RURAL HEALTH SERVICES II	G 635-0242	84	85	---	8,000	---	---	6,978	2,377	1,022	1,640
FAMILY HEALTH SERVICES II	* G 635-0248	85	86	---	7,000	---	---	---	---	3,938	750
AGRICULTURE DEVELOPMENT ASSISTANCE	G 635-0249	83	83	5,000	5,000	5,000	---	---	3,000	---	---
MILLET PROCESSING	G 685-0250	81	81	500	500	500	231	---	280	---	---
INFORMATION AND MANAGEMENT OF RESEARCH	G 685-0255	81	81	100	100	100	48	---	50	---	---
RURAL MANAGEMENT (ENEA)	G 635-0256	82	84	3,000	3,365	3,000	215	365	450	---	550
COMMUNITY ENTERPRISE DEVELOPMENT (PVO)	G 635-0260	84	84	9,000	9,000	---	---	9,000	1,800	---	---
AGRICULTURAL RESEARCH & PLANNING II	* G 685-0267	85	85	---	7,000	---	---	---	---	7,000	1,200
AGRICULTURE PRODUCTION SUPPORT	* G 635-0269	85	87	---	25,000	---	---	---	---	5,000	5,000
SMALL PROJECT ASSISTANCE-AID/PC	G 685-0270	83	84	120	120	---	---	40	40	40	40
TOTAL FOR ACCOUNT				84,436	131,696	69,435	34,783	21,942	24,983	17,000	17,925
GRANTS				84,436	131,696	69,435	34,783	21,942	24,983	17,000	17,925
LOANS				---	---	---	---	---	---	---	---
ECONOMIC SUPPORT FUND											
COMMODITY IMPORT PROGRAM	G 635-0262	83	86	5,000	30,000	5,000	---	---	5,000	15,000	10,000
RURAL SECTOR DEVELOPMENT GRANT	G 635-0278	84	84	10,000	10,000	---	---	10,000	10,000	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

PROGRAM: SENEGAL

CP 35

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG EXPENDI ATIONS TURES	-ESTIMATED FY84- OBLIG EXPENDI ATIONS TURES	-PROPOSED FY85- OBLIG EXPENDI ATIONS TURES
TOTAL FOR ACCOUNT GRANTS			15,000	40,000	5,000	---	10,000
LOANS			15,000	40,000	5,000	---	10,000
			---	---	---	---	---
TOTAL FOR COUNTRY GRANTS			109,836	182,096	34,835	44,288	31,942
LOANS			109,836	182,096	34,835	44,288	31,942
			---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column -- All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: SENEGAL

## PLANNED PROGRAM SUMMARY SHEET

Title Family Health Care Phase II		Funding Source SDP	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 685-0248		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	FY 1985 3,938	Life of Project Funding 7,000
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING						Initial Obligation	Estimated Final Obligation
						FY 1985	FY 1986
							Estimated Completion Date of Project FY 1991

Purpose: To provide medically sound and culturally acceptable child spacing services; to offer low cost contraceptive technology outside the normal health services; to provide widespread education about reproduction and family health; and to sensitize Senegalese decision makers regarding the demographic situation in Senegal.

Project Description: This project is an extension of the Family Health Phase I project which, beginning in urban centers, supports family planning activities in the most heavily populated regions of Senegal (Cap-Vert, Thies, Sine-Saloum, and Casamance). Phase I establishes a project management team within the Government, composed of elements of the Ministries of Health and Social Development, to direct family planning policies and practices. In addition, Phase I is supporting family planning in the private sector through the Senegalese Association for Family Welfare (ASBEF).

Phase II will have four principal components. First, the majority of Senegalese today live in villages of 500 to 1000 people which are located at least 10 to 15 kilometers from the nearest health center. Nurses who run the health centers and who supervise the village community health workers will be trained under the project to explain the advantages of child spacing to the population of their areas (the four regions of Phase I plus the Senegal River Basin Region) and to provide initial counseling and contraceptives to those couples wishing to use them.

Second, the Phase II Family Health project will improve the overall quality of maternal child health care in Senegal by providing long term participant training for a total of 12 upper middle level health and animation technicians from the Ministry of Health and the Ministry of Social Development. These individuals will be trained for two years in the United States at the Masters degree level in public health or in disciplines related to public communication and adult education.

Third, the Phase II will continue to insure that ASBEF plays an important role in promoting family planning through the private sector.

Finally, the Phase II project will promote operations research to provide detailed information affecting the delivery of improved maternal and child health services and the effective development of adult information programs. The project will fund a total of four to eight research projects to be executed by Senegalese institutions.

Relationship of the Project to A.I.D Country Strategy: The goal of the A.I.D. program is food self-sufficiency for Senegal by year 2000 -- through increased agricultural production, storage and trade. Senegal is not likely to attain a reliable food surplus, however, at the present rate of demographic expansion, estimated to be 3.2 percent. The health of the population, therefore, associated with a declining population growth rate, is essential to the attainment of the A.I.D. program goal. The Project will assist the Government to formulate a family planning strategy which will be implemented in close relation to the village health delivery system now being established by A.I.D.'s Rural Health Services II project and through the health components of other A.I.D. activities in the Casamance and Senegal River Basin.

Host Country and Other Donors: The United Nations Fund for Population Activities (UNFPA) will continue to be, after A.I.D., the only other important donor in this sector. UNFPA is already funding a number of research projects in the field of demography and family planning, and has recently initiated a three year Family Welfare Project which will impact on the remaining four regions of Senegal.

Beneficiaries: The primary beneficiaries of this program will be Senegalese women of reproductive age, particularly those living in the five regions named above. These women will deliver approximately 300,000 infants per year whose chance to develop into vigorous healthy children will be enhanced if birth intervals are prolonged.

PROGRAM: SENEGAL

## PLANNED PROGRAM SUMMARY SHEET

Title Agricultural Research and Planning Project - Phase II		Funding Source  SDP	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 685-0267		Population	ED. & HR	Sel. Act.	FY 1985 7,000	Life of Project Funding 7,000	
<input checked="" type="checkbox"/> GRANT	<input type="checkbox"/> LOAN	<input type="checkbox"/> CONTINUING			Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
					FY 1985	FY 1985	FY 1989

Purpose: To continue support for the National Agricultural Research Institute (ISRA) in the establishment of a department of farming systems research and of a central office of macro-economic analysis. Phase II will refine farm systems research methodologies and will fully establish this research program in Senegal's three major production zones.

Project Description: Phase I of the project was approved in April 1981, as designed by Michigan State University under a Collaborative Assistance Agreement. The first phase assists ISRA to establish a Farming Systems Research Department and a Macro-Economic Analysis Unit, which will improve understanding of and delivery of services to the basic farm systems and to guide government policy-makers in formulating policies that will result in increased agricultural output. Phase one also begins to apply this research in the regions of the Casamance, the Sine Saloum, and the Senegal River Basin where potential for agriculture production is good.

Phase Two will be directed at refining research methodology and improving the effectiveness of the farming systems research network, improving technology trials on farmers' fields and revising research priorities for experiment stations. This phase will also compile a multi-year data base of farm information from which the Macro-Economic Unit can study a range of policy and planning questions, such as the effect of prices on production in various zones of the country, and other factors which influence farmers in their decisions regarding commercial and cash crops.

In addition Phase II will provide training for future expansion of the farming systems research program. Consultants will be provided to assist in improving farming systems research methodology and commodities will be provided to maintain the research units and up-date equipment. At the end of Phase II the project will have produced a reliable multi-year data base, an operational research network, a macro-analysis unit and a staff of experienced ISRA personnel. The U.S. input into this research program will be progressively phased down in the

subsequent Phase III which will provide mainly specialized consultancy and participant training.

Relationship of the project to A.I.D. Country Strategy: This project will improve Senegal's agricultural technology and accelerate the national rate of economic recovery and growth. The project is an essential part of USAID's program for helping Senegal achieve food self-reliance. It will support the expansion of production potential in the three regions of primary interest to USAID, and will at the same time improve Senegal's capability for national policy analysis in agriculture.

Host Country and Other Donors: The two units which have been established at ISRA under Phase One and which will be strengthened under Phase Two, are elements in the reorganization plan prepared for ISRA by the International Agricultural Development Service, a derivative of the Rockefeller Foundation. The implementation of this reorganization plan has been jointly supported by the World Bank, by French aid and by Belgium assistance programs as well as by A.I.D. The cooperation of the host government and of other donors has been excellent in undertaking Phase I of the project. The GOS has nominated well-qualified individuals as counterparts and for participant training, and has allocated to the project the needed facilities and resources for its field and station trials. The advancement of the date for completion of Phase II is only possible because of the excellent cooperation of the ISRA and its supporting donors.

Beneficiaries: This project will directly benefit a limited group of farmers who collaborate in the field research conducted by the three farming systems teams. These farmers will number about 3000 and their production is expected to be increased by about one third during the life of the project. However the more important benefits will be those realized a few years later by the total farming community represented by the pilot farmers cooperating in the project, about 75 percent of the farming enterprises of Senegal.

PROGRAM: SENEGAL

## PLANNED PROGRAM SUMMARY SHEET

Title Agricultural Production Support Program		Funding Source SDP	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 685-0269		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	FY 1985 5,000	Life of Project Funding 25,000
<input checked="" type="checkbox"/> GRANT	<input type="checkbox"/> LOAN	<input type="checkbox"/> CONTINUING				Initial Obligation	Estimated Fin. Obligation
						FY 1985	FY 1987
							Estimated Completion Date of Project FY 1989

Purpose: To increase the participation of farmers' groups at the village level and to strengthen the role of the off-farm private sector in the improvement of Senegal's agriculture production.

Project Description: Under the Government's decentralization policy, designed to stimulate rural production, the strengthening of the village as an economic unit is an essential factor. The SOS has passed the necessary enabling legislation and initiated the rural recovery program in 1983 with the establishment of the Caisse Nationale de Credit Agricole combined with cooperative reorganization designed to give village level producer groups the training and the means to manage their own affairs.

The USAID provided support to this program in FY 1983 (Agriculture Development Assistance, 0249) by assisting in the establishment of the credit fund, by aiding village leadership training, and by providing a land improvement fund. However, these elements of support were limited pending the completion of an agricultural sector assessment which will determine in a systematic fashion the most critical factors in the economic recovery of Senegal's rural sector. This sector assessment will not be completed and reviewed before June 1984. It will determine in large part the nature of the program here described which, for the sake of present planning, the USAID assumes will continue and expand upon the on-going activity (0249).

If this assumption proves correct, the new program will continue to provide foreign exchange for the importation of raw materials for fertilizer manufacture. Available seed varieties and technology provides about a 4:1 return from fertilizer, which the government in its present straits, finds it difficult to procure in adequate quantities. Under the new program, the local currency generated by the sale of the imported fertilizer is to be used for expansion of the supply of rural credit, for the training of members and officers of the village cooperatives, and for the improvement of village storerooms. These currencies will also supply credit for rural private enterprise and will help to expand the land improvement fund for stabilization of the environment.

This project will thus support Senegal's new policies of increasing farmer participation and strengthening the role of the local private sector in the rural economy, policies with which USAID is in entire agreement.

Relationship of Project to A.I.D. Country Strategy: The USAID program in Senegal is focussed heavily on the agricultural sector because of the major role played by this sector in the economic activity of the country. The USAID Country Strategy provides for balance of payments support consistent with our support for the decentralization and privatization of expanded agricultural production. The proposed project meets these criteria by supporting the importation of fertilizer raw materials and directing the local currency into strengthening of rural infrastructure. The management requirements for this project can also be fully met within the Mission staffing plans.

Host Country and Other Donors: The Government's economic reform plan gives major attention to the strengthening of the village producer group. The purpose is to give this group greater responsibility and increase the resources at the group's disposal for agricultural production activities. While others donors have not traditionally supported fertilizer supply, the IMF and World Bank have been intensely interested in the lowering of fertilizer subsidies. The Caisse Centrale (France) has provided major assistance in the reform of rural credit and considers the joint support by USAID and other donors as a useful means of promoting the institutional and credit reforms being undertaken in this new program.

Beneficiaries: This project will provide about one third of the fertilizer used in Senegal in a normal crop year, thus benefiting directly some 300,000 farm families. The credit funds and institutional services will also be of the same order of benefit, but not necessarily to the same geographic area.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (686) UPPER VOLTA

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 6,569  
 PER CAPITA GNP..... (DOLLARS,1981) 240  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 1.8%  
 ANNUAL RATE OF INFLATION (1970-81) 9.5%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 39.5 MALE 38.0 FEMALE 41.1  
     (1970) TOTAL 37.2 MALE 35.8 FEMALE 38.8  
 ADULT LITERACY RATE (1975) TOTAL 9% MALE 15% FEMALE 3%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) 0.6%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 38%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 123  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: SORGHUM ,MILLET ,CORN 81% (1982)  
     CASH: COTTON ,PEANUTS , 11% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COTTON ,LIVESTOCK ,SHEA NUTS  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT ,RICE ,DAIRY PRODS.  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 82%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     (1977) 128 (78) 144 (79) 167  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     (1977) 110 (78) 138 (79) 194  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     (1977) 18 (78) 7 (79) -26  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. (1977) 20.8% (78) 23.5% (79) 16.5%  
     AS % OF GNP..... (1977) 2.9% (78) 3.1% (79) 2.5%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
     (\$MILLIONS, U.S.) (1980) 69 (81) 76 (82) 67  
 EQUIVALENT TO 2.4 MONTHS OF IMPORTS (1979)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) LIVESTOCK ,NUTS ,SHEA NUTS  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1980) 0 (1981) 0 (1982) 0  
     AS % OF TOTAL EXPORTS (1977) 0% (1978) 0% (1979) 0%  
 MAJOR IMPORTS....(1981) TEXTILES ,FOODSTUFFS ,TRANSPORT EQPT  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 32 (1981) 36 (1982) 15  
     AS % OF TOTAL IMPORTS (1977) 9% (1978) 11% (1979) 8%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1977) -126(78) -148(79) -179  
 TRADING PARTNERS: , ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 36.8%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1981) 14  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1979) 7.1%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 1.5% (1978) 1.9% (1983) 2.5%  
 POPULATION IN URBAN AREAS.....(1970) 7% (1982) 10%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 48 (1983) 47  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 44.7% (15-64YRS) 52.5% (65+ YRS) 2.8%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 181  
 PEOPLE PER PHYSICIAN..... (1981) 50,000  
 MAJOR CAUSES OF  
 DISEASE (1961) MALARIA ,TRACHOMA ,MEASLES  
 DEATH.. (19 ) , ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 93%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1975) 25%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
     PRIMARY..... (1980) TOTAL 20.5% MALE 26.0% FEMALE 15.1%  
     SECONDARY..... (1980) TOTAL 3.3% MALE 4.3% FEMALE 2.4%  
     POST SECONDARY.. (1977) TOTAL 0.2% MALE 0.3% FEMALE 0.1%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

U.S. OVERSEAS LOANS AND GRANTS — OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years — Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)				
COUNTRY UPPER VOLTA									A. ASSISTANCE FROM INTERNATIONAL AGENCIES — COMMITMENTS				
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-83	
	1978	1979	1980	1981	1982				TOTAL.....	72.3	47.3	22.4	463.6
<b>I. ECONOMIC ASSISTANCE — TOTAL</b>	20.7	27.0	22.7	30.7	19.6	188.9	-	188.9					
Loans	-	-	-	-	-	-	-	-					
Grants	20.7	27.0	22.7	30.7	19.6	188.9	-	188.9					
<b>a. A.I.D. and Prodecessor Agencies</b>	11.4	15.9	9.2	14.1	11.2	83.9	-	83.9					
Loans	-	-	-	-	-	-	-	-					
Grants	11.4	15.9	9.2	14.1	11.2	83.9	-	83.9					
(Economic Support Fund)	-	-	-	-	-	-	-	-					
<b>b. Food for Peace (PL 480)</b>	8.3	9.6	12.2	15.2	6.8	92.3	-	92.3					
Loans	-	-	-	-	-	-	-	-					
Grants	8.3	9.6	12.2	15.2	6.8	92.3	-	92.3					
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-					
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-					
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-					
Title II - Total Grants	8.3	9.6	12.2	15.2	6.8	92.3	-	92.3					
Emerg. Relief, Econ. Develop. & World Food Program	0.9	3.0	3.7	3.0	1.3	35.8	-	35.8					
Voluntary Relief Agencies	7.4	6.6	8.5	12.2	5.5	56.5	-	56.5					
<b>c. Other Economic Assistance</b>	1.0	1.5	1.3	1.4	1.5	12.7	-	12.7					
Loans	-	-	-	-	-	-	-	-					
Grants	1.0	1.5	1.3	1.4	1.6	12.7	-	12.7					
Peace Corps	1.0	1.5	1.3	1.4	1.6	12.7	-	12.7					
Narcotics	-	-	-	-	-	-	-	-					
Other	-	-	-	-	-	-	-	-					
<b>II. MILITARY ASSISTANCE — TOTAL</b>	-	0.1	0.1	0.1	0.1	0.5	-	0.5					
Credits or Loans	-	-	-	-	-	-	-	-					
Grants	-	0.1	0.1	0.1	0.1	0.5	-	0.5					
<b>a. MAP Grants</b>	-	-	-	-	-	0.1	-	0.1					
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-					
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	0.1	0.1	0.1	0.1	0.4	-	0.4					
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-					
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-					
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	20.7	27.1	22.8	30.8	19.7	189.4	-	189.4					
Loans	-	-	-	-	-	-	-	-					
Grants	20.7	27.1	22.8	30.8	19.7	189.4	-	189.4					
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	1.0	0.3	0.2					
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	1.0	0.3	0.2					
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-					
* LESS THAN \$50,000.													

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE				
1. D.A.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-82	
United States	39.0	26.0	136.0	
France	71.7	43.7	246.4	
Germany Fed. Rep.	32.8	25.9	168.6	
Netherlands	19.7	26.9	115.3	
Canada	7.3	9.8	43.1	
Other	6.8	7.7	41.0	
Total	177.3	140.0	750.4	
2. O.P.E.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1954-82	
USSR	-	-	5	
Eastern Europe	-	-	-	
China	-	-	50	
Total	-	-	55	

## UPPER VOLTA

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other <u>a/</u> Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	270	-	-	-	-	-	-	270
Total	270	-	-	-	-	-	-	270
1984								
Loans	-	-	-	-	-	-	-	-
Grants	7,800	-	-	-	-	-	-	7,800
Total	7,800	-	-	-	-	-	-	7,800
1985								
Loans	-	-	-	-	-	-	-	-
Grants	7,000	-	-	-	-	-	-	7,000
Total	7,000	-	-	-	-	-	-	7,000

a/ Sahel Development Program

FY 1985 PROGRAM HIGHLIGHTS	
-	New Forestry Resources Management project to expand management practices to all national forests and develop and disseminate energy conservation technologies through the private sector(\$2.0 million).
-	Continued emphasis on increased agricultural productivity and improved policy making capabilities (\$4.96 million).
-	Continued provision of P.L. 480 food commodities through Catholic Relief Services to reduce malnutrition of 375,000 recipients (\$6.0 million).

UPPER VOLTA

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	7,866	11,109	7,265
Total AID	7,866	11,109	7,265
P.L. 480**			
Title I (of which Title III is)	( - )	( - )	( - )
Title II	7,156	7,363	10,177
Total P.L. 480	7,156	7,363	10,177
Total AID and P.L. 480	15,022	18,472	17,442

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	21	21	21
PASA <sup>c</sup>	8	12	10
Contract	25	54	30
Total	54	87	61
Participants <sup>d</sup>			
Noncontract	8	40	108
Contract	-	-	-
Total	8	40	108

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(in 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		4,822		6,674		7,138
World Food Programs		1,432		689		719
Gov't-to-Gov't		902		-		2,320
Title II Total		7,156		7,363		10,177
Total P.L. 480		7,156		7,363		10,177

## UPPER VOLTA

### Development Overview

Upper Volta continues to face enormous development challenges. With a per capita income of \$240 in 1981 and a rapidly growing population (2.6%), Upper Volta is ranked as one of the poorest countries in the world. The trained human resource base is small, and the country's infrastructure is limited. The low literacy level inhibits effective dissemination of new agricultural techniques. Soils are generally mediocre, with fallow time for regeneration growing shorter as the population doubles every 30 to 35 years. Only in the southwest is there good potential for increasing both yields and area under cultivation.

The large number of Voltans working outside the country (500,000 - 1,000,000) provides much needed foreign exchange; conversely, it contributes to a manpower shortage during the agricultural growing season. The growing demand for firewood threatens to denude the more densely populated areas of the country within 20 years. Limited availability of water not only keeps rural water consumption down to 5 liters per person daily, but also discourages vegetable gardening. Present farming techniques give low hectare yields and limited potential surpluses. Poor health and scarce health care facilities make rural life difficult and hazardous.

Although Upper Volta's development prospects may seem bleak, there is a positive side. Economic growth has remained slightly ahead of population increase despite the drought years.

The heart of Upper Volta's economy is agricultural, from which 38 percent of the GDP (1981) and 87 percent of all export earnings are derived. Further progress in agriculture will depend on the development of more productive, sustainable techniques for semi-arid areas and the strengthening of research and extension institutions to develop and spread these techniques. It will also depend on modifying certain policies such as agricultural input marketing structures to permit the system to work more efficiently.

### U.S. Interests and Objectives

Until recently, U.S. interests in Upper Volta have been fundamentally humanitarian and developmental. With the election of Upper Volta to the United Nation's Security Council, our relations now assume a much greater political importance. We are deeply interested in maintaining good relations with this nation which has had a history of moderation in international affairs. Recent political events have, however, led to uncertainty over the direction of Upper Volta's economic and foreign policies. The United States is engaged in a continuous assessment of Voltan policies.

## UPPER VOLTA

U.S. development objectives are the promotion of social and economic growth through some of the key priority areas defined by the member countries of the Permanent Interstate Committee for Drought Control in the Sahel (CILSS). In Upper Volta, these priority areas of U.S. assistance are agriculture/rural development, natural resource development and environmental protection, and rural health care delivery. The program goals are to obtain food and nutritional sufficiency and security, and a higher quality of rural life in a context of self-sustaining economic growth.

### A.I.D. Development Strategy

Over the past four years, A.I.D. has sharpened the focus of its assistance to concentrate on agriculture and protection of the natural resource base. In order to improve the management of its project portfolio and consequently enhance the impact of its program in Upper Volta, A.I.D. evaluated previous experiences in numerous small projects in diverse regions of the country and determined that Upper Volta needs to make substantial improvements in the areas of agricultural policy coordination and planning. Thus, A.I.D. assistance is aimed at improving the capacity of Upper Volta's central ministries and private sector to do the policy analysis and planning required to efficiently manage limited resources and insure that those resources are directed at areas offering the greatest opportunity for economic growth.

A concentration of bilateral assistance activities in the agricultural sector will build upon the success of projects in seed multiplication, varietal development and on-farm research, and will provide mechanisms for increasing the transfer of the considerable U.S. technological know-how in agriculture. A.I.D. will also engage the government in a dialogue on policies affecting agricultural production, such as the pricing and marketing of certain inputs. The second priority area, natural resource management, will build on training efforts now underway in several projects, including the West Africa Remote Sensing Project (698-0420). This assistance will finance activities to protect the natural resources that agriculture depends upon to renew its production base. In the process of considering future activities in the forestry and environmental sectors, A.I.D. will raise policy issues regarding the management of natural resources. The concentration of assistance in these two priority areas will increase the likelihood of achieving and maintaining food self-sufficiency within this century plus increase protection against the effects of drought.

A.I.D. activities in health care will complement other donor plans such as the World Bank's project loan to the health sector, or they will be part of a national plan such as the Rural Water Supply Project (686-0228). The Strengthening Health Planning Capacity Project (686-0251) will improve the Ministry of Public Health's delivery of rural health care by making better use of available personnel and resources. The other major mechanism for

## UPPER VOLTA

addressing the problem of poor rural health will continue to be a preventive approach combining nutrition education and supplemental feeding for infants, children, and pregnant or lactating women. Catholic Relief Services (CRS) is implementing this P.L. 480 Title II Program which will remain at roughly constant levels over the foreseeable future. CRS will sharpen the focus of the program by phasing out centers where nutritional levels have improved and increasing coverage in areas where nutritional well-being is most deficient.

A.I.D. continues its effort to sensitize the Government of Upper Volta (GOUV) about the importance of slowing down population growth. These efforts have met with some success. A.I.D. will pursue training of medical personnel in family planning (using centrally funded projects) while attempting to develop a major bilateral program in this area. The basis for this will be a Population Needs Assessment, the first draft of which was completed in November 1983.

In the critical area of Human Resource Development, A.I.D. will make use of the Regional Sahel Manpower Development II Project (625-0960), the Sahel Regional Financial Management Project (625-0950), and training components of bilateral projects to meet the requirements for technical and managerial personnel. Also, the Agricultural Development Support Project (686-0255) has considerable funds earmarked for training, including support to young farmers training centers and associate degree level training in the United States and other African countries.

A.I.D. will call on private voluntary organizations to implement a few carefully selected small activities in line with our top priorities and expand the promotion of private enterprise. In collaboration with the Voltan Chamber of Commerce and the Ministry of Commerce, A.I.D. conducted a private sector assessment to determine the potential for expansion of private enterprise and for identification of the problems which A.I.D. can assist in overcoming. The results of this 1983 assessment are being examined with the objective of revising ongoing projects to incorporate private sector considerations. Furthermore, we will continue to apply economic tests of project benefits and costs and reject projects when the rate of return is too low.

### A.I.D. Program (FYs 1983 - 1984)

At the time of Upper Volta's August 4 coup d'etat, FY 1983 funds earmarked for the proposed Agriculture Development Support (686-0255) Project had not been obligated. Because of the phasing in of a new government with new key officials a decision was made to defer initiating this large new project until the political situation and development priorities were clarified. This decision resulted in an elimination of 90 percent of Upper Volta's FY 1983 OYB. Hence, funds were obligated for the Grain Marketing Project (\$238,000) and the Peace Corps Small Project Assistance Programs (\$40,000).

## UPPER VOLTA

### Agriculture

In agriculture, current projects are links in the chain from the regionally financed agricultural research in farming systems and varietal development to multiplication and distribution of seed, to on the farm production and finally to marketing and storage for present and future consumption. The Foundation Seed Project (686-0245) continues the strengthening of the National Seed Service to select promising seeds and to distribute them to regional development organizations for multiplication. At the other end of the chain, the Grain Marketing Project (686-0243) is reinforcing the capacity of the National Cereals Office to purchase and store locally-grown grain for resale when market conditions warrant. The project combines program funds for technical assistance and studies with P.L. 480 Section 206 counterpart funds which were used to build eight rural grain storage facilities and to contribute a stock of over 4,000 tons of locally-grown grain. The Agricultural Human Resources Development Project (686-0221) is training agricultural specialists to reinforce the services offered to farmers with 19 graduates entering the Ministries of Rural Development and Environment and Tourism in 1982 and 21 more in 1983.

As these projects terminate or move into their final stages in FY's 1983/1984 the Agricultural Development Support Project will start in FY 1984. This project will, among other things, alleviate bottlenecks at the central level which prevent effective service delivery to the regional development organizations. It will improve the capacity of the Ministry of Rural Development to identify and propose remedies for policy constraints to agricultural development. It will strengthen the Ministry in several key areas: resources planning and management; human resource development; and technology development and research. An A.I.D. financed Agricultural Sector Assessment completed in 1982 pointed out the severity of three basic constraints to increasing agricultural output: The lack of improved production technologies for the northern two-thirds of the country, the shortage of trained workers, and the lack of funds for operating costs. The Agricultural Development Support Grant will strengthen the capacity of the Ministry to support crop and livestock production, undertake policy-relevant studies, manage projects and personnel, coordinate and carry out agricultural research, train young farmers and mid-level personnel, and provide institutional support to the GOUV's Nutrition and Soil Conservation Services.

### Environment

In natural resource management, the Forestry Education and Development Project (686-0235) completed its second full academic year of assistance with 40 graduates joining the forest service as forestry agents, and more expected to graduate in 1984. The project is also helping to develop a forest management plan as a teaching model for the forestry students for the

## UPPER VOLTA

Ministry of Environment and Tourism. This work will provide useful experience before moving to national-level management planning in the new Forest Resource Management Project (686-0256) requested for FY 1985.

### Health and Nutrition

Several projects are improving the health of rural people. Through the Rural Water Supply Project (686-0228) A.I.D. has installed 520 wells to date. At the same time, Ministry of Health personnel conduct village-level training in the sanitary use of this supply of potable water. In early FY 1984, the Strengthening Health Planning Capacity Project (686-0251) will address important deficiencies in the organization of Health Care Delivery and reinforce the capacity of the Ministry to manage public health interventions which are critical to the well-being of rural populations. Catholic Relief Services (CRS), the largest A.I.D.-supported PVO activity in Upper Volta, has reduced the high endemic levels of malnutrition among infants and young children. An evaluation of this large P.L. 480 Title II Program in 1981 called for, among other things, improved nutrition education and substitution of local foods where feasible. CRS is pursuing these recommendations actively with the help of a local extension training center in Bobo-Dioulasso and through experimentation with oil-seed presses which are more efficient at extracting oil than traditional methods. CRS reached 378,000 infants, children and other recipients in 1983 and plans to distribute 19,400 tons of food to 405,000 recipients in 1984. The CRS Program is part of A.I.D.'s strategy to improve the health status of infants, children, and the agency's primary target for beneficiaries of health programs- women of child bearing age.

### Population

In carrying out its program of sensitization to the effect of population growth, A.I.D. has presented "RAPID" (Resources for Awareness of Population Impact in Development) analyses to several Ministers, demonstrating to them the value of reducing family sizes from the present average of six to seven children per woman. A.I.D. has also drawn on centrally-funded projects to train doctors, nurses and midwives in family planning practices. The reception to these efforts has convinced A.I.D. of the GOUV's willingness to undertake a higher visibility activity. Thus, a population needs assessment, undertaken in late 1983, will serve as the basis for a future family planning project.

### Private Enterprise Development

A.I.D. is promoting small-scale private enterprise through several projects. In the Training of Women in the Sahel (686-0226) and the Oncho-freed Area Village Development (686-0212) Projects, women's groups and village groups took out over 114 small loans on behalf of individuals in

## UPPER VOLTA

1983. In the eastern region, the PVO Partnership for Productivity's (PFP) Small Economic Activities Rural Project (686-0249) has placed 452 loans with small businesses, and provided management consulting services over a two-year period. PFP is attempting to institutionalize its lending and consulting operation, but the larger policy question of permissible charges and interest rates within the West African Monetary Union may hamper this attempt.

A.I.D. also proposes \$40,000 for the Small Project Assistance Program (SPA) with the Peace Corps. These funds are used for small "self-help" activities which will have immediate impact at the community level. The activities will be in the areas of food, energy, competitive enterprise and/or productive income-generating activities. No more than \$10,000 will be obligated per activity. The SPA Program utilizes Peace Corps Volunteers (PCV's) in the identification and implementation of these activities. This approach will facilitate local self-help by combining the PCV's knowledge of local conditions and established working relationships at the community level. The program will enhance field collaboration between A.I.D. and Peace Corps.

### Requested Year Program (FY 1985)

During FY 1985, additional resources will be committed to the Agricultural Development Support Project (\$4.96 million). The Forestry Resource Management Project (\$2.0 million) will begin. The total project portfolio will have been slightly reduced in terms of the number of bilateral and regional projects managed by the USAID Mission while maintaining a constant level of staff size. The purpose of this consolidation is to improve the monitoring of activities for which documentation must be prepared, vouchers examined, and action taken.

The Agricultural Development Support Project described above will continue activities initiated in early FY 1984. A P.L. 480 Title II, Section 206 program will provide counterpart funds to finance activities complementary to the Agricultural Development Support Project.

A.I.D.'s use of the Peace Corps as an implementing agent will also continue under the Small Project Assistance Program (\$40,000). The SPA Program will enable Peace Corps Volunteers to meet local development needs by funding small project activities in areas consonant with A.I.D. priorities.

P.L. 480 Title II resources also will continue to support the CRS Program at constant levels. The program will be critically reviewed with an eye towards seeking opportunities for direct support to the overall A.I.D. country strategy.

MISSION DIRECTOR: Emerson Melaven

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: UPPER VOLTA

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD	PLANNED	-THROUGH FY83- OBLIG EXPENDI ATIONS TURES	-ESTIMATED FY84- OBLIG EXPENDI ATIONS TURES	-PROPOSED FY85- OBLIG EXPENDI ATIONS TURES			
EDUCATION AND HUMAN RESOURCES											
STRENGTHENING WOMENS ROLES IN DEV	G 686-0211	77	80	667	620	620	538	---	---	---	---
NON-FORMAL EDUCATION/WOMEN IN SAHEL	G 686-0226	78	80	1,700	1,700	1,700	728	---	995	---	---
TOTAL FOR ACCOUNT GRANTS LOANS				2,367	2,320	2,320	1,266	---	995	---	---
				2,367	2,320	2,320	1,266	---	995	---	---
				---	---	---	---	---	---	---	---
SAHEL DEVELOPMENT PROGRAM											
STRENGTHENING WOMENS ROLES IN DEV	G 686-0211	77	80	389	82	82	26	---	---	---	---
ONCHO FREED AREA VILLAGE DEVELOPMENT	G 686-0212			---	---	462	255	---	---	---	---
AGRICULTURE HUMAN RESOURCES DEVELOPMENT	G 686-0221	78	81	9,457	6,000	6,000	4,712	---	700	---	596
RURAL WATER SUPPLY	G 686-0228	79	82	12,280	12,280	12,280	7,675	---	3,000	---	---
FORESTRY EDUCATION AND DEVELOPMENT	G 686-0235	79	81	5,958	5,958	5,958	2,303	---	1,000	---	1,000
GRAIN MARKETING DEVELOPMENT	G 686-0243	80	83	2,611	2,611	2,611	812	---	1,180	---	60
EASTERN REGION FOOD PRODUCTION	G 686-0244	81	82	3,000	3,000	2,950	30	---	174	---	930
FOUNDATION SEED PRODUCTION	G 686-0245	81	81	1,600	1,600	1,600	575	---	375	---	475
SMALL ECONOMIC ACTIVITY DEV II (PVO)	G 686-0249	81	82	2,300	2,300	2,300	999	---	400	---	300
RURAL HEALTH PLANNING AND MANAGEMENT	G 686-0251	81	82	4,000	4,000	4,000	15	---	810	---	712
AGRICULTURAL DEVELOPMENT SUPPORT	G 686-0255	84	88	---	30,000	---	---	7,760	2,435	4,960	3,152
FOREST RESOURCE MANAGEMENT	* G 686-0256	85	88	---	10,000	---	---	---	---	2,000	---

\* Refers to the planned project summary sheet  
C Level of effort activity

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FY of final obligation column -- All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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01/19/84

PROGRAM: UPPER VOLTA

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
SMALL PROJECT ASSISTANCE-AID/PC	G 666-0259	83	87	200 200	---	---	40	40	40	40
TOTAL FOR ACCOUNT GRANTS				41,795 78,031	38,243	17,907	7,800	10,114	7,000	7,265
LOANS				41,795 78,031	38,243	17,907	7,800	10,114	7,000	7,265
TOTAL FOR COUNTRY GRANTS				44,162 80,351	40,563	19,173	7,800	11,109	7,000	7,265
LOANS				44,162 80,351	40,563	19,173	7,800	11,109	7,000	7,265

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Forestry Resource Management		SDP			FY 1985 2,000	Life of Project Funding 10,000	
Number 686-0256	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 1985	FY 1983	FY 1990

Purpose: To increase Upper Volta's capacity to rationally manage its substantial forest resources. The principal objectives are: (1) to expand field management of the country's national forests; (2) to train forestry management personnel; (3) to strengthen the capacity for planning and management in the Ministry of Environment and Tourism (MET); and (4) to conserve forest resources through encouragement of private sector initiatives.

Project Description: The proposed project has grown out of considerable A.I.D. experience in forestry education and management, village woodlot development and experimentation with woodstoves. The project will draw on the substantial U.S. expertise in natural forest management, including results in developing a management plan for the Dinderesso National Forest. Natural forest management activities will include surveying and mapping, identifying boundaries, laying out firebreaks, improving access roads, controlled thinnings, enrichment planting, and the harvesting and marketing of wood products.

The accumulation and analysis of data base information will be an integral part of all supported activities. Complementary activities will include controlled grazing on the forest reserves and wildlife inventory and protection measures. Given current manpower constraints of the MET, a request will be made for PCV foresters over the life of the project. Harvesting and marketing will be handled by the private sector.

Strengthened capacity for planning and management by the MET is necessary for the systematic analysis of the Natural Resources Sector. This will enable the MET to recommend policy options attuned to the realities of Upper Volta, will permit a better allocation of human and financial resources, and will provide for a more effective MET contribution to national planning efforts.

Institution-building will also be addressed through human resources development. Principal activities will be

technical and operational assistance to the Dinderesso training center and the National Polytechnic Institute at the University of Ouagadougou.

Private sector opportunities will be explored in developing and disseminating alternative energy and energy-conserving technologies. Among the most promising technologies are fuel-conserving woodstoves and solar water-heaters.

Relationship of Project to A.I.D. Country Strategy: Natural resources management remains a priority in terms of overall strategy (After increasing food production and rural incomes). Preservation of the resource base will be treated to the extent possible under the Agricultural Development Support project. All feasible attention will be given to reinforcing the relationship between food production and the environment. A second element of the A.I.D. strategy is to address the energy issue, which this project will do directly.

Host Country and Other Donors: The project will build upon the CILSS and Cooperative Development for Africa (CDA) initiatives in the forestry sector. West Germany and Canada share the responsibility as primary contact points for the CDA forestry initiatives and are charged with coordinating donor assistance in the sector. The IBRD also has a major interest in the forestry sector: A.I.D. will carefully coordinate development of this project with them.

Beneficiaries: Principal beneficiaries will be residents of rural and urban areas near the national forests who will have a continued access to fuelwood and other forest products at lower prices. Farmers in the vicinity of the forest reserves will benefit from the maintenance of an adequate watershed. Direct beneficiaries will include employees of the MET, forestry students at Dinderesso and the National Polytechnic Institute, as well as private groups and individuals who may develop, disseminate and utilize improved energy technologies.



## SAHEL REGIONAL

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	32,476	-	-	-	-	-	-	31,579
Total	32,476	-	-	-	-	-	-	31,579
1984								
Loans	-	-	-	-	-	-	-	-
Grants	41,912	-	-	-	-	-	-	41,912
Total	41,912	-	-	-	-	-	-	41,912
1985								
Loans	-	-	-	-	-	-	-	-
Grants	31,000	-	-	-	-	-	-	31,000
Total	31,000	-	-	-	-	-	-	31,000

a/ Sahel Development Program

b/ Includes \$897,000 carryover from Foreign Disaster Assistance Act of 1974 (FDAA).

c/ includes \$3.619 million from Sahel Development Program prior year funds.

FY 1985  
PROGRAM HIGHLIGHTS

The Sahel Regional Program will continue to support:

- River basin development to lessen the vulnerability of the Sahel to droughts and promote economic development. (\$10.0 million)
- Increasing dryland and irrigated agriculture production and food crop protection. (\$11.8 million)
- Strengthening human resources and institution building to improve the capacity to find solutions to Sahelian problems. (\$3.9 million)

## SAHEL REGIONAL

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	1,105	-	-
Grants	20,918	29,884	36,656
Total AID	22,023	29,884	36,656
P.L. 480**			
Title I	-	-	-
(of which Title III is)	( - )	( - )	( - )
Title II	-	-	-
Total P.L. 480	-	-	-
Total AID and P.L. 480	22,023	29,884	36,656

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	-	-	-
PASA <sup>c</sup>	-	-	-
Contract	-	-	-
Total	-	-	-
Participants <sup>d</sup>			
Noncontract	-	-	-
Contract	-	-	-
Total	-	-	-

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(in 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		-		-		-
World Food Programs		-		-		-
Gov't-to-Gov't		-		-		-
Title II Total		-		-		-
Total P.L. 480		-		-		-

## SAHEL REGIONAL

### Development Overview

The regional program represents approximately one-third of the total annual allocation under the Sahel Development Program. It involves regional projects which require a pooling of resources among donors and Sahelian countries which address problems common to Sahelian countries and which are most susceptible to a regional solution. Sahel regional activities are an integral part of the overall Sahel Development Program strategy. Within the context of the goal of regional food self-sufficiency by the year 2000, they reflect the priorities of the Permanent Interstate Committee for Drought Control in the Sahel (CILSS) and the Club du Sahel (Club), namely:

- Improved planning and programming;
- Research and information dissemination supportive of increased agricultural production;
- Rationalization of internal cereals production, pricing and trade policies; and
- Development of river basins.

In view of the above priorities, A.I.D.'s regional program has undertaken the following:

- The Regional Development and Coordination activity (625-0911) is providing the means to strengthen the CILSS and Club Secretariats' capacity for planning coordination and policy analysis. The CILSS and Club together have been the catalyst for channeling over \$1.6 billion annually in donor assistance to the Sahel in recent years. The Club Secretariat has recently issued three important documents focusing on Sahelian rainfed agriculture, forestry, ecology and village hydraulics. These papers promise to play a key role in creating a more cohesive policy for donor assistance in these areas. Through A.I.D. assistance to the Club and CILSS, donors and host countries alike have paid increasing attention to recurrent costs problems which have threatened the long-run viability of most institutional development efforts in the Sahel.
- In addition, A.I.D. is assisting the CILSS in developing a rational food security program. Ultimately the CILSS will have the capability to collect and disseminate information on member countries' food production, stocks and prices, which will in turn contribute to donor consensus on external food flows and agriculture activities.

## SAHEL REGIONAL

- The Sahel Regional Demographic Data Collection (625-0927) and Sahel Water Data Network projects (625-0940) are developing a methodology for collecting and analyzing data on child mortality, nutritional needs and implication of population pressure/movement on development projects and the institutional means to upgrade the quality, quantity and timeliness of hydrological and agrometeorological data retrieval.
- A.I.D. assistance through the Club and CILSS has had a profound influence on donors and Sahel countries to support policies more conducive to increasing cereals production, e.g. elimination of subsidies on credit, fertilizer and seeds and liberalization of grain markets as well as public sector divestiture.
- Sahel regional projects have increasingly fostered institution-building for the development of river basin schemes. The A.I.D. strategy in river basin development is to assist river basin organizations to establish the planning framework, data base and apportionment principles that will provide the underpinnings of future infrastructure development. A.I.D.'s initial efforts in river basin development consisted of multi-purpose planning and pre-feasibility studies in the four Sahel river basins under these organizations: the Senegal (OMVS), the Gambia (OMVG), the Niger (NBA) and the Lake Chad (LCBC). A.I.D. has participated in multi-donor planning studies for the NBA, OMVG and LCBC. As a single donor, A.I.D. has financed environmental and socio-economic studies for OMVS, OMVG and NBA and aerial photography/mapping studies for OMVS and OMVG. A river systems analysis program is being developed for the Niger River.

### AID PROGRAM (FYs 1983 - 1984)

FY 1983: \$31.6 million was obligated to continue support for ongoing projects, and to initiate one new project - OMVS Groundwater Monitoring.

Agriculture: A.I.D.'s regional agricultural development strategy is to support the CILSS's food self-sufficiency and food security goals for the Sahel. To this end, increasing agricultural productivity continues to be the highest regional priority. However, an assessment of A.I.D.'s experiences in the Sahel has led to the realization that achieving this will require a long-term approach that places greater emphasis on agricultural research, institutional development, structural and policy reforms, and subsidiary efforts in agriculture-oriented education and human resources development.

In FY 1983, \$3 million was obligated for the Sahel Regional Food Crop

## SAHEL REGIONAL

Protection Project (SRFCP) (625-0928) to fund the continuing services of United States Department of Agriculture technicians and to provide for staffing of two regional training centers.

The Integrated Pest Management Project (625-0928) will reduce crop loss by strengthening pest management research programs of national research agencies and the extension linkage between researchers and farmers. The United States is a contributor to this multi-donor effort to equip research laboratories in the Sahel, train twenty-two experts and disseminate findings to national plant protection agencies. Eighty percent of the \$5.6 million obligated in FY 1983 will support FAO technical services, while the remaining twenty percent will fund commodities. Both of these activities were evaluated in the summer of 1981. As a result, the IPM activity was redesigned in 1982 emphasizing stronger orientation to Integrated Pest Management and extension under Phase III of the Regional Food Crop Protection activity. Also, the administrative structures and procedures were revised to facilitate coordination among A.I.D., CILSS and the implementing agency, FAO. The project amendment that was authorized extended the IPM activity to 1987 and increased total life-of-project funding by \$3.5 million to \$28.8 million.

River Basin Development: The Gambia River Basin Project (625-0012) received \$3.9 million, which provided institutional support to the Organization for the Development of the Gambia River Basin (OMVG), funded aerial photography and mapping of the basin, and conducted a series of environmental impact studies. Approximately 53,000 hectares have been identified for eventual irrigation in the Gambia basin.

The new project, OMVS-Groundwater Monitoring (625-0958), was fully funded at \$4.6 million to provide (a) long-term institutional development assistance to the OMVS and Member States to develop their capabilities in groundwater monitoring and management planning; (b) short and medium term assistance to help hydrogeological services of the OMVS to establish a groundwater management system in the Senegal Basin; (c) establishment of a network of observation wells and piezometers to monitor the effects of dam construction on the recharge of aquifers and drainage systems; and (d) provision of human and material resources to the OMVS and Member States for a continuation and expansion of their capabilities for groundwater monitoring and management planning.

Institutional Support: The Sahel Water Data Project (625-0940) is a long-term institution building project. Under this project the regional meteorological center, AGRHYMET (Agriculture, Hydrology, Meteorology), has been built, equipped and staffed. The center will receive the data collected by the national meteorological services for analysis, interpretation and dissemination. It will also provide training for the staffs of the national services so that the type and quality of data

## SAHEL REGIONAL

collected can be improved and standardized. The water data will assist planners, agricultural researchers, farmers and herders to develop programs and techniques that take account of weather variations. A plan for the timely dissemination of information useful to rural producers will be developed by the end of 1985. The \$1.3 million obligated in FY 1983 funded technical assistance and data processing and analysis equipment for the national services, trained Sahelians on various levels of data processing and support operations of the AGRHYMET Regional Center. The World Meteorological Organization (WMO) of the United Nations is the executing agent of the project and the project grantee, while the United States National Oceanic and Atmospheric Administration (NOAA) under a PASA provides the technical assistance.

In addition, A.I.D. is supporting three regional institutions with overall coordination and planning responsibilities to formulate sector strategies and assist in the design of projects for the Sahel Development Program. The vehicle for this support is the Sahel Regional Aid Coordination and Planning Project (625-0911), for which \$1.8 million was obligated in FY 1983. Under this project, A.I.D. and other donors, are providing support to the Club du Sahel Secretariat in Paris which coordinates donor participation in the Sahel, to the CILSS in Ouagadougou, which is the planning organization of the Sahelian States, and to the Sahel Institute in Bamako, which is the research and documentation center. In the past, funds were also provided to FAO to supply experts for project design. This project will be evaluated in FY 1984 to determine the basis for its extension for an additional three year period (1985-87).

Human Resources Development: United States assistance in human resources is directed toward the support of agricultural development by: (1) increasing the skills of rural producers including literacy and numeracy and management capabilities, in order to increase food production; and (2) encouraging higher level managerial and technical training directed at breaking bottlenecks to greater agricultural production. Appropriately trained manpower plays a fundamental role in the overall development of the economy of the Sahel. The Sahel Manpower Development Project (SMDP) II (625-0960) supplements the discrete training provided under bilateral projects. The purpose of this regional activity is to alleviate critical development constraints in institutions that impact upon the success of A.I.D.'s projects in the Sahel. SMDP II provides for in-country, third country or United States training on long or short term basis. The \$2.0 million obligated in FY 1983 will fund 10 long-term United States training for Masters degree programs, 12 long-term third country training for BS degrees and in-country workshop/seminars and other short-term training programs. Most of the participants are in the field of Agriculture, i.e., agriculture economics, forestry management, agronomy, and health; i.e., private health care and nursing.

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Financial Management: The Sahel Regional Financial Management Project (625-0950) was funded for the life-of-the-project (\$5.0 million) by obligating \$1.2 million in FY 1983. This project was authorized in FY 1982 as a 3 year effort and builds upon A.I.D.'s activities to maintain host country systems of accounting for A.I.D.-financed local costs at acceptable levels of accountability. The project finances advisory/training teams for five Sahelian countries. These teams working with host country institutions implementing A.I.D. financed projects, are designing appropriate accounting and financial management systems, developing and disseminating suitable training materials and methodologies, training cooperating country personnel in accounting and financial management practices, assisting in installation and upgrading of accounting and financial management systems; and facilitating the use of accounting data for improved financial and program decision-making. This field-based financial management support effort is a focal point of A.I.D.'s larger efforts to improve the management of the Sahel Development Program.

Health and Population: Health is an A.I.D. concern in the Sahel not only because it is a fundamental measure of development (by which the Sahel ranks markedly low), but also because good health leads to increased productivity.

Within the framework of the CILSS health strategy, the Regional Demographic Data Collection and Analysis Project (625-0927) programmed \$6.9 million over the period of FY 1980-1985, to assist the CILSS/Sahel Institute in Bamako develop methodology for collecting and analyzing data on infant and child mortality, compile health statistics and determine the population implications of development projects. Up to now, 20 sub-projects have been initiated of which 12 have been completed in the eight Sahelian countries by the demographic and planning units of the national institutions. The Socio-Economic Demographic Unit (SEDU) within the Sahel Institute supervised these studies. Of particular note are the three major studies on infant mortality and two inter-country studies of inter-Saharan migration patterns. The \$3.4 million obligated in FY 1983 supported the Sahel Institute's continuing effort to complete the various demographic studies, conduct conferences and purchase computers and other commodities.

FY 1984: \$41.9 million is proposed for the support of ongoing projects and for five new projects, including two for the extension of previously funded activities.

Agriculture: For Phase II, of the OMVS - Agricultural Research Project (625-0957), \$3.3 million is programmed to continue the tasks started in Phase I for developing and strengthening the agricultural research capabilities in the Senegal River Basin. The project aims to improve the combined effectiveness of the national agricultural research centers in Senegal, Mauritania and Mali, and to increase regional coordination through the OMVS. The funds will cover participant training costs in agricultural

## SAHEL REGIONAL

research and for developing the two existing research stations in Senegal and Mali.

For Phase III of the Sahel Regional Food Crop Protection (625-0961), which is scheduled to start in FY 1984, \$3.0 million is programmed to support the Sahelian National Crop Protection Services and develop extension cadre and channels to disseminate economical and environmentally sound pest control methods to small farmers. The pest control methods are researched and recommended by the Integrated Pest Management Project (625-0928), an on-going project for which \$5.2 million is programmed in FY 1984. This amount will cover the cost of the 22 FAO technicians for one year and support them with a small amount of commodities.

River Basin Development: One of the new projects scheduled to start in FY 1984 is the Integrated Development Project (IDP) (625-0621). This project was planned to start in FY 1983 but was delayed by design problems. The \$5.6 million programmed in FY 1984, will fund technical assistance for OMVS, to enable it to undertake long-range development plans for the Senegal River Basin and, prepare feasibility studies for development of 15,000 hectares of irrigated agriculture. A regional management information system will also be established for monitoring and evaluating project activities. The Manantali Resettlement Project (625-0955) was also scheduled to start in FY 1983 but because of project design problems it was not completed in time. The sum of \$12.0 million will be used in FY 1984 to begin financing the resettlement of 12,000 people who will be displaced by the construction of the Manantali Dam.

### Health and Population

For expansion of the Primary Health Care (PHC) activities in Mali, Mauritania, Niger and Upper Volta, to include Oral Rehydration Therapy initiatives, and for assessments of PHC and ORT project development in Chad, \$3.6 million is programmed.

Human Resources Development: For the Sahel Manpower Development Project (625-0960), \$3.0 million is programmed to continue funding participant training programs in the United States and African countries. This project will fund long-term participant training in the United States for Master's degrees and in Africa for B.S. degrees and other short-term workshop/seminars in the field of agriculture research, forestry, agricultural economics, management and nursing.

Institutional Support: For the Sahel Regional Aid Coordination Project (625-0911) \$1.5 million is programmed to support the CILSS in Ouagadougou which coordinates the Sahelian States and administers regional projects; the Sahel Institute in Bamako to conduct research and support the documentation center; the Club du Sahel which coordinates donor participation; and FAO to

## SAHEL REGIONAL

supply experts for project design.

One million dollars is programmed in FY 1984 for AFRICARE, a private voluntary agency, (PVO) to carry out reforestation projects in Upper Volta. To provide funds to A.I.D. Missions and A.I.D. Washington to conduct preliminary studies and undertake the design of specific projects, \$3.0 million is programmed under the Planning Management and Research Project (625-0929).

### REQUESTED YEAR PROGRAM (FY 1985)

The \$31.0 million proposed for FY 1985 will provide incremental funding for continuing regional projects described earlier. No new activities are planned to start in FY 1985.

#### Agriculture

- \$11.8 million is proposed for food production and protection projects, including the \$2.1 million Integrated Pest Management Project (625-0928), to fund the 22 FAO experts for an additional year to do research on pest control; \$4.0 million for the OMVS-Agricultural Research Project II (625-0957) to strengthen the Mauritanian and Senegal research centers; \$4.5 million for the Sahel Regional Food Crop Protection Project - III (625-0961), to train Sahelian extension agents in environmentally sound pest control methods for dissemination to the farmers; and \$1.25 million for the Sahel Water Data Network-II (625-0940), to support the AGRHYMET Regional Center in Niamey to process the hydrological and agrometeorological data from the national centers.
- \$10.0 million is proposed to finance river basin development through the following projects: \$8.0 million for OMVS-Integrated Development (625-0621), to conduct feasibility studies, prepare long term development plans and provide agriculture credit to Senegalese, Mauritanian and Malian small farmers, \$1.0 million for the Niger River Development-II (625-0944) to assist the Niger River Authority in the preparation of the development plan for the region, and \$1.0 million for the Manantali Resettlement Project (625-0955) to assist in the resettlement of the 12,000 people who will be displaced by new dam construction.

#### Health

- \$0.9 million is proposed to finance the last increment of the Demographic Data Collection Project (625-0927) to finalize and publish the various studies on infant and child mortality, health statistics, and determine the population implications of development projects.

SAHEL REGIONAL

Human Resources Development

- \$2.5 million is proposed to support the training of Sahelian cadre through the Sahel Manpower Development Project II (625-0960). This amount will fund long-term training in the United States for Master's degrees and long and short-term training in African countries in the fields of agriculture, health and management.

Institutional Support

- \$1.4 million is proposed to support regional organizations through the Sahelian Regional Aid Coordination Project (625-0911). This amount will support the CILSS in Ouagadougou in its function to coordinate the Sahelian States and to manage regional projects like the Integrated Pest Management Project; the Sahel Institute in Bamako, to conduct research and support the documentation center; the Club du Sahel, in its function to coordinate the donor participation and FAO to provide experts in the field of agriculture.

In addition, \$2.8 million will be programmed to conduct research and management studies through the Planning, Management and Research Project (625-0929) and \$1.0 million will provide seed money for new development projects through the Private Voluntary Organization Project (625-0934).

DIRECTOR, OFFICE OF SAHEL AND WEST AFRICA AFFAIRS: Dennis Chandler

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SAHEL REG PROGRAM

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH FY83- OBLIG EXPENDI ATIONS TURES	-ESTIMATED FY84- OBLIG EXPENDI ATIONS TURES	-PROPOSED FY85- OBLIG EXPENDI ATIONS TURES
AGRICULTURE, RURAL DEV. AND NUTRITION								
CA LIVESTOCK AND MEAT MARKETING	G 625-0803	71	75	1,463	1,463	1,463	1,387	---
SAHEL WATER DATA NETWORK AND DEV	G 625-0917	76	80	2,290	2,290	2,290	1,881	---
TOTAL FOR ACCOUNT GRANTS				3,753	3,753	3,753	3,268	---
LOANS				---	---	---	---	---
SELECTED DEVELOPMENT ACTIVITIES								
NIGER RIVER BASIN DEV AND PLANNING	G 625-0915	76	80	1,411	1,411	1,411	471	---
TOTAL FOR ACCOUNT GRANTS				1,411	1,411	1,411	471	---
LOANS				---	---	---	---	---
SAHEL DEVELOPMENT PROGRAM								
LCBC LIVESTOCK AND MIXED AGRICULTURE	G 625-0010	80	80	500	500	500	437	---
GAMBIA RIVER BASIN DEVELOPMENT	G 625-0012	81	83	13,400	13,400	13,394	4,125	---
OMVS DATA AND INSTITUTIONAL DEVELOPMENT	G 625-0620	76	83	4,508	4,508	4,508	4,237	---
OMVS INTEGRATED DEVELOPMENT	G 625-0621	84	90	---	63,000	---	---	5,600
SAHEL REG AID COORDINATION AND PLANNING	G 625-0911	78	C	---	---	10,166	7,640	1,500
NIGER RIVER BASIN DEV AND PLANNING	G 625-0915	76	81	500	500	500	95	---
DEMOGRAPHIC DATA COLLECTION AND ANALYSIS	G 625-0927	80	85	6,932	6,932	6,025	2,134	---
REGIONAL FOOD CROP-IPM	G 625-0923	78	86	45,631	45,631	26,983	12,738	5,243

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\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column — All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SAHEL REG PROGRAM

CP 85

PROJECT TITLE	* L PROJECT / NUMBER	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD	PLANNED	-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES
PLANNING, MANAGEMENT AND RESEARCH	G 625-0929	78	C	---	---	25,085	21,385	3,019	3,000	2,754	3,000
PRIVATE VOLUNTARY ORGANIZATION-SAHEL (PV)	G 625-0934	33	C	---	---	---	---	1,000	200	1,000	600
SAHEL MANPOWER DEVELOPMENT	G 625-0936	79	S2	9,728	9,728	9,716	7,134	---	1,500	---	1,082
ACCELERATED IMPACT PROGRAMS (SAHEL)	G 625-0937	79	S2	5,000	5,000	3,521	2,042	---	1,000	---	479
SAHEL WATER DATA NETWORK AND MANGT II	G 625-0940	32	S6	7,000	7,000	4,779	1,209	---	1,500	1,250	1,500
ENVIRONMENTAL TRAINING AND MANAGEMENT	G 625-0942	30	C	310	310	310	256	---	---	---	---
NIGER RIVER BASIN DEVELOPMENT II	G 625-0944	32	S6	10,500	10,500	6,714	---	---	1,500	1,000	2,500
REGIONAL FINANCIAL MANAGEMENT	G 625-0950	32	S3	5,000	5,500	5,000	2,685	---	1,000	---	---
MANANTALI RESETTLEMENT	G 625-0955	34	S8	---	18,000	---	---	12,000	1,500	1,000	4,000
OMVS AGRIC RESEARCH	G 625-0957	34	S8	10,569	13,600	---	---	3,300	1,000	4,000	2,500
OMVS GROUNDWATER MONITORING	G 625-0958	33	S3	4,651	4,650	4,651	---	---	500	---	1,500
SAHEL MANPOWER DEVELOPMENT II	G 625-0960	33	S6	10,000	10,000	2,038	3	3,000	1,500	2,500	2,000
REGIONAL FOOD CROP PROTECTION II	G 625-0961	34	S9	---	12,000	---	---	3,000	1,500	4,500	2,000
ORAL REHYDRATION THERAPY	G 625-0963	34	S4	---	3,600	---	---	3,600	---	---	---
HUMAN RIGHTS FUND FOR AFRICA	G 625-9301	30	C	---	---	183	116	50	50	50	50
SPECIAL SELF-HELP DEV-SAHEL	G 625-9901	30	C	---	---	2,385	2,077	600	500	600	500
TOTAL FOR ACCOUNT				134,229	234,359	126,478	68,314	41,912	29,184	31,000	36,416
GRANTS				134,229	234,359	126,478	68,314	41,912	29,184	31,000	36,416
LOANS				---	---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

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C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SAHEL REG PROGRAM

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83-		-ESTIMATED FY84-		-PROPOSED FY85-	
					OBLIG ATIONS	EXPENDI TURES	OBLIG ATIONS	EXPENDI TURES	OBLIG ATIONS	EXPENDI TURES
TOTAL FOR COUNTRY			139,393	239,523	131,642	72,053	41,912	29,884	31,000	36,656
GRANTS			139,393	239,523	131,642	72,053	41,912	29,884	31,000	36,656
LOANS			---	---	---	---	---	---	---	---

\* Refer to the planned project summary sheet

G Level of effort activity

FY of final obligation column -- All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date.  
For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

**AFRICA**

**EAST AFRICA PROGRAM**

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FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (602) COMOROS

**\*BASIC DATA\***

TOTAL POPULATION.. (THOUSANDS,MID 1983) 442  
 PER CAPITA GNP..... (DOLLARS,1981) 320  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) -3.3%  
 ANNUAL RATE OF INFLATION (1970-81) . %  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( . ) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 (1982) TOTAL 48.0 MALE 46.4 FEMALE 49.6  
 (1970) TOTAL 44.5 MALE 42.9 FEMALE 46.1  
 ADULT LITERACY RATE ( . ) TOTAL .% MALE .% FEMALE .%

**\*AGRICULTURE\***

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....( . ) . %  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 972  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: COCONUTS ,CASSAVA ,BANANAS 70% (1982)  
 CASH: COCONUTS ,VANILLA ,CLOVES 30% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) PERFUME ESSENCE ,VANILLA ,CLOVES  
 MAJOR AGRICULTURAL IMPORTS:(1982) RICE ,WHEAT ,RAW SUGAR  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 64%

**\*CENTRAL GOVERNMENT FINANCES\***

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 ( . ) ( . )  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 ( . ) ( . )  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 ( . ) ( . )  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. ( . ) .% ( . ) .% ( . ) .%  
 AS % OF GNP..... ( . ) .% ( . ) .% ( . ) .%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) ( . ) ( . ) ( . )  
 EQUIVALENT TO . MONTHS OF IMPORTS ( . )

**\*FOREIGN TRADE\***

MAJOR EXPORTS... (19 . ) , ,  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1980) 3 (1981) 4 (1982) 5  
 AS % OF TOTAL EXPORTS ( . ) .% ( . ) .% ( . ) .%  
 MAJOR IMPORTS....(19 . ) , ,  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 0 (1981) 0 (1982) 1  
 AS % OF TOTAL IMPORTS ( . ) .% ( . ) .% ( . ) .%  
 TRADE BALANCE(\$ MILLIONS, U.S.)( . ) ( . ) ( . ) .  
 TRADING PARTNERS: , ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 104%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 0  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... ( . ) .%

**\*SOCIAL DATA\***

POPULATION GROWTH RATE...(1970) 3.3% (1978) 3.4% (1983) 2.8%  
 POPULATION IN URBAN AREAS.....(1970) 8% (1982) 13%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 46 (1983) 44  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. ( . ) . %  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 43.7% (15-64YRS) 54.1% (65+ YRS) 2.2%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 85  
 PEOPLE PER PHYSICIAN..... (1970) 14,842  
 MAJOR CAUSES OF  
 DISEASE (1975) CHOLERA , ,  
 DEATH.. (19 ) , ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 81%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY( . ) . %  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1980) TOTAL 99.0% MALE 115% FEMALE 83.0%  
 SECONDARY..... (1980) TOTAL 21.0% MALE 4.0% FEMALE 1.0%  
 POST SECONDARY.. ( . ) TOTAL .% MALE .% FEMALE .%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

**U.S. OVERSEAS LOANS AND GRANTS – OBLIGATIONS AND LOAN AUTHORIZATIONS**  
(U.S. Fiscal Years – Millions of Dollars)

**ECONOMIC PROGRAMS OF ALL DONORS**  
(Millions of Dollars)

COUNTRY COMOROS

**A. ASSISTANCE FROM INTERNATIONAL AGENCIES – COMMITMENTS**

PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82
	1978	1979	1980	1981	1982			
<b>I. ECONOMIC ASSISTANCE – TOTAL</b>	-	-	0.3	0.4	0.7	1.4	-	1.4
Loans	-	-	-	-	-	-	-	-
Grants	-	-	0.3	0.4	0.7	1.4	-	1.4
<b>a. A.I.D. and Predecessor Agencies</b>	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
(Economic Support Fund)	-	-	-	-	-	-	-	-
<b>b. Food for Peace (PL 480)</b>	-	-	0.3	0.4	0.7	1.4	-	1.4
Loans	-	-	-	-	-	-	-	-
Grants	-	-	0.3	0.4	0.7	1.4	-	1.4
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-
Title II - Total Grants	-	-	0.3	0.4	0.7	1.4	-	1.4
Emerg. Relief, Econ. Develop. & World Food Program	-	-	0.3	0.4	0.7	1.4	-	1.4
Voluntary Relief Agencies	-	-	-	-	-	-	-	-
<b>c. Other Economic Assistance</b>	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Peace Corps	-	-	-	-	-	-	-	-
Narcotics	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>II. MILITARY ASSISTANCE – TOTAL</b>	-	-	-	-	-	-	-	-
Credits or Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-
b. Credit Financing - FMS	-	-	-	-	-	-	-	-
c. Military Assistance Service-Funded (MASF) Grants	-	-	-	-	-	-	-	-
d. Transfers from Excess Stocks	-	-	-	-	-	-	-	-
e. Other Grants	-	-	-	-	-	-	-	-
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	-	-	0.3	0.4	0.7	1.4	-	1.4
Loans	-	-	-	-	-	-	-	-
Grants	-	-	0.3	0.4	0.7	1.4	-	1.4
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	-	-	-
a. Export-Import Bank Loans	-	-	-	-	-	-	-	-
b. All Other Loans	-	-	-	-	-	-	-	-

\* LESS THAN \$50,000.

	FY 1981	FY 1982	FY 1983	FY 1984-85
TOTAL	1.4	37.3	2.3	72.3
IBRD	0.0	0.0	0.0	0.0
IFC	0.0	0.0	0.0	0.0
IDA	0.0	12.5	2.3	25.0
IDB	0.0	0.0	0.0	0.0
AD3	0.0	0.0	0.0	0.0
AFDB	0.0	23.6	0.0	37.2
UNDP	1.2	1.0	0.0	9.7
OT-ER-UN	0.2	0.2	0.0	0.4
EEC	0.0	0.0	0.0	0.0

**B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE**

**1. D.A.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-82
United States	-	-	-
France	19.4	12.2	51.2
Belgium	0.8	0.1	2.5
Japan	1.6	0.7	2.3
Germany, Fed. Rep.	0.7	0.6	1.9
Other	0.4	0.6	2.6
Total	22.9	14.2	60.5

**2. O.P.E.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-81
	13.6	N.A.	34.9

**C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES**

	CY 1981	CY 1982	CY 1954-82
USSR	-	-	-
Eastern Europe	-	-	-
China	-	-	N.A.
Total	-	-	-

## COMOROS

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
1984	-	-	-	-	-	-	-	-
Loans	750	750	-	-	-	-	-	-
Grants	750	750	-	-	-	-	-	-
Total	750	750	-	-	-	-	-	-
1985	-	-	-	-	-	-	-	-
Loans	400	400	-	-	-	-	-	-
Grants	400	400	-	-	-	-	-	-
Total	400	400	-	-	-	-	-	-

FY 1985  
PROGRAM HIGHLIGHTS

- \$0.4 million for continued support of CARE operation grant comprising four sub-projects directed towards rural penetration roads, garage maintenance training, land conservation and health education.
- The U.S. Government plans to contribute approximately 1000 metric tons of P.L. 480 Title II commodities through the World Food Programs valued at \$0.4 million.

## COMOROS

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	-	400	750
Total AID	-	400	750
P.L. 480**			
Title I (of which Title III is)	( - )	( - )	( - )
Title II	409	385	413
Total P.L. 480	409	385	413
Total AID and P.L. 480	409	785	1,163

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	-	-	-
PASA <sup>c</sup>	-	-	-
Contract	-	-	-
Total	-	-	-
Participants <sup>d</sup>			
Noncontract	-	-	-
Contract	-	-	-
Total	-	-	-

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.I. 480 PROGRAM SUMMARY  
(000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		-		-		-
World Food Programs		409		385		413
Gov't-to-Gov't		-		-		-
Title II Total		409		385		413
Total P.L. 480		409		385		413

## COMOROS

### Development Overview

The Comoros consist of three volcanic islands located in the Mozambique Channel halfway between Madagascar and Tanzania. It has a population of 360,000, with a growth rate of 4%, and a per capita income of \$260 (1979). The economy is overwhelmingly agricultural and exports are limited to vanilla, copra, cloves and ylang-ylang (essential oil for perfume). These exports do not provide enough foreign exchange to cover imports of rice, fuel and other consumer goods; consequently, there is a chronic deficit in the balance of payments which can only be covered by substantial assistance inflows.

While the Government is aware of the need for development, its options are limited. In the agriculture sector deforestation is a major problem. The road network and transportation infrastructure are very rudimentary. Maize production as a substitute for imported rice is being encouraged, but viable export alternatives are extremely limited. Fishing is constrained by the lack of even rudimentary port facilities. The industrial base is practically non-existent due in part to the relatively small market and to inter-island difficulties of transportation and communication. Health care is provided free, though it is limited by lack of facilities and trained manpower. The Comoros became independent in 1975, and have not had sufficient time to develop and retain an adequate cadre of trained personnel.

The economic outlook for 1984 remains bleak as the import substitution effects of maize production will take several years to have an impact on the balance of payments. In addition, both copra and ylang-ylang markets are severely depressed with little prospect for early recovery.

The Government is determined to improve the performance of the public sector and the economy as a whole. It is preparing a new three year plan (1983-86) to be reviewed at a donors' consultative meeting scheduled for Spring 1984. Realization of plan objectives will depend largely on the evidence of donor interest.

### U.S. Interests and Objectives

Desperately poor with few prospects for significant economic development, the Comoros dominate the entrance of the strategic Mozambique channel. The government is openly friendly to the U.S. We want to provide support and encouragement, to the extent possible, for its pro-Western orientation through economic and humanitarian support.

### A.I.D. Assistance Strategy

A.I.D. has not undertaken any direct assistance in the Comoros but is working with CARE to develop an operational program grant (OPG) which can serve as a conduit for United States aid. Four sub-projects are directed towards rural penetration roads, garage maintenance training, land conservation and health education. Food-for-work from the World Food Program will be linked to each of the components to defray local salary costs.

COMOROS

A.I.D. Program (FY 1983-84)

The total A.I.D. funding for the CARE proposal is projected to be \$4.5 million over a six-year period, with the initial \$750,000 to be provided in FY 1984. CARE anticipates stimulating contributions from other countries, such as Canada and Germany, to expand activities once initial progress is achieved. The overall program may then exceed \$4.5 million.

Requested Year Program (FY 1985)

The request for FY 1985 is for \$400,000 to continue support for the CARE OPG at projected expenditure levels.

DIRECTOR, REGIONAL ECONOMIC DEVELOPMENT SERVICES OFFICE, EAST AFRICA (REDSO/EA):  
John W. Koehring

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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GRAM: COMOROS

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	EXPENDI TURES
AGRICULTURE, RURAL DEV. AND NUTRITION										
IE (PVD)	G 602-0001	84	89	---	4,500	---	---	750	400	400 750
TOTAL FOR ACCOUNT				---	4,500	---	---	750	400	400 750
GRANTS				---	4,500	---	---	750	400	400 750
LOANS				---	---	---	---	---	---	---
TOTAL FOR COUNTRY				---	4,500	---	---	750	400	400 750
GRANTS				---	4,500	---	---	750	400	400 750
LOANS				---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (603) DJIBOUTI

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 276  
 PER CAPITA GNP..... (DOLLARS,1981) 480  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) -4.8%  
 ANNUAL RATE OF INFLATION (1970-81) . %  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 ( .) TOTAL . MALE . FEMALE .  
 ( .) TOTAL . MALE . FEMALE .  
 ADULT LITERACY RATE ( .) TOTAL .% MALE .% FEMALE .%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....( .) .%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979 344  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: VEGETABLES ,FRUITS ,GRAINS 99% (1982)  
 CASH: LIVESTOCK , .% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) HIDES & SKINS , ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) GRAINS ,DAIRY PRODS. ,RAW SUGAR  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....( .) .%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 ( .) (79) 126 (80) 177  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 ( .) (79) 115 (80) 154  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 ( .) (79) 11 (80) 23  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. ( .) .% ( .) .% (79) 27.9%  
 AS % OF GNP..... ( .) .% ( .) .% (79) 22.4%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) ( .) ( .) ( .)  
 EQUIVALENT TO . MONTHS OF IMPORTS ( .)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) HIDES & SKINS ,COFFEE ,  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1976) 1 (1977) 0 (1982) 0  
 AS % OF TOTAL EXPORTS ( .) .% ( .) .% ( .) .%  
 MAJOR IMPORTS....(1981) FOODSTUFFS ,MACHINERY ,TRANSPORT EQPT  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 13 (1981) 8 (1982) 8  
 AS % OF TOTAL IMPORTS ( .) .% ( .) .% ( .) .%  
 TRADE BALANCE(\$ MILLIONS, U.S.)( .) .( .) .( .) .  
 TRADING PARTNERS: , ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 17.6%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 1  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... ( .) .%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 6.5% (1978) 6.1% (1983) 3.0%  
 POPULATION IN URBAN AREAS.....( .) .% ( .) .%  
 LIVE BIRTHS PER 1,000 POPULATION....(1970) 42 (1983) 44  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. ( .) .%  
 POPULATION ( .) IN AGE GROUP:  
 (0-14YRS) .% (15-64YRS) .% (65+ YRS) .%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 141  
 PEOPLE PER PHYSICIAN..... (1977) 4,297  
 MAJOR CAUSES OF  
 DISEASE (1981) INFLUENZA ,MEASLES ,TUBERCULOSIS  
 DEATH.. (19 ) , ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. ( .) .%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY( .) .%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... ( .) TOTAL .% MALE .% FEMALE .%  
 SECONDARY..... ( .) TOTAL .% MALE .% FEMALE .%  
 POST SECONDARY.. ( .) TOTAL .% MALE .% FEMALE .%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) .%

U.S. OVERSEAS LOANS AND GRANTS – OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years – Millions of Dollars)							ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)					
COUNTRY DJIBOUTI							A. ASSISTANCE FROM INTERNATIONAL AGENCIES – COMMITMENTS					
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-83
	1978	1979	1980	1981	1982				TOTAL.....			
<b>I. ECONOMIC ASSISTANCE – TOTAL</b>	1.1	1.7	1.9	5.3	3.7	13.8	-	13.3	1.6	5.2	19.4	27.5
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Grants	1.1	1.7	1.9	5.3	3.7	13.8	-	13.3	0.0	0.0	0.0	0.0
<b>a. A.I.D. and Prodigioso Agencies</b>	0.1	1.2	1.1	4.2	2.0	8.6	-	8.5	0.0	0.0	0.0	0.0
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Grants	0.1	1.2	1.1	4.2	2.0	8.6	-	8.6	0.0	0.0	0.0	0.0
(Economic Support Fund)	-	-	-	2.0	2.0	4.0	-	-	0.0	0.0	0.0	0.0
<b>b. Food for Peace (PL 480)</b>	1.0	0.5	0.3	1.1	1.7	5.2	-	5.2	0.0	0.0	0.0	0.0
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Grants	1.0	0.5	0.3	1.1	1.7	5.2	-	5.2	0.0	0.0	0.0	0.0
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Title II - Total Grants	1.0	0.5	0.3	1.1	1.7	5.2	-	5.2	0.0	0.0	0.0	0.0
Emerg. Relief, Econ. Develop. & World Food Program	1.0	0.5	*	-	-	1.5	-	1.5	0.0	0.0	0.0	0.0
Voluntary Relief Agencies	-	-	0.3	1.1	1.7	3.7	-	3.7	0.0	0.0	0.0	0.0
<b>c. Other Economic Assistance</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Grants	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Peace Corps	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Narcotics	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Other	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>II. MILITARY ASSISTANCE – TOTAL</b>	-	-	-	-	0.1	0.1	-	0.1	0.0	0.0	0.0	0.0
Credits or Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Grants	-	-	-	-	0.1	0.1	-	0.1	0.0	0.0	0.0	0.0
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	0.1	0.1	-	0.1	0.0	0.0	0.0	0.0
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	1.1	1.7	1.9	5.3	3.8	13.9	-	13.9	1.6	5.2	19.4	27.5
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Grants	1.1	1.7	1.9	5.3	3.8	13.9	-	13.9	0.0	0.0	0.0	0.0
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE			
1. D.A.C. COUNTRIES (Gross Disbursements)			
	CY 1981	CY 1982	CY 1978-82
United States	3.0	3.0	11.0
France	31.4	40.4	146.5
Germany Fed. Rep.	2.7	1.9	9.2
Sweden	0.4	-	0.9
Italy	0.3	-	0.4
Other	0.4	0.3	1.2
Total	38.2	45.6	169.2
2. O.P.E.C. COUNTRIES (Gross Disbursements)			
	CY 1981	CY 1982	CY 1978-81
	13.1	N.A.	105.8
C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES			
	CY 1981	CY 1982	CY 1954-82
USSR	-	-	-
Eastern Europe	-	-	-
China	-	-	30
Total	-	-	30

\* LESS THAN \$50,000.

Republic of Djibouti

ECONOMIC SUPPORT FUND PROGRAM SUMMARY			
<i>(In millions of dollars)</i>			
	FY 1983 Actual	FY 1984 Estimated	FY 1985 Request
Grants	1.986	3.000	3.500

Development Overview

The Republic of Djibouti attained its independence in 1977 after over a century of French colonial rule. The country comprises only 23,000 square kilometers (about the size of Massachusetts), with a total population estimated at less than 300,000. Two-thirds of this population lives in the city of Djibouti; the balance, primarily nomads, live in the countryside and in a few scattered towns and villages. In addition to the indigenous population, 25,000 - 30,000 foreigners live in Djibouti, as well as some 25,000 refugees from neighboring countries.

The population is growing rapidly at a rate of 3.0% per annum. Malnutrition is severe and the incidence of tuberculosis high. Per capita income levels are difficult to determine due to the large expatriate population but, for native Djiboutians, average \$260 per annum.

The country's limited natural resources have prevented the development of any sizeable primary economic activity. It is estimated that no more than 200 hectares of the total land area of Djibouti are cultivated, these being irrigated plots on which fruits and vegetables are grown. The country is dependent on saline subterranean aquifers for irrigation and consumption; there is no permanent surface water flow. Practically all food is imported. There is some artisanal fishing, but no local tradition of commercial fishing. Nomadic herders raise cattle, sheep, and camels in the hinterlands. Manufacturing is limited to small-scale bottling.

The country's money economy is service oriented and consists of three economic sub-units: the city of Djibouti with its port, airport, railway terminal and government services; a French military base, the country's largest single source of economic and commercial activity; and the sparsely populated hinterland where access is difficult and which has little contact with the rest of the country.

In 1980 the tertiary (service) sector dominated the economy, providing 76% of the Gross Domestic Product (GDP). This included commerce (40%) and public administration (36%). In contrast, the primary sector (agriculture) contributed 6% to GDP and the secondary sector (industry, etc.) only 17%. The service sector exclusive of Public Administration accounts for 50% of the GDP, reflecting the importance of activities relating to the port, airport, and expatriate community and the growing role of Djibouti as a regional financial center.

Republic of Djibouti

FY 1985  
PROGRAM HIGHLIGHTS

- Improve Djibouti's economic base through expansion of fishing industry (\$1,000,000)
- Increase availability of health care for most vulnerable population (\$5 million) including improved nutrition and health education
- Improve manpower skills to reinforce country's advantage in service sector (\$1.0 million)
- Develop linkage between AID program and larger donors with particular emphasis on housing/urban development and renewable energy

Prior to independence, from 1970 to 1976, real GDP increased at an annual average rate of 6%, half the growth coming from public works. The economy has fluctuated since 1976 for the following main reasons: (a) closing of the railway (March 1977 to June 1978), which precipitated a persisting reduction in service activities; (b) reduction of the French military presence; (c) lack of private investment; (d) the burden of refugees; and (e) a two-year drought (1980-81) which set back the meager agricultural activities that do exist.

In recent years there has been a moderate recovery in economic activity. Real growth was about 4.3% in 1978 and 3.5% in 1979. In current prices growth is expected to increase by 21% in 1980 and 13% in 1981, amounting to 3% and 2%, respectively, in real terms. The abatement of hostilities in the Ogaden since 1979 has permitted partial resumption of transit trade with Ethiopia. Growing private sector confidence appears to have provided the impetus for investment and growth, especially in the construction and commercial sectors. These developments, coupled with improved weather in 1981 and increased public-sector spending, have contributed toward an estimated average real GDP growth of about 2%-3% per annum at present, compared to an average annual decline of nearly 3% from Independence to 1979. However, population has increased at an even higher rate, about 6.1% including natural and immigration increases, with real per capita GDP probably on the decline since Independence.

U.S Interests and Objectives

The Republic of Djibouti is a small arid country with few natural resources, bordered by two powerfully armed neighbors. Water is scarce; weather is harsh; and the small number of educated citizens and lack of institutions hinder development of those resources which do exist.

United States interests in Djibouti are twofold and interrelated: (a) promoting economic and social development to enhance the wellbeing of its

Republic of Djibouti

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	--	--	--
Grants	1,849	3,082	4,688
Total AID	1,849	3,082	4,688
P.L. 480**			
Title I (of which Title III is)	-- ( -- )	-- ( -- )	-- ( -- )
Title II	1,383	1,391	1,046
Total P.L. 480	1,383	1,391	1,046
Total AID and P.L. 480	3,232	4,473	5,734

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	2	2	2
PASA <sup>c</sup>	-	-	-
Contract	4	5	8
Total	6	7	10
Participants <sup>d</sup>			
Noncontract	2	4	4
Contract	-	-	-
Total	2	4	4

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1983 and 1984 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 Program Summary  
(000 MT / \$ 000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I	-	-	-	-	-	-
Wheat						
Rice						
Feedgrains						
Vegoil						
Non-food						
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		1,383		1,391		1,046
World Food Programs		-		-		-
Gov't-to-Gov't		-		-		-
Title II Total		1,383		1,391		1,046
Total P.L. 480		1,383		1,391		1,046

## Republic of Djibouti

citizens, thereby (b) contributing to the stability of a nation in a strategic part of the world which is important to long-term U.S interests. The United States seeks to encourage the Djiboutian government to maintain a truly non-aligned policy. Djibouti is a small island of relative stability in this turbulent region and is expected to continue its policy of allowing access to U.S. Navy ships and aircraft deployed in the Indian Ocean.

### A.I.D. Assistance Strategy

A.I.D.'s strategy is to provide economic and social assistance which is consistent with Djibouti's needs and in a form which minimizes A.I.D. oversight responsibilities. This has not been an easy task; the Government of the Republic of Djibouti (GROD) lacks a comprehensive development plan, although documents prepared for a November 1983 Donors' Conference elaborate a five-year investment plan; qualified Djiboutian counterparts are few; the GROD is unable, in part because of its limited revenue base, to contribute funding support to donor projects; baseline data is largely absent; donor coordination is uneven; and colonial-era attitudes on the appropriate form and substance of donor assistance sometimes differ from A.I.D. criteria.

A.I.D. assistance strategy will continue support of ongoing activities which show or promise progress, namely: (a) expansion of the artisanal fishing industry to capitalize on Djibouti's fishing potential, its sole meaningful natural resource; (b) a human resources development program emphasizing adult education and skills needed to meet Djibouti's critical need for qualified service sector manpower able to communicate effectively with neighboring (Anglophone) countries; (c) development of alternative renewable energy technologies to lessen Djibouti's dependence on fossil fuels; and (d) improvement of the wellbeing of rural and urban poor through better nutrition and better access to primary health care facilities.

A.I.D. is also exploring the potential for participating in projects undertaken by larger donors such as France, the Gulf countries, and the international financial institutions. Potential areas include low-income housing (part of an urban renewal project being developed by the World Bank), construction of a fishing port being studied by other donors, and alternatives to fossil fuel generated electrical power being considered by IBRD, France and Italy. In addition, we plan to continue and expand PVO involvement in activities which promote improved health and nutrition, and non-formal education.

### A.I.D. Program

#### Current Program (FY 1983 and 1984)

##### A. Economic Support Fund

In the agriculture sector, a Fisheries Development project (603-0003) is successfully meeting its objectives of increased employment of fishermen and

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the production and marketing of fish, and thus of improving the diet of the population while reducing food imports. A December 1982 evaluation of the project indicated it is moving ahead successfully, with improvements in cooperative administration and financial management, doubling of fish catch and sales since 1979, and a larger marketing role with 75% of the fish sold in Djibouti passing through the cooperative. Based on this evaluation, \$1.0 million in FY 83 funds was provided: (a) to improve further the administration of the cooperative; (b) to purchase a research vessel for initiating a program of fish stock assessment; (c) to train fishermen in better fishing techniques using improved gear; and (d) to expand boat building and repair operations. A.I.D. is cooperating with the International Fund for Agricultural Development (IFAD) and French aid (FAC) who are providing technical assistance, small fishing craft and motors, a commercial fishing vessel, marketing outlets, boat motor repair facilities, cold storage, etc. Through this project A.I.D. has been able to influence the GROD approach to development of its marine fisheries resource base which focuses on improved income opportunities for the poor, better nutrition for the general population, and an awareness of the need to conserve this scarce resource. In FY 84, \$1.0 million has been budgeted for a Phase II Fisheries Development project (603-0015). This project is expected to focus on improvement in the fisheries marketing structure to reach poorer Djiboutians, training of fishermen to increase their productivity, a fish stock assessment program which will identify the most productive fishing areas and any negative impact fishing harvesting might have on certain fish species, and further improvements in cooperative management, administration, and facilities. Both IFAD and FAC are expected to continue their support to the program.

Catholic Relief Service (CRS) received a \$1.0 million Operational Program Grant (OPG) in FY 83 to begin a follow-on food/nutrition activity (603-0014). To date, CRS has used PL 480 Title II food to reach 12,000 mothers and pre-school children and 4,500 rural primary school children monthly through 20 health centers and 25 rural schools. In addition, Food-for-Work activities have been continued and expanded to include a tree nursery, date palm and banana plantations, citrus groves, and water catchment projects for cereals, livestock and irrigation. These model programs have: (a) elicited considerable interest and support from the Ministry of Health leading to the devotion of greater resources to preventive health care and (b) demonstrated to the Ministry of Agriculture the feasibility and appropriateness of small-scale agriculture enterprises. We believe that this has led GROD to reconsider their attempt to build an agricultural system based on large capital-intensive plantations. In mid-1984 there will be a major evaluation of the on-going project in order to maximize the effectiveness of second-phase activities anticipated beginning in FY 1985.

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In the Human Resources sector the International Human Assistance Program (IHAP) is implementing the Human Resources Development project (603-0006), which addresses the lack of trained Djiboutian manpower possessing business skills. IHAP has constructed 600 square meters of classrooms at an Adult Vocational Education Facility and developed a two-year commercial skills training program in typing, accounting, French and English, and general clerical and administrative skills. The first school year, 1982/83, was completed in June 1983 with 17 students graduating from a one-year course and 48 continuing in the two-year program. In addition to this program, IHAP is offering in 1983/84 after-hours business skills training to upgrade office skills of employees of the GROD and private sector. About 200 employees have applied for 75 after-hours training slots, with 30% of the openings reserved for the private sector. A.I.D. and IHAP will conduct an evaluation of the project in early 1984 to determine future project directions, including more extensive English language training. Partial funding of \$500,000 has been requested in FY 84 for this extension. Under this project the GROD has increasingly supported our viewpoint that the service-oriented economy needs to increase skill levels of its workers and improve their English-language capability to communicate with neighboring Anglophone countries.

In the area of Science and Technology, in FY 81-82 A.I.D. provided \$4.0 million to support an Energy Initiatives project (603-0013). The contractor, Volunteers in Technical Assistance (VITA), will assess the potential for development of alternative renewable energy technologies to lessen Djibouti's almost total reliance on fossil fuels. To date, VITA has identified solar and wind power as the resources having the most applicability in Djibouti. An ongoing energy audit, a planned energy assessment in late 1983, and an early-1984 project evaluation are expected to confirm the validity of the project and the focus on wind and solar resources. Since the start of the project, VITA has: (a) installed, and now is collecting and analyzing data from, seven weather stations throughout Djibouti; (b) contracted for the construction of energy-efficient model offices to house the GROD's Energy Section; and (c) is exploring such energy alternatives as rammed-earth building materials, utilization of waste-oil by-products, solar-powered water pumps, windmills, and solar refrigeration. Through this project the GROD is being made increasingly aware that renewable energy offers a realistic alternative to geothermal sources which are currently being studied by France and Italy. Geothermal energy development in Djibouti is likely to cost hundreds of millions of dollars and take scores of years to develop, while renewable energy can meet some of Djibouti's more pressing problems quickly and with less expense.

A special development activity in housing is being undertaken in conjunction with the World Bank. Low-Cost Housing (603-0020) supports a World Bank initiative which receives its principal funding from multilateral agencies with the U.S. contribution being relatively small in amount but

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comparatively high in impact. It targets the needs of the poorest class of citizens. The project as a whole involves provision of shelter and community services and may utilize technology developed by the Energy Initiatives project mentioned above.

### B. P.L. 480 Title II

To date A.I.D. has provided a total of \$7.4 million worth of PL 480 foods. Initially under a government-to-government program, responsibility was assumed by CRS in 1980. The feeding program now encompasses not only refugees (15,000 in FY 84, compared to 25,000 earlier) but also MCH (9,000), primary school (7,000), and Food-for-Work beneficiaries (4,800). It is planned that FY 85 will be the last year of refugee feeding, as the UNHCR-sponsored repatriation program seems to have gotten off to a good start in September 1983. Modest food increases are expected for the continuing agricultural-development and nutrition/health programs as these are expanded by CRS. Outreach funds, totalling \$1.3 million to date, have enabled CRS to meet logistical requirements in support of these programs.

In Summary: A.I.D.'s FY 1983-84 program in Djibouti reflects our continuing strategy of:

-- providing modest increases in food aid for nutritional/health, shelter, and small-scale agricultural projects to increase services and assistance reaching vulnerable or poor Djiboutians, while at the same time reducing food relief for the diminishing number of refugees as the repatriation program progresses;

-- assisting Djibouti in the development of its resource base by better harvesting and marketing of marine fish resources and demonstrating to the GROD the efficiency and appropriateness of small-scale agricultural activities;

-- addressing critical bottlenecks in economic development in the areas of energy conservation and renewable energy resources; and

-- addressing Djibouti's lack of trained manpower and crucial needs for human resources development.

### Requested Year Program (FY 1985)

Economic Support Fund: A.I.D. requests \$3.5 million. Of this, \$1.0 million is budgeted to continue funding for the IHAP initiative in vocational skills training (603-0006, Human Resources Development), aimed at expanding Djiboutian capacity for national self-sufficiency through enlarged commercial activity. Another \$500,000 is budgeted to continue the CRS Food and Nutrition grant: (603-0014, Nutrition Outreach) with increased

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emphasis on small-scale agricultural activity and a gradual expansion of the nutrition/health program. \$1,000,000 is budgeted to continue the second phase of the Fisheries Development program (603-0015) in an effort to exploit Djibouti's only definitely identified expandable domestic food resource. The final \$1,000,000 is budgeted for continuation of the Low Income Housing project (603-0020), which is being undertaken in conjunction with the World Bank to upgrade living conditions for the poorest class of citizens.

A.I.D. Representative: John A. Lundgren

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

PROGRAM: DJIBOUTI

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ACTIONS	FY83- EXPENDITURES	-ESTIMATED FY84- OBLIG ACTIONS	FY84- EXPENDITURES	-PROPOSED FY85- OBLIG ACTIONS	FY85- EXPENDITURES
AGRICULTURE, RURAL DEV. AND NUTRITION										
FISHERIES DEVELOPMENT I	G 603-0003	79	81	978	978	978	846	---	132	---
TOTAL FOR ACCOUNT GRANTS				978	978	978	846	---	132	---
LOANS				---	---	---	---	---	---	---
EDUCATION AND HUMAN RESOURCES										
HUMAN RESOURCES DEVELOPMENT-PHASE I (PVO)	G 603-0006	80	81	2,800	2,800	2,800	1,474	---	500	---
TOTAL FOR ACCOUNT GRANTS				2,800	2,800	2,800	1,474	---	500	---
LOANS				---	---	---	---	---	---	---
ECONOMIC SUPPORT FUND										
FISHERIES DEVELOPMENT I	G 603-0003	83	83	1,000	1,000	1,000	262	---	400	---
HUMAN RESOURCES DEVELOPMENT-PHASE I (PVO)	G 603-0006	84	86	---	2,000	---	---	500	---	1,000
ENERGY INITIATIVES	G 603-0013	81	82	4,000	4,000	4,000	649	---	1,500	---
NUTRITION OUTREACH (PVO)	G 603-0014	83	86	1,000	2,500	986	---	---	500	400
FISHERIES DEVELOPMENT, PHASE II	G 603-0015	84	87	2,998	3,000	---	---	1,000	200	800
LOW INCOME HOUSING	G 603-0020	84	87	---	5,700	---	---	1,500	---	1,000
	G 603-0017			4,800	5,700	---	---	500	---	1,000
TOTAL FOR ACCOUNT GRANTS				8,998	18,200	5,986	911	3,000	2,450	3,500
LOANS				8,998	18,200	5,986	911	3,000	2,450	3,500
TOTAL FOR COUNTRY GRANTS				12,776	21,978	9,764	3,231	3,000	3,082	3,500
LOANS				12,776	21,978	9,764	3,231	3,000	3,082	4,688

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (615) KENYA

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 18,580  
 PER CAPITA GNP..... (DOLLARS,1991) 420  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 3.1%  
 ANNUAL RATE OF INFLATION (1970-81) 10.2%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION.. ( ) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 (1982) TOTAL 56.0 MALE 54.2 FEMALE 58.0  
 (1970) TOTAL 48.7 MALE 46.7 FEMALE 50.8  
 ADULT LITERACY RATE (1980) TOTAL 47% MALE 60% FEMALE 35%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) 0.6%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1980) 28%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 655  
 MAJOR CROPS) ARABLE LAND YEAR  
 SUBSISTENCE: CORN ,CATTLE ,PULSES 77% (1982)  
 CASH: COFFEE ,TEA ,BEEF AND VEAL 9% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COFFEE ,TEA ,PINEAPPLES  
 MAJOR AGRICULTURAL IMPORTS:(1982) PALM OIL ,WHEAT ,MILK  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 78%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 (1979) 1,351 (80) 1,640 (81) 1,565  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 (1979) 1,755 (80) 1,963 (81) 2,013  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 (1979) -403 (80) -324 (81) -448  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. (1979) 16.1% (80) 15.3% (81) 10.0%  
 AS % OF GNP..... (1979) 4.8% (80) 4.4% (81) 3.2%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) (1980) 501 (81) 250 (82) 200  
 EQUIVALENT TO 1.6 MONTHS OF IMPORTS (1981)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) COFFEE ,TEA ,LIVESTOCK  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1980) 46 (1981) 20 (1982) 70  
 AS % OF TOTAL EXPORTS (1979) 4% (1980) 4% (1981) 2%  
 MAJOR IMPORTS....(1981) MACHINERY ,TRANSPORT EQPT ,CRUDE OIL  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 153 (1981) 99 (1982) 107  
 AS % OF TOTAL IMPORTS (1979) 6% (1980) 7% (1981) 5%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) -563(80) -1,048(81) -860  
 TRADING PARTNERS: UNITED KINGDOM ,WEST GERMANY ,JAPAN  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 54.1%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 292  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 28.6%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 3.4% (1978) 4.0% (1983) 4.1%  
 POPULATION IN URBAN AREAS.....(1970) 10% (1982) 15%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 50 (1983) 53  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1978) 6.6%  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 50.0% (15-64YRS) 47.6% (65+ YRS) 2.4%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 71  
 PEOPLE PER PHYSICIAN..... (1978) 11,625  
 MAJOR CAUSES OF  
 DISEASE (1978) MENINGITIS ,SCHISTOSOMIASIS ,DYSENTERY  
 DEATH.. (1978) MENINGITIS ,DYSENTERY ,TETANUS  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 96%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1975) 17%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1978) TOTAL 99.0% MALE 105% FEMALE 94.0%  
 SECONDARY..... (1978) TOTAL 18.0% MALE 22.0% FEMALE 14.0%  
 POST SECONDARY.. ( ) TOTAL . % MALE . % FEMALE . %  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 7.7%

**U.S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS**  
(U.S. Fiscal Years - Millions of Dollars)

**ECONOMIC PROGRAMS OF ALL DONORS**  
(Millions of Dollars)

COUNTRY	KENYA						TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82
	PROGRAM	FOREIGN ASSISTANCE ACT PERIOD							
		1978	1979	1980	1981	1982			
<b>I. ECONOMIC ASSISTANCE - TOTAL</b>	33.7	21.7	54.5	48.6	59.3	434.5	24.4	380.1	
Loans	20.2	3.4	16.1	22.3	19.9	159.5	24.4	145.1	
Grants	13.5	18.3	38.4	26.3	40.4	235.0	-	235.0	
<b>a. A.I.D. and Proponent Agreements</b>	30.2	16.9	31.8	20.3	33.9	263.7	8.6	255.1	
Loans	20.2	3.4	-	7.8	4.6	111.4	8.6	102.8	
Grants	10.0	13.5	31.8	12.5	34.3	152.3	-	152.3	
<i>Economic Support Fund</i>	-	-	14.5	5.5	10.7	30.7	-	-	
<b>b. Feed for Peace (PL 480)</b>	0.8	1.2	19.3	25.4	17.4	102.2	15.3	86.4	
Loans	-	-	16.1	15.0	14.3	53.1	15.3	42.3	
Grants	0.8	1.2	3.2	10.4	3.1	44.1	-	44.1	
Title I Total Sales Agreements	-	-	16.1	15.0	14.3	53.1	15.3	42.3	
Repayable in U.S. Dollars - Loans	-	-	16.1	15.0	14.3	58.1	15.3	42.3	
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	
Title II Total Grants	0.8	1.2	3.2	10.4	3.1	44.1	-	44.1	
Emerg. Relief, Econ. Develop. & World Food Program	-	-	-	2.9	-	15.9	-	15.9	
Voluntary Relief Agencies	0.8	1.2	3.2	7.5	3.1	28.2	-	28.2	
<b>c. Other Economic Assistance</b>	2.7	3.5	3.4	3.1	3.0	38.6	-	38.6	
Loans	-	-	-	-	-	-	-	-	
Grants	2.7	3.5	3.4	3.1	3.0	38.6	-	38.6	
Peace Corps	2.7	3.5	3.4	3.1	3.0	38.6	-	38.6	
Narcotics	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	
<b>II. MILITARY ASSISTANCE - TOTAL</b>	27.4	10.4	20.5	6.5	33.1	149.3	59.2	90.1	
Credits or Loans	27.0	10.0	20.0	6.0	22.0	135.0	59.2	75.3	
Grants	0.4	0.4	0.5	0.5	11.1	14.3	-	14.3	
<b>a. MAP Grants</b>	-	-	-	-	10.0	10.0	-	10.0	
<b>b. Credit Financing - FMS</b>	27.0	10.0	20.0	6.0	22.0	135.0	59.2	75.3	
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	0.4	0.4	0.5	0.5	1.1	4.3	-	4.3	
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	61.1	32.1	75.0	55.3	92.4	553.3	33.6	470.2	
Loans	47.2	13.4	34.1	28.8	40.9	304.5	33.6	220.9	
Grants	13.9	18.7	38.9	26.5	51.5	249.3	-	249.3	
<b>Other U.S. Government Loans and Grants</b>	5.1	-	-	0.3	-	19.2	17.1	1.3	
a. Export-Import Bank Loans	5.1	-	-	-	-	13.9	17.1	1.3	
b. All Other Loans	-	-	-	0.3	-	5.3	-	-	

\* LESS THAN \$50,000.

A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS				
	FY 1981	FY 1982	FY 1983	FY 1946-83
TOTAL.....	171.3	168.0	236.5	1945.7
ISRD	33.0	70.2	79.9	1017.0
IFC	10.0	9.5	7.4	63.4
IDA	50.0	61.0	113.0	629.7
IDB	0.0	0.0	0.0	0.0
ADJ	0.0	0.0	0.0	0.0
AFDB	0.0	13.8	19.2	75.3
UNDP	0.3	7.0	0.0	61.2
OTHER-UN	7.0	0.0	0.0	17.2
FEC	7.5	6.5	17.0	75.9
<b>B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE</b>				
1. D.A.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-82	
United States	78.0	54.0	201.0	
United Kingdom	74.6	56.3	285.0	
Germany Fed. Rep.	42.3	31.3	220.2	
Netherlands	38.2	55.4	193.7	
Sweden	14.5	14.7	125.7	
Other	133.2	137.3	526.0	
Total	380.8	349.0	1,551.6	
2. O.P.E.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-81	
	-	N.A.	2.1	
<b>C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES</b>				
	CY 1981	CY 1982	CY 1954-82	
USSR	-	-	50	
Eastern Europe	-	-	-	
China	-	-	65	
Total	-	-	115	

## Kenya

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	11,600	11,600	-	-	-	-	-	-
Grants	48,994	15,674	2,510	810	-	-	30,000	-
Total	60,594	27,274	2,510	810	-	-	30,000	-
1984								
Loans	27,400	27,400	-	-	-	-	-	-
Grants	46,800	4,000	2,300	-	-	500	40,000	-
Total	74,200	31,400	2,300	-	-	500	40,000	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	85,000	29,380	-	-	-	620	55,000	-
Total	85,000	29,380	-	-	-	620	55,000	-

Note: The above total for FY 1984 excludes \$148 thousand which has already been notified for deobligation and has not yet been identified for reobligation by project.

FY 1985 PROGRAM HIGHLIGHTS	
<p>Support will continue for restructuring the economy and providing inducements to private sector productivity and delivery of family planning services. Policy dialogue with Government and support for policy implementation, in coordination with World Bank and I.M.F., are major elements of U.S. program aid:</p> <ul style="list-style-type: none"> <li>--Balance of payments (ESF) - \$55 million, and</li> <li>--Food aid support (P.L. 480) - \$10 million.</li> </ul> <p>One new project (DA) is planned:</p> <ul style="list-style-type: none"> <li>--to institutionalize a national capacity to develop and adapt food production technologies to conditions faced by smallholders - \$29.4 million</li> </ul>	

## Kenya

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983		FY 1985
	(Actual)	(Estimated)	(Proposed)
Aid*	5,015	15,653	21,800
Loans	52,334	61,728	57,467
Grants	57,349	77,381	79,267
Total AID			
P.L. 480**	15,000	5,000	10,000
Title I	-	-	-
(of which Title III is)	( 2,636 )	( 4,852 )	( 5,139 )
Title II	17,636	9,852	15,139
Total P.L. 480	84,837	87,233	94,406
Total AID and P.L. 480			

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983		FY 1985
	(Actual)	(Estimated)	(Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	22	27	24
PASAC <sup>c</sup>	7	1	-
Contract	10	15	12
Total	39	43	36
Participants <sup>d</sup>			
Noncontract	37	20	10
Contract	79	75	47
Total	116	95	57

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(in 000 MT/\$000)

Program	FY 1983		FY 1984		FY 1985	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	70,550	10,900	6,000	1,000	45,000	7,000
Rice	12,818	4,100	11,000	4,000	-	-
Feedgrains	-	-	-	-	8,000	3,000
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total		15,000		5,000		10,000
(of which Title III is)		-		-		-
Title II						
Voluntary Agencies		2,636		3,239		3,429
World Food Programs		-		1,613		1,210
Gov't-to-Gov't		-		-		-
Title II Total		2,636		4,852		3,429
Total P.L. 480		17,636		9,852		15,139

## Kenya

Kenya has achieved substantial progress in its twenty years of independence by pursuing pragmatic development policies and maintaining a comparatively open, stable political system. In the past five years, however, economic growth has slowed and inefficiencies and rigidities in government and the market place have become apparent. Political tensions rose sharply with the attempted coup in 1982 but have subsided with the relatively peaceful conclusion of the September 1983 elections. Under the 1979-83 Development Plan, Kenya's Gross Domestic Product was to have grown at an annual rate of 6.3%. In light of current economic realities, growth estimates have been revised downward to 3.9% per year. Moreover, given the decline in the terms of trade, the growth rate of total resources over the period will average only 2.0% in real terms, well below the 4.1% rate of population increase. On average, people are less well off in Kenya in 1983 than they were in 1978. An average per capita GDP of \$351 (in 1982) disguises an even lower standard of living in rural areas where over four-fifths of the population live.

Underlying factors limiting Kenya's development include a poor natural resource endowment, uneconomic use of resources due to problems of public policy, and instability in external markets. Only 18% of Kenya's land has high or medium agricultural potential, and its exploitation for commercial farming began only in the twentieth century following the opening of the country's interior by rail. More than 72% of Kenya's land is arid, and another 10% is semi-arid. Kenya is also poorly endowed with other natural resources. Mining and quarrying in 1982 accounted for less than 0.2% of GDP.

In some ways, the development problems Kenya faces today stem from its previous successes. Kenya's high population growth rate reflects, in part, dramatic increases in health and other social services. Kenya's policy of providing such services using high cost conventional methods has resulted in uneven coverage and has put a severe strain on the ability of the Government of Kenya (GOK) to fund recurrent costs. Kenya's successful policy of redistributing land after independence led to large increases in output and productivity. Population growth and the breakup of large landholdings, however, have combined to increase the number of small farms and to challenge the ability of agricultural support systems to supply the appropriate technologies and inputs required to increase productivity.

In the medium term, Kenya's most promising avenues for development lie in the expansion of agricultural production and processing, and in increased exports. The promotion of labor intensive processing and manufacturing, especially in agribusiness, will be particularly important to Kenya's development, and to the numbers of underemployed workers. Furthermore, investment in human resources (e.g., nutrition, education, housing, health) are needed to improve the quality of the labor force and increase Kenya's competitiveness in regional and international markets. The private sector must undertake an even larger role in the drive to improve productivity.

## U.S. Interests and Objectives

## Kenya

U.S. interests in Kenya's stable government and market-oriented economy are economic, political, strategic and humanitarian.

Kenya's relatively democratic system is important to the United States as a demonstration of development within an open economic and social system. Kenya's comparatively free market economy and positive attitude toward foreign investment have made it an attractive location for U.S. businesses. More than 140 U.S. firms have offices in Kenya, and total U.S. private investment exceeded \$325 million by 1983.

U.S. strategic interests in Kenya are related to the support Kenya provides for U.S. international positions and policies, reflected in part by Kenyan willingness to provide access to U.S. military ships and aircraft operating in the Indian Ocean. Kenyan ports are the best now available to the United States along the Indian Ocean coast. U.S. objectives are to support economic development in Kenya as the basis for continued progress in economic, social and related areas of national life.

### A.I.D. Development Strategy

A.I.D. strategy is conditioned by Kenya's current severe balance of payments difficulties and by serious limitations on the GOK's ability to finance recurrent costs and to implement development projects fully. The United States therefore emphasizes new approaches involving program assistance and policy dialogue with the GOK and increased reliance on the private sector, non-government organizations, and local community self-help efforts.

Program assistance channels balance of payments and budget support to the GOK in ways designed to permit full funding of priority development activities while minimizing the recurrent cost burden associated with new project starts. The need for balance of payments assistance has highlighted the necessity for reform and has increased the opportunity for policy dialogue and policy implementation, particularly with regard to improved control of GOK expenditures, more frequent interest and exchange rate adjustments, improved export incentives and import administration, freer importation of required agricultural inputs, and improved prices for farmers. The GOK's policy dialogue with the IMF, the World Bank, AID, and others has been intensive. Political considerations frequently cause policy change to be painful and slow. Nevertheless, structural economic reforms, aimed largely at an expanded role for the market, have been adopted as a matter of policy and are being implemented. The GOK has reduced its fiscal deficit from 10 percent of GDP in 1980/81 to 3 percent of GDP in 1982/83, thereby successfully meeting targets set forth in the most recent IMF Stand-By Agreement. In the field of monetary policy, the GOK is making more active use of interest rate adjustments to encourage domestic savings and capital formation and to allocate credit more efficiently. At the urging of donors, major deposit rates were increased from 5% to 12.5% between June 1980 and December 1982, and lending rates from 10% to 16%. With regard to the external sector, the GOK has devalued the Kenya shilling on four occasions between February 1981 and December 1982 for cumulative adjustment

## Kenya

of 46 percent against the Special Drawing Right (SDR). Since 1980 the former system of quantitative import quotas has largely been dismantled, and a new and more uniform tariff was adopted in June 1983. The current account trade deficit was successfully reduced from 12.6 percent of GDP in 1980, to 7.1 percent in 1982, with a further improvement to 6 percent of GNP projected for 1983.

Problems facing agriculture were addressed in the National Food Policy paper published by the GOK in early 1981. The GOK has introduced large increases in producer prices and, in conjunction with favorable weather, the overall food situation has turned from deficit to surplus. The World Bank, A.I.D. and other donors are currently providing program assistance and are supporting necessary policy studies and actions relating to agricultural pricing, marketing, storage, credit, and financial planning and management.

In another important area the United States and the World Bank have been the major donors supporting population policy analysis and planning, the establishment of the National Council on Population and Development, and implementation of the Kenya Government's family planning policy. The A.I.D. strategy similarly supports policy analysis, and discrete projects, to demonstrate low-cost techniques and the feasibility of cost sharing by beneficiaries in a number of important areas including renewable energy, on-farm grain storage, housing and rural health services.

U.S. policy dialogue, program assistance and projects are directed ultimately to the achievement of three objectives: (a) increased rural production, employment and income; (b) reduced population growth; and (c) efficient delivery of basic social services. A.I.D.'s emphasis on increased rural production is designed to improve the balance of payments deficit by reducing food imports and increasing exports, and to expand directly the private sector tax base and reduce the GOK deficit. The program concentrates on expanding production on small farms in two geographic areas: the high and medium potential lands of Western Kenya, and the important but ecologically fragile semi-arid lands as exemplified by Kitui District. The objectives of reducing population growth will ultimately reduce the pressure on recurrent cost expenditures, but more efficient methods of delivering basic services, particularly through the private sector, must also be demonstrated.

### A.I.D. Program (FYs 1983-1984)

#### A. Agriculture, Rural Development and Nutrition

To help Kenya increase productivity on small farms A.I.D. supports policy changes required to provide access to agricultural inputs and markets. Many of Kenya's agricultural marketing and pricing policies, and the country's policy of industrial protection, have discriminated against the rural sector. Kenya's program of structural adjustment and trade liberalization is beginning to address this imbalance. The United States has supported such structural adjustment measures with Economic Support Funds and P.L. 480

## Kenya

Assistance totaling \$124 million during Fiscal Years 1980-83. The ESF program has reversed the Kenya Government's de facto policy of limiting fertilizer imports for balance of payments reasons, substantially increased maize output, and reduced food imports. The program is now expanding the role of the private sector in determining fertilizer requirements, and in financing and distributing fertilizer supplies. The P.L. 480 program provides added balance of payments support by helping to finance grain imports and provides some additional incentive for self-help policy measures including recent agricultural price reforms, such as increased prices to producers of maize, wheat, rice, and beef.

Several fully funded AID activities will continue in FY 1983 and FY 1984 to develop agricultural training institutions, improve management of credit, conduct research to promote agricultural and livestock production in arid and semi-arid lands, and improve storage on small farms. These activities are encompassed in Agricultural Systems Support project (615-0169), Arid and Semi-Arid Lands Development (615-0172) and On-Farm Grain Storage (615-0190). The expansion of Egerton College to double its former capacity and the training of its faculty to M.A. and Ph.D. levels will be completed. The College has already embarked on a program to offer in-service courses to extension agents, adult education on agricultural topics, and management training to public and private sector entrepreneurs and managers. The twenty-two active research and development programs in range management and livestock production and the several well-launched programs in dryland cropping management will be sufficiently advanced by the end of FY 1984 to form the basis of extension to farmers of dryland areas. A.I.D. efforts to improve management and training in cooperatives, in their headquarters and for agricultural credit have demonstrated that centralized public programs can be improved to some extent but cannot provide the full solution to problems in agricultural management. Future efforts in management will emphasize approaches in the private sector. The grain storage project, whose technical implementation began in FY 1983, will train over 1,500 ministry, field and technical staff and assist over 23,000 maize producers on small farms. Through the centrally funded Collaborative Research Support project, an effort is being made through research to increase yields of meat, milk and filler from sheep and goats in intensive livestock systems. One of the outstanding contributions to date has been the positive identification and eradication of a disease (Caprine Arthritis - Encephalitis) in the goat population of Kenya.

Kenya has continued to promote equitable participation in the benefits of development by announcing a policy to implement rural development through its 41 districts. The background for this District Focus policy has been developed and supported through the fully funded A.I.D. project Rural Planning II (615-0189) and through A.I.D. support to the Technical Assistance Pool, a group of advisers on agricultural development policy funded by several donors. The Small Towns and Community Development project and the regional Environmental Training and Management project (698-0427) are also contributing to the analysis of needs in rural centers, offering training in planning for development and helping local governments to manage

## Kenya

their resources.

FY 1984 funds will be used to complete the financing of the Rural Private Enterprise project (615-0220) and also to fund the new Agricultural Sector Loan project (615-0230). Late in FY 1984 and in FY 1985 commercial banks will begin making loans to qualifying rural private enterprises which are labor intensive, export-oriented, or demonstrate strong links to agriculture. Concurrently, technical assistance and training will be provided to commercial banks to expand their capacity to lend to rural private enterprises to improve the quality of their proposals and the effectiveness of their investments. Parallel to the commercial bank lending programs will be a program of grants to voluntary organizations to assist very small-scale enterprises and enterprise groups. Successful project implementation will lead to the creation of 7,000 new jobs directly and to 12,000 new jobs indirectly as well as to increased value-added in project-assisted and project-related businesses. The Agricultural Sector loan will finance needed fertilizer imports. In FY 1983 A.I.D. financed one-fifth of the required investment for a tannery project which will provide a market for quality Kenyan rawhides, earn foreign exchange, and create employment in rural private agribusiness in Kenya.

### B. Population

In its past efforts in family planning, A.I.D. has learned that the public sector is limited in its capacity to implement expanded service delivery programs. Furthermore, the high value placed on large families is still very influential; there is little statistical evidence of progress in the use of effective family planning methods. Studies conducted by the Population Studies and Research Institute and the Government, assisted by A.I.D., have shown that people are relatively uninformed about family planning but that certain segments of the population, particularly urban residents, salaried employees, and older women with large families are likely to be relatively more receptive to education on family planning and more prepared to participate in programs. The U.S. contribution to Kenya's Integrated Rural Health and Family Planning program, funded by Family Planning II (615-0193), supports the staff development and programs in information and education of the newly formed National Council on Population and Development and the training in family planning of community health nurses and clinical officers assigned to rural areas.

A.I.D. actively assists the Government to plan delivery of basic services to the people of the country and is encouraging development of programs to relieve Government of certain costs, make public delivery systems more efficient and interest the private sector in managing and financing services. The Private Sector Family Planning project (615-0216), for which funding is provided in FY 1983 and 1984, will introduce or strengthen family planning services in private institutions with large numbers of employees (e.g. factories and plantations). Implemented by a resident team under agreement with John Snow, Inc. (Boston), an estimated 30 sub-projects and 5 field research projects will be underway within two years. The project will

## Kenya

reach both men and women thought to be receptive to family planning services. It will encourage greater private sector responsibility for family planning and related maternal and child care, and demonstrate partial or whole cost recovery through fees to clients and other financing mechanisms.

USAID actively facilitates more than twelve centrally-funded technical assistance and PVO activities in demographic studies, program evaluation, information and promotion materials, clinical skills, logistics systems, management training and other efforts. These directly complement USAID bilateral activities.

### C. Health

The Health Planning and Information project (615-0187) continues to assist the Ministry of Health and the Ministry of Finance and Planning to plan, manage and evaluate health sector policies and programs in order to expand rural health services. During the period of this project the budget for rural health services has increased from 39% to 43 % of funds devoted to development of health services. As a result of an FY 1983 evaluation the project has been extended through 1986, at no cost, to permit final development of the planning process, to assist in completion of the health sector portion of the Fifth Development Plan, and to develop an improved health statistics and information system.

### D. Housing Guaranty

A Housing Guaranty authorized in FY 1983, together with FY 1984 grant funds from the Private Sector Shelter Finance project (615-0225), will develop the capacity and determination of private developers and builders and housing cooperatives to provide affordable housing for lower income families. This project follows a study conceived and sponsored by A.I.D. and the United Nations Habitat in 1982 which demonstrated the positive interest of private sector builders in entering the low cost market if sufficient long-term financing could be made available.

## Requested Year Program (FY 1985)

### A. Agriculture, Rural Development and Nutrition

The FY 1985 program contains one new bilateral project. This project, Agricultural Technology (615-0229), will contribute to the A.I.D. strategy of increased rural production and income by assisting the GOK to strengthen its national research system. Food and agricultural technologies must be introduced for the specific agroclimatic, economic and social conditions faced by smallholders. For FY 1985, \$29,380,000 in ARDN Development Assistance funds is proposed to finance the project to transfer agricultural technology and train personnel required to improve planning and management in agriculture and in related rural enterprises. Also, \$620,000 will fund the balance of the Private Sector Shelter Finance project.

## Kenya

### B. Economic Support Funds

During FY 1985, \$55 million in Economic Support Funds will provide balance of payments and budget support to the Government of Kenya while promoting the structural changes needed to address the underlying problems of the economy. The continuing adjustments are likely to center on the privatization of grain marketing, the efficient administration and continued liberalization of trade procedures, and the priority ranking of public investment priorities. This second tranche of a three year program will enable Kenya to continue its program of structural adjustment while maintaining essential levels of imports and development expenditures. The program will cover certain costs of Kenyan policy reforms to adjust prices, increase competitiveness, improve Government efficiency, and expand exports. It will also finance imports of goods from the United States.

### C. P.L. 480

The P.L. 480 Title I program, which began in 1980 in response to a serious decline in cereal production, supplied \$15 million annually of wheat, maize and rice during 1980-1981. Two good harvests in 1981-1982 eliminated the need for maize imports; in the last two years wheat and rice have been included. Kenya has taken steps (increased producer prices, expanded credit, etc.) which resulted in surpluses of maize, beans and sorghum and expanded production of wheat. AID has used both Title I and ESF resources for purposes of policy dialogue. These overall discussions continue to focus on structural economic issues (exchange rate, interest rates, producer prices, input supplies, market regulation and the supply of support services for agriculture).

The proposed P.L. 480 Title I program of \$10 million will finance an estimated 57,100 MT of wheat and 8,000 MT of feedgrains in FY 1985. Kenya requires hard wheat, which the U.S. can readily supply, to combine with domestic soft wheats for use in bread products. Local currency generated from P.L. 480 Title I sales will finance mutually agreed upon programs in agricultural production and reforms in the structure of government participation in agriculture.

The P.L. 480 Title II program is implemented by Catholic Relief Services (CRS) to support maternal/child health, pre-school, institutional, and food for work programs for some 150,000 to 165,000 recipients. As a result of an audit and program review in 1983, major design changes and improved management of the program have occurred. The CRS Title II program is now more consistent with AID's development strategy and is focussed on nutritionally needy communities where there is potential for coordinated development activities.

A P.L. 480 Title II program of \$5.1 million for FY 1985 will continue educational and food programs for mothers and children assisting recipient families to improve their nutritional status. Program management improvements minimize costs and emphasize development activities.

MISSION DIRECTOR, Allison B. Herrick

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: KENYA

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ACTIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ACTIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ACTIONS	FY85- EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
RURAL ROADS SYSTEMS	C 615-0163	77	80	1,748	1,748	1,748	1,443	---	305	---	---
RURAL ROADS SYSTEMS	L 615-0168	77	77	13,000	13,000	13,000	5,492	---	7,503	---	---
AGRICULTURAL SYSTEM SUPPORT PROJECT	G 615-0169	78	83	26,200	26,200	26,200	19,296	---	4,000	---	2,000
AGRICULTURAL SYSTEM SUPPORT PROJECT	L 615-0169	78	79	23,600	23,600	23,600	18,292	---	4,000	---	1,000
ARID AND SEMI-ARID LAND DEV (KITUI)	G 615-0172	79	83	13,000	13,000	13,000	4,376	---	2,500	---	2,500
DRYLANDS CROPPING SYSTEMS RESEARCH	G 615-0180	79	82	4,000	4,000	4,000	2,521	---	1,000	---	479
RURAL PLANNING II	G 615-0189	80	83	3,575	3,575	3,575	1,426	---	650	---	650
ON-FARM GRAIN STORAGE	L 615-0190	81	81	7,800	7,800	7,800	973	---	1,750	---	1,000
RURAL PRIVATE ENTERPRISE	G 615-0220	83	84	12,000	7,000	3,000	---	4,000	1,500	---	2,500
RURAL PRIVATE ENTERPRISE	L 615-0220	83	84	24,000	24,000	11,600	---	12,400	2,400	---	4,800
AGRICULTURAL SECTOR GRANT	G 615-0228	82	82	4,400	4,400	4,400	---	---	---	---	---
AGRICULTURAL TECHNOLOGY	* G 615-0229	85	86	---	35,000	---	---	---	---	29,380	---
AGRICULTURE SECTOR LOAN	L 615-0230	84	84	---	15,000	---	---	15,000	---	---	15,000
TOTAL FOR ACCOUNT				133,323	178,323	111,923	53,819	31,400	25,608	29,380	29,929
GRANTS				64,923	94,923	55,923	29,062	4,000	9,955	29,380	8,129
LOANS				68,400	83,400	56,000	24,757	27,400	15,653	---	21,800
POPULATION PLANNING											
POPULATION STUDIES AND RESEARCH CENTER	G 615-0165	76	80	2,692	2,692	2,692	2,439	---	253	---	---
FAMILY PLANNING II	G 615-0193	82	82	4,000	4,000	4,000	---	---	1,000	---	1,300
FAMILY PLANNING MANAGEMENT PROGRAM (PVQ)	G 615-0216	83	83	310	310	310	---	---	90	---	101

\* Refer to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: KENYA

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH OBLIG ATIONS	FY93- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES	
PRIVATE SECTOR FAMILY PLANNING	G 615-0223	83	84	4,500	4,500	2,200	---	2,300	1,000	---	1,500
TOTAL FOR ACCOUNT GRANTS LOANS				11,502	11,492	9,202	2,439	2,300	2,343	---	2,901
				11,502	11,492	9,202	2,439	2,300	2,343	---	2,901
				---	---	---	---	---	---	---	---
HEALTH											
HEALTH PLANNING AND INFORMATION	G 615-0187	79	81	2,450	2,450	2,450	1,500	---	538	---	336
RURAL BLINDNESS PREVENTION II	G 615-0203	80	81	1,870	1,870	1,870	1,776	---	---	---	---
KITUI RURAL HEALTH	G 615-0206	82	82	4,893	4,893	4,893	---	---	---	---	---
KITUI RURAL HEALTH	L 615-0206	82	82	4,630	4,630	4,630	4	---	---	---	---
FAMILY PLANNING MANAGEMENT PROGRAM (PVO)	G 615-0216	83	83	310	300	390	80	---	90	---	102
KITUI PRIMARY HEALTH CARE II (PVU)	G 615-0219	83	83	500	500	500	85	---	225	---	165
TOTAL FOR ACCOUNT GRANTS LOANS				14,653	14,643	14,733	3,445	---	853	---	603
				10,023	10,013	10,103	3,441	---	853	---	603
				4,630	4,630	4,630	4	---	---	---	---
SELECTED DEVELOPMENT ACTIVITIES											
RENEWABLE ENERGY DEVELOPMENT	G 615-0205	80	81	4,800	4,800	4,800	1,245	---	3,555	---	---
SMALL BUSINESS DEVELOPMENT (OPG)	G 615-0208	82	82	500	500	500	259	---	241	---	---
SMALL TOWNS HG-TA	G 615-0212	31	86	665	945	665	191	---	281	---	159
PRIVATE SECTOR HOUSING FINANCE	G 615-0225	34	85	1,120	1,120	---	---	500	400	620	500
MASENO SO. ENTERPRISE DEVELOPMENT (OPG)	G 615-0226	82	82	500	500	500	125	---	200	---	175

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: KENYA

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD	PLANNED	-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES
TOTAL FOR ACCOUNT GRANTS LOANS				7,585	7,865	6,465	1,820	500	4,677	620	934
				7,585	7,865	6,465	1,820	500	4,677	620	934
ECONOMIC SUPPORT FUND											
COMMODITY IMPORT PROGRAM	G 615-0200	80	80	20,000	20,000	20,000	19,827	---	---	---	---
STRUCTURAL ADJUSTMENT PROGRAM GRANT	G 615-0213	83	85	30,000	125,000	30,000	28,000	40,000	43,900	55,000	45,000
TOTAL FOR ACCOUNT GRANTS LOANS				50,000	145,000	50,000	47,827	40,000	43,900	55,000	45,000
				50,000	145,000	50,000	47,827	40,000	43,900	55,000	45,000
TOTAL FOR COUNTRY GRANTS LOANS				217,063	357,323	192,323	109,350	74,200 <sup>1/</sup>	77,381	85,000	79,267
				144,033	269,293	131,693	84,589	46,800	61,728	85,000	57,467
				73,030	88,030	60,630	24,761	27,400	15,653	---	21,800

<sup>1/</sup> FY 1984 total excludes \$148 thousand which has already been notified for deobligation and has not been identified for reobligation by project.

<sup>1/</sup> Refers to the planned project summary sheet  
<sup>2/</sup> Level of effort category

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: Kenya

PLANNED PROGRAM SUMMARY SHEET

Title <b>Agricultural Technology</b>		Funding Source	AG, RD & N 29,380	Health	PROPOSED OBLIGATION <i>(In thousands of dollars)</i>		
Number 615-0229		<input checked="" type="checkbox"/> NEW <input type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING	Population	ED. & HR	Sel. Act.	FY 1985 29,380	Life of Project Funding 35,000
						Initial Obligation FY 1985	Estimated Final Obligation FY 1986

**Purpose:** To assist Kenya to establish research priorities in agriculture; to rehabilitate and expedite the most important research efforts, especially in key food crops; to adapt on-station research results to actual microclimates and farm situations and complete the translation of research findings to increase production on farms within the shortest possible time.

**Project Description:** Development of new agricultural technology in Kenya has in the past been directed principally at the large commercial farms rather than the smallholders, especially those who are in increasing numbers attempting to farm marginal, semi-arid lands. Research recommendations have tended to ignore the economic and social conditions of the majority of Kenyan farmers -- many of whom are women.

A host of problems must be addressed: poor management of agricultural research programs and facilities; an inability to get research results off the research stations and onto the farm plots for adaptive trials; a continuing lack of trained research personnel and employment of those who have been trained in administration or other fields; inadequate research equipment; inadequate budgets; inadequate communication between researchers; and the need better to train and motivate extension agents.

This project will focus its attention on a limited number of the most important research priorities of the country such as better yielding, drought-resistant corn, more palatable varieties of sorghum, improved dryland intercropping techniques, better adapted animal traction and other low cost farm implements, and the raising of livestock in mixed farming situations. The emphasis will be on delivering suitable technologies to the farm rather than on pure research. Activities of the project will be carefully selected to fit with the World Bank assisted extension system now being introduced in many parts of Kenya.

The principal outputs of the project will be: (1) priorities set for the most important types of agricultural research;

(2) an improved focus of government and donor resources on a limited number of priorities; (3) research stations upgraded and managed more effectively; (4) on-farm test results being fed back to the researchers for adaptation; (5) extension agents (both men and women) and local field officers of the related ministries trained in better communication with farmers and improved identification of their needs.

AID-financed interventions will include start-up support for revitalizing selected research institutions (technical assistance, in-country training, commodities, some local-cost support), senior policy advisory services, commodity support, strengthened ties with researchers and appropriate technology experts in other developing countries.

**Relationship of Project to A.I.D. Strategy:** A principal component of A.I.D. strategy in Kenya is increasing the production and incomes of smallholders. The development and dissemination of improved, better adapted technology, is intended to increase total on-farm production significantly, especially in the semi-arid areas where little if any technology has been introduced or utilized in the past.

**Host Country and Other Donors:** The project will be implemented primarily through the ministries responsible for crop and livestock research and coordinated with the local District administrations. There will be close coordination with the World Bank program, FAO programs in marketing, storage and research, and with the international research institutes and private foundations involved in similar efforts elsewhere in the developing world. Five international institutes are now operating in Kenya.

**Beneficiaries:** Over the long term the beneficiaries will include virtually all of Kenya's two million farming households. Principal beneficiaries over the term of the project will be farm families in selected areas of semi-arid Kenya.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (687) MADAGASCAR

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 9,389  
 PER CAPITA GNP..... (DOLLARS,1981) 330  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) -1.9%  
 ANNUAL RATE OF INFLATION (1970-81) 10.6%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 48.0 MALE 46.4 FEMALE 49.6  
     (1970) TOTAL 42.2 MALE 40.7 FEMALE 43.9  
 ADULT LITERACY RATE ( .) TOTAL .% MALE .% FEMALE .%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) -1.6%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 35%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 59  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: RICE ,CASSAVA ,CORN 50% (1982)  
 CASH: RICE ,COFFEE ,SUGAR CANE 50% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COFFEE ,CLOVES ,VANILLA  
 MAJOR AGRICULTURAL IMPORTS:(1982) RICE ,WHEAT ,VEGETABLE OILS  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 90%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 (1972) 198 (73) 244 (74) 242  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 (1972) 224 (73) 277 (74) 280  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 (1972) -27 (73) -33 (74) -38  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. ( .) . % (72) 3.5% (73) 4.0%  
 AS % OF GNP..... ( .) . % (72) 0.8% (73) 0.8%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) ( .) . ( .) . ( .)  
 EQUIVALENT TO . MONTHS OF IMPORTS ( .)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) COFFEE ,VANILLA ,SUGAR  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1980) 78 (1981) 53 (1982) 60  
 AS % OF TOTAL EXPORTS (1977) 21% (1978) 24% (1979) 14%  
 MAJOR IMPORTS....(1981) MANUFACTURES ,FOODSTUFFS ,CRUDE OIL  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 21 (1981) 17 (1982) 26  
 AS % OF TOTAL IMPORTS (1977) 4% (1978) 4% (1979) 10%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1977) 39(78) 1(79) -262  
 TRADING PARTNERS: , ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 58.8%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 121  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1979) 8.4%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.3% (1978) 2.7% (1983) 2.7%  
 POPULATION IN URBAN AREAS.....(1970) 14% (1982) 19%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 45 (1983) 45  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. ( .) . %  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 43.7% (15-64YRS) 53.0% (65+ YRS) 3.3%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 70  
 PEOPLE PER PHYSICIAN..... (1977) 10,242  
 MAJOR CAUSES OF  
 DISEASE (19 ) , ,  
 DEATH.. (19 ) , ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 111%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1975) 25%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1978) TOTAL 100% MALE 95.0% FEMALE 81.0%  
 SECONDARY..... (1975) TOTAL 12.0% MALE 14.0% FEMALE 10.0%  
 POST SECONDARY.. (1977) TOTAL 1.3% MALE 1.7% FEMALE 1.0%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 2.5%

**U.S. OVERSEAS LOANS AND GRANTS — OBLIGATIONS AND LOAN AUTHORIZATIONS**  
(U.S. Fiscal Years — Millions of Dollars)

**ECONOMIC PROGRAMS OF ALL DONORS**  
(Millions of Dollars)

**COUNTRY MADAGASCAR**

**A. ASSISTANCE FROM INTERNATIONAL AGENCIES — COMMITMENTS**

PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82
	1978	1979	1980	1981	1982			
<b>I. ECONOMIC ASSISTANCE — TOTAL</b>	1.4	2.1	*	9.0	12.1	42.4	1.3	40.6
Loans	-	-	-	4.6	4.8	14.5	1.3	12.7
Grants	1.4	2.1	*	4.4	7.3	27.9	-	27.9
<b>a. A.I.D. and Predecessor Agencies</b>	-	-	-	-	0.4	10.2	1.3	8.4
Loans	-	-	-	-	-	5.0	1.3	3.2
Grants	-	-	-	-	0.4	5.2	-	5.2
(Economic Support Fund)	-	-	-	-	-	-	-	-
<b>b. Food for Peace (PL 480)</b>	1.4	2.1	*	9.0	11.7	32.2	-	32.2
Loans	-	-	-	4.5	4.8	9.5	-	9.5
Grants	1.4	2.1	-	4.4	6.9	22.7	-	22.7
Title I - Total Sales Agreements	-	-	-	4.6	4.8	9.5	-	9.5
Repayable in U.S. Dollars - Loans	-	-	-	4.5	4.8	9.5	-	9.5
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-
Title II - Total Grants	1.4	2.1	*	4.4	6.9	22.7	-	22.7
Emerg. Relief, Econ. Develop. & World Food Program	-	*	*	2.7	5.0	10.0	-	10.0
Voluntary Relief Agencies	1.4	2.1	-	1.7	0.9	12.7	-	12.7
<b>c. Other Economic Assistance</b>	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Peace Corps	-	-	-	-	-	-	-	-
Narcotics	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>II. MILITARY ASSISTANCE — TOTAL</b>	-	-	-	-	-	-	-	-
Credits or Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	-	-	-	-
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	1.4	2.1	*	9.0	12.1	42.4	1.3	40.6
Loans	-	-	-	4.6	4.8	14.5	1.3	12.7
Grants	1.4	2.1	*	4.4	7.3	27.9	-	27.9
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	1.6	1.3	-
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	1.8	1.3	-
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-

\* LESS THAN \$50,000.

	FY 1981	FY 1982	FY 1983	FY 1946-83
TOTAL.....	50.3	47.1	81.9	745.3
IBRD	0.0	0.0	0.0	32.6
IFC	0.0	0.0	7.4	20.0
IDA	45.3	20.7	74.5	395.7
IDB	0.0	0.0	0.0	0.0
ADB	0.0	0.0	0.0	0.0
AFDB	9.7	22.2	0.0	47.8
UNDP	1.8	4.2	0.0	45.8
OTHER-UN	3.5	0.0	0.0	10.5
EEC	0.0	0.0	0.0	192.9

**B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE**

**1. D.A.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-82
United States	10.0	15.0	30.0
France	54.3	96.4	269.9
Japan	10.2	28.3	83.9
Switzerland	3.0	6.8	25.6
Germany, Fed. Rep.	5.5	12.6	24.1
Other	14.2	7.5	53.3
Total	97.2	166.6	486.8

**2. O.P.E.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-81
	5.7	N.A.	38.5

**C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES**

	CY 1981	CY 1982	CY 1954-82
USSR	-	5	75
Eastern Europe	-	-	40
China	-	-	90
Total	-	5	205

## MADAGASCAR

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
1984								
Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	2,000	2,000	-	-	-	-	-	-
Total	2,000	2,000	-	-	-	-	-	-

FY 1985 PROGRAM HIGHLIGHTS	
-	PL 480 Title I - \$6 million.
-	PL 480 Title II - \$2.3 million.
-	Agricultural Development Support - \$2.0 million.

## MADAGASCAR

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	-	-	1,000
Total AID	-	-	1,000
P.L. 480**			
Title I (of which Title III is)	8,000 ( - )	8,000 ( - )	6,000 ( - )
Title II	978	1,277	2,312
Total P.L. 480	8,978	9,277	8,312
Total AID and P.L. 480	8,978	9,277	9,312

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	-	1	1
PASA <sup>c</sup>	-	-	-
Contract	-	-	-
Total	-	1	1
Participants <sup>d</sup>			
Noncontract	-	-	1
Contract	-	-	-
Total	-	1	1

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	23.2	7,000	23.0	7,000	16.0	6,000
Feedgrains	-	-	-	-	-	-
Vegoil	1.4	1,000	1.0	1,000	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		8,000		8,000		6,000
Title II						
Voluntary Agencies		978		1,277		2,027
World Food Programs		-		-		285
Gov't-to-Gov't		-		-		-
Title II Total		978		1,277		2,312
Total P.L. 480		8,978		9,277		8,312

## MADAGASCAR

### Development Overview

Madagascar is the world's fourth largest island. With a total land area about the size of Texas, its population numbers approximately 9.5 million. Its people are predominately descendants of ancient sea-faring migrants from Malaysia and Indonesia mixed with more recent arrivals from the nearby continent of Africa. Its per capita income of \$330 (1981) places it among the poorest 34 countries in the world. Agriculture dominates the economy, providing 88 percent of total employment and 90 percent of export earnings, including processed goods. The rugged highland topography has created a wide variety of climatic and soil conditions, enabling Madagascar to grow many different agricultural crops; but it also makes internal transportation difficult and expensive.

In the early 1970's the Malagasy Republic (GDRM) imposed extensive government controls over most of the economy, establishing a number of government-owned agencies to manage key economic activities in an effort to accelerate economic and social progress and insure widespread distribution of the benefits of development. These well-intentioned but poorly analyzed and planned interventions have contributed to increasing production inefficiency, disrupted markets, large fiscal deficits, a high rate of inflation, declining real farmgate prices, and declining or stagnant agricultural production. Poor economic management has also led to the real revaluation of the foreign exchange rate, declining exports, increasing import demand, large balance of payment deficits, and sharply declining industrial output. But recent administrative and policy reforms and austerity measures are evidence of the GDRM's pragmatic willingness to try an alternative approach to achieve their goals. The World Bank, IMF, France, and other Western donors believe these efforts warrant major programs of support. Balance of payments relief, together with better allocation of scarce foreign exchange to priority needs, and the long-neglected road and rail transport industries are receiving top priority, along with further economic policy reforms. These remain the most serious constraints both to short-term stabilization and recovery and to longer-term development.

### U.S. Interests and Objectives

U.S.-Malagasy relations have improved considerably during recent years. The Government's efforts to bolster economic prospects by a policy of economic austerity and structural reforms, and close cooperation with the IMF and World Bank, have provided a basis for U.S. support. Moreover, Malagasy efforts to move toward a more genuinely non-aligned position on international issues suggest that grounds for increased cooperation in a variety of ways is possible and would have mutually beneficial results. Madagascar occupies a strategic position astride major Indian Ocean shipping lanes and contains a storehouse of mineral wealth. Further strengthening of bilateral ties with Madagascar is in America's long-term interest.

## MADAGASCAR

### A.I.D. Assistance Strategy

During the last few years A.I.D. strategy has been to support a modest U.S. government presence and to provide PL-480 Title I food imports to serve as a form of balance of payments support. In addition, PL 480 Title II feeding programs have been distributed for a number of years through the Catholic Relief Services (CRS). Small amounts of ad hoc technical and training assistance have been provided, upon request, through centrally-managed projects. In FY 1984 A.I.D. is supporting basic research in Malagasy rice production with the assistance of the International Rice Research Institute (IRRI). IRRI has recently concluded a cooperative research agreement with GDRM. The PL 480 Title I program will be continued, since it also provides an important source of balance of payments support and local currency funds for development expenditures.

In response to recent reforms and a new initiative toward the West by the GDRM, which was formally presented to and well received by the Consultative Group Meeting on Madagascar chaired by the World Bank in April 1983, A.I.D. began to reassess its own assistance program to Madagascar. While this reassessment has not yet been completed, the main outlines of a new A.I.D. assistance strategy are emerging. The agricultural sector, because of its overwhelming importance, deserves priority attention in any development strategy. A.I.D. will be reluctant to provide direct assistance to agricultural production, however, until pricing and marketing policies are more favorable to the success of such efforts.

### A.I.D. Program (FYs 1983-1984)

#### Current Status:

The A.I.D. program in Madagascar consists of PL 480 Title I and Title II, and \$90,000 in technical assistance training funded under the African Manpower Development Project (AMDP). An agreement for \$8.0 million in PL 480 Title I was signed in FY 1983, and \$8.0 million has been proposed for FY 1984. The PL 480 Title II program administered by Catholic Relief Services (CRS) provided \$978,000 in commodity assistance in FY 1983, and \$1.3 million is proposed for FY 1984.

#### Requested Year Program (1985):

In FY 1985 A.I.D. proposes to initiate its first bilateral development assistance project in Madagascar since the program was closed down in the early 1970's. The Agricultural Development Support project (687-0101), will utilize the requested \$2.0 million primarily for institutional development, providing technical assistance and training to improve the GDRM institutional capacity to perform critical development support tasks, for urgently needed rural road maintenance equipment, and for vehicles, spare parts and industrial inputs needed by small and medium-scale private sector activities servicing and supplying small farmers. The technical assistance

## MADAGASCAR

and training financial under the project will be directed at improving GDRM and local government capacity to (1) rehabilitate and maintain rural farm-to-market and feeder roads, (2) support and promote privately-owned artisanal and small-scale industries that process agricultural commodities and provide farm implements and basic consumer goods to the rural areas, and (3) generate the agricultural data, perform the economic and policy analyses, and conduct the appropriate development planning necessary for more rapid agricultural development.

In addition, AMDP funding is requested for long-term training related to the new assistance strategy taking shape.

The PL-480 Title I Program will be continued at the \$6 million level. The local currency generated will be directed more toward supporting the priority areas of the emerging A.I.D. assistance strategy: training and budgetary support for improved rural activities, economic data generation, policy analysis, and development planning and sector management.

PL 480 Title II assistance will be continued in FY 1985 at a \$2.3 million level. It will include two new initiatives, one by the Seventh Day Adventists World Services (SAWS) to be funded at \$1.0 million, and the other by the World Food Program at \$0.3 million. In addition, the CRS will receive \$1.0 million in PL-480 Title II commodities for its on-going program, for a country total of \$2.3 million.

DIRECTOR, REGIONAL ECONOMIC DEVELOPMENT SERVICES OFFICE, EAST AFRICA (REDSO/EA):  
John W. Koehring

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: MADAGASCAR

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	EXPENDI TURES
AGRICULTURE, RURAL DEV. AND NUTRITION										
AGRICULTURAL DEVELOPMENT SUPPORT	* G 687-0101	85	85	---	2,000	---	---	---	---	2,000 1,000
TOTAL FOR ACCOUNT GRANTS				---	2,000	---	---	---	---	2,000 1,000
LOANS				---	2,000	---	---	---	---	2,000 1,000
TOTAL FOR COUNTRY GRANTS				---	2,000	---	---	---	---	2,000 1,000
LOANS				---	2,000	---	---	---	---	2,000 1,000

\* Refers to the planned project summary sheet

G Level of effort - activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: MADAGASCAR

PLANNED PROGRAM SUMMARY SHEET

Title Agriculture Development Support		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION <i>(In thousands of dollars)</i>		
			2,000		FY 1985	Life of Project Funding	
					2,000	2,000	
Number 687-0101	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 1985	FY 1985	FY 1989

Purpose: To improve the economic policy environment, rural transport and marketing systems, and domestic industrial demand for farm products, to increase the production and availability of agricultural inputs, and to increase the availability of essential imported inputs.

Project Description: The project will provide technical assistance and training in (1) rural road rehabilitation and maintenance, (2) small-scale agricultural processing and input industries, including artisanal production, and (3) economic and agricultural data generation, marketing and policy analysis and development planning. It will also finance a modest amount of critical commodity imports to support these activities, such as road building and maintenance equipment, rural transport vehicles, and spare parts, critical inputs for agro-processing and farm implement industries not available locally, and small computer hardware and software, if required, for economic and agricultural policy and marketing analysis. The project will strengthen Madagascar's institutional capacity to analyze economic problems and to design appropriate policy reforms and development programs to deal with them.

Relationship of Project to A.I.D. Country Strategy: The technical assistance and training to be provided will help lay the groundwork for more successful long-term development by addressing key institutional and manpower skill constraints, thus promoting more stable economic development. In addition, the commodity imports to be financed in support of these institution-building efforts will help address urgent economic recovery requirements and serve as visible and highly appreciated evidence of U.S. support in time of economic crisis.

Host Country and Other Donor: The proposed project will complement (1) a major effort coordinated by the World Bank and supported by several other donors to finance the rehabilitation and improved maintenance of the trunkline road network, (2) United Nations Industrial Development Organization supported efforts to study and promote small-and medium-scale industries and artisans, which have

already resulted in the identification and design of support activities A.I.D. could finance, and (3) World Bank, French and UN-supported efforts to improve data generation and policy-related analysis.

Beneficiaries: The exact number of direct beneficiaries cannot yet be determined. The number of rural folk indirectly benefiting from more appropriate agricultural marketing systems and policies, better road access, and increased industrial demand for agricultural products will be large.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (642) MAURITIUS

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 1,002  
 PER CAPITA GNP..... (DOLLARS,1981) 1,270  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 4.8%  
 ANNUAL RATE OF INFLATION (1970-81) 15.5%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..(1975) 4.5%  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 66.3 MALE 64.5 FEMALE 68.3  
     (1970) TOTAL 62.3 MALE 60.2 FEMALE 64.5  
 ADULT LITERACY RATE (1980) TOTAL 79% MALE 86% FEMALE 72%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
     (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1980) 14%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 2,138  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: POTATOES ,BANANAS , 1% (1982)  
     CASH: SUGAR CANE ,TEA , 93% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) RAW SUGAR ,MOLASSES ,TEA  
 MAJOR AGRICULTURAL IMPORTS:(1982) RICE ,WHEAT ,VEGETABLE OILS  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 29%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     (1979) 224 (80) 236 (81) 230  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     (1979) 364 (80) 352 (81) 374  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     (1979) -139 (80) -117 (81) -144  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. (1979) 0.5% (80) 0.7% (81) 2.0%  
     AS % OF GNP..... (1979) 0.2% (80) 0.3% (81) 0.7%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
     (\$MILLIONS, U.S.) (1980) 95 (81) 39 (82) 42  
 EQUIVALENT TO 1.3 MONTHS OF IMPORTS (1982)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) SUGAR ,TEXTILES ,  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1980) 22 (1981) 17 (1982) 24  
     AS % OF TOTAL EXPORTS (1980) 5% (1981) 5% (1982) 7%  
 MAJOR IMPORTS....(1981) FOODSTUFFS ,PETROLEUM ,  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 28 (1981) 30 (1982) 16  
     AS % OF TOTAL IMPORTS (1980) 5% (1981) 6% (1982) 4%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1980) -82(81) -146(82) -30  
 TRADING PARTNERS: UNITED KINGDOM ,FRANCE ,SOUTH AFRICA  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 45.9%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1981) 47  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 14.7%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 1.4% (1978) 1.8% (1983) 1.6%  
 POPULATION IN URBAN AREAS.....(1970) 42% (1982) 54%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 26 (1983) 26  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1981) 50.6%  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 34.8% (15-64YRS) 61.4% (65+ YRS) 3.8%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 33  
 PEOPLE PER PHYSICIAN..... (1977) 2,418  
 MAJOR CAUSES OF  
 DISEASE (1980) MALARIA ,SCHISTOSOMIASIS ,GONORRHEA  
 DEATH.. (1980) HEART DISEASE ,STROKE ,ILL-DEFINED CAUS  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 117%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1975) 60%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
     PRIMARY..... (1979) TOTAL 99.0% MALE 99.0% FEMALE 99.0%  
     SECONDARY..... (1979) TOTAL 52.0% MALE 54.0% FEMALE 49.0%  
     POST SECONDARY.. (1977) TOTAL 1.3% MALE 2.0% FEMALE 0.6%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 2.5%

U.S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years - Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)				
COUNTRY MAURITIUS									A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS				
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAYMENTS AND INTEREST 1946-82	TOTAL LESS REPAYMENTS AND INTEREST 1946-82	TOTAL.....	FY 1981	FY 1982	FY 1983	FY 1946-83
	1978	1979	1980	1981	1982								
<b>I. ECONOMIC ASSISTANCE - TOTAL</b>	0.5	3.3	3.5	4.1	7.0	34.8	0.7	34.1					
Loans	-	2.7	2.7	3.3	3.3	12.0	0.7	11.3					
Grants	0.5	0.6	0.8	0.8	3.7	22.8	-	22.8					
<b>a. A.I.D. and Prodecon Agency</b>	0.1	0.3	0.3	-	2.0	3.1	-	3.1					
Loans	-	-	-	-	-	-	-	-					
Grants	0.1	0.3	0.3	-	2.0	3.1	-	3.1					
(Economic Support Fund)	-	-	-	-	2.0	2.0	-	-					
<b>b. Food for Peace (PL 480)</b>	0.4	3.0	3.2	4.1	5.0	30.8	0.7	30.1					
Loans	-	2.7	2.7	3.3	3.3	12.0	0.7	11.3					
Grants	0.4	0.3	0.5	0.8	1.7	18.8	-	18.8					
Title I - Total Sales Agreements	-	2.7	2.7	3.3	3.3	12.0	0.7	11.3					
Repayable in U.S. Dollars - Loans	-	2.7	2.7	3.3	3.3	12.0	0.7	11.3					
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-					
Title II - Total Grants	0.4	0.3	0.5	0.8	1.7	18.8	-	18.8					
Emerg. Relief, Econ. Develop. & World Food Program	0.4	0.3	0.5	0.8	1.7	18.2	-	13.2					
Voluntary Relief Agencies	-	-	-	-	-	0.6	-	0.6					
<b>c. Other Economic Assistance</b>	-	-	-	-	-	0.9	-	0.9					
Loans	-	-	-	-	-	-	-	-					
Grants	-	-	-	-	-	0.9	-	0.9					
Peace Corps	-	-	-	-	-	0.9	-	0.9					
Narcotics	-	-	-	-	-	-	-	-					
Other	-	-	-	-	-	-	-	-					
<b>II. MILITARY ASSISTANCE - TOTAL</b>	-	-	-	-	-	-	-	-					
Credits or Loans	-	-	-	-	-	-	-	-					
Grants	-	-	-	-	-	-	-	-					
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-					
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-					
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	-	-	-	-					
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-					
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-					
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	0.5	3.3	3.5	4.1	7.0	34.8	0.7	34.1					
Loans	-	2.7	2.7	3.3	3.3	12.0	0.7	11.3					
Grants	0.5	0.6	0.8	0.8	3.7	22.8	-	22.8					
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	-	-	-					
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	-	-	-					
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-					
* LESS THAN \$50,000.													

ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)				
A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS				
	FY 1981	FY 1982	FY 1983	FY 1946-83
TOTAL.....	43.0	6.9	15.5	212.9
IBRD	33.0	6.0	12.2	136.0
IFC	1.8	0.0	0.0	0.5
IDA	3.0	0.0	0.0	20.2
IDS	3.0	0.0	0.0	0.0
ADB	3.0	0.0	0.0	0.0
AFDB	0.0	0.0	0.0	19.8
UNDP	0.7	0.0	0.0	12.8
OTHER-UN	0.0	0.0	0.0	2.3
EEC	7.5	0.0	4.0	21.3
B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE				
1. O.A.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-82	
United States	3.0	7.0	16.0	
France	38.7	15.8	95.2	
United Kingdom	5.8	2.9	21.8	
Australia	1.2	2.1	9.2	
Japan	0.2	0.4	4.8	
Other	0.8	4.5	8.2	
Total	49.7	32.7	155.2	
2. O.P.E.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-81	
	1.0	N.A.	1.0	
C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES				
	CY 1981	CY 1982	CY 1954-82	
USSR	-	-	5	
Eastern Europe	-	-	-	
China	-	-	35	
Total	-	-	40	

MAURITIUS

ECONOMIC SUPPORT FUND PROGRAM SUMMARY			
<i>(In millions of dollars)</i>			
	FY 1983	FY 1984	FY 1985
	Actual	Estimated	Request
Grants	2.0	2.0	2.0

MAURITIUS

Development Overview

The island nation of Mauritius, covering some 720 square miles, has a population of about one million. It is a middle income country in terms of both gross national product per capita and overall levels of literacy, nutrition and health care. Pockets of poverty can be found, however, in both rural and urban areas on the island of Mauritius. On the island of Rodrigues where about 30,000 persons live at very low income levels, the development problems resemble those of much of rural Africa, including deteriorating crop land, high population growth and inadequate trained human resources and physical infrastructure.

Mauritius' primary economic resources are agriculture and a well-educated population. The country's relatively favorable climate is marred by occasional severe cyclones. Tree or bush crops protect the soils and are more apt to survive the weather than cereals. Mauritius' economy is dominated by sugar, which accounts for about 90% of the area under cultivation. Three quarters of Mauritius' sugar is purchased by the EEC at preferential prices. The U.S. quota for sugar is 31,000 tons or approximately 5% of the country's annual production.

Fluctuating world sugar prices have led the Government to attempt to diversify the economy. Mauritius has successfully developed an export manufacturing processing zone (EPZ), which now accounts for a third of all export earnings, to utilize the skills of its trained workforce. The steady growth of the EPZ has been critical to Mauritius' foreign exchange earnings as well as to the maintenance of domestic employment.

Mauritius' current economic problems date from the short-lived sugar boom of 1974-75, which was accompanied by increased government expenditures for social services and investments, and expansionary wage policies. Despite the subsequent downturn in sugar prices, GOM expenditure patterns did not change quickly enough to reflect the reduction in revenues. Given the high propensity to import within both the public and private sectors, expansionary fiscal, monetary and wage policies rapidly led to growing budgetary and balance of payments difficulties beginning in 1976/1977. In 1979, with its foreign exchange reserves almost fully exhausted, Mauritius entered into a stabilization exercise with the IMF. While cyclones and drought have hampered this effort, Mauritius has continued to work closely

FY 1985  
PROGRAM HIGHLIGHTS

- \$2.0 million E.S.F. grant to finance the importation of essential commodities.
- \$3.7 Million for PL-480 Title I and Title II commodities.

with the IMF and the IBRD in an effort to extricate itself from its difficult economic past. Their efforts include two major devaluations, three rounds of price increases to reduce subsidies on rice and flour, increases in interest rates, the imposition of credit ceilings, limits on budget deficits and the successful implementation of a restrictive wage policy. These efforts will take time to yield an impact, however, and considerable economic assistance will be required in the interim.

The Government of Mauritius recognizes that if the country is to grow and develop, it must make its economy less dependent upon world sugar prices and climatic factors. Accordingly, the government has taken steps to expand and diversify its export base, following in part a pragmatic, private sector oriented approach. It has also recognized the need for more research and extension activities in non-sugar agriculture and is anxious to improve the livestock sector and to expand long-range fishing.

#### U.S. Interests and Objectives

The new government elected in August 1983 has shown itself sensitive to U.S. concerns in the strategic Indian Ocean region, including a policy which welcomes U.S. naval ship visits, and a frank, productive dialogue on important international issues. Mauritius has a flourishing free press. It has proven its attachment to democratic values and its ability to sustain a democratic political system. This makes it all the more important that Mauritius succeed in its program of economic reforms, which is characterized by fiscal and financial responsibility, and close cooperation with the IMF and World Bank.

#### A.I.D. Assistance Strategy

A.I.D. has not undertaken direct project assistance in Mauritius. Our assistance program has been limited to support of IMF/IBRD stabilization efforts through Commodity Import Programs and PL-480 Title I programs which

## MAURITIUS

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	7	1,900	2,000
Total AID	7	1,900	2,000
P.L. 480**			
Title I	3,500	3,500	3,500
(of which Title III is)	( - )	( - )	( - )
Title II	783	226	233
Total P.L. 480	4,283	3,726	3,733
Total AID and P.L. 480	4,240	5,626	5,733

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	-	-	-
PASA <sup>c</sup>	-	-	-
Contract	-	-	-
Total	-	-	-
Participants <sup>d</sup>			
Noncontract	-	-	-
Contract	-	-	-
Total	-	-	-

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	5.1	1,000	7.0	1,000	10.5	2,000
Rice	7.9	2,500	7.0	2,500	3.5	1,500
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		3,500		3,500		3,500
Title II						
Voluntary Agencies		-		-		-
World Food Programs		783		226		233
Gov't-to-Gov't		-		-		-
Title II Total		783		226		233
Total P.L. 480		4,283		3,726		3,733

provided balance of payments support. The local currencies generated under these programs are being used to support agricultural diversification, increase tourism, and promote foreign investment and trade.

A.I.D. Program (FY 1983-1984)

A.I.D. supported the IMF/IBRD stabilization exercise by providing \$2 million in Economic Support Fund resources in FY 1983 to finance the importation of essential commodities and to ease the balance of payments crisis. A similar amount is planned for this purpose in FY 1984.

PL-480 Title I resources were provided in FY 1983 amounting to \$3.5 million. A similar amount is planned for FY 1984. In FY 1983 Mauritius received \$783,000 worth of P.L. 480 Title II commodities which were channeled through the World Food Program. For FY 1984 \$226,000 is planned through the World Food Program.

A Housing Investment Guaranty of \$6.0 million has been approved, but has not yet been used by the Government of Mauritius. However, movement toward implementation is expected in 1984.

Requested Year Program (FY 1985)

It continues to be in the interest of the United States to maintain current funding levels in FY 1985. Specifically, A.I.D. is requesting a \$2.0 million Economic Support Fund grant to continue financing essential imports. PL-480 Title I commodities valued at \$3.5 million are also being requested, and Title II valued at \$233,000 for distribution through the World Food Program.

DIRECTOR, REGIONAL ECONOMIC DEVELOPMENT SERVICES OFFICE, EAST AFRICA (REDSO/EA):  
John W. Koehring

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: MAURITIUS

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHO PLANNED		-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES
SELECTED DEVELOPMENT ACTIVITIES											
SPECIAL SELF-HELP DEV - MAURITIUS	G 642-0001	65	79	366	366	767	343	---	---	---	---
USING TA GRANT	G 642-0002	79	80	480	480	250	26	---	---	---	---
TOTAL FOR ACCOUNT GRANTS				846	846	1,017	369	---	---	---	---
LOANS				---	---	1,017	369	---	---	---	---
ECONOMIC SUPPORT FUND											
COMMODITY IMPORT PROGRAM	G 642-0003	82	82	2,000	2,000	2,000	1,882	---	---	---	---
COMMODITY INPUT PROGRAM II	G 642-0004	83	83	2,000	2,000	2,000	---	---	1,900	---	100
COMMODITY INPUT PROGRAM III	G 642-0005	84	84	---	2,000	---	---	2,000	---	---	1,900
COMMODITY IMPORT PROGRAM IV	* G 642-0006	85	85	---	2,000	---	---	---	---	2,000	---
TOTAL FOR ACCOUNT GRANTS				4,000	8,000	4,000	1,882	2,000	1,900	2,000	2,000
LOANS				4,000	8,000	4,000	1,882	2,000	1,900	2,000	2,000
TOTAL FOR COUNTRY GRANTS				4,846	8,846	5,017	2,251	2,000	1,900	2,000	2,000
LOANS				4,846	8,846	5,017	2,251	2,000	1,900	2,000	2,000

\* Refers to the planned project summary sheet  
C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: MAURITIUS

PLANNED PROGRAM SUMMARY SHEET

Title Commodity Import Program (CIP IV)		Funding Source ESF 2,000	AG, RD & N -	Health -	PROPOSED OBLIGATION (In thousands of dollars)		
Number 662-0006		Population -	ED. & HR -	Sel. Act. -	FY 1985 2,000	Life of Project Funding 2,000	
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input checked="" type="checkbox"/> CONTINUING					Initial Obligation FY 1985	Estimated Final Obligation FY 1985	Estimated Completion Date of Project FY 1987

Purpose: To provide short-term balance of payments relief through a Commodity Import Program emphasizing critical imports needed by the private sector to support agricultural diversification as well as employment generation.

Project Description: Grant funds will be made available to finance U.S. dollar costs of private sector commercial imports from the U.S. These imports would be vegetable oil, chemical fertilizer, agricultural equipment, spare parts, computers and other items. The provision of foreign exchange will strengthen the capability of the Government of Mauritius to support essential social service and development programs. The local currency generated from these imports will be deposited in a special government account. A.I.D. has requested the GOM that procurement transactions and the special account be handled through U.S. banks in Mauritius (e.g. Citibank). Local currency generations will be used to promote: 1) Private foreign investment in Mauritius and the export of Mauritian industrial products; 2) the expansion of tourism; 3) agricultural diversification; 4) productive private sector enterprises; 5) small scale rural community development activities and 6) local training.

Relationship of Project to A.I.D. Country Strategy

This project financed by the Economic Support Fund reflects the desire of the United States to contribute to the economic and social stability of a strategically located nation. Importantly too, it will do this in a way that is supportive of the Mauritius private sector and the maintenance of a free market-oriented economy. The moderate domestic and foreign policy followed since June 1982 reflects a firm ideological commitment to democratic values. The U.S. has so far been pleased with the performance of the new government, and should demonstrate to the government that we reciprocate its interest in a continued, close relationship.

Host Country and Other Donors: This project will be financed solely by A.I.D. A number of other donors, including the IMF, are currently providing similar balance of payments

assistance. It is to be expected that such assistance will grow (in terms of both levels and donors) as the stabilization exercise evolves and expands.

Beneficiaries: The majority of Mauritius' people will benefit from the economic stability which this grant seeks to support. The direct beneficiaries will be the small farmers and small private sector entrepreneurs who will have access to the imported commodities, which will contribute to increasing their productivity and income.

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FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (662) SEYCHELLES

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 65  
 PER CAPITA GNP..... (DOLLARS,1981) 1,800  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) . %  
 ANNUAL RATE OF INFLATION (1970-81) . %  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 ( .) TOTAL . MALE . FEMALE .  
 ( .) TOTAL . MALE . FEMALE .  
 ADULT LITERACY RATE (1971) TOTAL 58% MALE 56% FEMALE 60%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....( .) . %  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 3,341  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: COCONUTS , , 75% (1982)  
 CASH: COCONUTS , CINNAMON , 95% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COPRA ,CINNAMON ,COCONUTS  
 MAJOR AGRICULTURAL IMPORTS:(1982) RICE ,RAW SUGAR ,DAIRY PRODS.  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 20%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 (1976) 17 (77) 24 (78)  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 (1976) 18 (77) 22 (78)  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 (1976) -0 (77) 3 (78)  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. ( .) . % ( .) . % ( .) . %  
 AS % OF GNP..... ( .) . % ( .) . % ( .) . %  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) ( .) . ( .) . ( .) .  
 EQUIVALENT TO . MONTHS OF IMPORTS ( .)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) CINNAMON ,VANILLA ,COPRA  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1980) 1 (1981) 0 (1982) 29  
 AS % OF TOTAL EXPORTS (1979) 3% (1980) 11% (1981) 9%  
 MAJOR IMPORTS....(1981) FOODSTUFFS ,TOBACCO ,BEVERAGES  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 3 (1981) 3 (1982) 1  
 AS % OF TOTAL IMPORTS (1979) 3% (1980) 3% (1981) 4%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) -65(80) -78(81) -75  
 TRADING PARTNERS: UNITED KINGDOM ,BAHRAIN ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1980) 37.1%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 0  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 8.7%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.6% (1978) 0.9% (1983) 1.3%  
 POPULATION IN URBAN AREAS.....( .) .% ( .) .%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 32 (1983) 27  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. ( .) . %  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 39.8% (15-64YRS) 53.8% (65+ YRS) 6.4%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 17  
 PEOPLE PER PHYSICIAN..... (1975) 2,790  
 MAJOR CAUSES OF  
 DISEASE (1980) GONORRHEA ,MUMPS ,SYPHILIS  
 DEATH.. (1969) SYPHILIS ,FLU & PNEUMONIA ,HEART DISEASE  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. ( .) . %  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1971) 23%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1980) TOTAL 95.0% MALE . % FEMALE . %  
 SECONDARY..... ( .) TOTAL . % MALE . % FEMALE . %  
 POST SECONDARY.. ( .) TOTAL . % MALE . % FEMALE . %  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

U.S. OVERSEAS LOANS AND GRANTS — OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years — Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)					
COUNTRY SEYCHELLES									A. ASSISTANCE FROM INTERNATIONAL AGENCIES — COMMITMENTS					
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-82		
	1978	1979	1980	1981	1982				TOTAL.....	ISRD	IFC	IJA	IDB	ADB
<b>I. ECONOMIC ASSISTANCE — TOTAL</b>	0.2	0.9	1.0	1.2	2.4	6.7	-	6.7	0.1	9.0	0.0	23.2		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	0.2	0.9	1.0	1.2	2.4	6.7	-	6.7	0.0	0.0	0.0	0.0		
<b>a. A.I.D. and Prodecessor Agencies</b>	*	0.6	0.6	0.5	2.0	3.8	-	3.8	0.0	0.0	0.0	0.0		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	*	0.6	0.6	0.5	2.0	3.8	-	3.8	0.0	0.0	0.0	0.0		
(Economic Support Fund)	-	-	-	-	2.0	2.0	-	-	0.1	8.6	0.0	20.2		
<b>b. Food for Peace (PL 480)</b>	0.1	0.1	0.2	0.5	0.3	2.1	-	2.1	0.0	0.0	0.0	0.0		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	0.1	0.1	0.2	0.5	0.3	2.1	-	2.1	0.0	0.0	0.0	0.0		
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Title II - Total Grants	0.1	0.1	0.2	0.5	0.3	2.1	-	2.1	0.0	0.0	0.0	0.0		
Emerg. Relief, Econ. Develop. & World Food Program	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Voluntary Relief Agencies	0.1	0.1	0.2	0.5	0.3	2.1	-	2.1	0.0	0.0	0.0	0.0		
<b>c. Other Economic Assistance</b>	0.1	0.1	0.2	0.2	0.1	0.8	-	0.8	0.0	0.0	0.0	0.0		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	0.1	0.1	0.2	0.2	0.1	0.8	-	0.8	0.0	0.0	0.0	0.0		
Peace Corps	0.1	0.1	0.2	0.2	0.1	0.8	-	0.8	0.0	0.0	0.0	0.0		
Narcotics	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Other	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>II. MILITARY ASSISTANCE — TOTAL</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Credits or Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	0.2	0.9	1.0	1.2	2.4	6.7	-	6.7	0.0	0.0	0.0	0.0		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	0.2	0.9	1.0	1.2	2.4	6.7	-	6.7	0.0	0.0	0.0	0.0		
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
* LESS THAN \$50,000.									<b>B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE</b>					
									<b>1. D.A.C. COUNTRIES (Gross Disbursements)</b>					
									CY 1981	CY 1982	CY 1978-82			
									United States	1.0	2.0	4.0		
									United Kingdom	7.6	6.1	41.8		
									France	2.9	4.3	28.0		
									Germany Fed. Rep.	1.0	0.7	5.1		
									Australia	0.8	0.9	3.3		
									Other	0.4	0.6	2.5		
									Total	13.7	14.6	84.7		
									<b>2. O.P.E.C. COUNTRIES (Gross Disbursements)</b>					
									CY 1981	CY 1982	CY 1978-81			
									5.5	N.A.	6.5			
									<b>C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES</b>					
									CY 1981	CY 1982	CY 1954-82			
									USSR	-	-	-		
									Eastern Europe	-	-	-		
									China	-	-	5		
									Total	-	-	5		

## SEYCHELLES

ECONOMIC SUPPORT FUND PROGRAM SUMMARY			
<i>(In millions of dollars)</i>			
	FY 1983	FY 1984	FY 1985
	Actual	Estimated	Request
Grants	2.0	2.0	2.0

## SEYCHELLES

Development Overview

Seychelles is a middle income country with a population of about 65,000 persons, 88 percent of whom live on the island of Mahe. Health conditions are similar to Western developed nations. The main development problems, in very general terms, are three: 1) a population which, even allowing for significant emigration, is growing more rapidly than employment opportunities; 2) excessive dependence upon tourism and bilateral and multilateral assistance flows and 3) limited physical resources.

Tourism, which provides the major percentage of GNP, is also the most important source of foreign exchange earnings. However, tourism has been in decline in recent years due to several factors: rising air fares; the March 1981 revaluation of Seychelles' currency; and the unfavorable publicity generated by the November 1981 mercenary coup attempt, and the August 1982 mutiny. Tourism recovered somewhat during the first seven months of 1983 in terms of numbers, but this must be balanced against an actual decline in tourist revenues resulting from the recent loss of service by two international airlines and by increasing numbers of package tours, with lower per person expenditures. The balance of payments deficit remains high, but it is slowly improving, following measures taken recently by the Government. The current account deficit for 1983 is estimated at 19.8 percent of GDP compared to 30.3 percent in 1982. Nevertheless, additional adjustments in the public sector finances and in the balance of payments will be needed in the coming years.

The Seychelles' government realizes that it faces a difficult economic future and is attempting to diversify the economy and to promote increased self-sufficiency in foodstuffs. Towards this end it will, with external assistance, invest substantial resources in agriculture and fisheries over the period covered by the 1982-1986 National Development Plan. Reflecting a concern with equity and social welfare, however, some 27 percent of the Plan's resources will be devoted to housing and other social services. While the Seychelles' government recognizes a role for the private sector in the nation's development, parastatals will receive 45 percent of the National Plan's proposed investments.

U.S. Interest and Objectives

The U.S. interests in Seychelles relate to its strategic position in the

FY 1985  
PROGRAM HIGHLIGHTS

- \$2.0 million E.S.F. grant to finance the importation of essential commodities
- \$0.3 million for PL-480 Title II commodities

Indian Ocean, and the presence of a U.S. satellite tracking station. A stable socio-economic environment, which encourages a friendly government, is compatible with U.S. interests.

A.I.D. Development Strategy

A.I.D.'s strategy is focusing on providing modest balance of payments support to the GOS, with the generated local currencies being channeled into development activities in agriculture, health and infrastructure activities.

A.I.D. Program (FYs 1983-1984)

In FY 1984 the U.S. will complete implementation of the Development Assistance-funded Food Crops Research project (662-0002). The research assistance was designed to develop and introduce improved agricultural crop varieties in order to increase food self-sufficiency in the islands, but will have only a limited impact on the GOS goals in that area. More useful results have been achieved through the provision of balance of payments support. Utilizing ESF resources, \$2.0 million was provided in FY 1983 to finance the importation of petroleum used for generating electric power. A similar amount is planned for this purpose in FY 1984.

Maternal/child health and school feeding programs are also underway, under the auspices of Catholic Relief Services (CRS), utilizing PL 480 Title II resources. Some \$281,000 in such commodities were provided in FY 1983, and \$279,000 is programmed for such purposes in FY 1984.

Requested Year Program (FY 1985)

It continues to be in the interest of the United States to maintain current funding levels in FY 1985. Specifically, A.I.D. is requesting a \$2.0 million Economic Support Fund grant to finance continued petroleum imports. PL 480 Title II commodities valued at \$292,000 are also being requested.

DIRECTOR, REGIONAL ECONOMIC DEVELOPMENT SERVICES OFFICE, EAST AFRICA (REDSO/EA):  
John W. Koehring

## SEYCHELLES

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	2,521	3,898	2,100
Total AID	-	3,898	2,100
P.L. 480**			
Title I (of which Title III is)	( - )	( - )	( - )
Title II	281	279	292
Total P.L. 480	281	279	292
Total AID and P.L. 480	2,802	4,177	2,392

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	-	-	-
PASA <sup>c</sup>	-	-	-
Contract	-	-	-
Total	-	-	-
Participants <sup>d</sup>			
Noncontract	-	-	-
Contract	-	-	-
Total	-	-	-

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		281		279		292
World Food Programs		-		-		-
Gov't-to-Gov't		-		-		-
Title II Total		281		279		292
Total P.L. 480		281		279		292

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SEYCHELLES

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD	PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
AGRICULTURE, RURAL DEV. AND NUTRITION											
FOOD CROP RESEARCH	G 662-0002	79	81	1,520	1,520	1,520	1,228	---	10	---	---
TOTAL FOR ACCOUNT GRANTS				1,520	1,520	1,520	1,228	---	10	---	---
LOANS				---	---	---	---	---	---	---	---
ECONOMIC SUPPORT FUND											
AGRICULTURE SECTOR DEVELOPMENT	G 662-0003	82	82	2,000	2,000	2,000	1,912	---	88	---	---
COMMODITY IMPORT PROGRAM II	G 662-0004	83	83	2,000	2,000	2,000	---	---	1,900	---	100
COMMODITY IMPORT PROGRAM III	G 662-0005	84	84	---	2,000	---	---	2,000	1,900	---	100
COMMODITY IMPORT PROGRAM IV	* G 662-0006	85	85	---	2,000	---	---	---	---	2,000	1,900
TOTAL FOR ACCOUNT GRANTS				4,000	8,000	4,000	1,912	2,000	3,888	2,000	2,100
LOANS				4,000	8,000	4,000	1,912	2,000	3,888	2,000	2,100
TOTAL FOR COUNTRY GRANTS				5,520	9,520	5,520	3,140	2,000	3,898	2,000	2,100
LOANS				5,520	9,520	5,520	3,140	2,000	3,898	2,000	2,100

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column -- All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: SEYCHELLES

PLANNED PROGRAM SUMMARY SHEET

Title Commodity Import Program IV		Funding Source ESF 2,000	AG, RD & N -	Health -	PROPOSED OBLIGATION (In thousands of dollars)		
					FY 1985 2,000	Life of Project Funding 2,000	
Number 662-0006	<input checked="" type="checkbox"/> NEW	Population -	ED. & HR -	Sel. Act. -	Initial Obligation FY 1985	Estimated Final Obligation FY 1985	Estimated Completion Date of Project FY 1987
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING							

Purpose: To help the Government of the Seychelles (GOS) ameliorate its balance of payments position and improve domestic agriculture production levels.

Project Description: Grant funds will be made available to finance the importation of medium fuel oil for electricity generation. This is a continuation of the ESF assistance begun in FY 1982. The local currency generated from the sale of petroleum will be deposited in a special government account and used to improve agriculture sector performance and reduce the islands' dependence on food imports. Additional activities in road maintenance and rural health systems will also be financed through local currencies.

Relationship of Project to A.I.D. Country Strategy: U.S. interests in the Seychelles are both developmental and political. This project, financed by Economic Support Funds, reflects the desire of the United States to contribute to the economic and social stability of a strategically located nation. Importantly too, it will do this in a way that is supportive of Seychelles' private sector and the maintenance of a free market oriented economy. The overall effect of this project will not only implement U.S. policy by encouraging pragmatic GOS approaches to development, but may also contribute to improving the conditions under which the United States pursues important security interests, including use of the United States Air Force satellite-tracking station. The project continues our past strategy of utilizing A.I.D.'s advantage in agriculture extension and research. Previous activities have included a project designed to identify crops and methods of cultivation suited to the climate and soil of the Seychelles, and a training and design project to upgrade the GOS agriculture extension service.

Host Country and Other Donors: The project will be financed solely by A.I.D. A number of other donors - Britain, France - are currently providing similar balance of payments

assistance. It is to be expected that such assistance will grow (in terms of both levels and donors) as the stabilization exercise evolves and expands.

Beneficiaries: The majority of Seychelles' people will benefit from the economic stability which this grant seeks to support. They will also benefit from the investment of the local currency generations in agricultural development, health and infrastructure.

Somalia

FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (649) SOMALIA

**\*BASIC DATA\***

TOTAL POPULATION.. (THOUSANDS,MID 1983) 6,248  
 PER CAPITA GNP..... (DOLLARS,1981) 280  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 1.0%  
 ANNUAL RATE OF INFLATION (1970-81) 12.6%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( ) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 44.3 MALE 42.8 FEMALE 46.0  
     (1970) TOTAL 39.7 MALE 38.2 FEMALE 41.3  
 ADULT LITERACY RATE (1980) TOTAL 6% MALE 11% FEMALE 3%

**\*AGRICULTURE\***

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1979) 50%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 33  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: SORGHUM ,CORN ,MILK 45% (1982)  
     CASH: BANANAS ,SHEEP ,GOATS 1% (1982)

MAJOR AGRICULTURAL EXPORTS:(1982) LIVESTOCK ,BANANAS ,HIDES & SKIN  
 MAJOR AGRICULTURAL IMPORTS:(1982) GRAINS ,DAIRY PRODS. ,VEGETABLE OILS  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 82%

**\*CENTRAL GOVERNMENT FINANCES\***

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     (1979) 287 (80) 301 (81) 394  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     (1979) 518 (80) 489 (81) 547  
     DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     (1979) 231 (80) 188 (81) 152  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. (1979) 20.4% (80) 23.7% (81) 29.3%  
     AS % OF GNP..... (1979) 7.8% (80) 7.6% (81) 8.6%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) (1979) 51 (80) 25 (81) 38  
 EQUIVALENT TO 1.4 MONTHS OF IMPORTS (1981)

**\*FOREIGN TRADE\***

MAJOR EXPORTS... (1981) LIVESTOCK ,HIDES & SKINS ,BANANAS  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1980) 0 (1981) 0 (1982) 1  
     AS % OF TOTAL EXPORTS (1979) 0% (1980) 0% (1981) 0%  
 MAJOR IMPORTS....(1981) TEXTILES ,CEREALS ,TRANSPORT EQPT  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 32 (1981) 65 (1982) 51  
     AS % OF TOTAL IMPORTS (1979) 10% (1980) 8% (1981) 20%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) -237(80) -268(81) -151  
 TRADING PARTNERS: ITALY ,SAUDI ARABIA ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 70.9%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1981) 16  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 9.2%

**\*SOCIAL DATA\***

POPULATION GROWTH RATE...(1970) 2.0% (1978) 10.6% (1983) 2.3%  
 POPULATION IN URBAN AREAS.....(1970) 23% (1982) 32%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 47 (1983) 48  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 42.6% (15-64YRS) 53.9% (65+ YRS) 3.5%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 172  
 PEOPLE PER PHYSICIAN..... (1977) 18,485  
 MAJOR CAUSES OF  
     DISEASE (19 ) , ,  
     DEATH.. (19 ) , ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 88%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1976) 33%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
     PRIMARY..... (1979) TOTAL 50.0% MALE 64.0% FEMALE 36.0%  
     SECONDARY..... (1979) TOTAL 7.0% MALE 11.0% FEMALE 4.0%  
     POST SECONDARY.. (1976) TOTAL 0.5% MALE 0.9% FEMALE 0.1%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

U.S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years - Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)				
COUNTRY SOMALIA									A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS				
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-83	
	1978	1979	1980	1981	1982				TOTAL	FY 1981	FY 1982	FY 1983	FY 1946-83
<b>I. ECONOMIC ASSISTANCE - TOTAL</b>	19.1	28.9	87.3	57.0	55.3	313.3	11.3	302.3	25.4	16.5	26.2	401.1	
Loans	7.3	10.7	17.7	15.3	14.5	82.8	11.3	71.8	3.0	0.0	0.0	0.0	
Grants	12.1	18.2	49.5	42.0	41.3	230.5	-	230.5	3.4	0.0	0.0	0.4	
<b>a. A.I.D. and Predecessor Agencies</b>	3.3	10.9	17.3	12.1	34.4	140.3	6.7	133.6	13.2	15.0	23.0	202.9	
Loans	-	-	-	-	-	16.0	6.7	9.3	3.0	0.0	0.0	0.0	
Grants	3.3	10.9	17.3	12.1	34.4	124.3	-	124.3	3.0	0.0	0.0	0.0	
(Economic Support Fund)	-	-	5.0	-	23.0	25.0	-	-	3.0	0.0	0.0	0.0	
<b>b. Food for Peace (PL 480)</b>	15.8	15.3	50.3	44.9	21.4	167.5	4.3	163.2	3.0	0.0	0.0	0.0	
Loans	7.0	10.7	17.7	15.3	14.5	66.8	4.3	62.5	3.0	0.0	0.0	0.0	
Grants	3.8	7.3	32.3	29.9	6.9	100.7	-	100.7	3.0	0.0	0.0	0.0	
Title I - Total Sales Agreements	7.0	10.7	17.7	15.3	14.5	66.8	4.3	62.5	3.0	0.0	0.0	0.0	
Repayable in U.S. Dollars - Loans	7.0	10.7	17.7	15.3	14.5	66.8	4.3	62.5	3.0	0.0	0.0	0.0	
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	3.0	0.0	0.0	0.0	
Title II - Total Grants	3.8	7.3	32.3	29.9	6.9	100.7	-	100.7	3.0	0.0	0.0	0.0	
Emerg. Relief, Econ. Develop. & World Food Program	3.3	7.3	32.3	29.9	6.9	100.0	-	100.0	3.0	0.0	0.0	0.0	
Voluntary Relief Agencies	-	-	-	-	-	0.7	-	0.7	3.0	0.0	0.0	0.0	
<b>c. Other Economic Assistance</b>	-	-	-	-	-	5.5	-	5.5	3.0	0.0	0.0	0.0	
Loans	-	-	-	-	-	-	-	-	3.0	0.0	0.0	0.0	
Grants	-	-	-	-	-	-	-	-	3.0	0.0	0.0	0.0	
Peace Corps	-	-	-	-	-	-	-	-	3.0	0.0	0.0	0.0	
Narcotics	-	-	-	-	-	-	-	-	3.0	0.0	0.0	0.0	
Other	-	-	-	-	-	-	-	-	3.0	0.0	0.0	0.0	
<b>II. MILITARY ASSISTANCE - TOTAL</b>	-	-	20.3	20.4	25.4	55.8	1.3	64.8	3.0	0.0	0.0	0.0	
Credits or Loans	-	-	20.3	20.4	25.4	50.0	1.3	49.0	3.0	0.0	0.0	0.0	
Grants	-	-	-	0.4	0.4	5.8	-	15.8	3.0	0.0	0.0	0.0	
<b>a. MAP Grants</b>	-	-	-	-	15.0	15.0	-	15.0	3.0	0.0	0.0	0.0	
<b>b. Credit Financing - FMS</b>	-	-	20.3	20.3	15.0	50.0	1.3	49.0	3.0	0.0	0.0	0.0	
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	0.4	0.4	0.8	-	0.8	3.0	0.0	0.0	0.0	
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	3.0	0.0	0.0	0.0	
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	3.0	0.0	0.0	0.0	
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	19.1	28.9	87.3	77.4	81.2	379.1	12.3	367.1	25.4	16.5	26.2	401.1	
Loans	7.3	10.7	37.7	35.0	24.5	132.8	12.3	120.8	3.0	0.0	0.0	0.0	
Grants	12.1	18.2	49.5	42.4	56.7	246.3	-	246.3	3.4	0.0	0.0	0.4	
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	-	-	-	3.0	0.0	0.0	0.0	
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	-	-	-	3.0	0.0	0.0	0.0	
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	3.0	0.0	0.0	0.0	
* LESS THAN \$50,000.													

ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)				
A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS				
	FY 1981	FY 1982	FY 1983	FY 1946-83
TOTAL	25.4	16.5	26.2	401.1
IBRD	3.0	0.0	0.0	0.0
IFC	3.4	0.0	0.0	0.4
IJA	13.2	15.0	23.0	202.9
IDB	3.0	0.0	0.0	0.0
ADB	3.0	0.0	0.0	0.0
AFDB	9.7	0.0	3.2	56.0
UNDP	3.3	1.5	0.0	49.5
OTHER-UN	2.8	0.0	0.0	13.8
EEC	3.0	0.0	0.0	78.5
B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE				
1. D.A.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-82	
United States	61.0	33.0	189.0	
Germany Fed. Rep.	18.7	23.9	141.3	
Italy	29.0	-	72.2	
Sweden	4.0	2.3	20.8	
United Kingdom	5.0	4.4	20.8	
Other	25.5	30.9	73.0	
Total	143.2	94.5	517.1	
2. O.P.E.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-81	
	31.9	N.A.	342.0	
C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES				
	CY 1981	CY 1982	CY 1954-82	
USSR	-	-	165	
Eastern Europe	-	-	10	
China	-	-	165	
Total	-	-	340	

## SOMALIA

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other *
1983	-	-	-	-	-	-	-	-
Loans	47,901	10,663	-	4,238	-	-	21,000	12,000
Grants	47,901	10,663	-	4,238	-	-	21,000	12,000
Total								
1984	-	-	-	-	-	-	-	-
Loans	52,762	13,000	1,600	3,162	-	-	35,000	-
Grants	52,762	13,000	1,600	3,162	-	-	35,000	-
Total								
1985	-	-	-	-	-	-	-	-
Loans	57,000	18,500	1,500	-	2,000	-	35,000	-
Grants	57,000	18,500	1,500	-	2,000	-	35,000	-
Total								

\* African Refugee Assistance, PL 97-121

FY 1985 PROGRAM HIGHLIGHTS	
-	Economic Support Fund continues to finance import of vital commodities in support of the agricultural and private sectors.
-	Continue policy dialogue based on the results of economic studies to encourage increased reliance on private sector initiatives.
-	Strengthen agricultural research, planning and manpower training.
-	Focus efforts in Agricultural/Livestock sector on production of cereals to reduce imports and the marketing of livestock to increase export.
-	Continued use of P.L. 480 Title I food sales to ease foreign exchange outflows and use of P.L. 480 Title II for refugee relief programs.

## SOMALIA

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans			
Grants	19,051	36,663	56,941
Total AID	19,051	36,663	56,941
P.L. 480**			
Title I	15,000	16,000	20,000
(of which Title III is)	( - )	( - )	( 20,000 )
Title II	6,827	8,081	1,830
Total P.L. 480	21,827	24,081	21,830
Total AID and P.L. 480	40,878	60,744	78,771

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	22	27	27
PASAC <sup>c</sup>	2	2	-
Contract	7	10	10
Total	31	39	37
Participants <sup>d</sup>			
Noncontract	40	51	69
Contract	-	5	2
Total	40	56	72

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(00MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	22.4	4,300	27	5,000	41	8,000
Rice	18.3	5,300	18	5,500	18	7,000
Feedgrains	-	-	-	-	-	-
Vegoil	9.4	5,400	6	5,500	7	5,000
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		15,000		16,000		20,000
Title II						
Voluntary Agencies		-		-		-
World Food Programs		6,827		8,081		1,830
Gov't-to-Gov't		-		-		-
Title II Total		6,827		8,081		1,830
Total P.L. 480		21,827		24,081		21,830

## SOMALIA

### Development Overview

Somalia is constrained in its efforts toward economic development because its resources are limited and at the mercy of a harsh and variable climate. Average annual rainfall is less than four inches a year in the driest areas. Drought occurs frequently and only about 14 percent of the land is arable. Nevertheless, 80 percent of the population earn their livelihood in the agricultural sector, mainly in nomadic pastoralism. Somalia is one of the poorest countries in the world with a per capita income of less than \$300 a year.

For over 10 years Somalia practiced "scientific socialism." The experiment left the country with government-run factories, banking, insurance, and services. Prices on agricultural products were kept low resulting in insufficient incentives for farmers. Skilled managers and technicians left the country for higher wages offered in the Gulf States. In addition, during the second half of the 1970's a series of events--including a severe drought in 1974-75, the outbreak of regional hostilities in 1977-78, the ensuing inflow of refugees, and the severance in 1978 of relations with the Soviet Union which up to then had been the major source of financial and technical assistance--adversely affected the growth of the Somali economy and contributed to an exacerbation of domestic and external financial imbalances.

Since 1981, the Government of the Somali Democratic Republic (GSDR) has undertaken a stabilization program that has had success, both in restraining aggregate demand and in fostering increased production. Agricultural prices are being decontrolled, some government operated enterprises are being shut down, and policies are being instituted to encourage economic participation by the private sector.

But there are enormous obstacles to overcome. Health services are totally inadequate as indicated by 20,000 persons per doctor and 880 persons per hospital bed. Only a third of the population has access to safe water. The economy suffers from a severe shortage of foreign exchange, thereby reducing access to the imports necessary to support and sustain development. The country has a weak revenue base and limited export possibilities.

Through the efforts of the IMF and donor countries, the GSDR began a stabilization program in 1981. Adjustments were made to the exchange rate, the budget deficit was reduced in real terms, and the rate of growth of the money supply was significantly curtailed. While progress has been made additional reforms still are needed. Too much reliance is placed on foreign trade taxes, which supply over half of all government revenue, and the exchange rate still is overvalued. The policies defining the scope for private sector activities need to be revised to encourage local and foreign investment in the Somali economy. Pricing policies, bureaucratic procedures, and investment laws all must be further reformed.

## SOMALIA

Somalia's potential for agricultural development constitutes the nation's initial hope for a better economic future. Expanding arable land through irrigation must be considered. Recent policy reforms--aimed to increase private sector participation--will contribute to a greater development of this sector's potential. Producer prices, long determined by government fiat, are now mainly left to market forces. The government is more permissive about private purchases and leases of arable land. Producers have responded by increasing their output and their investment in the sector.

Livestock, the country's largest foreign exchange earner, faces serious challenges in the near future. Somalia's access to its major markets, Saudi Arabia, may be lost because of the threat of rinderpest in Somalia and competition, in the form of better quality livestock, from other exporting nations. In order for Somalia to maintain its access to its markets, there must be increased veterinary services, improved herd quality, better range management, and improved marketing services.

In summary, while not well endowed with resources, Somalia is capable of providing its inhabitants with a better standard of living than they now enjoy. After a decade of stagnation, the country gradually is adopting policies to liberalize the economy. Further reforms are needed to completely deregulate all price controls, to eliminate controls on free entry into all sectors of the economy, to reduce or eliminate reliance on trade taxes, to eliminate exchange controls, and to privatize government operated enterprises.

### U.S. Interests and Objectives

U.S. interests in Somalia are based on geopolitical, developmental, and humanitarian considerations. Therefore the U.S. provides both economic and military assistance. Economic assistance contributes toward the improving relations between the United States and Somalia, and further encourages close cooperation in a region strategically important to the United States. The United States humanitarian interests are served by working with other donors to lessen the refugee burden on the fragile Somali economy. Specific U.S. economic objectives are to: a) stabilize the economy so that the balance of payments position is favorable, the budget deficit is reduced, and inflation brought under control; b) undertake structural adjustments within the economy to achieve economic growth; and c) improve the quality of life for the people of Somalia.

### A.I.D. Development Strategy

The commodity import and the PL-480 Title I programs are the primary strategy vehicles of the AID program. They support short term stabilization through reduced deficits and improved balance of payments. These programs also provide credit and foreign exchange for the Somali private sector re-emerging once again as an important force for development after a nine year period of "scientific socialism."

## SOMALIA

The Commodity Import program provides essential imports to compensate for the shortage of foreign exchange earnings. Eighty-five percent of the current Commodity Import Program is targeted for agriculture, agro-industries, and small manufacturing enterprises. The PL-480 Title I program provides critically needed food imports and helps cover basic food shortages. The local currency generated from both the Commodity Import Program and the sale of PL-480 Title I commodities is important for directing financing toward sound development projects during the period of GSDR fiscal restraint thus providing leverage for the ongoing policy dialogue on economic stabilization. These programs support other donor activities and an IMF sponsored structural adjustment program designed to bring the economy to self-sustaining growth over the mid-term.

A.I.D.'s long term development projects are designed to bring about lasting structural changes in the economy. In agriculture, while incremental production increases are achievable in dryland farming (and the further interventions in dryland production are needed), the drylands do not offer the potential for dramatic production increases needed to accommodate Somalia's three percent annual population growth rate. A.I.D., therefore, will undertake studies for rehabilitating existing and planning new irrigation schemes along the Shabelle and Juba rivers and initiate investments in small to medium size irrigation schemes in these areas. The agricultural research program will build on the research strategy developed under an agricultural delivery systems project and focuses on adaptive research for both dryland and irrigated crops.

The forestry-fuelwood program forms an important link in the strategy during the structural adjustment period. Renewable energy resources are closely related to agricultural and livestock outputs inasmuch as trees are used as browse for animals and for soil stabilization in dryland farming areas. In addition, the data generated under the current forestry-fuelwood program will provide the base for an expanded forestry program intended to help Somalia utilize this scarce resource more efficiently.

In the area of human resources, A.I.D. will carefully target selected interventions to demonstrate the feasibility of innovative approaches. Such has been the case in the health sector where the GSDR has adopted the ideas generated by the A.I.D. supported primary health care program as its own and is directing resources into an expansion of the A.I.D. model. Also in the health sector, A.I.D.'s overall objectives are to raise life expectancy, and to decrease child mortality. The focus of the health sector strategy is to change the current curative orientation of health services to a preventive approach. Based on the 1983 education and human resources assessment, A.I.D. will develop programs to improve managerial and technical manpower in selected Somali institutions.

In population the Somalis have moved over the past two years from a strong pro-natalist position to active interest in population planning programs. A.I.D. will continue the family health services program to strengthen the

## SOMALIA

institutions responsible for the nascent family planning program, provide the technical staff and resources required to keep the program moving, and furnish commodity support.

A.I.D.'s refugee assistance efforts are aimed at three policy objectives: a.) to assure that food and health needs for the refugees in the camps continue to be adequately managed; b.) to provide greater opportunities in and around the camps for productive employment; and c.) to assist the GSDR in planning and implementing a refugee settlement program.

The A.I.D. strategy is fully compatible with the GSDR's development objectives of increasing agricultural production by expanding the area under irrigation; promoting the active participation of the private sector in industrial and agricultural development; improving range management and increasing inputs to the livestock sector; pursuing an active reforestation and sand dune stabilization program; and reform of government fiscal and monetary policies.

### A.I.D. Program (FYs 1983-1984)

In the agricultural sector A.I.D. is continuing training activities under the Agricultural Extension Training and Research Project (649-0101). This project was A.I.D.'s first effort to develop and test information programs useful to small grain producers in several pilot areas. The Agriculture Delivery Systems project (649-0112), which builds upon the pilot extension program, is expanding the concept into a National Extension Service. As a result of the 1983 evaluation the project was modified to better address the problems of Somali small farmers. The need for improved agricultural research activities as well as the development of appropriate extension packages and technology were identified as major constraints. Under the Bay Region Development project (649-0113), grazing reserves have been established and a variety of trials conducted with corn, sorghum and other crops.

In support of the livestock sector A.I.D. is implementing the Central Rangelands Development project (649-0108) aimed at consolidating rangeland management and improving livestock production, increasing the income of the pastoralists, and establishing pastoral communities to facilitate the provision of social services. Two small Africa regional projects in livestock artificial insemination and poultry development were evaluated in FY 1983 and were extended for a six-month period. A well drilling program, under the Comprehensive Groundwater Development project (649-0104), was continued in FY 1983. Under this project a total of fifty-four production and exploratory wells have been drilled in support of the Bay Region Development (649-0113) and the Central Rangelands Development (649-0108) projects.

In FY 1983 two assistance projects-funded under the Migration and Refugee Assistance Act-were started, the CDA Forestry Phase I -- Refugee Areas project (649-0122) and the Refugee Self-Reliance project (649-0123). Both projects are being implemented by U.S. Private Voluntary Organizations (PVOs).

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The CDA Forestry program promotes reforestation, fuelwood production, and fuelwood conservation through improved woodstoves and other wood-saving technologies. The Refugee Self-Reliance project promotes agricultural development training and infrastructure activities in refugee camps and neighboring areas.

In health, A.I.D. continued to support primary health care activities through the Rural Health Delivery project (649-0102). Through FY 1983 176 community health workers and 176 traditional birth attendants were trained and returned to their villages. A project evaluation conducted in FY 1983 indicated that, in spite of several management problems, progress had been achieved in promoting preventive and curative health services in Somalia. The GSDR is using A.I.D.'s approach to primary health care on other aid donor projects.

FY 1983 was the initial year of implementation for the Commodity Import Program (649-0118). Under this grant, A.I.D. provided the foreign exchange to finance the importation of commodities for the agricultural sector. The \$18.5 million program financed agricultural inputs, such as seeds and equipment, spare parts, and light equipment for manufacturing. This program has been critical for the encouragement of the Somali private sector which received approximately 60% of the resources. In the FY 1984 Commodity Import Program III (649-0120) about 85 percent of the resources are for the private sector.

Two new projects were funded in FY 1983, the Policy Initiatives and Privatization project (649-0132), and the Juba Development Analytical Studies project (649-0134). Both activities provide the resources to conduct additional studies required to implement A.I.D.'s development strategy for Somalia. The Policy Initiatives and Privatization project enables A.I.D. to further assist the GSDR in its economic recovery program and develops information to increase private sector participation in the economy. The Juba Development Analytical Studies project provides information on soils, land use, and environmental and social aspects of the Juba River Valley.

In 1984 \$4,800,000 will be used for a Livestock Marketing project (649-0109) to support livestock producers with commodities and technical assistance and to facilitate access to foreign markets. Another \$3,000,000 will be used to initiate the Groundwater Development II Project designed to continue well drilling in agricultural areas.

In health, \$3,162,000 in 1984 will complete financing of the Rural Health Delivery project. In addition, \$1,600,000 will start the Family Health Services project (649-0131). This project will assist Somali family planning groups expand their services to both urban and rural areas.

The ESF-Funded Commodity Import Program (CIP) is an integral part of A.I.D.'s development strategy for Somalia. The CIP provides the necessary short term support to promote economic and financial stability, and to encourage continued policy adjustments. In FY 1984, \$17,500,000 is requested for the Commodity Import Program.

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The final design for the rehabilitation of the port at Kismayo will be completed by summer 1984. The Kismayo port is critical for the export of agricultural produce and livestock. It is planned that \$17,500,000 be allocated from the ESF account for the Kismayo Port Rehabilitation project (649-0133) in FY 1984.

A PL-480 Title I program of \$16,000,000 will require that the GSDR continue to adopt policy changes in support of increased food production and livestock exports. These policy changes, particularly those related to an increased role for the private sector, are vital to the agricultural sector's future performance. PL-480 Title II food (\$8,081,000) is planned to continue supporting the refugee feeding programs. The refugee support program is administered through the World Food Program and implemented by U.S. and international Private Voluntary Organizations.

### Requested Year Program (FY 1985)

Thirty-five million dollars from the Economic Support fund account is requested in FY 1985 to finance essential commodity imports through a CIP and to complete the rehabilitation of the port at Kismayo. Both activities are critical to the implementation of A.I.D.'s strategy for the economic recovery and stabilization program.

The PL-480 Title I program will continue at \$20,000,000 to maintain our support of the economic stabilization and through the PL-480 Title I program A.I.D. will maintain its policy dialogue on food production and livestock.

A final \$2,000,000 is requested for the Livestock Marketing project (649-0109). An additional \$5,500,000 is requested for the Groundwater Development II project (649-0127) to continue the ongoing well drilling and surface water program and guarantee the availability of water for human and livestock use.

Eleven million is requested for the start of a Production Systems Planning and Research project (649-0126) to support the development of agricultural research and planning and its linkages with the National Extension Service. The project will provide small farmers with improved technology and farming skills.

Under education and human resources \$2,000,000 will start a Rural Development Management project (649-0119). The project aims to increase the quality and quantity of managerial and technical manpower in selected key ministries and institutions involved in rural development and in the private sector.

One and a half million dollars is requested for the continuation of the Family Health Services project (649-0131) in FY 1985. It is anticipated that adequate family planning services will be available through this project in the four major urban centers along with rural areas.

Mission Director: Louis A. Cohen

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SOMALIA

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
AS EXTENSION, TRAINING AND RESEARCH	G 649-0101	78	79	5,050	5,050	5,050	3,755	---	663	---	632
COMPREHENSIVE GROUNDWATER DEVELOPMENT	G 649-0104	79	83	6,444	6,444	6,444	2,334	---	2,900	---	1,210
CENTRAL RANGELANDS DEVELOPMENT	G 649-0108	79	83	14,944	14,944	14,944	3,552	---	2,100	---	2,000
LIVESTOCK MARKETING	G 649-0109	84	87	---	10,500	---	---	4,800	1,800	2,000	2,000
AGRICULTURAL DELIVERY SYSTEMS	G 649-0112	79	85	8,635	10,752	8,635	3,461	---	2,200	---	1,800
BAY REGION DEVELOPMENT	G 649-0113	80	83	11,171	11,171	11,171	2,490	---	2,600	---	2,500
PRODUCTION SYSTEMS PLANNING & RESEARCH	* G 649-0126	85	88	---	14,000	---	---	---	---	11,000	2,000
GROUNDWATER DEVELOPMENT II	G 649-0127	84	87	---	8,500	---	---	3,000	750	5,500	2,600
JJBA DEVELOPMENT ANALYTICAL STUDIES	G 649-0134	83	84	5,250	5,250	---	---	5,200	3,000	---	2,250
TOTAL FOR ACCOUNT GRANTS				51,494	86,611	46,244	15,592	13,000	16,013	18,500	16,992
LOANS				51,494	86,611	46,244	15,592	13,000	16,013	18,500	16,992
				---	---	---	---	---	---	---	
POPULATION PLANNING											
FAMILY HEALTH SERVICES	G 649-0131	84	87	---	4,600	---	---	1,600	850	1,500	1,200
TOTAL FOR ACCOUNT GRANTS				---	4,600	---	---	1,600	850	1,500	1,200
LOANS				---	4,600	---	---	1,600	850	1,500	1,200
				---	---	---	---	---	---	---	
HEALTH											
RURAL HEALTH DELIVERY	G 649-0102	79	84	15,200	15,200	12,038	5,217	3,162	1,800	---	4,000
COMPREHENSIVE GROUNDWATER DEVELOPMENT	G 649-0104	79	83	6,556	6,556	6,556	5,307	---	1,000	---	249

Refers to the planned project summary sheet  
C Level of effort activity

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FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data.  
For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SOMALIA

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES	
TOTAL FOR ACCOUNT GRANTS				21,756	21,756	18,594	10,524	3,162	2,800	---	4,249
LOANS				---	---	---	---	---	---	---	---
EDUCATION AND HUMAN RESOURCES											
RURAL DEVELOPMENT MANAGEMENT	* G 649-0119	85	88	---	9,250	---	---	---	---	2,000	500
TOTAL FOR ACCOUNT GRANTS				---	9,250	---	---	---	---	2,000	500
LOANS				---	---	---	---	---	---	---	---
ECONOMIC SUPPORT FUND											
KISMAYO PORT REHABILITATION	G 649-0114	82	85	4,000	39,000	4,000	1,113	17,500	8,500	17,500	4,000
COMMODITY IMPORT PROGRAM I	G 649-0118	82	82	13,500	18,500	18,500	8,688	---	---	---	---
COMMODITY IMPORT PROGRAM II	G 649-0120	83	83	21,000	16,000	16,000	---	---	5,000	---	11,000
COMMODITY IMPORT PROGRAM III	G 649-0125	84	84	---	17,500	---	---	17,500	2,000	---	15,000
COMMODITY IMPORT PROGRAM IV	* G 649-0130	85	85	---	17,500	---	---	---	---	17,500	3,000
POLICY INITIAT. & PRIVITIZATION STUDIES	G 649-0132	83	83	2,500	2,500	2,500	---	---	1,500	---	1,000
TOTAL FOR ACCOUNT GRANTS				46,000	111,000	41,000	9,801	35,000	17,000	35,000	34,000
LOANS				---	---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				119,250	233,217	105,838	35,917	52,762	36,663	57,000	56,941
LOANS				---	---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: SOMALIA

PLANNED PROGRAM SUMMARY SHEET

Title Production Systems Planning and Research		Funding Source	AG, RD & N 11,000	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 649-0126		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	FY 85 11,000	Life of Project Funding 14,000
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING						Initial Obligation FY 85	Estimated Final Obligation FY 88
							Estimated Completion Date of Project FY 1990

**Purpose:** To develop permanent Somali capability to: (1) produce and disseminate technological packages that can be used profitably by Somali farmers to increase food crop production on a sustained basis; and, (2) plan, monitor and quantify the performance of the agricultural sector and prepare realistic alternative policies to guide and support the evolution of the sector.

**Project Description:** The agricultural sector faces two significant constraints affecting its longer term growth potential--the lack of a coordinated agricultural research program; and insufficient planning based on inadequate data. Somalia's agriculture is mainly rainfed and is subject to crop failures in two out of five years due to the semi-arid to arid conditions that characterize most of the country, and to inadequate, and generally rudimentary, technology. Even in the areas that are cultivated with controlled irrigation, representing seven percent of the total land area planted annually, yields are low even by Sub-Saharan standards. Rainfed farmers were, until very recently, almost totally neglected, if not penalized, by the Government. Virtually no agricultural extension service existed. What little production-oriented research was undertaken was concerned exclusively with irrigated production, and marketing of production inputs as well as production outputs was strictly controlled by Government.

The planning function of the Ministry has been handled in an off-handed manner. Data collection has been erratic and analysis superficial. With major efforts planned in "new lands" development in the Juba Valley, the Ministry must begin systematic data collection and analysis to direct development of the Juba Valley and in the rest of the country.

Consistent with AID's food and agricultural development policy--to "enhance a country's ability to marshal its own human and financial resources for food and agricultural development; and to support the identification, transfer and adaptation of existing appropriate technologies, as well as the carrying out of food and agricultural research and application of the U.S. international, regional and national institutions"--the Mission proposes this project to develop a permanent Somali agricultural research program and agricultural development planning capability. Concerning research, the Mission, the Ministry of Agriculture, and the International Service for National Agricultural Research (ISNAR)

soon will complete a national agricultural research strategy. Specifically, the project will fund the establishment, initial staffing and operation of a program in agricultural research.

In the area of planning, the project will improve, over the long term, the institutional capability of the Ministry of Agriculture's units concerned with planning, data gathering, and analysis. This will enable the Ministry of Agriculture to focus agricultural policies and programs to increase small farmers' productivity and incomes.

**Relationship of Project to A.I.D. Country Strategy:** This project is an essential step in the implementation of A.I.D.'s strategy for the agriculture sector. The strategy is designed to support the GSDR's objective of increasing food crop and livestock production through programs that improve current production practices and systems as well as the input delivery systems, remove constraints to marketing and increase the country's capacity to plan and manage the development of the agricultural sector.

**Host Country and Other Donors:** The GSDR will contribute 25% of the project costs through financing of field staff salaries and other local support costs. The proposed project would be established in the Agricultural Research Institute of the Ministry of Agriculture, in cooperation with the appropriate international research centers, most likely ICRISAT and IITA, and the support of other donors, to take the first steps in the implementation of the national research strategy.

**Beneficiaries:** The nation as a whole will benefit indirectly from increased food production and the savings of foreign exchange resulting therefrom, which will result from an effective planning and research system. More direct will be the benefit of improved nutrition and higher family income to small farmers.

PROGRAM: SOMALIA

PLANNED PROGRAM SUMMARY SHEET

Title Rural Development Management		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
					FY 1985	2,000	Life of Project Funding 9,250
Number 649-0119	<input checked="" type="checkbox"/> NEW	Population	ED. & HR 2,000	Sel. Act.	Initial Obligation FY 1985	Estimated Final Obligation FY 1988	Estimated Completion Date of Project FY 1988
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING							

Purpose: To increase the quality and quantity of mid-level managerial and technical manpower available to design, implement and evaluate development projects related to increased productivity and improved economic performance.

Project Description: A shortage of mid-level manpower within the key ministries and institutions of the GSDR is a key constraint to the management of development activities in Somalia. This shortage has been caused by the migration of skilled Somalis to the Middle East in search of higher wages, exacerbated by a Government policy of holding civil service salaries low in order to be in a position to afford the employment of large numbers. Now that the peak of Mid-East migration has passed, and now that the GSDR has announced that it will phase out its policy of serving as the employer of last resort, it is appropriate to begin to address this constraint.

The Rural Development Management project will obligate \$9.3 million over the period FY 1985-FY 1988. This will allow the funding of 70 participants each year at the academic level, approximately 20 short-term participants and support for in-country training.

Training will be provided in such fields as economics, agricultural economics, public administration and planning, statistics, project design and management, environmental/resource/energy management, rural development administration and nutrition/health. Among the ministries and institutions which will benefit from this training are the Ministry of Finance, the Ministries of Agriculture and Livestock, the Central Bank of Somalia, the Ministry of Local Government and Rural Development, the Ministry of Health, and the Ministry of Higher Education.

Relationship of Project to AID Strategy: The scarcity of mid-level manpower has been identified as a key impediment to the provision of the infrastructure and services necessary to increased agricultural productivity (and to improved living standards for Somalia's rural population). Increasing productivity and improving the living standards of the population are the key objectives of U.S. assistance strategy in Somalia.

Host Country and Other Donors: A number of donors are either currently providing assistance to the education sector or have intentions to assist, provided meaningful programs/projects can be developed. The World Bank, EEC, ODA, Italy and the United Nations and North Korea are involved in a variety of educational projects including post secondary and technical education. These activities are not, however, directed specifically at meeting the training needs of the key ministries involved in the Somali development process. Focused, as it will be, upon these key ministries, the Rural Development Management Project can play a critical role in meeting Somalia's manpower needs.

Beneficiaries: The direct beneficiaries would be the approximately 300 persons trained under the project, both abroad and in-country, and the ministries and institutions which employ them. The indirect but ultimate beneficiaries will be the poor majority who will benefit from better designed and managed development projects.

PROGRAM: SOMALIA

## PLANNED PROGRAM SUMMARY SHEET

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)			
Commodity Import Program IV		ESF 17,500			FY 85	17,500	Life of Project Funding 17,500	
Number	649-0130	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT	<input type="checkbox"/> LOAN	<input type="checkbox"/> CONTINUING				FY 85	FY 85	FY 88

Purpose: To provide balance of payments support through a Commodity Import Program, emphasizing procurement of those commodities which are critical to the support of the agricultural sector (as producer of exports and food for domestic consumption) and a revitalized private sector.

Project Description: Somalia currently is emerging from a period of severe economic crisis. Following economic policy measures adopted--in consultation with the IMF--in 1980 and in 1981, the GSDR announced in July 1982 a new package of policy reforms. First, the two tier exchange system was abolished and replaced by a unitary exchange rate of Somali Shillings 15.055 per U.S. dollar. This represented a devaluation of 142% against the first tier, and 21% against the second tier. The structure of interest rates also was revised upward with the result that, though interest rates remain negative in real terms, the situation is considerably improved.

Somalia's economy still faces considerable problems. Critical imports remain in short supply. Domestic resources at the disposal of the Government are scarce and inappropriately allocated. Inflation, while less a problem than in the past, remains high. Shortages of skilled manpower continue to constrain the capacity of the Government to cope with the problems it faces. The confidence of the private sector in the permanency of the incentives provided by the government has yet to be fully established. In short, while the economy has improved as a result of the stabilization exercise, full recovery is far from achieved.

The GSDR participated in a consultative group under the auspices of the IBRD. This group held its first meeting in October, 1983, and provided a forum for focusing attention on the additional policy reforms required to stabilize the Somali economy.

In addition to the economic policy reforms at the micro and macro level, the GSDR also altered its position vis-à-vis the role of the private sector in Somalia's economic development. Indicators to this effect include, inter alia, allowing private leasing of land, increased distribution of agricultural inputs to private farmers, reduced role of government agencies and parastatals, the abolishment of certain parastatals, and encouraging foreign and domestic investment. Most recently, the government approved, in

principle, the establishment of private banks in Somalia.

Consistent with A.I.D. policy on approaches to policy dialogue and the use of ESF--to provide "short-term stabilization as well as longer term developmental results"--and fostering the development of the private sector, "...private enterprise is the engine that makes growth occur most quickly," the Mission proposes continuation of the Commodity Import Program in FY 85. The Commodity Import Program will support balance of payments during a critical policy transition period. As with the previous CIPs, the CIP IV will provide foreign exchange to promote both increased agricultural exports and domestic food production. The program will finance not only raw materials, spare parts, and capital equipment required directly by the agricultural sector, but also inputs for other elements of the economy vital to the support of agriculture, such as transport and water delivery systems, as well as light industry units capable of manufacturing agricultural inputs, processing output and producing simple consumption goods. Approximately 85 percent of the resources provided under the CIP IV will be made available to private sector importers and entrepreneurs.

Relation of Project to A.I.D. Country Strategy: Financed from the Economic Support Fund, this project reflects the desire of the United States to contribute to the economic and social stability of Somalia. Specifically, the project supports the A.I.D. strategy of increasing agricultural production both for domestic consumption and export, and thereby raising the incomes of rural subsistence farmers and pastoral nomads.

Host Country and Other Donors: This project will be financed solely by A.I.D. A number of other donors, including the IMF, are currently providing similar balance of payments assistance. It is to be expected that such assistance will grow (in terms of both levels and donors) as the stabilization exercise evolves and expands.

Beneficiaries: The majority of Somalia's people will benefit from the economic stability which this grant seeks to support. The direct beneficiaries will be the small farmers and small private sector entrepreneurs who will have access to imported farm inputs, raw materials, etc., hence contributing to increasing their productivity and income. However, the nature of the program extends benefits to the economy as a whole.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (650) SUDAN

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 20,539  
 PER CAPITA GNP..... (DOLLARS,1981) 380  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 0.5%  
 ANNUAL RATE OF INFLATION (1970-81) 15.9%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..(1970) 5.1%  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 47.1 MALE 45.9 FEMALE 48.4  
     (1970) TOTAL 41.8 MALE 40.6 FEMALE 43.0  
 ADULT LITERACY RATE ( . ) TOTAL .% MALE .% FEMALE .%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
     (1973-1982) -3.0%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1980) 34%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 69  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: SORGHUM ,MILLET ,WHEAT 36% (1982)  
     CASH: COTTON ,PEANUTS ,SESAME SEED 18% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COTTON ,PEANUTS ,SORGHUM  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT ,RAW SUGAR ,TEA  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 72%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     (1978) 1,074 (79) 1,288 (80) 1,332  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     (1978) 1,478 (79) 1,608 (80) 1,591  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     (1978) -404 (79) -320 (80) -260  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. (1978) 13.6% (79) 9.7% (80) 12.9%  
     AS % OF GNP..... (1978) 2.6% (79) 2.1% (80) 2.6%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
     (\$MILLIONS, U.S.) ( . ) ( . ) ( . )  
     EQUIVALENT TO . MONTHS OF IMPORTS ( . )

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1982) COTTON ,GUM ARABIC ,NUTS  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1980) 17 (1981) 57 (1982) 16  
     AS % OF TOTAL EXPORTS (1979) 3% (1980) 2% (1981) 7%  
 MAJOR IMPORTS....(1982) TEXTILES ,PETROLEUM ,MOTOR VEHICLES  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 156 (1981) 229 (1982) 297  
     AS % OF TOTAL IMPORTS (1979) 10% (1980) 14% (1981) 14%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) -221(80) -438(81) -851  
 TRADING PARTNERS: UNITED KINGDOM ,WEST GERMANY ,SAUDI ARABIA  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 74.1%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1981) 111  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 13.9%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.8% (1978) 3.5% (1983) 2.7%  
 POPULATION IN URBAN AREAS.....(1970) 16% (1982) 27%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 46 (1983) 45  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. ( . ) . %  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 44.2% (15-64YRS) 53.0% (65+ YRS) 2.8%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 119  
 PEOPLE PER PHYSICIAN..... (1977) 8,782  
 MAJOR CAUSES OF  
 DISEASE (1981) MALARIA ,INTESTINAL INFEC ,STREP INFECTION  
 DEATH.. (19 ) , ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 96%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1976) 46%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
     PRIMARY..... (1979) TOTAL 51.0% MALE 60.0% FEMALE 43.0%  
     SECONDARY..... (1979) TOTAL 16.0% MALE 20.0% FEMALE 11.0%  
     POST SECONDARY.. (1977) TOTAL 1.3% MALE 2.0% FEMALE 0.6%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 3.6%

U.S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years - Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)				
COUNTRY SUDAN									A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS				
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	TOTAL.....	FY 1981	FY 1982	FY 1983	FY 1946-83
	1978	1979	1980	1981	1982								
<b>I. ECONOMIC ASSISTANCE - TOTAL</b>	19.9	37.5	96.4	109.4	151.8	492.6	21.7	470.9					
Loans	9.8	19.0	25.0	30.0	25.0	132.6	21.7	80.9					
Grants	10.1	18.5	71.4	79.4	126.8	360.0	-	370.0					
<b>a. A.I.D. and Professional Agencies</b>	7.6	15.7	70.1	74.5	124.9	373.8	14.5	354.2					
Loans	-	-	-	-	-	23.8	14.5	9.2					
Grants	7.6	15.7	70.1	74.5	124.9	355.0	-	355.0					
(Economic Support Fund)	-	-	40.0	50.0	100.0	190.0	-	-					
<b>b. Food for Peace (PL 480)</b>	12.3	20.3	26.3	34.9	25.9	113.8	7.1	106.7					
Loans	9.8	19.0	25.0	30.0	25.0	78.8	7.1	71.7					
Grants	2.5	1.8	1.3	4.9	1.9	35.0	-	35.0					
Title I - Total Sales Agreements	9.8	19.0	25.0	30.0	25.0	83.1	7.1	76.0					
Repayable in U.S. Dollars - Loans	9.8	19.0	25.0	30.0	25.0	62.0	3.3	58.2					
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	21.1	3.3	17.8					
Title II - Total Grants	2.5	1.8	1.3	4.9	1.9	30.7	-	30.7					
Emerg. Relief, Econ. Develop. & World Food Program	2.0	1.6	0.7	3.2	0.5	22.5	-	22.5					
Voluntary Relief Agencies	0.5	0.2	0.6	1.7	1.4	8.2	-	8.2					
<b>c. Other Economic Assistance</b>	-	-	-	-	-	-	-	-					
Loans	-	-	-	-	-	-	-	-					
Grants	-	-	-	-	-	-	-	-					
Peace Corps	-	-	-	-	-	-	-	-					
Narcotics	-	-	-	-	-	-	-	-					
Other	-	-	-	-	-	-	-	-					
<b>II. MILITARY ASSISTANCE - TOTAL</b>	0.2	5.3	25.4	32.3	101.2	166.5	8.0	158.5					
Credits or Loans	-	5.0	25.0	30.0	50.0	111.3	3.0	103.3					
Grants	0.2	0.3	0.4	2.3	51.2	55.2	-	55.2					
<b>a. MAP Grants</b>	-	-	-	1.7	-	1.7	-	1.7					
<b>b. Credit Financing - FMS</b>	-	5.0	25.0	30.0	50.0	111.3	8.0	103.3					
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	0.2	0.3	0.4	0.6	1.2	3.5	-	3.5					
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-					
<b>e. Other Grants</b>	-	-	-	-	50.0	50.0	-	50.0					
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	20.1	42.8	121.8	141.7	253.0	659.1	29.7	629.4					
Loans	9.8	24.0	50.0	60.0	75.0	213.9	29.7	184.2					
Grants	10.3	18.8	71.8	81.7	178.0	445.2	-	445.2					
<b>Other U.S. Government Loans and Grants</b>	-	-	-	1.2	-	33.7	34.4	0.7-					
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	5.9	7.2	1.3-					
<b>b. All Other Loans</b>	-	-	-	1.2	-	27.8	27.2	0.5					
* LESS THAN \$50,000.													

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE				
1. D.A.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-82	
United States	64.0	131.0	290.0	
Germany Fed. Rep.	71.4	56.8	413.9	
United Kingdom	66.4	68.7	229.0	
Netherlands	34.8	26.3	160.9	
Japan	7.6	9.9	73.1	
Other	53.9	52.6	198.2	
<b>Total</b>	<b>298.1</b>	<b>345.3</b>	<b>1,365.1</b>	
2. O.P.E.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-81	
	165.3	N.A.	703.5	
C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES				
	CY 1981	CY 1982	CY 1954-82	
USSR	-	-	65	
Eastern Europe	-	-	270	
China	55	-	140	
<b>Total</b>	<b>55</b>		<b>475</b>	

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PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	115,282	25,982	-	1,000	-	1,500	82,250	4,550 <sup>A/</sup>
Total	115,282	25,982	-	1,000	-	1,500	82,250	4,550
1984								
Loans	-	-	-	-	-	-	-	-
Grants	142,700	15,600	2,700	2,100	-	2,300	120,000	-
Total	142,700 <sup>B/</sup>	15,600	2,700	2,100	-	2,300	120,000	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	148,000	22,655	-	-	-	5,345	120,000	-
Total	148,000	22,655	-	-	-	5,345	120,000	-

<sup>A/</sup> FY 1983 includes \$4.5 million in African Refugee Assistance, P.L. 97-121 but excludes \$7.5 million in Department of State - Migration and Refugee Assistance.

<sup>B/</sup> The above total for FY 1984 excludes \$80.5 thousand which has already been notified for deobligation and has not yet been identified for reobligation by project.

FY 1985 PROGRAM HIGHLIGHTS	
-	Balance of payments assistance to support policy reforms (\$120 million);
-	Agricultural research, production and marketing projects with related infrastructure (\$22.7 million);
-	Power rehabilitation and energy, (\$5.3 million);
-	P.L. 480 commodities to help meet food requirements and reform grain pricing (\$52.5 million).

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RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*	-	-	-
Loans	125,558	184,846	177,761
Grants	125,558	184,846	177,761
Total AID	125,558	184,846	177,761
P.L. 480**	50,000	50,000	50,000
Title I (of which Title III is)	( 20,000 )	( 20,000 )	( 20,000 )
Title II	1,000	1,725	2,451
Total P.L. 480	51,000	51,725	52,451
Total AID and P.L. 480	176,558	236,571	230,212

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>	29	36	36
Direct Hire <sup>b</sup>	29	36	36
PASA <sup>c</sup>	2	2	2
Contract	14	12	15
Total	45	50	53
Participants <sup>d</sup>			
Noncontract	60	61	80
Contract	40	48	40
Total	100	109	120

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(000 MT/\$000)

Program	FY (Actual)		FY (Estimated)		FY (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	306.4	50,000	304.0	48,000	310.0	50,000
Rice	-	-	6.0	2,000	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		50,000 (20,000)		50,000 (20,000)		50,000 (20,000)
Title II						
Voluntary Agencies		-		616		1,227
World Food Programs		1,000		1,109		1,224
Gov't-to-Gov't		-		-		-
Title II Total		1,000		1,725		2,451
Total P.L. 480		51,000		51,725		52,451

## SUDAN

### Development Overview

Sudan suffers from a severe, long-term foreign exchange crisis requiring substantial amounts of assistance to allow breathing room for policy reform. The country is still trying to work its way out of the well-intentioned but economically disastrous move in the early 1970s toward public control of the means of production. Despite its status as a less developed country, Sudan has great agricultural potential, particularly in grains and livestock. Yet it imports wheat, sugar and other food. Over 75% of families exist at or below the subsistence level. Development efforts are hampered by a virtual absence of infrastructure. Although Sudan is as large as that portion of the United States east of the Mississippi, it has only 1,395 miles of paved road--less than Rhode Island.

During 1982/83 the government did initiate modest reforms which encouraged production in irrigated agriculture. The principal step was the removal of excessive fees and charges that had been levied against cotton. The new policies also brought higher prices for the farmer and a start on the rehabilitation of the irrigation and electric systems. In response, cotton production increased by 29%, while yields rose 24%. But this growth was more than offset by a sharp fall in production in rainfed areas. There was severe drought.

As a result, real GDP declined 2%. Poor overall economic performance was accompanied by 37% expansion of the money supply. With reduced output, the rate of inflation increased to 41%. In the preceding year it had been 24%.

On the brighter side, development of petroleum reserves in southwestern Sudan has continued. Construction of an 800-mile pipeline to transport oil from the Unity fields to Port Sudan will begin late in 1984 and be completed by mid-1986. Discoveries by Chevron to date are sufficient to support eventual exports of 100,000 b/d. Sudan's oil is not suitable for processing in the country's single refinery. At the outset, production will be 50,000 b/d and all production will be exported. Nevertheless, it will provide over \$200 million in badly needed foreign exchange annually.

The overall budget deficit in 1982/83 was 30% of expenditures and 6.1% of GDP. Because of revenue measures, such as a change in tariff rates, increases in excise taxes, and higher rents and fees, tax revenues rose 41% and non-tax revenues 31%--about equal to the rate of inflation. In a mood of increasing austerity, bank credit to finance government expenditures declined substantially. Nevertheless, a major increase in the rate of domestic saving, particularly in the public sector, is still needed if there is to be an increase in investment.

Sudan has a trade deficit of \$1.2 billion with export earnings equal to only one-third of imports. Imported petroleum constitutes 26% of foreign

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purchases. Debt service alone is nearly double annual foreign exchange receipts. Reserves will cover about one week of imports.

The current account did improve in 1982/83. Export earnings rose 48% with a doubling of cotton exports. Imports declined, partially because of lower payments for petroleum and sugar, but also because of the ban on the importation of luxury items. The deficit is expected to be less than half of the \$1.1 billion deficit in 1981/82. Sudan's revenue capacity is oriented towards customs duty and tariffs. Thus, the reduction in imports and the improvement in current account will cost the government income.

External payments should continue to show improvement through increased earnings from cotton and other agricultural exports. But if growth is to continue, agriculture will require continued rehabilitation of capital stock, more imported fertilizers, machinery and pesticides and greater certainty of electric supply. A pricing structure that encourages exports even more is also needed.

Despite some signs of progress, debt service will exceed exports in each of the next five years. Debt rescheduling agreements with official creditors occurred in 1979, 1982, and 1983. Relief will continue to be necessary. The foreign exchange crisis is the result of a decade of economic neglect of both investment and production incentives. Industrial production and investment, primarily the processing of agricultural products, declined because of the nationalization and over-regulation of private enterprise, unrealistic pricing policies, administrative obstacles to the marketing of commodities, and inadequate and erratic supplies of power. Agriculture suffered from deteriorating infrastructure in the irrigated areas and shortages of imports throughout the sector. A vast external debt (\$8 billion) accumulated. Like much of the rest of the world, Sudan was living on credit and consuming. Under government policies, it was almost predictable that all this would happen.

Sudan has also faced a special problem not of its own making. Large numbers of skilled laborers emigrated to neighboring oil-rich countries. The economy has virtually been stripped of much of its technical middle manpower. The phenomenon has seriously hampered development efforts.

The country lives close to the edge of financial disaster. To make matters worse, in 1983 insufficiently controlled silting at the Roseires Dam brought a virtually total power failure of three weeks duration in the irrigated Gezira and the industrialized Khartoum area. The cost to production was in the tens of millions. Along with everything else, Sudan is supporting more than a half million refugees who have entered the country over the years from Ethiopia, Uganda and Chad.

Since 1978, the Government of Sudan (GOS), with the assistance of the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (IBRD), and bilateral donors, has worked to reverse the economic decline. It has taken beginning steps to change the macroeconomic

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policy framework. Adjustments in the exchange rate have amounted to a devaluation of 70% in the Sudanese pound. To address internal economic distortions in the allocation of manufactured imports and agricultural exports, the GOS has increased prices dramatically. Politically sensitive consumer items have been included in this reform. All direct budget subsidies have been removed but implicit subsidies remain in the controlled price of petroleum products and in an unrealistic rate of exchange for imports of wheat, petroleum, pharmaceuticals, and equipment destined for public sector industry.

Recognizing that economic problems result in part from inefficient public enterprises in agricultural production and processing, the GOS has begun discussing withdrawal from direct participation in production and has removed some disincentives to private production. As yet, none of the public production structure has been dismantled. Divestiture is still in the future. Uneconomic enterprises cannot be sold and public managers are inclined to hang on to any that show a profit. Self-help will continue to be the key to Sudan's economic improvement.

In conjunction with the austerity moves meant to direct more resources to the development effort, the GOS has agreed with the IBRD on a rolling Three Year Recovery Program. It gives priority to the completion of on-going projects having a prospect of foreign exchange earnings. The \$400 million in project assistance provided by participants in the Consultative Group is directed toward activities identified in the program. The remainder of Sudan's foreign exchange deficit will be met by \$400 million in program assistance and \$350 million in debt relief arranged through the IBRD-led Consultative Group. The IBRD, the United States, Germany, U.K., Netherlands, Japan and other states from Europe and the Middle East are taking part in this effort.

### U.S. Interests and Objectives

Sudan is important to U.S. security interests in Egypt, the Red Sea littoral and the Horn of Africa. With both African and Arab cultural influences, the country's geographic reach contributes to its significance. It borders on and, therefore, has interests that can converge or conflict with countries which, with Sudan, constitute half of the African continent. In economic terms, Sudan could become an important exporter of food as its agricultural endowment is superior to virtually all of its neighbors. What is needed is a sound and expanding economy.

U.S.-Sudanese relations have grown closer since the mid-1970s. The outlook of the two countries coincides on a broad range of regional and international issues. Under President Nimeiri Sudan has played a constructive role in Arab and African councils. It has openly supported Egyptian efforts to achieve peace in the Middle East. Encouraging both Sudan's stability and a continued moderate orientation to its politics are central objectives of the U.S. assistance program. With a country as strategically located and as friendly as Sudan, the United States benefits from helping it get beyond its economic problems to pay its own way.

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### A.I.D. Assistance Strategy

The tools at A.I.D.'s disposal for serving U.S. interests are commodities, technical services, wheat imports, debt relief, and dialogue. With commodities, A.I.D. hopes to give Sudan sufficient assurance on balance of payments to allow the government to take actions that will open the economic system to better exploitation of the economy's potential. Areas deserving special attention are (1) the private sector, which provides the only hope for supplanting a score of inefficient public entities; (2) petroleum imports, which constitute 25% of the value of Sudan's imports and are now handled in a way that adds 20% to the country's energy bill; (3) fertilizers, which are critical to agriculture, the producer of 40% of GDP; and (4) electric power transmission, where power failures probably cost \$50 million annually in lost production.

With our technical services, we will focus on agriculture, offering assistance in research, transportation, stock and seed improvement, and disease control. Emphasis will be given to the problems of the rainfed areas which constitute 40% of Sudan's agricultural production, by far the segment with the greatest potential. Until recently, they had been all but ignored. With our program we hope to familiarize the Sudanese with the best of appropriate technologies for their agriculture. Also through our technical services we will look to strengthen Sudan's institutions by developing planning and administrative capabilities for agriculture, energy, health, and local government. With this foundation, Sudan should be able to take the first steps toward sorting through some of its problems in a more orderly manner. Follow-on activities can then provide the building blocks for the superstructure of the economy. With good foundations, programs acquire more direction and have a better chance of success.

Through PL 480 we hope to meet current urban food deficits while working for reform in grain and bread pricing. Already the price of locally grown wheat has been set sufficiently high to provide an incentive for Sudanese farmers. The government has yet to set prices of bread at a level which reflects the true cost of imported wheat and flour at the free market rate of foreign exchange. We are engaged in policy dialogue on this point and also on the possibilities for introducing multiple bread pricing tied to quality depending on the flour extraction rate in milling and on a composite wheat/sorghum flour. Finally, we are working to have wheat and flour imports shifted to the private sector.

Debt relief and our encouragement of other donors through the Consultative Group give Sudan breathing room and ensure persistence of the international effort. They enhance the development resources we ourselves provide. We are working for greater coordination among donors to assure internal consistency within the total international assistance program. By establishing a mutually agreed upon set of project criteria, we hope to eliminate the activities which appear to serve donor interests more than those of Sudan.

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Finally, dialogue is meant to change perceptions--to show the way, both for ourselves and for others.

### A.I.D. Program (FYs 1983-1984)

Consistent with the strategy above, 80% of A.I.D. funding in FY 1983 was balance of payments support provided through Economic Support Fund (ESF) commodity import and PL 480 food aid programs. The remaining 20% financed development projects in the agriculture, transport, energy, and health sectors, including \$26.0 million for agriculture and related infrastructure; \$1.5 million for energy projects; \$1.0 million for health/population; and \$12.0 million for refugee projects.

The FY 1984 program continues emphasis on balance of payments support, supplemented by \$15.6 million for the agricultural sector, \$4.8 million for health and population and \$2.3 million for selected development activities, mainly energy.

#### A. Economic Support Fund (ESF)

In FY 1983, \$82.25 million of ESF financed essential imports through a Commodity Import Program (CIP) (\$60.25 million), a Cash Transfer (\$20.0 million), and a grant for macroeconomic studies (\$2.0 million). Sudan needs commodity assistance to restore infrastructure and maintain and increase production. Proceeds from the sale of CIP commodities help pay the local costs of A.I.D.-financed projects in agriculture, energy, transport, water supply, and health. They are also used to finance specific activities in Sudan's development budget and to provide local costs for those projects of other donors when A.I.D. can verify the activity, foreign exchange expenditure, and consistency with the rolling, Three-Year Development Plan as approved by IBRD. A grant agreement for a Policy Analysis and Implementation Program (PAIP) supports macroeconomic policy studies with a view to providing a base for A.I.D.'s program and assisting the Ministry of Finance and Economic Planning to develop this capacity.

In FY 1984, \$120 million of ESF will enhance GOS economic stabilization efforts by financing essential imports and easing strains on scarce foreign exchange resources. This assistance will target specific reform and development objectives included under the current IMF Standby Agreements and IBRD-sponsored recovery program.

#### B. PL 480

PL 480 food resources totalled \$51.0 million in FY 1983, of which \$20 million was provided under a five-year, \$100 million Title III program which allows Title I loan funds to be converted to Title III grants. The Title III program has contributed to the policy dialogue necessary for Sudan's structural adjustment, provided balance of payments support, and contributed to a development program consistent with this structural adjustment. The World Food Program provided \$1.0 million under Title II.

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PL 480 resources, at a level of \$51.7 million for FY 1984, will continue to provide U.S. wheat and wheat flour under Titles I and III to help improve the nutritional status of the Sudanese population, including Sudan's growing refugee population. Seventh Day Adventist World Service will initiate an MCH feeding program with Title II food aid.

### C. Agriculture

The overall thrust of A.I.D.'s assistance to the agricultural sector continues to be investments which ultimately will improve the productive capacity of the rainfed sector. The IBRD and other donors are continuing to provide major assistance for rehabilitation of the modern irrigated scheme in east-central Sudan. A mid-term evaluation of the continuing Western Sudan Agricultural Research project (650-0020) indicated a need to strengthen project management, better define the research plan and undertake measures to integrate the project in the parent Agricultural Research Corporation. The majority of the recommendations of the evaluation report were implemented during the year. An evaluation of the Blue Nile Integrated Agricultural Development project (650-0018) led to major improvement of project management, improved forward planning, and a more appropriate applied research/extension program. The Agricultural Planning and Statistics project (650-0047) was amended, following a review of the first year's experience, to provide an additional \$2.4 million to add a production economist to the advisory team, provide technical and financial assistance to the University of Khartoum to train 25 agricultural economists at the masters degree level, and provide some additional commodity support. A new \$10.1 million initiative, the Southern Regional Agricultural Development project (650-0046), was obligated in late FY 1982. The purpose of the project is to relieve key policy, production, marketing, institutional and infrastructural constraints to increasing private sector agricultural production and marketing in the southern regions.

Because of long distances between farms, markets and consuming centers, the availability and cost of transport are important determinants of agricultural production and export competitiveness, particularly for the isolated rainfed agricultural regions of the west and the south. As pointed out by a number of A.I.D. studies, the transport system is inadequate to meet the needs of the agricultural sector. Internal and interregional roads are either nonexistent or rapidly deteriorating. The rail system, which has branches serving the west and the south, is poorly managed, in advanced disrepair, and unreliable. The White Nile waterway between the south and the north is greatly underutilized. A.I.D.'s objectives are to promote increased agricultural production and marketing by: (1) improving and maintaining access to and from the southern and western regions to major national and international markets; and (2) improving and maintaining key intraregional links.

In FY 1983, construction of the Southern Access Road (650-0036), linking Juba with Lodwar, Kenya, progressed satisfactorily. A.I.D. authorized a

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\$19.7 million Southern Road Maintenance/Rehabilitation I project (650-0043) which will upgrade and rehabilitate primary road links and develop long-term maintenance capability. In the west, local currency from the PL 480 Title III Program was used to improve tracks, watering points, and communication for the railroad. CIP-financed spare parts for the railway system also will improve rail operations. Studies were undertaken to develop comprehensive transportation strategies for both the Kordofan and Southern Regions.

In FY 1984, A.I.D. will focus upon implementation of ongoing activities and authorization of two new projects. Major progress will be achieved in implementing comprehensive policy, planning and training agendas of the Agricultural Planning and Statistics project (650-0047). During the year, a mid-term evaluation of the project will take place. A.I.D.'s agricultural assistance strategy continues to be focussed on means to increase the productivity of traditional rainfed agriculture, a sector which contributes significantly to domestic food supplies and export earnings, and has the potential for major increases in output, income and employment. The Blue Nile Integrated Agricultural Development project (650-0018), under improved management and staffing, will increase its impact in terms of applied research, extension and credit activities. Implementation of the Southern Region Agricultural Development project (650-0046) will commence. The Western Sudan Agriculture Marketing Road project (650-0069) to increase production of rainfed agriculture in Western Sudan, increase incomes for producers and increase export earnings for the country will be authorized.

The second major new initiative will be the River Transport Agriculture Marketing project (650-0060) which will be authorized for \$10.2 million. The objectives of this project will be to improve the efficiency of river transport operations on the White Nile between Juba and Kostit by: (1) removing obstructions in the river channel and improving port facilities; and (2) decreasing responsibilities of the River Transport Corporation (RTC) while supporting private river transport enterprises. Implementation of the Southern Road Maintenance/Rehabilitation I project in Southern Sudan and the feeder road component of the Southern Region Agricultural Development project will begin.

### D. Selected Development Activities

A.I.D. is focussing on three activities in the energy sector. First is the needed to improve the economic efficiency and reliability of the existing electric power system. The Blue Nile Electric Power Grid is the central source of electric power for irrigated agriculture, industry, and commercial/household users in Khartoum. The system is in disrepair with frequent, prolonged failures which constitute a major constraint to economic development. Commodities and related technical services have been applied toward improving the short-term reliability of the Grid and alleviating the sediment/debris build-up at the major hydroelectric power source which reduces the effective output of the generators.

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The DA-financed, Energy Planning/Management project (650-0059), authorized in late FY 1982, provides additional support to improve the institutional capabilities of the National Electricity Corporation to manage the operation of the system.

The second activity is to help strengthen energy planning and policy formulation. A.I.D. is providing technical services, training and commodity support to the Ministry of Energy and Mining to plan for the most efficient uses of energy resources. In FY 1983, a national energy assessment was completed which will form the foundation for further work on planning and policy.

The third activity is to help develop renewable energy resources and applications. The Rural Renewable Energy project (650-0041) is working with Sudan's Energy Research Institute to reduce demand for imported energy supplies and increase the supply and efficiency of local fuelwood resources. With a strong orientation toward the private sector, the project seeks to improve institutional capabilities to develop and disseminate renewable energy technologies.

FY 1984 will be devoted mainly to implementation of the energy sector projects: (1) CIP commodities will be purchased, shipped, and operating at Roseires Dam to keep the intakes open during the flood season. A.I.D. will also explore longer-term solutions to the sediment/debris problems, such as reforestation in the basin area. Further support will be given to improving power transmission; (2) Technical services will be provided to support the National Electricity Corporation in improved management and financial performance and the Ministry of Energy and Mining with policy and planning functions; a national energy plan will be formulated, drawing from the FY 1983 assessment, and the possibility explored for private importation and distribution of petroleum products; (3) Based on a detailed workplan produced by the Rural Renewable Energy project, grants will be made to private organizations and government agencies to undertake pilot agroforestry activities and to test and disseminate improved cookstoves and charcoal manufacturing techniques. Investigations in forestry and desertification will determine possibilities of new activities in these areas.

### E. Health

The Rural Health Support project (650-0030) is A.I.D.'s main channel for helping the GOS build more efficient decentralized community-based health care systems in the rural areas of western and southern Sudan. This project has built upon five years of experience gained from the Primary Health Care projects in the North (650-0011) and the South (650-0019). Both Primary Health Care projects were evaluated as part of an A.I.D.-sponsored evaluation of the Government of Sudan's Primary Health Care Program. UNICEF and WHO participated in the evaluation which pointed out to the Ministry of Health (MOH) the need to increase emphasis on preventive health by modifying

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the training curriculum for the community health workers and to conduct more frequent refresher courses for the rural health care workers. In addition, several recommendations regarding the standardization and packaging of pharmaceuticals have been instituted by the MOH with a saving of hard currency expenditures on imported drugs and equipment.

In FY 1984, A.I.D. will focus on project implementation and continue to foster the development of community-based health care delivery systems in Sudan's rural areas through the ongoing Northern Primary Health Care project (650-0011) and the Rural Health Support project (650-0030). With the creation of Regional Ministries of Health, two in Western and three in Southern Sudan, A.I.D. will provide technical assistance to strengthen the health planning, budgeting, and management capabilities and maternal and child health care services at the regional level. Emphasis will be on retraining and refresher courses for health care personnel, utilizing existing training institutions, emphasizing preventive and health education aspects.

### F. Population

From the standpoint of skilled workers and agricultural laborers, Sudan does not suffer from conventional population problems. Yet, population increases have created demand for social services which government revenues are unable to meet. The Model Family Planning Program (650-0063) was established to grant assistance to the Sudan Fertility Control Association (SFCA) for promoting the concept and practice of family planning through private organizations operating in Khartoum and its environs. To date, administrative difficulties of the SFCA, essentially an organization of physicians, have hampered initiating activities. Family planning services are also being extended through the community-based network being established under the A.I.D.-financed Rural Health Support project.

A.I.D. will continue to promote family planning and family health concepts and services through the Model Family Planning Program and the Rural Health Support project will also be used for this purpose. In addition, a new project will be authorized to provide for retail sales of family planning commodities through the private sector pharmacies, the Sudan Commercial Retail Sales project (650-0072).

### G. Refugee Assistance

Faced with an influx of refugees over the years from Ethiopia, Uganda and Chad, the GOS has followed the practice of integrating refugees into the economy of the area in which they settle. Migratory practices of tribal peoples living in the border areas make citizenship uncertain and naturally dictate such a policy. A.I.D., in collaboration with the Department of State's Office of Refugee Programs, has supported this objective. The Port Sudan Water Supply project (650-0050) is such a project under which A.I.D. has provided \$2.5 million to supply water to refugees and urban poor. The United Nations High Commissioner for Refugees is contributing \$0.5 million

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and CARE is contributing in-kind services. In FY 1983, two additional refugee projects were authorized. The first is a \$4.5 million grant to CARE to implement the Eastern Reforestation project (650-0064) to improve incomes, increase local supplies of fuelwood, demonstrate benefits of integrating forestry and agriculture, and strengthen institutional capabilities of the Eastern Regional Forestry Department. The second is the Gedaref Water Supply project (650-0065) which provides \$7.5 million to assist the GOS to provide an adequate and reliable supply of potable water for refugees and local Sudanese in Es Showak-Gedaref.

In FY 1984, USAID will concentrate on implementation of existing refugee projects, while closely monitoring the refugee situation. Additional projects may be undertaken, subject to funding availabilities.

### Requested Year Program (FY 1985)

#### A. Economic Support Fund (ESF)

In FY 1985, \$120 million is requested to finance essential commodity imports to continue helping Sudan overcome the foreign exchange crisis and to support economic reform. This program assists in keeping Sudan's existing productive capacity operating to increase output. It also finances equipment needed in conjunction with essential development projects, such as rehabilitation of Sudan's electricity grid, whose poor condition annually causes significant losses of productivity. Counterpart funds generated from sale of many of the production inputs are used within the constraints of Sudan's budget to support agricultural development projects and foster increased agricultural productivity.

#### B. PL 480

PL 480 food assistance will continue under all three titles at a total value of \$52.5 million. PL 480 Title I sales will be \$50.0 million, of which \$20.0 million will help finance agriculture projects and be converted to a grant under the provisions of Title III. A new Title III program will be authorized during FY 1983 to follow up the existing Title III program to be completed in 1984. The remaining \$2.5 million will support World Food Program refugee activities and the maternal child health/pre-school nutrition program of a private voluntary organization, Seventh Day Adventist World Service.

#### C. Agriculture

In FY 1985, the Western Sudan Agricultural Sector Grant (650-0054) will be authorized for \$20.0 million. This project will address key physical, financial and social marketing constraints in the Kordofan Region which reduce the returns farmers earn on their products and create disincentives to increased production.

Implementation of the Western Sudan Agriculture Marketing Road project (650-0069) and the River Transport Agriculture Marketing project (650 0060) will begin.

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D. Selected Development Activities

A five-year, \$5 million Macroeconomic Policy project (650-0070) to help analyze and improve national economic policies will begin in FY 1985, with initial funding of \$1.0 million. The two ongoing energy projects will also receive incremental funding: Rural Renewable Energy (650-0041) for \$1.1 million, and Energy Planning and Management (650-0059) for \$2.5 million.

MISSION DIRECTOR: William R. Brown

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SUDAN

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG EXPENDI ATIONS TURES	-ESTIMATED FY84- OBLIG EXPENDI ATIONS TURES	-PROPOSED FY85- OBLIG EXPENDI ATIONS TURES				
AGRICULTURE, RURAL DEV. AND NUTRITION											
REGIONAL FINANCE/PLANNING	G 650-0012	79	79	2,000	2,000	2,000	928	---	600	---	472
BLUE NILE INTEGRATED AG DEVELOPMENT	G 650-0018	78	83	12,032	12,032	12,032	9,485	---	2,183	---	364
WESTERN AGRICULTURAL RESEARCH	G 650-0020	78	86	26,000	31,000	26,000	10,654	---	5,000	---	1,500
SOUTHERN MANPOWER DEVELOPMENT	G 650-0021	79	82	6,640	6,640	6,640	6,103	---	300	---	237
SOUTHERN RURAL INFRASTRUCTURE PHASE I	G 650-0031	80	82	3,628	3,547	3,547	3,023	---	524	---	---
YAMBIO AGRICULTURAL RESEARCH - JPC	G 650-0035	79	80	1,066	1,066	1,066	967	---	99	---	---
SOUTHERN REGION ROAD MAINT. & REHAB.	G 650-0043	83	86	19,700	19,700	18,238	---	---	5,000	---	4,500
SOUTHERN AG DEVELOPMENT PHASE I	G 650-0046	82	85	10,100	10,100	9,820	114	---	1,000	280	3,000
AGRICULTURAL PLANNING/STATISTICS	G 650-0047	81	83	7,300	7,300	7,300	987	---	1,800	---	1,800
U.S. SUDAN AGRICULTURE SECTOR GRANT	* G 650-0054	85	87	---	20,000	---	---	---	---	3,720	---
RIVER TRANSPORT AGRICULTURE MARKETING	G 650-0060	84	86	---	10,200	---	---	2,300	---	3,700	1,500
U.S. SUDAN AG MARKETING ROAD	G 650-0069	84	86	---	47,100	---	---	13,300	---	14,955	6,000
TOTAL FOR ACCOUNT				88,466	170,585	86,643	32,261	15,600	16,506	22,655	19,373
GRANTS				88,466	170,585	86,643	32,261	15,600	16,506	22,655	19,373
LOANS				---	---	---	---	---	---	---	---
POPULATION PLANNING											
RURAL HEALTH SUPPORT	G 650-0030	80	81	1,881	1,881	1,331	502	---	300	---	500
MODEL FAMILY PLANNING PROGRAM (PVO)	G 650-0063	82	86	1,796	1,796	596	---	700	400	---	400

\* Refers to the planned project summary sheet

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C Level of effort activity

FY of final obligation column -- All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SUDAN

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD	PLANNED	-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES
COMMERCIAL RETAIL SALES	G 650-0072	34	86	---	3,200	---	---	2,000	---	---	450
TOTAL FOR ACCOUNT GRANTS				3,677	6,877	2,477	502	2,700	700	---	1,350
LOANS				---	---	---	---	---	---	---	---
HEALTH											
NORTHERN PRIMARY HEALTH CARE	G 650-0011	78	80	5,863	5,863	5,863	5,531	---	332	---	---
SOUTHERN PRIMARY HEALTH CARE	G 650-0019	78	81	3,686	3,686	3,686	2,566	---	600	---	520
RURAL HEALTH SUPPORT	G 650-0030	80	66	16,182	16,182	13,000	1,674	2,100	3,000	---	3,000
TOTAL FOR ACCOUNT GRANTS				25,731	25,731	22,549	9,771	2,100	3,932	---	3,520
LOANS				---	---	---	---	---	---	---	---
EDUCATION AND HUMAN RESOURCES											
LITERACY TRAINING - OPS	G 650-0028	79	80	1,400	1,400	1,400	1,245	---	155	---	---
TOTAL FOR ACCOUNT GRANTS				1,400	1,400	1,400	1,245	---	155	---	---
LOANS				---	---	---	---	---	---	---	---
SELECTED DEVELOPMENT ACTIVITIES											
REGIONAL FINANCE/PLANNING	G 650-0012	82	84	1,200	1,200	500	---	---	345	700	425
SOUTHERN ACCESS ROAD	G 650-0036	80	30	10,000	10,000	10,000	6,607	---	3,300	---	93
RURAL RENEWABLE ENERGY	G 650-0041	81	86	4,600	4,600	1,500	376	1,000	1,300	1,100	1,500
ENERGY PLANNING/MANAGEMENT	G 650-0059	82	85	6,600	8,450	3,055	371	1,300	2,000	2,545	2,500
MACRO-ECONOMIC POLICY	* G 650-0070	85	89	---	5,000	---	---	---	---	1,000	500
TOTAL FOR ACCOUNT GRANTS				22,400	29,250	15,055	7,354	2,300	6,945	5,345	5,018
LOANS				---	---	---	---	---	---	---	---
ECONOMIC SUPPORT FUND											

\* Refers to the planned project summary sheet

C Level of effort activity

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FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SUDAN

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ACTIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ACTIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ACTIONS	EXPENDI TURES	
COMMODITY IMPORT PROGRAM II	G 650-K602	81	81	50,000	50,000	45,316	---	4,958	---	---	
COMMODITY IMPORT PROGRAM III	G 650-K603	82	82	100,000	100,000	79,806	---	22,600	---	---	
COMMODITY IMPORT PROGRAM IV	G 650-K604	83	83	60,250	48,000	21,223	---	37,250	---	---	
COMMODITY IMPORT PROGRAM V	G 650-K606	84	84	---	57,000	---	---	57,000	---	27,000	
SUDAN PROGRAM GRANT	G 650-K607	84	84	---	60,000	---	---	60,000	---	---	
COMMODITY IMPORT PROGRAM VI	* G 650-K608	85	85	---	120,000	---	---	---	120,000	120,000	
POLICY ANALYSIS AND IMPLEMENTATION	G 650-0071	83	84	5,000	5,000	2,000	---	3,000	---	1,500	
TOTAL FOR ACCOUNT GRANTS				215,250	440,000	212,250	145,345	120,000	156,608	120,000	148,500
LOANS				---	---	---	---	---	---	---	
TOTAL FOR COUNTRY GRANTS				356,924	673,943	340,374	196,478	142,700 <sup>1/</sup>	184,846	148,000	177,761
LOANS				---	---	---	---	---	---	---	

<sup>1/</sup> FY 1984 total excludes \$80.5 thousand which has already been notified for deobligation and has not yet been identified for reobligation by project.

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: SUDAN

PLANNED PROGRAM SUMMARY SHEET

Title Western Sudan Agricultural Sector Grant		Funding Source	AG, RD & N 3,720	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 650-0054		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Initial Obligation FY 85	Estimated Final Obligation FY 87	Life of Project Funding 20,000 Estimated Completion Date of Project FY 90
<input checked="" type="checkbox"/> GRANT	<input type="checkbox"/> LOAN	<input type="checkbox"/> CONTINUING		Sel. Act.			

**Purpose:** This agricultural sector grant addresses physical and financial marketing constraints in the Kordofan Region which reduce farmers returns and create disincentives to produce more. Grant activities will increase agricultural production and promote long-term growth by raising farmer income sufficiently, allowing them to purchase improved farm inputs and assume increased risk.

**Program Description:** The proposed program has three components: a) selective improvements to feeder roads linking production areas to market outlets; b) construction of crop storage facilities in market centers; and c) provision of risk free inventory loans to farmers. Currently, feeder roads in the area consist of dirt tracks which become impassable during the rainy season due to flash floods through numerous steep creek beds. Road improvements will be limited to the most obstructive creek beds. Crop storage facilities will allow farmers to retain products for sale at higher "post harvest" prices, increasing their profits. Inventory loans address the financial constraints preventing farmers from storing their crops. Presently, inadequate storage and cash flows force most farmers to sell immediately after harvest, at relatively low prices, leaving profits to but a few merchants.

**Host Country/Other Donor Contribution:** A.I.D.'s role will only involve providing technical and financial assistance in procuring road construction equipment and storage warehouses. The Kordofan Regional Government has already created a transportation unit to devise plans for road improvements and maintain road equipment. The Agricultural Bank of Sudan or private Sudanese commercial banks will provide the capital for inventory loans and will manage storage facilities. The exact Sudanese contribution awaits feasibility studies to determine credit levels needed for farmers' post-harvest expenses.

**Relationship of Project to A.I.D. Country Strategy:** A.I.D.'s agricultural sector grant reflects the shared priorities of the Government of Sudan (GOS) and A.I.D. for developing the

rainfed agricultural sector in Western Sudan. A.I.D. concentrates its agricultural development assistance in the rainfed subsector because it has proved the country's highest potential foreign exchange earner relative to each dollar invested. The GOS has shifted its development emphasis from irrigated to rainfed agriculture, and the Kordofan Regional Government now considers feeder roads and storage facilities among its highest development priorities. The sector grant is a logical investment complementing the Western Sudan Agriculture Marketing Road, a modern network via Khartoum and Port Sudan which opens the Kordofan Region to national and international markets. Moreover, construction of storage facilities will attract additional public and private capital to the region to manage the facilities and provide inventory loans. The proposed grant provides more planning skills and helps finance better farm technology--enhancing A.I.D.'s regional activities to strengthen planning efforts, develop new agricultural technologies and improve seed quality.

**Prior A.I.D. Experience and Evaluation Findings:** A.I.D. has sponsored several studies in the Kordofan Region which indicate a need for improved farm-to-market transport and greater farmer access to storage facilities. A Louis Berger, Inc. study found that farm-to-market transport is 3-1/2 times more expensive than market-to-market transportation, thus reducing a farmer's return on his product, and also cited limited farmer access to storage facilities as a key disincentive to production. University of Kentucky research in Kordofan corroborates these findings, and a Checchi and Company credit analysis indicates that seasonal cash flow constraints act to reduce farmer access to storage.

**Beneficiaries:** The program benefits traditional farmers directly--boosting their real income through lower transportation costs and higher crop prices. As income rises, farmers can buy improved agricultural inputs, further expanding their productive capacity. Road improvements also benefit truck drivers and owners as poor road conditions make travel cumbersome, dangerous and costly.

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)				
Macro-Economic Policy					FY 1985	1,000	Life of Project Funding	5,000	
Number	650-0070	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	1,000	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT	<input type="checkbox"/> LOAN	<input type="checkbox"/> CONTINUING					FY 85	FY 89	FY 89

Purpose: The purpose of this project is to help the Government of Sudan (GOS): (1) assess macro-economic policy and institutional constraints to economic development; (2) facilitate policy dialogue on national economic issues; (3) formulate conclusions and recommendations for consideration by the GOS, A.I.D. and bilateral and international development institutions; and (4) strengthen the GOS institutional capacity for national policy formulation.

Project Description: This project will assist the GOS in conducting high quality economic analysis and formulating sound macro-economic policies and institutional arrangements. Collaborating institutions include the Ministry of Finance and Economic Planning, Bank of Sudan, University of Khartoum and private Sudanese consulting firms and researchers. To facilitate modification and improvement of national development policies, \$5.0 million is needed over five years, FY 85 to FY 89, for analytical studies of macro-economic policy issues. Professional quality analyses will focus public policy dialogue on issues of high priority to A.I.D. and the GOS. Dialogue will be facilitated by workshops and conferences on the findings and recommendations. The studies will be implemented through a contract with a U.S. university, consulting firm, or other recognized organization specializing in macro-economic analysis of developing countries and capable of providing specialists to work with Sudanese resources and institutions. Long-term Ph.D. training of participants will strengthen GOS institutional capacity for policy formulation.

Relationship of Project to A.I.D. Country Strategy: A.I.D.'s country strategy places primary emphasis on assisting the GOS formulate national economic policies and reforms to reduce and eventually eliminate the need for balance of payments support. The purpose of the project is consistent with GOS, IMF, and IBRD strategies, emphasizing policy reforms to increase exports and foreign exchange earnings rapidly, more reliance on private investment, and privatization of public enterprises. This project is an outgrowth of a precursor grant, the Policy Analysis and Implementation Program (PAIP),

approved in FY 83 to initiate policy reform and implementation studies with ESF financing.

Host Country/Other Donor Contribution: The macro-economic policy analysis to be conducted under this project will be a joint effort by Sudanese and American economic researchers. The Sudanese input will be financed largely by local currency provided by the GOS. The amount of local currency will be determined when the research topics and methodology have been decided in collaboration with the Ministry of Finance and Economic Planning.

Prior A.I.D. Experience and Evaluation Findings: Thus far, most A.I.D.-financed economic studies have been part of agricultural, energy and health projects. In addition, a number of studies by Sudanese researchers financed by local currency have been undertaken. This project will extend the economic analysis to other macro-economic topics, such as international trade and monetary issues. The GOS has expressed interest in numerous policy studies which support the reforms discussed with the Consultative Group and IMF. USAID has had considerable experience in collaborating with GOS officials and private Sudanese consultants on research studies.

Beneficiaries: The immediate beneficiaries of applied research on macro-economic issues are the planning units of the GOS, particularly the Ministry of Finance and Economic Planning. However, both Sudanese private producers and consumers will gain from improved national and sector economic policies resulting from more systematic and careful assessment of national needs, priorities and production. In addition, Sudanese nongovernmental institutions, whose capacity to participate in national policy formulation will be strengthened, are also a target group. Public and private external and domestic creditors will benefit indirectly from improved analysis and management of national economic and financial policy formulation.

PROGRAM: SUDAN

PLANNED PROGRAM SUMMARY SHEET

Title Commodity Import Program (CIP) VI		Funding Source ESF 120,000	AG, RD & M	Health	PROPOSED OBLIGATION <i>(In thousands of dollars)</i>		
					FY 85	120,000	Life of Project Funding 120,000
Number 650-K-608	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 85	FY 85	FY 86

**Purpose:** To provide short-term balance of payments support by financing essential imports, and thereby help Sudan through its present economic crisis. Priority goes to imports which contribute to increased export earnings and to the maintenance and expansion of existing productive capacity.

**Program Description:** The \$120 million to be provided under this grant will be used to finance agricultural and industrial machinery, equipment and spare parts; industrial raw materials, such as tinplate, tallow, and chemicals; telecommunications and transport equipment. These imports will meet the most pressing requirements of both the public and private sectors. The Government of Sudan (GOS) uses local currency proceeds from the sale of CIP imported commodities to finance the local costs of projects designed to increase production through the rehabilitation and expansion of institutional and physical infrastructure facilities.

**Relation of Program to A.I.D. Country Strategy:** The A.I.D. country strategy gives highest priority to balance of payments and budget support programs such as the CIP that finance essential imports and help to cover the local costs of development projects.

**Host Country and Other Donors:** Similar commodity import programs are being financed by the World Bank, Federal Republic of Germany, U.K. and other European Economic Community donors. Saudi Arabia also provides substantial foreign exchange assistance. The magnitude of Sudan's current trade deficit is such that no one donor is capable of financing more than a limited portion of Sudan's total needs. Nevertheless, the cumulative total of donor assistance, combined with a comparable amount from the IMF and with budgetary tax and other economic reforms by the GOS, is helping Sudan move toward a more stable economy under its current recovery program with the IMF.

**Beneficiaries:** The public agencies and private firms who receive commodities imported under the CIP will be the direct

beneficiaries. However, the increased agricultural and industrial production that will result from the use of these commodities will benefit the general population.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (617) UGANDA

**\*BASIC DATA\***

TOTAL POPULATION.. (THOUSANDS,MID 1983) 13,819  
 PER CAPITA GNP..... (DOLLARS,1981) 220  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) -4.3%  
 ANNUAL RATE OF INFLATION (1970-81) 41.2%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..(1970) 6.2%  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 (1982) TOTAL 54.6 MALE 52.9 FEMALE 56.4  
 (1970) TOTAL 48.7 MALE 47.1 FEMALE 50.4  
 ADULT LITERACY RATE (1980) TOTAL 52% MALE 65% FEMALE 40%

**\*AGRICULTURE\***

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) -3.3%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1980) 69%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 300  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: PLANTAINS ,MILLET ,CASSAVA 32% (1982)  
 CASH: COFFEE ,COTTON ,TEA 9% (1982)

MAJOR AGRICULTURAL EXPORTS:(1982) COFFEE ,COTTON ,TEA  
 MAJOR AGRICULTURAL IMPORTS:(1982) RAW SUGAR ,RICE ,DAIRY PRODS.  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 83%

**\*CENTRAL GOVERNMENT FINANCES\***

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 ( . ) . ( . ) . ( . )  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 ( . ) . ( . ) . ( . )  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 ( . ) . ( . ) . ( . )  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. ( . ) . % ( . ) . % ( . ) . %  
 AS % OF GNP..... ( . ) . % ( . ) . % ( . ) . %  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) ( . ) . ( . ) . ( . ) .  
 EQUIVALENT TO . MONTHS OF IMPORTS ( . )

**\*FOREIGN TRADE\***

MAJOR EXPORTS... (1981) COFFEE ,COTTON ,TEA  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1980) 119 (1981) 99 (1982) 152  
 AS % OF TOTAL EXPORTS (1978) 24% (1979) 19% (1980) 37%  
 MAJOR IMPORTS....(1981) PETROLEUM ,MACHINERY ,COTTON FABRICS,  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 13 (1981) 7 (1982) 9  
 AS % OF TOTAL IMPORTS (1978) 1% (1979) 0% (1980) 3%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1978) 17(79) 122(80) -138  
 TRADING PARTNERS: UNITED KINGDOM ,KENYA ,UNITED STATES  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 3.4%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 123  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1980) 4.5%

**\*SOCIAL DATA\***

POPULATION GROWTH RATE...(1970) 2.9% (1978) 2.9% (1983) 3.2%  
 POPULATION IN URBAN AREAS.....(1970) 8% (1982) 11%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 45 (1983) 50  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. ( . ) . %  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 45.2% (15-64YRS) 51.7% (65+ YRS) 3.1%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 97  
 PEOPLE PER PHYSICIAN..... (1977) 26,812  
 MAJOR CAUSES OF  
 DISEASE (1981) MALARIA ,MEASLES ,GONORRHEA  
 DEATH.. (19 ) , ,  
 . PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 93%  
 . POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1975) 35%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1979) TOTAL 50.0% MALE 58.0% FEMALE 42.0%  
 SECONDARY..... (1979) TOTAL 5.0% MALE 7.0% FEMALE 3.0%  
 POST SECONDARY.. (1977) TOTAL 0.5% MALE 0.7% FEMALE 0.3%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 25.2%

**U.S. OVERSEAS LOANS AND GRANTS – OBLIGATIONS AND LOAN AUTHORIZATIONS**  
(U.S. Fiscal Years – Millions of Dollars)

**ECONOMIC PROGRAMS OF ALL DONORS**  
(Millions of Dollars)

COUNTRY	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82
	UGANDA							
	PROGRAM	1978	1979	1980	1981			
<b>I. ECONOMIC ASSISTANCE – TOTAL</b>	-	3.0	6.1	9.0	7.4	59.9	3.5	66.4
Loans	-	-	-	-	-	11.4	3.5	7.9
Grants	-	3.0	6.1	9.0	7.4	58.5	-	58.5
<b>a. A.I.D. and Predecessor Agencies</b>	-	3.0	-	2.0	7.0	49.3	3.5	45.8
Loans	-	-	-	-	-	11.4	3.5	7.9
Grants	-	3.0	-	2.0	7.0	37.9	-	37.9
(Economic Support Fund)	-	3.0	-	-	-	3.0	-	-
<b>b. Food for Peace (PL 480)</b>	-	-	6.1	7.0	0.4	16.8	-	16.8
Loans	-	-	-	-	-	-	-	-
Grants	-	-	6.1	7.0	0.4	16.8	-	16.8
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-
Title II - Total Grants	-	-	6.1	7.0	0.4	16.8	-	16.8
Emerg. Relief, Econ. Develop. & World Food Program	-	-	1.4	2.3	-	6.0	-	6.0
Voluntary Relief Agencies	-	-	4.7	4.7	0.4	10.8	-	10.8
<b>c. Other Economic Assistance</b>	-	-	-	-	-	3.8	-	3.8
Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	3.8	-	3.8
Peace Corps	-	-	-	-	-	3.8	-	3.8
Narcotics	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>II. MILITARY ASSISTANCE – TOTAL</b>	-	-	-	*	0.1	0.1	-	0.1
Credits or Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	*	0.1	0.1	-	0.1
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	*	0.1	0.1	-	0.1
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	-	3.0	6.1	9.0	7.5	70.0	3.5	66.5
Loans	-	-	-	-	-	11.4	3.5	7.9
Grants	-	3.0	6.1	9.0	7.5	58.6	-	58.6
<b>Other U.S. Government Loans and Grants</b>	1.8	-	-	-	-	-	-	-
a. Export-Import Bank Loans	1.8	-	-	-	-	-	-	-
b. All Other Loans	-	-	-	-	-	-	-	-

\* LESS THAN \$50,000.

**A. ASSISTANCE FROM INTERNATIONAL AGENCIES – COMMITMENTS**

	FY 1981	FY 1982	FY 1983	FY 1946-83
TOTAL	38.7	113.2	138.9	487.8
IBRD	0.0	0.0	0.0	8.4
IFC	0.0	0.0	9.7	12.9
IDA	17.0	109.0	124.0	365.0
IDB	0.0	0.0	0.0	0.0
ADB	0.0	0.0	0.0	0.0
AFDB	0.0	0.0	0.0	27.2
UNDP	16.0	4.2	0.0	52.7
OTHER-UN	7.7	0.0	5.2	21.6
EEC	0.0	0.0	0.0	0.0

**B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE**

**1. D.A.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-82
United States	8.0	2.0	23.0
United Kingdom	30.7	18.6	62.9
Netherlands	21.1	2.1	34.9
Germany Fed. Rep.	11.4	7.7	31.1
France	6.8	3.3	14.2
Other	17.7	21.0	65.0
Total	95.7	54.7	231.1

**2. O.P.E.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-81
	0.1	N.A.	6.4

**C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES**

	CY 1981	CY 1982	CY 1954-82
USSR	-	-	25
Eastern Europe	-	-	25
China	-	-	40
Total	-	-	90

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PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	7,550	7,550	-	-	-	-	-	-
Total	7,550	7,550	-	-	-	-	-	-
1984								
Loans	-	-	-	-	-	-	-	-
Grants	9,000	8,000	-	1,000	-	-	-	-
Total	9,000	8,000	-	1,000	-	-	-	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	10,000	8,700	-	1,300	-	-	-	-
Total	10,000	8,700	-	1,300	-	-	-	-

FY 85 PROGRAM HIGHLIGHTS	
- Continuing:	Provide foreign exchange through an intermediate credit institution to rehabilitate productive enterprises, chiefly in the agriculture sector (\$6.7 million)
- New	: Expand credit and other services provided by cooperatives, and help coops diversify their investment in commercial activity (\$1.0 million)
	: Promote new foreign exchange-earning opportunities by developing new oilseed crops that can be grown profitably (\$1.0 million)

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RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	1,768	10,517	11,000
Total AID	1,768	10,517	11,000
P.L. 480**			
Title I (of which Title III is)	( - )	( - )	( - )
Title II	246	-	-
Total P.L. 480	246	-	-
Total AID and P.L. 480	2,014	10,517	11,000

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	4	6	6
PASAC <sup>c</sup>	-	-	-
Contract	8	17	33
Total	12	23	39
Participants <sup>d</sup>			
Noncontract	17	34	34
Contract	-	5	71
Total	17	39	105

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P. L. 480 PROGRAM SUMMARY  
(000MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I	-	-	-	-	-	-
Wheat						
Rice						
Feedgrains						
Vegoil						
Non-food						
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		-		-		-
World Food Programs		246		-		-
Gov't-to-Gov't		-		-		-
Title II Total		246		-		-
Total P.L. 480		246		-		-

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### Development Overview

Uganda's program of economic reform and market orientation continues to show positive results but constant adjustments are needed. Agricultural production is increasing, food shortages have disappeared, a greater variety of goods is now available in the market place, and the volume of exports has increased 60% since June 1981. Domestic prices have stabilized to some extent and the rate of inflation has eased since 1981. Budgetary discipline has been strengthened, and the share of government expenditure covered by domestic bank financing has fallen sharply. The external debt situation, which appeared almost intractable two years ago, has been clarified and the level of external arrears considerably reduced. The government financial program is closely monitored by the IMF which agreed in September 1983 to a third successive standby credit (\$99.4 million).

A policy climate conducive to longer term economic growth has been established, but socio-political problems associated with the Amin regime and subsequent two years of administrative chaos remain. Ethnic divisions that threaten national unity remain to be healed and political stability fully restored. More attention must be given to bringing about the rule of law, greater respect for human rights and national reconciliation.

The government has continued to make further economic reforms as well as adjustments in the new directions adopted in 1981. An Alien Property Custodian Board has been established to review claims submitted by Asians for property confiscated during the Amin regime. Many administrative constraints on private traders and crop processors have been removed. Competition between the private sector and cooperatives and among cooperative societies is being encouraged. The official availability of foreign exchange to the private sector through a weekly auction (by which the Central Bank makes foreign exchange available to the private sector at a rate of exchange governed by market forces) has improved its competitive position with respect to the cooperatives and government enterprises. Restrictions on inter-district trading have been removed, and the government continues to encourage the export of food crops. The monopsony position of crop marketing boards is being challenged, and the boards are being forced to become more efficient. Finally, the government has decided to force some parastatals to operate on a commercial basis, will dissolve some altogether, and will divest itself of those remaining either by selling them to the private sector or cooperatives or by allowing them to fold.

The Ugandan Recovery Program stresses agriculture as the leading sector to stimulate the country's economic development. However, in spite of a much improved policy environment that should facilitate the sector's rapid growth, formidable challenges remain. Basic farm inputs such as hoes,

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plows, seed, gunny bags and basic transport (e.g. bicycles) are still insufficient to realize the country's agricultural potential. Private sector and cooperative organizations are being encouraged to manufacture these inputs, but they need considerably more assistance to help get production underway, and announced policy changes need to be followed up to ensure implementation. For example, the Lint Marketing Board has plans to turn over its oil processing mills to the private sector, but has moved very slowly to carry out these plans. Most mills, moreover, are in very poor condition, research needs to be expanded on oilseed varieties in view of an uncertain future for cotton production, and government policy regarding local production of edible oil needs to be reviewed. Credit programs need to be expanded to enable farmers to purchase the hoes, seed and other inputs that will become more available in the coming years. A related concern is the impact of serious health problems (e.g. diarrhea, measles) on the average farm family's ability to devote the necessary time and energy to production.

### U.S. Interests and Objectives

A restoration of Uganda's once prosperous economy together with an improvement in Uganda's internal security situation will contribute to regional stability and to economic growth within East Africa. Uganda serves as an important market for industrial and manufactured goods exported from Kenya. It also is a potential food source for Kenya, Sudan, Tanzania and eastern Zaire, as well as providing a vital transportation link for Zaire, Sudan, Rwanda and Burundi. Uganda's progress in fully carrying forward its economic recovery program as a foundation for broader growth in the future is also important to the United States. The United States has encouraged other countries in the region to initiate new economic policies similar to Uganda's, and they are paying close attention to Uganda's progress in solving major structural problems through the application of free market principles. In the longer run, the United States has an interest in helping Uganda to develop a strong private sector in the framework it has chosen for a mixed public and private sector approach to development.

### A.I.D. Development Strategy

A.I.D. strategy in Uganda is based on the generally agreed-upon priorities for Uganda's economic recovery.

Uganda's Recovery Program concentrates on reviving existing productive capacity in agriculture and industry in the 1982-84 period. Agriculture is the traditional "engine of growth" for Uganda and in 1980, for example, was still the largest source of GNP (46%), employment (90% of the population), and foreign exchange earnings (97%). However, during the period of decline, 1972-1980, subsistence agriculture expanded greatly while monetary agriculture, including agricultural processing and marketing, declined severely. The process of decline was accelerated by large-scale, systematic looting of farms, factories, and stocks. The result was an agricultural sector with depreciated capital stock, and stripped of tools, parts, and

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equipment. Key institutions (e.g. universities and agricultural research facilities) had lost everything that was portable or consumable.

Against this background, the Uganda Recovery Program, presented to the World Bank-sponsored Consultative Group Meeting in Paris in May 1982, is directed toward foreign exchange-earning activities that will quickly revive agricultural and industrial production.

A.I.D. strategy in Uganda concentrates chiefly on one sector, agriculture. There are three general objectives:

1. to help restore productive capacity in the foreign exchange earning/saving areas of the agriculture and agriculture-related industry sector;
2. to rehabilitate institutions that service small farmer needs;
3. to closely monitor policy at the agriculture sector level and play an active role regarding policy issues related to specific A.I.D. assistance efforts. At every level, AID will also attempt to promote the expansion of private enterprise and encourage market liberalization.

Given Uganda's narrow export base and limited long-term prospects for increasing the level of traditional exports, AID will initiate efforts to diversify Ugandan agriculture and pursue new market opportunities with high unit value commodities and foods for regional markets.

A.I.D. strategy is being implemented through projects designed primarily to increase agricultural output and efficiency, though some assistance is being provided to maternal-child health and family planning activities. Projects are, or are planned to be, concentrated in several areas critical to increased agricultural productivity. These are: recapitalization of small-holder agriculture, improving institutional support services, strengthening private enterprise, developing human capital resources, and strengthening farmer organizations. It is in these areas that A.I.D. has determined it has the relevant experience and technical resources to carry out most effectively its strategy in Uganda.

### AID Program (FYs 1983-1984)

The major activity in FY 1983 was the Food Production Support (617-0102) project. Begun in September 1981 as A.I.D.'s initial long-term effort to provide basic inputs to farmers (e.g. hoes, etc.) and to strengthen the Ministry of Cooperatives' ability to provide services to farmers, the project received increased funding the following year. Thus in FY 1983, additional quantities of steel-for-hoes, seeds, bicycles, gunny bags and cattle drugs were provided, and the contractor assisting the Ministry of Cooperatives added to its staff to improve planning and management in the Ministry, to improve warehousing and logistical operations, and to train cooperative staff at all levels.

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Also in late FY 1983 a new project was started, Manpower for Agriculture Development, (617-0103) which addresses the problem of deteriorated research and extension services for farmers. This project will help rebuild Makerere University's Faculty of Agriculture and research farm, as well as the major research facility of the Ministry of Agriculture in Northeastern Uganda. Research results will be integrated with the extension service so that new production techniques can be transferred to farmers. Both the University and Ministry facilities will be re-equipped, and research scientists will receive short-term refresher training at international centers and in the U.S.

In FY 1984, AID plans to launch a major effort to help small to medium-size private and cooperative agricultural and industrial enterprises resume full production. The project, Rehabilitation of Productive Enterprises, (617-0104) will channel foreign exchange to these enterprises through one or more intermediate credit institutions (ICI). In addition to getting a significant number of coffee processing, cotton ginning, poultry, piggery, and oilseed processing facilities underway again, the project will provide training and advisory assistance to upgrade the management and operations of an ICI.

Funds will be provided for a new activity designed to support UNICEF's Oral Rehydration (617-0113) program, which, in turn, will be linked to the Government's new Expanded Program of Immunization. Finally, additional funds will be provided for the Manpower for Agriculture Development project (617-0103).

Requested Year Program (FY 1985)

A.I.D. requests a total of \$10 million in FY 1985. The largest single amount, \$6.7 million, will be added to the Rehabilitation of Productive Enterprises (617-0104) project for increasing the domestic manufacture and assembly of farm inputs as well as improving crop processing facilities. As personnel in the banking system who were trained earlier under this project assume management responsibilities, A.I.D. will increasingly look to the commercial banking community to channel funds to projects which they determine are economically feasible. The banks will establish repayment terms, determine appropriate interest rates, and follow up on loan repayments. Feasibility studies jointly prepared by outside consultants and bank staff should guide investment decisions toward activities that are most supportive of the Ugandan Recovery Program.

Initial efforts under the Rehabilitation of Productive Enterprises (617-0104) project and Manpower for Agricultural Development (617-0103) projects to stimulate the production of new oilseed crops will be expanded under a new project, Oil Seed Production (617-0106). Policy dialogue on disincentives is preceding design of the project to ensure optimum success from project efforts. We request \$1 million for this project in FY 1985. New seed varieties will be tested and multiplied and extension and promotion

UGANDA

efforts will be carried out. The oilseed project is expected to provide good foreign exchange and income-earning opportunities for smallholders by developing new crops that can be cultivated profitably in Uganda.

A.I.D. will follow up its earlier efforts to revive the cooperative movement with a new project, Cooperative Development (617-0105), which will include an expanded training program, technical assistance, and promotion of new small to medium-size private enterprises at the cooperative level. We request \$1 million for this project in FY 1985. Under the Food Production Support activity the farm supply network of the cooperative movement will have been reestablished, the accounting systems and financial controls reinstated, and large numbers of primary society members and district union officials trained in their application. However, a number of the critical services performed by the cooperatives will still need to be revitalized. The production credit program should be expanded beyond a pilot scheme, procedures for determining profitable new business ventures will be established and advisory assistance will be provided to help make them successful. Marketing operations including crop financing procedures will be improved through the assistance of technical advisors, and the savings and credit program will be reestablished. Advisors will help set up accounting procedures, train local society members to encourage rural savings, and arrange for the participation of the Cooperative Bank in the program.

Finally, we request \$1.3 million for continuation of the Oral Rehydration (617-0113) project begun in FY 1984. This project reflects a recognition that provision of basic inputs alone cannot ensure optimum farmer productivity. Serious health problems exist in Uganda (e.g. measles, diarrhea) and the Government of Uganda is taking steps to address these problems, most recently by greatly expanding its immunization programs with the help of UNICEF. A.I.D. assistance in support of UNICEF's program of oral rehydration contributes to a more comprehensive approach to rehabilitating productive capacity in the agriculture sector.

In addition, a \$5 million Housing Guaranty program is planned.

MISSION DIRECTOR: Irvin D. Coker

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: UGANDA

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
FOOD PRODUCTION SUPPORT	G 617-0102	31	82	8,999	8,999	2,206	---	6,017	---	500	
MANPOWER FOR AGRICULTURE DEVELOPMENT	G 617-0103	33	84	9,500	7,500	---	2,000	3,000	---	3,000	
REHABILITATION OF PRODUCTIVE ENTERPRISES	G 617-0104	34	86	---	19,000	---	---	6,000	1,000	6,700	
COOPERATIVE DEVELOPMENT	* G 617-0105	35	38	---	16,500	---	---	---	---	1,000	
WIL SEED PRODUCTION	* G 617-0106	25	88	---	6,000	---	---	---	---	1,000	
TOTAL FOR ACCOUNT GRANTS				18,499	59,999	16,499	2,206	8,000	10,017	8,700	9,500
LOANS				18,499	59,999	16,499	2,206	8,000	10,017	8,700	9,500
HEALTH											
ORAL REHYDRATION	G 617-0113	84	86	---	3,600	---	---	1,000	500	1,300	
TOTAL FOR ACCOUNT GRANTS				---	3,600	---	---	1,000	500	1,300	1,500
LOANS				---	3,600	---	---	1,000	500	1,300	1,500
TOTAL FOR COUNTRY GRANTS				18,499	63,599	16,499	2,206	9,000	10,517	10,000	11,000
LOANS				18,499	63,599	16,499	2,206	9,000	10,517	10,000	11,000

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROG AM: UGANDA

PLANNED PROGRAM SUMMARY SHEET

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Cooperative Development			1,000		FY 85 1,000	Life of Project Funding 16,500	
Number 617-0105	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation FY 85	Estimated Final Obligation FY 88	Estimated Completion Date of Project FY 89
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING							

**Purpose:** To strengthen the ability of cooperative societies and district unions to diversify their commercial activities (e.g. agri-processing), and to expand credit and marketing facilities.

**Project Description:** The cooperative movement represents a major source of rural capital, managerial capacity and entrepreneurial ability. The government is encouraging the cooperatives to invest in rural enterprises that they can operate on a commercial basis to generate increased income for their members. This would include such projects as pig raising, poultry production, rural transport, beekeeping and crop processing. Seed capital will be needed to initiate some of these projects, proper accounting methods would need to be established, a relationship with the Cooperative Bank set up, and limited advisory services and training to manage discrete activities provided. These services will be financed under this project. A team of U.S. advisors will work with Ugandan counterparts to develop and initiate the proposals for various enterprises and management skills to handle these enterprises.

One of the more critical barriers to increased on-farm production is the lack of production credit for procurement of farm inputs such as hoes, seeds, on-farm storage facilities, fertilizer and plows. By 1984 these commodities should be more readily available in the local market, but farmers will need access to credit to procure them. Through this project the pilot credit scheme now being initiated under the Food Production Support project will be expanded to additional primary societies that have the capacity to procure inputs and manage loan repayments. An important element of this project will be the reactivation of the rural savings and loan program once operated through the Cooperative Bank. This activity not only will encourage capital accumulation but will also serve as a partial source of funding for the credit program.

**Relationship to A.I.D. Country Strategy:** This project is directly supportive of AID's strategy of increasing

agricultural productivity, revitalizing private sector facilities providing farm inputs and crop processing, and strengthening local farmer organizations.

**Host Country and Other Donors:** The Government of Uganda and cooperative unions/societies will provide some operating costs for this program, including salaries of trainers, cooperative ministry staff and travel allowances; and they will provide all training facilities. Some funds from the Cooperative Bank will be made available for financing the credit program, and Bank staff will assist in implementing the credit and savings and loan programs. Other donors, including the EC, IFAD, World Bank, and UNDP, are providing some farm supplies. These commodities will be provided in kind under the credit program. All commodities will be distributed through the Uganda Cooperative Union, which will arrange for their import, transport, security and accounting during distribution.

**Beneficiaries:** Approximately 750 primary societies will participate in the credit program. Thus, approximately 30,000 farm families will receive additional production inputs through this project. If half of the 600 savings and loan societies which once operated in Uganda are reactivated, another 30,000 Ugandan farm families will also benefit from this project. Almost 7,000 new cooperative members will receive management and cooperative principles training each year. An untold number of societies will benefit from becoming entrepreneurs and own productive enterprises which will produce goods for internal use and export.

PROGRAM: UGANDA

## PLANNED PROGRAM SUMMARY SHEET

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Oil Seed Production			1,000		FY 85	1,000	Life of Project Funding 6,000
Number 617-0106	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 85	FY 88	FY 89

Purpose: To provide new foreign exchange and income-earning opportunities for farmers by developing new oil seed crops that can be developed profitably in Uganda.

Project Description: In the 1960's Uganda produced sufficient vegetable oil (from cotton seed) to meet all its domestic needs for cooking oil and soap. In the 1970's, cotton production declined by 85%, and oil processing facilities were nationalized or abandoned. Vegetable oil is now scarce, expensive (one litre of vegetable oil now costs over \$9), and all oil sold commercially must be imported.

Development of suitable oil seeds is a high priority in Uganda's Recovery Program. Cotton cultivation is being encouraged by the government but is not expected to reach its former levels, due to higher returns available from alternative crops and the high cost of inputs associated with cotton production. Experiments carried out a few years ago indicate that soya beans may be a suitable crop for Uganda. They are currently grown in country, but research, processing, and an adequate market structure all need to be developed. Other potential oilseed crops are groundnuts, sesame, sunflower, rapeseed, and castor beans.

The project will focus first on adaptive research and selection of suitable varieties of breeder seed at Makerere University's research farm and the Ministry of Agriculture's research station, the two institutions receiving assistance under the Manpower for Agriculture Development project. Field trials will be conducted both in Uganda and at international research centers and suitable varieties will be selected for multiplication. While testing and multiplication are underway, advisors will also be working on processing and marketing issues. Extension and promotion efforts will also be carried out by district agricultural officers and cooperative officials in the project areas.

The U.S. contribution will include a project manager to supervise the various elements of the project, short-term experts in seed multiplication, processing, and marketing,

and the equipment essential to different phases of seed handling and processing.

Relationship of Project to A.I.D. Country Strategy: The project is directly supportive of AID's strategy of increasing agricultural productivity, and particularly of increasing capacity in foreign exchange earning/saving areas of agriculture. Local production of suitable oil seeds will save foreign exchange now being used for imports as well as provide a foreign exchange earning export.

Host Country and Other Donors: The Government of Uganda will provide all operating costs for the project, including extension staff and cooperative field officers, as well as the land and local facilities required for testing and multiplication of seeds. Other donors are not directly involved, but the project will complement other donor support (e.g. EEC and FAO) of poultry and livestock programs.

Beneficiaries: The project will focus on small farmers in three districts of south central and eastern Uganda. There are approximately 500,000 farm families in this area, and we expect that a large percentage of them will participate in the program.

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AFRICA

COASTAL WEST AFRICA PROGRAMS

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FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (641) GHANA

**\*BASIC DATA\***

TOTAL POPULATION.. (THOUSANDS,MID 1983) 13,367  
 PER CAPITA GNP..... (DOLLARS,1981) 400  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) -4.5%  
 ANNUAL RATE OF INFLATION (1970-81) 37.0%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 50.4 MALE 48.7 FEMALE 52.1  
     (1970) TOTAL 44.6 MALE 43.0 FEMALE 46.3  
 ADULT LITERACY RATE (1970) TOTAL 30% MALE 43% FEMALE 18%

**\*AGRICULTURE\***

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
     (1973-1982) -3.4%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1978) 52%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 470  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: CASSAVA ,COCOYAMS ,CORN 40% (1982)  
     CASH: COCOA BEANS , , 41% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COCOA BEANS , ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT ,MEATS ,RICE  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 53%

**\*CENTRAL GOVERNMENT FINANCES\***

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     (1979) 945 (80) 1,192 (81) 1,766  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     (1979) 1,600 (80) 2,904 (81) 3,528  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     (1979) -655 (80) -1,711 (81) -1,763  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. (1978) 5.1% (79) 4.3% (80) 2.2%  
     AS % OF GNP..... (1978) 0.9% (79) 0.7% (80) 0.5%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
     (\$MILLIONS, U.S.) (1980) 198 (81) 190 (82) 224  
 EQUIVALENT TO 3.1 MONTHS OF IMPORTS (1981)

**\*FOREIGN TRADE\***

MAJOR EXPORTS... (1981) COCOA ,WOOD ,RAW MATERIALS  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1980) 195 (1981) 232 (1982) 337  
     AS % OF TOTAL EXPORTS (1979) 20% (1980) 17% (1981) 30%  
 MAJOR IMPORTS....(1981) TEXTILES ,MANUFACTURES ,FOODSTUFFS  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 139 (1981) 169 (1982) 128  
     AS % OF TOTAL IMPORTS (1979) 15% (1980) 13% (1981) 23%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) 165(80) 84(81) 1  
 TRADING PARTNERS: UNITED KINGDOM ,UNITED STATES ,WEST GERMANY  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 6.2%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1981) 78  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 10.2%

**\*SOCIAL DATA\***

POPULATION GROWTH RATE...(1970) 3.1% (1978) 3.3% (1983) 3.2%  
 POPULATION IN URBAN AREAS.....(1970) 29% (1982) 37%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 49 (1983) 44  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1978) 4.4%  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 46.7% (15-64YRS) 50.6% (65+ YRS) 2.7%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 79  
 PEOPLE PER PHYSICIAN..... (1977) 9,923  
 MAJOR CAUSES OF  
 DISEASE (1981) MEASLES ,CHICKEN POX ,WHOOPIING COUGH  
 DEATH.. (1975) TYPHOID FEVER ,MEASLES ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 85%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1975) 35%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
     PRIMARY..... (1978) TOTAL 71.0% MALE 80.0% FEMALE 62.0%  
     SECONDARY..... (1978) TOTAL 36.0% MALE 45.0% FEMALE 28.0%  
     POST SECONDARY.. (1974) TOTAL 0.8% MALE 1.2% FEMALE 0.3%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 43.7%

U.S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years - Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)					
COUNTRY GHANA									A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS					
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-83		
	1978	1979	1980	1981	1982				TOTAL.....	IBRD	IFC	IDA	IDB	ADB
<b>I. ECONOMIC ASSISTANCE - TOTAL</b>	12.2	24.2	27.5	25.8	15.9	432.6	146.5	286.1	31.3	5.1	73.3	572.5		
Loans	-	9.5	19.1	12.1	7.0	274.9	146.5	128.4	0.0	0.0	0.0	190.5		
Grants	12.2	14.7	8.4	13.7	9.9	157.7	-	157.7	0.0	0.0	0.0	0.0		
<b>a. A.I.D. and Professional Agencies</b>	6.9	7.6	10.0	5.0	1.4	239.5	118.7	120.8	29.0	0.0	73.3	291.1		
Loans	-	-	7.0	-	-	174.5	118.7	55.8	0.0	0.0	0.0	0.0		
Grants	6.9	7.6	3.0	5.0	1.4	65.0	-	65.0	0.0	0.0	0.0	29.5		
(Economic Support Fund)	-	-	-	-	-	-	-	-	1.5	2.5	0.0	42.4		
<b>b. Food for Peace (PL 480)</b>	3.0	14.6	15.7	19.0	13.3	152.6	27.3	134.8	0.8	2.5	0.0	13.0		
Loans	-	9.5	12.1	12.1	7.0	130.4	27.3	72.5	0.0	0.0	0.0	0.0		
Grants	3.0	5.1	3.5	6.9	6.3	52.2	-	62.2	0.0	0.0	0.0	0.0		
Title I - Total Sales Agreements	-	9.5	12.1	12.1	7.0	102.1	27.8	74.3	0.0	0.0	0.0	0.0		
Repayable in U.S. Dollars - Loans	-	9.5	12.1	12.1	7.0	71.6	13.5	58.1	0.0	0.0	0.0	0.0		
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	30.5	14.3	16.2	0.0	0.0	0.0	0.0		
Title II - Total Grants	3.0	5.1	3.5	6.9	6.3	60.5	-	60.5	0.0	0.0	0.0	0.0		
Emerg. Relief, Econ. Develop. & World Food Program	0.8	1.2	0.9	0.9	1.8	15.4	-	15.4	0.0	0.0	0.0	0.0		
Voluntary Relief Agencies	2.2	3.9	2.7	6.0	4.5	45.1	-	45.1	0.0	0.0	0.0	0.0		
<b>c. Other Economic Assistance</b>	2.3	2.0	1.8	1.8	2.2	30.5	-	30.5	0.0	0.0	0.0	0.0		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	2.3	2.0	1.8	1.8	2.2	30.5	-	30.5	0.0	0.0	0.0	0.0		
Peace Corps	2.3	2.0	1.8	1.8	2.2	30.5	-	30.5	0.0	0.0	0.0	0.0		
Narcotics	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Other	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>II. MILITARY ASSISTANCE - TOTAL</b>	0.2	0.2	0.2	0.2	0.3	1.8	-	1.8	0.0	0.0	0.0	0.0		
Credits or Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	0.2	0.2	0.2	0.2	0.3	1.8	-	1.8	0.0	0.0	0.0	0.0		
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	0.2	0.2	0.2	0.2	0.3	1.8	-	1.8	0.0	0.0	0.0	0.0		
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	12.4	24.4	27.7	26.0	17.2	434.4	146.5	287.9	31.3	5.1	73.3	572.5		
Loans	-	9.5	19.1	12.1	7.0	274.9	146.5	128.4	0.0	0.0	0.0	190.5		
Grants	12.4	14.9	8.5	13.9	10.2	159.5	-	159.5	0.0	0.0	0.0	0.0		
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	129.9	176.5	46.5	0.0	0.0	0.0	0.0		
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	127.4	175.7	48.3	0.0	0.0	0.0	0.0		
<b>b. All Other Loans</b>	-	-	-	-	-	2.5	0.8	1.7	0.0	0.0	0.0	0.0		
* LESS THAN \$50,000.									<b>B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE</b>					
									1. <u>D.A.C. COUNTRIES (Gross Disbursements)</u>					
									CY 1981	CY 1982	CY 1978-82			
									United States	28.0	18.0	111.0		
									Germany Fed. Rep.	37.8	32.4	133.6		
									United Kingdom	15.3	12.2	96.2		
									Canada	8.0	8.6	61.8		
									Japan	5.3	5.2	26.6		
									Other	6.4	5.6	41.3		
									Total	100.8	82.0	470.5		
									2. <u>O.P.E.C. COUNTRIES (Gross Disbursements)</u>					
									CY 1981	CY 1982	CY 1978-81			
									14.3	N.A.	74.5			
									<b>C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES</b>					
									CY 1981	CY 1982	CY 1954-82			
									USSR	-	10	105		
									Eastern Europe	-	Negl.	145		
									China	-	-	40		
									Total	10	290			

## GHANA

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
1984								
Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	1,000	-	1,000	-	-	-	-	-
Total	1,000	-	1,000	-	-	-	-	-

FY 1984 total excludes \$50 thousand which has already been notified for deobligation and has not yet been identified for reobligation by project.

FY 1985 PROGRAM HIGHLIGHTS	
<p>To help Ghana in its efforts to reverse the increasing deficit between domestic food production and consumption, A.I.D. will provide:</p> <ul style="list-style-type: none"> <li>-- continuation of assistance, already fully funded, to expand the Ghana Seed Company's production and distribution of improved seed and to disseminate appropriate rural technologies;</li> <li>-- \$1.0 million for the delivery of contraceptives and family planning services; and</li> <li>-- \$7.1 million of PL 480 Title II assistance for maternal/child and other critical feeding programs in response to severe food shortage.</li> </ul>	

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	645	2,332	2,750
Grants	1,420	3,133	2,527
Total AID	2,065	5,465	5,277
P.L. 480**			
Title I (of which Title III is)	( - )	( - )	( - )
Title II	5,071	18,953	7,142
Total P.L. 480	5,071	18,953	7,142
Total AID and P.L. 480	7,136	24,418	12,419

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	3	3	3
PASA <sup>c</sup>	-	-	-
Contract	3	4	4
Total	6	7	7
Participants <sup>d</sup>			
Noncontract	3	20	20
Contract	-	-	-
Total	3	20	20

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(IN 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegetable oil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		3,884		17,882		6,426
World Food Programs		1,187		1,071		716
Gov't-to-Gov't		-		-		-
Title II Total		5,071		18,953		7,142
Total P.L. 480		5,071		18,953		7,142

Development Overview

Ghana is a country and a people with which the United States has had a long history of close and supportive ties. U.S.-Ghanaian relations became increasingly strained in the early months of 1983 and, as a result, the A.I.D. program was suspended. However, this situation has improved in recent months. Ghana is now in a deep economic crisis and its people are facing the prospect of a severe food shortage in the near future. The military regime, which seized power on December 31, 1981, recently has responded by taking some bold, long overdue economic reform actions that are supported by the IMF and IBRD. This should help get the country back on the road to economic stabilization and improve prospects for overcoming myriad other economic difficulties, provided that adequate additional assistance is forthcoming from bilateral and multilateral donors. These recent developments and the changing situation lend support to a phased resumption of U.S. assistance.

Balance of payments difficulties have plagued the Ghanaian economy for more than a decade. This is mainly due to economic mismanagement, falling cocoa output, and long-term decline in world market prices of cocoa, which comprises 70% to 80% of total Ghanaian exports. Imports decreased substantially in 1981 and were further curtailed in 1982. Import-dependent industrial output fell below 5% of capacity in many cases and overall manufacturing sector production probably does not exceed 20% of capacity for the economy as a whole. In 1983, with a continuing deterioration in the terms of trade, the current account deficit is projected to exceed \$500 million.

In response to Ghana's increasingly severe economic and financial plight, the Government of Ghana (GOG) announced in April 1983 a comprehensive 1983/84 financial and economic reform plan which includes a substantial de facto devaluation of almost 1,000%. A 67% increase in cocoa producer prices was also introduced. On October 10, 1983, in line with its commitment to the IMF, the Government further reduced subsidies on petroleum products which it plans to eliminate completely by June 30, 1984. Negotiations with the IMF and IBRD on the basis of this plan have elicited substantial support from these two organizations. The IBRD hosted a donors conference in November 1983 to seek commitments necessary for the success of the stabilization and reconstruction efforts. The donor community reaction was positive and while the U.S. response was qualified by the current restraints on our program, it is hoped that it will soon be possible to resume assistance to Ghana on a phased basis.

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The Ghanaian Government's stabilization program, if successfully implemented, should restore production and income to mid-1970's levels. But continuing success will depend upon follow-up actions to increase local food supplies, expand imports of essential consumer goods, move toward subsidy-free price levels and price expectations, continue budgetary constraints, and increase managerial capacity. These, in turn, will depend heavily upon the availability of required external resources.

In spite of the current hold on our A.I.D. program, we continue to react in a positive way to natural disasters in the country and the plight of the very young. Our PL 480 Title II program continues to provide assistance to a target group of small children. A food shortage has developed because of wide-spread bush fires in northern Ghana and the sudden return to Ghana of between four and five hundred thousand Ghanians who were expelled from Nigeria. A disaster declaration was made in October, 1983 and an emergency food aid program is being designed. There are indications of a yellow fever epidemic and should this prove to be the case, A.I.D. stands ready to respond to this emergency.

### U.S. Interests and Objectives

Relations between the United States and Ghana historically have been close and extensive under a variety of Ghanaian Governments. This record was disrupted in early 1983 by unwarranted attacks on the integrity and policies of the United States Government. Since those events, however, the situation has gradually improved as the Ghanaian Government made efforts to improve relations with the United States.

While U.S. investment in the country is small and there are no national security interests directly related to Ghana, it is recognized that an unstable Ghana can contribute to or indeed be the cause of problems in the area as a whole, where we do have considerable investment and other interests.

In the pursuit of the objectives of political stability and moderation as well as economic growth, we have urged and encouraged past Ghanaian Governments to adopt moderate domestic policies, a truly non-aligned foreign policy, a free market economy, and a receptive investment climate.

It is in the U.S. interest to recreate the atmosphere of cooperation and accommodation which has characterized past relationships between our two governments. The A.I.D. program, however modest, is a valuable tool in achieving this objective.

A.I.D. Assistance Strategy

Because of the continuing decline in Ghana's economic situation over the past decade, much of A.I.D.'s former substantial project portfolio was closed out during FY 1982 and FY 1983 in recognition of the difficulty of successful project implementation in such an atmosphere. Deterioration of the political and security climate in early 1983 prompted a U.S. Government decision to reduce the official U.S. presence in Ghana to the minimum necessary to operate the reduced program in Ghana. If the current hold on our U.S. assistance is lifted, the A.I.D. program will resume its focus on the objective of assisting Ghana to achieve food self-sufficiency through two mutually reinforcing avenues. These are:

- development of an effective commercial seed multiplication system to make available improved, high-yield, disease-resistant seed; and
- slowing the rate of population growth (and food demand) through provision of effective family planning services and supplies.

A.I.D. Program (FY's 1983-1984)

During FY 1982 and FY 1983, internal reviews of all active projects resulted in the determination to terminate some project activities and to substantially modify and reduce other projects scheduled for completion sometime after FY 1983. This permitted the remaining available resources to be targeted on those few activities with a reasonable likelihood of achieving project objectives within the remaining time.

A. Agriculture, Rural Development and Nutrition: the Managed Input Delivery/Agricultural Services (MIDAS) II project (641-0102) has been the core of the A.I.D. program since 1976. An intensive review of the project was completed in early 1983 leading to the modification of certain components and termination of others. From an initial broad and complex program of six interrelated components involving credit, extension, research, fertilizer, marketing, and seed production, the project has now been greatly reduced. Only seed production and selected elements of the credit and marketing components are retained. The major purpose of the MIDAS II project is now focussed on improving and expanding the institutional capacity of the Ghana Seed Company (GSC) so that it may become a viable, independent, profit-making company.

The GSC will continue to be the major focus of A.I.D.'s program in FY 1984. During FY 1983 the seed company continued to improve its management. Despite its nominal status as a parastatal, the Government has allowed it complete flexibility to establish buying and selling prices which are competitive with real market

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prices. Employing an aggressive sales and pricing policy, the GSC is expected to retrieve an impressive production of certified seed from its contract growers this harvest season, one of the few bright spots in Ghana's generally gloomy production outlook.

Increased emphasis on technology transfer is stressed by the Development Applications of Intermediate Technology (DAFIT) project (641-0084). Through technical assistance, commodity procurement and training, intermediate technologies which can be marketed by private entrepreneurs are being designed, tested, and produced by the University of Science and Technology (UST) and GOG research institutions. The first phase of the project, which focussed on developing the institutional capacity of the participating research institutes, was completed in FY 1983. Each institute has been supplied with machinery and equipment to enable it to produce prototypes and test new designs. Through these efforts and assistance provided by project-funded host country contractors and Peace Corps Volunteers, the Technology Consultancy Center at the UST, has improved upon and developed new technologies to: forge water pump parts and maize grinding wheels; produce minimum tillage planters; establish soap-making and bee-keeping activities; and manufacture nuts and bolts from scrap metal.

An evaluation of the DAFIT project will be conducted in early FY 1984 to determine how the project can be more effectively focussed on the more promising activities and how key project objectives can be achieved within the remaining funding and time available.

B. Education and Human Resources Development: the third and final phase of the Opportunities Industrialization Center International (OICI) project (641-0108), which is training and placing school dropouts and unemployed youth in trades and professions such as carpentry, masonry, auto mechanics, catering, electronics, and office skills, is being implemented. The final phase of this Private Voluntary Organization grant project concentrates on establishing OIC/Ghana's financial viability by improving its financial management capacity and domestic fund-raising ability so that OIC/Ghana can continue its operations without further financial assistance from A.I.D. An evaluation scheduled for the second quarter of FY 1984 will determine the progress made by OIC/Ghana towards meeting this goal.

C. PL 480: The last Title I program for Ghana was in FY 1982. Local currency generations from this \$7 million program amounted to 162 million cedis which the GOG is now in the process of allocating for development projects, principally in the agriculture and rural development sectors. Much of this local currency will be used to meet operating costs of the ongoing

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A.I.D. projects which might otherwise receive insufficient local currency support due to budgetary stringencies.

In FY 1983, the continuing Title II program of \$3,884,000, administered through Catholic Relief Services (CRS), addressed the needs of a large number of beneficiaries: Maternal and Child Health, 147,000; School Feeding, 50,000; Other Child Feeding, 1,000; Food-for-Work, 5,000; Pre-school, 10,000; and General Relief, 32,000. In addition, food donations in the amount of \$1,187,000 were made to the World Food Program in support of its project activities in Ghana.

In FY 1984 World Food Program assistance will be continued in the amount of \$1,071,000. The Title II Voluntary Agencies program, on the other hand, is being greatly increased in response to Ghana's severe food shortage as result of drought and widespread bush fires. A total program of \$17,882,000 is planned to provide some 30,000 MT of food as part of an international effort to help meet an estimated food deficit of 200,000 MT. The A.I.D. relief program will be carried out by the Catholic Relief Services and the Seventh Day Adventist World Service.

Requested Year Program (FY 1985)

The \$1,000,000 being requested is for the new Contraceptive Supplies project (641-0109) which will resume A.I.D.'s direct Population program support of Ghana's family planning efforts. The project will provide a supply of contraceptives through an established country-wide system of health clinics and through private sector retail outlets.

The PL 480 Title II program planned for FY 1985 totals \$7,100,000, with the World Food Program continuing at a level of \$716,000 and the Voluntary Agencies program budgeted for \$6,426,000 to continue special food relief efforts. If political relations continue to improve in 1984 and additional assistance to Ghana is considered, the FY 1985 program would likely include the resumption of the PL 480 Title I program.

Acting Mission Director: Leroy L. Wagner

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: GHANA

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ACTIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ACTIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ACTIONS	FY85- EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
DEV APPLICATIONS OF INTERMEDIATE TECH	G 641-0084	79	82	4,760	3,756	3,756	1,044	---	740	---	885
MANAGED INPUT DELIVERY/AG SERVICES II	G 641-0102	30	32	5,450	5,450	5,450	2,642	---	837	---	607
MANAGED INPUT DELIVERY/AG SERVICES II	L 641-0102	30	80	7,000	7,000	7,000	1,014	---	2,332	---	2,750
TOTAL FOR ACCOUNT				17,210	16,206	16,206	4,700	---	3,909	---	4,242
GRANTS				10,210	9,206	9,206	3,686	---	1,577	---	1,492
LOANS				7,000	-7,000	7,000	1,014	---	2,332	---	2,750
POPULATION PLANNING											
CONTRACEPTIVE SUPPLIES	* G 641-0109	35	39	---	3,000	---	---	---	---	1,000	800
TOTAL FOR ACCOUNT				---	3,000	---	---	---	---	1,000	800
GRANTS				---	3,000	---	---	---	---	1,000	800
LOANS				---	---	---	---	---	---	---	---
HEALTH											
COMMUNITY HEALTH TEAM SUPPORT	G 641-0088	79	79	660	660	660	116	---	344	---	200
TOTAL FOR ACCOUNT				660	660	660	116	---	344	---	200
GRANTS				660	660	660	116	---	344	---	200
LOANS				---	---	---	---	---	---	---	---
EDUCATION AND HUMAN RESOURCES											
ECONOMIC AND RUR DEVELOPMENT MANAGEMENT	G 641-0077	77	82	3,096	2,663	2,663	2,501	---	162	---	---
OPPORT INDJST CENTER INTL/GHANA (PVO)	G 641-0103	32	32	1,372	1,368	1,368	283	---	1,050	---	35
TOTAL FOR ACCOUNT				4,468	4,031	4,031	2,784	---	1,212	---	35
GRANTS				4,468	4,031	4,031	2,784	---	1,212	---	35
LOANS				---	---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

G Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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01/19/84

PROGRAM: GHANA

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ACTIONS	EXPENDI TURES	-ESTIMATED FY84- OSLIG ACTIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ACTIONS	EXPENDI TURES
TOTAL FOR COUNTRY				22,338	23,897	20,897	7,600	---	1,000	5,277
GRANTS				15,338	16,897	13,897	6,586	---	1,000	2,527
LOANS				7,000	7,000	7,000	1,014	---	---	2,750

1/ FY 1984 total excludes \$50 thousand which has already been notified for deobligation and has not yet been identified for reobligation by project.

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PLANNED PROGRAM SUMMARY SHEET

Title Contraceptive Supplies		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
					FY 85	1,000	Life of Project Funding 3,000
Number b41-0109	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING		1,000			FY 85	FY 86	FY 87

Purpose: To provide a continuous supply of safe, reliable and acceptable contraceptives through a system of existing country-wide Ministry of Health and PVO clinics, and through selected retail outlets in the private sector.

Project Description: In spite of the issuance in 1969 of one of the most comprehensive population policy statements in Africa, Ghana's population growth rate has continued to rise until it is now estimated to be approximately 3.3 % a year. A contributing factor to this excessive growth rate, after more than a decade of substantial inputs to the Ghana National Family Planning Program, has been unresolved bureaucratic disputes within the Government. The Ghana National Family Planning Secretariat (GNFPPS), is the family planning coordinating and policy making agency for the GOG while various government ministries such as Health, Education, and Information are charged with implementing government approved family planning programs in the public sector.

In spite of these problems, the past decade of family planning efforts has produced certain tangible results. Large numbers of personnel have been trained for the delivery of family planning services and a large-scale information, education and communications program has been promoted country-wide. As a result, trained staff are available in Ghana to promote family planning and there is a much higher level of public awareness of family planning than in most other sub-saharan African countries.

This project is designed to build upon the strengths of past family planning efforts and to minimize the bureaucratic constraints which have affected the distribution of contraceptives in the urban and rural areas of Ghana. All parties agree that all future commodity shipments are to be directed to the Ministry of Health (MOH), who will integrate these supplies directly into the Ministry's own drug distribution network in accordance with Government policy guidelines.

Disruption of supplies, the inability of the GNFPPS to place supplies in the proper place at the right time, and the breakdown of the reporting system in the public sector family planning program substantially reduced the impact of earlier A.I.D. supported family planning projects. This project will address these constraints by implementing a management, supply, and reporting system. Funds will be used to insure an adequate supply of family planning commodities such as oral contraceptives, condoms and foaming tablets for the 250 MOH clinics throughout Ghana and for the retail market during the FY 84-86 period. In addition, the project will include funds for training, information, education, and evaluation.

Relationship of Project to A.I.D. Country Strategy:

The long-run objective of the Ghana program is to attain food self-sufficiency in the country. The Mission has developed a two-prong approach to achieve this aim. One effort will concentrate on the supply side by developing a viable seed production and distribution capability. The other, which this project addresses, is to reduce the rate of population growth. This effort follows on previous A.I.D. family planning assistance to Ghana through the Ghana National Family Planning Program over the past ten years.

Host Country and Other Donors: The Government of Ghana will provide local currency support to pay the salaries of clinical personnel, training facilities, and logistical support for the storage and distribution of contraceptives.

Beneficiaries: The principal direct beneficiaries of this project will be those Ghanaian couples, particularly in rural areas, who have been frustrated in their attempts to regulate family size and spacing due to the lack of adequate family planning supplies. Approximately 100,000 couple years of protection will be achieved. By permitting Ghanaians to better space births, maternal and child mortality and morbidity should be significantly reduced.

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FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (675) GUINEA

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 5,430  
 PER CAPITA GNP..... (DOLLARS,1981) 300  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 0.1%  
 ANNUAL RATE OF INFLATION (1970-81) 4.6%  
 MACHINERY/TRANSP  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION.. ( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 (1982) TOTAL 45.4 MALE 43.8 FEMALE 47.0  
 (1970) TOTAL 39.7 MALE 38.2 FEMALE 41.3  
 ADULT LITERACY RATE ( .) TOTAL .% MALE .% FEMALE .%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) -0.7%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1980) 37%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 299  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: RICE , , 25% (1982)  
 CASH: PALM OIL , , .% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COFFEE ,PINEAPPLES ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) RICE ,WHEAT ,  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 82%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 ( .) ( .) ( .)  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 ( .) ( .) ( .)  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 ( .) ( .) ( .)  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. ( .) .% ( .) .% ( .) .%  
 AS % OF GNP..... ( .) .% ( .) .% ( .) .%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) ( .) ( .) ( .)  
 EQUIVALENT TO . MONTHS OF IMPORTS ( .)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) BAUXITE ,ALUMINUM ,COFFEE  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1980) 110 (1981) 119 (1982) 150  
 AS % OF TOTAL EXPORTS ( .) .% ( .) .% ( .) .%  
 MAJOR IMPORTS....(1981) PETROLEUM ,METAL MANUFACTUR ,  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 37 (1981) 58 (1982) 31  
 AS % OF TOTAL IMPORTS ( .) .% ( .) .% ( .) .%  
 TRADE BALANCE(\$ MILLIONS, U.S.)( .) .( .) .( .) .  
 TRADING PARTNERS: , ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 104%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 83  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... ( .) .%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.3% (1978) 2.6% (1983) 2.7%  
 POPULATION IN URBAN AREAS.....(1970) 14% (1982) 20%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 47 (1983) 46  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 43.9% (15-64YRS) 53.2% (65+ YRS) 2.9%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 150  
 PEOPLE PER PHYSICIAN..... (1977) 16,627  
 MAJOR CAUSES OF  
 DISEASE (1979) MALARIA ,GONORRHEA ,INTESTINAL INFEC  
 DEATH.. (1967) PARASITIC DISEAS ,INFECTIOUS DIS. ,FLU & PNEUMONIA  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 78%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1978) 10%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1978) TOTAL 34.0% MALE 45.0% FEMALE 24.0%  
 SECONDARY..... (1978) TOTAL 15.0% MALE 22.0% FEMALE 8.0%  
 POST SECONDARY.. (1970) TOTAL 0.4% MALE 0.8% FEMALE 0.1%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 2.4%

U.S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years - Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)					
COUNTRY GUINEA									A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS					
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-82		
	1978	1979	1980	1981	1982				TOTAL.....	ISRD	IFC	IDA	IDB	ADB
<b>I. ECONOMIC ASSISTANCE - TOTAL</b>	13.6	3.4	11.4	10.5	6.0	177.5	33.3	143.7	53.2	65.5	54.4	396.1		
Loans	5.2	5.7	5.7	6.6	4.8	101.0	33.3	67.2	0.0	0.0	0.0	73.5		
Grants	3.4	2.7	5.7	3.9	1.2	76.5	-	76.5	0.0	0.0	16.1	16.1		
<b>a. A.I.D. and Predecessor Agencies</b>	1.3	2.7	5.2	2.3	1.1	61.5	3.4	58.1	45.0	19.0	24.0	155.0		
Loans	-	-	-	-	-	7.0	3.4	4.2	0.0	0.0	0.0	0.0		
Grants	1.3	2.7	5.2	2.3	1.1	53.9	-	53.9	0.0	0.0	0.0	0.0		
(Economic Support Fund)	-	-	-	-	-	22.4	-	-	11.5	0.0	14.3	44.7		
<b>b. Food for Peace (PL 480)</b>	11.3	5.7	6.2	7.7	4.9	111.5	30.4	31.1	1.3	6.5	0.0	53.3		
Loans	5.2	5.7	5.7	6.6	4.3	93.4	30.4	63.0	0.0	0.0	0.0	67.2		
Grants	6.0	-	0.5	1.1	0.1	*	-	18.1	0.0	0.0	0.0	0.0		
Title I - Total Sales Agreements	5.2	5.7	5.7	6.6	4.3	93.4	30.4	63.0	0.0	0.0	0.0	67.2		
Repayable in U.S. Dollars - Loans	5.2	5.7	5.7	6.6	4.3	72.2	17.5	54.7	0.0	0.0	0.0	54.7		
Payable in Foreign Currency - Planned for Country Use	0.8	-	-	-	-	21.2	12.9	8.3	0.0	0.0	0.0	0.0		
Title II - Total Grants	6.6	-	0.5	1.1	0.1	13.1	-	13.1	0.0	0.0	0.0	0.0		
Emerg. Relief, Econ. Develop. & World Food Program	0.0	-	0.5	1.1	0.1	13.1	-	13.1	0.0	0.0	0.0	0.0		
Voluntary Relief Agencies	-	-	-	-	-	*	-	*	0.0	0.0	0.0	0.0		
<b>c. Other Economic Assistance</b>	-	-	-	-	-	4.5	-	4.5	0.0	0.0	0.0	0.0		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	-	-	-	-	-	4.5	-	4.5	0.0	0.0	0.0	0.0		
Peace Corps	-	-	-	-	-	4.5	-	4.5	0.0	0.0	0.0	0.0		
Narcotics	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Other	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>II. MILITARY ASSISTANCE - TOTAL</b>	-	-	-	-	-	1.0	-	1.0	-	-	-	-		
Credits or Loans	-	-	-	-	-	-	-	-	-	-	-	-		
Grants	-	-	-	-	-	1.0	-	1.0	-	-	-	-		
<b>a. MAP Grants</b>	-	-	-	-	-	0.3	-	0.3	-	-	-	-		
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	-	0.1	-	0.1	-	-	-	-		
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	0.1	-	0.1	-	-	-	-		
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	13.6	3.4	11.4	10.5	6.0	178.5	33.3	144.7	-	-	-	-		
Loans	5.2	5.7	5.7	6.6	4.8	101.0	33.3	67.2	-	-	-	-		
Grants	3.4	2.7	5.7	3.9	1.2	77.5	-	77.5	-	-	-	-		
<b>Other U.S. Government Loans and Grants</b>	-	-	6.0	-	-	28.4	23.5	0.2	-	-	-	-		
<b>a. Export-Import Bank Loans</b>	-	-	6.0	-	-	23.4	23.5	0.2	-	-	-	-		
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	-	-	-	-		

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE			
1. D.A.C. COUNTRIES (Gross Disbursements)			
	CY 1981	CY 1982	CY 1978-82
United States	12.0	8.0	46.0
Germany Fed. Rep.	3.6	6.9	62.6
France	18.1	-	32.8
Finland	0.1	12.3	12.7
Japan	3.2	2.4	12.2
Other	3.9	1.2	9.1
<b>Total</b>	<b>40.9</b>	<b>30.8</b>	<b>175.4</b>
2. O.P.E.C. COUNTRIES (Gross Disbursements)			
	CY 1981	CY 1982	CY 1978-81
	0.4	N.A.	11.1
C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES			
	CY 1981	CY 1982	CY 1954-82
USSR	-	-	235
Eastern Europe	Negl.	20	130
China	-	10	145
<b>Total</b>	<b>-</b>	<b>30</b>	<b>510</b>

\* LESS THAN \$50,000.

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PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	2,000	2,000	-	-	-	-	-	-
Total	2,000	2,000	-	-	-	-	-	-
1984								
Loans	-	-	-	-	-	-	-	-
Grants	2,000	1,500	-	500	-	-	-	-
Total	2,000	1,500	-	500	-	-	-	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	2,600	2,600	-	-	-	-	-	-
Total	2,600	2,600	-	-	-	-	-	-

FY 1985 PROGRAM HIGHLIGHTS	
<p>Program will stress increased productivity by smallholders through:</p> <ul style="list-style-type: none"> <li>--Adaptive agricultural research and extension of tested crop packages to smallholder producers in central Guinea - \$2.6 million; and</li> <li>--PL 480 Title I assistance which will cover food requirements and provide local currency resources for development projects - \$6.0 million.</li> </ul>	

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RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	979	1,300	1,700
Total AID	979	1,300	1,700
P.L. 480**			
Title I (of which Title III is)	5,000 ( - )	2,000 ( - )	6,000 ( - )
Title II	178	88	304
Total P.L. 480	5,178	2,088	6,304
Total AID and P.L. 480	6,157	3,388	8,004

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	2	3	3
PASA <sup>c</sup>	0	1	1
Contract	5	9	9
Total	7	13	13
Participants <sup>d</sup>			
Noncontract	14	21	16
Contract	-	-	-
Total	14	21	16

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(IN 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	15.8	5,000	6.0	2,000	16.0	6,000
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		5,000		2,000		6,000
Title II						
Voluntary Agencies		-		-		-
World Food Programs		178		88		304
Gov't-to-Gov't		-		-		-
Title II Total		178		88		304
Total P.L. 480		5,178		2,088		6,304

## GUINEA

### Development Overview

Guinea is one of the world's least developed countries with a per capita GNP of about \$300. Most of the population, particularly in rural areas, lives at the margin of poverty. Half of the urban population, about 18% of the country, live in Conakry. Life expectancy was 45 years in 1980. Only 10% of the population has access to safe water. Over 80% of the adult population is illiterate with only little more than a third of the children enrolled in primary school.

Guinea has significant economic potential, however, because of its vast mineral and agricultural resources. The country accounts for one third of the world's bauxite reserves. These resources produce 97% of the country's export earnings. Mining enterprises function reasonably well as enclaves, with few linkages with the rest of the Guinean economy. Agriculture is the sector which offers the greatest scope for expansion and which must be vitalized if Guinea is to realize meaningful economic growth. Its abundant water resources and varied topography and soils should enable the country to produce a wide range of agricultural crops for local processing and consumption and for export. Historical analyses and comparisons with neighboring countries suggest that Guinea has the potential to satisfy all of its needs for rice and other food crops, as well as produce greater quantities of cash crops--coffee, cotton, oil palm products, copra, pineapples, livestock -- for local processing and export.

This potential remains largely untapped, however, as agricultural production over the past two and a half decades has deteriorated. The cash crop sub-sector has been the most seriously affected: banana exports have fallen from close to 100,000 tons in 1955 to negligible amounts today; official exports of coffee have declined by over 80% since 1960; and pineapple exports are about one-tenth their peak of 1971-72. Agricultural commodities, which accounted for the bulk of Guinea's exports in 1955, now represent only 3% of the total value of exports. At the same time, food crop production has not kept pace with the population increase, so that from a net agricultural exporter Guinea has now become a net food importer. Imports of rice, which were 7,000 tons in 1958, reached 87,000 tons between 1976 and 1981, with total food imports representing 29% of the general import bill.

## GUINEA

This stagnation is the result of certain external factors (oil price shock, drought, disease, and soil erosion) but more fundamentally is the result of inappropriate Government of Guinea (GOG) domestic policies. About 83% of Guinea's people are engaged in small scale private farming. The major constraints to increased production are lack of economic incentives and an inefficient pricing system, an over-valued currency, and reliance on a command economy and collective means of production. In addition, the Guinea farmer is hampered by lack of access to improved seed varieties, practical agricultural research, relevant extension services, and sufficient irrigation to permit year-round production. As a result, Guinea peasants have continued their traditional practices which require more extensive acreage than modern, higher-yield agriculture.

In recognition of these severe problems, the GOG has made revitalization of the agricultural sector the central objective of its development policy. But it is unclear if the GOG recognizes the extent of its agricultural problems. An encouraging development has been the trade liberalization that has been underway in Guinea for the past few years. This started unofficially around 1977, and was partially legalized beginning in April 1981. With production and distribution now increasingly channelled through the private market, the volume of activity of the state marketing system is dwindling. Although liberalization remains limited, the government seems committed to broadening its scope.

The recovery of agriculture, central to the recovery of the whole economy, will require a sustained commitment to an agricultural strategy which differs considerably from the past. The most promising course to pursue is increasing the GOG's recognition of the smallholder as the key to the recovery of the agricultural sector and urging the GOG to change its policy from benign neglect to active support for this sector. The agricultural strategy proposed by A.I.D. and advocated by the World Bank is oriented to the smallholder: restoring producer incentives in the short term and increasing the productivity of smallholder farming in the medium term. A.I.D.'s present and proposed program is based on this strategy.

### U.S. Interests and Objectives

The United States has interrelated interests and objectives in Guinea in the political, developmental, and commercial spheres.

Politically, Guinea has moved from the isolated, pro-eastern bloc orientation it held until 1976 toward a more active and moderate role in African and Third World affairs. During the past several years, President Sekou Toure has visited major western industrial

## GUINEA

countries, including West Germany, the United States, France and Canada in order to expand economic ties and open opportunities for investment. President Toure's attendance at the francophone summit in France this year for the first time enhanced his standing as an African leader, a significant development on the eve of his assuming the chairmanship of the OAU. He has also assumed an increasingly important role as a mediator in resolving African and international issues, and Guinea's human rights record is improving.

U.S. policy seeks to sustain this positive trend, in part through development and food assistance. It is in the interest of the international donor community to help Guinea realize its potential to provide for its food needs as well as to help meet those of food deficit neighbors.

In the commercial sphere, U.S. firms hold a \$175 million share in a \$454 million foreign direct private investment in bauxite and alumina production. A U.S. firm will provide technical direction for an international consortium investing one billion dollars in iron ore mining in Southeastern Guinea. Two diamond-mining firms are investing in Guinea. One U.S. financed joint venture has completed prospecting and signed a financial convention with the Government of Guinea. Mining should begin within a year and is expected to produce 500,000 carats by 1985. The second diamond-mining firm is prospecting. There is also a gold mining firm performing explorations on Guinea's northern frontier. U.S. firms are prospecting for uranium in southeastern Guinea as well and making seismic tests for petroleum off Guinea's coast. It is in the U.S. interest to maintain access to Guinea's minerals. As the result of discussions between President Reagan and President Toure of Guinea, an agribusiness task force visited the country early in 1983 to identify potential private enterprise projects. A potential project in fishing was identified which could add to further U.S. investment in Guinea.

### A.I.D. Development Strategy

A.I.D. strategy in Guinea is based on the premises that the key to broadly based development lies in the revitalization of the agricultural sector and that the smallholder producer is the pivotal force in this sector. Two major constraints facing the smallholder are the lack of production incentives and lack of an appropriate and tested technical package of inputs available to small farmers.

A.I.D. intends to address the latter through institutional development, research, and extension directed at small farmers, initially in a defined geographical zone in upper Guinea. The former will be approached in concert with influential donors via an informal dialogue with high level GOG policy makers. United States assistance will be employed to encourage the GOG to continue and expand policy reforms. Our major instrument of leverage is the PL 480 Title I program, which will also help cover production shortfalls until agricultural production can take hold.

## GUINEA

### AID Program (FYs 1983-1984)

#### Current Status:

The major element in the current program is the \$14.4 million Agricultural Production Capacity and Training project (675-0201), which began in 1976 and will be completed in June 1984. Project results include a research laboratory building at Foulaya; classrooms, related buildings and a training farm at Faranah; and a new demonstration farm and research station at Tindo, near Faranah. Six specialists have returned from training at the master's degree level in agricultural and livestock research in the United States and are now serving as faculty members of Foulaya and Faranah. The deficiencies in the project which were pointed out by an audit report in early 1983 are being addressed within the June 1984 completion timeframe. A \$1.5 million agricultural sector activity, Smallholders Production Preparation project (675-0204) was approved late in FY 1983. Under this project technical assistance will be provided for research and training activities and to design a smallholder production project which will define A.I.D.'s activities in the agricultural sector for the remainder of the 1980's.

Two small, regionally funded pilot activities and an Operational Program Grant (OPG) are also part of the on-going program. The Community Forestry project (698-0433) is introducing agro-forestry techniques and fast-growing local and imported species in order to provide fuelwood and forage and help prevent soil erosion. The Maternal-Child Health and Family Planning project (698-0410) has strengthened mother-child health services in central Guinea and thus has reduced mortality and improved the health of young children and women of child-bearing age. The Renewable Energy Technology OPG project (675-0208), through a grant to Volunteers in Technical Assistance, is assisting the GOG in selecting a variety of technologies to reduce the use of fossil fuels and check the rate of deforestation in Guinea.

#### FY 1984 Program:

Implementation of the Smallholder Production Preparation project (675-0204) will represent A.I.D.'s major effort in FY 1984. FY 1984 funding (\$700,000) will complete total project funding. The project is a 24-month effort to assist the GOG: to develop a strategy for increasing the productivity of smallholders in Guinea, to design a project to implement that strategy, and to bring to an efficient operational level previously constructed agricultural research and training facilities. The project provides for technical assistance, logistics support, participant training and commodities.

## GUINEA

The Agri-business Preparation project (675-0212) will start in FY 1984 with LOP funding of \$800,000. The purpose of this project is to assist the GOG meet food needs and promote agricultural exports by strengthening the Government's capability to promote agribusiness development. The project will provide support to the Agribusiness Promotion Unit located in the Office of the Presidency. Funds will be provided for technical assistance to define and promote selected agribusiness activities in Guinea.

A \$500,000 OPG to the International Eye Foundation (IEF) will be made in FY 1984 to help fund the Guinea Integrated Eye Health project (675-0205). The project will focus on enhancing the diagnostic, preventive, and therapeutic capabilities of Guinean eye health care workers.

The regionally funded Maternal-Child Health and Family Planning project will terminate in January 1984. Immunization activities initiated under the project will be continued under the regional Combating Childhood Communicable Diseases project (698-0421). Activities will continue under the Community Forestry project. The Renewable Energy Technology OPG project (675-0208) is continuing without additional funding. The FY 1984 program plans also include PL 480 Title I assistance of \$2.0 million to provide food for a growing urban population.

### Requested Year Program (FY 1985)

\$2,600,000 is requested in the Agriculture, Rural Development and Nutrition sector to fund the first year of the Smallholder Production project (675-0210). The goal of the project will be to raise the farm production and incomes of Guinea's peasant cultivators. The related sub-goal is to contribute to the creation of an effective linked system of agricultural research, technology adaptation, farmer field testing, and small-scale private farm production.

PL 480 Title I assistance of \$6,000,000 is proposed to continue the provision of essential foodstuffs while efforts to increase food production are stepped up. Proceeds from the sales of Title I food are being used to support development programs to increase agricultural production. A small PL-480 Title II food assistance program (\$304,000) is being continued through contributions to the World Food Program.

AID Affairs Officer: Edward T. Costello

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: GUINEA

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
AG PRODUCTION CAPACITY AND TRAINING	G 675-0201	76	82	14,400	14,400	14,400	13,851	---	549	---	---
SMALL HOLDER PRODUCTION	G 675-0204	83	84	1,500	2,200	1,500	---	700	251	---	900
APPROPRIATE TECHNOLOGY (PVO)	G 675-0208	83	83	500	500	500	---	---	200	---	200
SMALL HOLDER PRODUCTIVITY	* G 675-0210	85	90	---	10,000	---	---	---	---	2,600	100
AGRIBUSINESS PREPARATION	G 675-0212	84	84	800	800	---	---	800	200	---	500
TOTAL FOR ACCOUNT GRANTS				17,200	27,900	16,400	13,851	1,500	1,200	2,600	1,600
LOANS				17,200	27,900	16,400	13,851	1,500	1,200	2,600	1,600
				---	---	---	---	---	---	---	---
HEALTH											
GUINEA INTEGRATED EYE HEALTH (PVO)	G 675-0205	84	84	---	500	---	---	500	100	---	100
TOTAL FOR ACCOUNT GRANTS				---	500	---	---	500	100	---	100
LOANS				---	500	---	---	500	100	---	100
				---	---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				17,200	28,400	16,400	13,851	2,000	1,300	2,600	1,700
LOANS				17,200	28,400	16,400	13,851	2,000	1,300	2,600	1,700
				---	---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: GUINEA

## PLANNED PROGRAM SUMMARY SHEET

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Smallholder Production			2,600		FY 85	2,600	Life of Project Funding 10,000
Number 675-0210	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 85	FY 89	FY 90

Purpose: To increase the productivity of smallholder farmers in Guinea by the transferring of technology developed and adapted locally through utilization of the farming systems approach.

Project Description: This five-year project follows on Agricultural Production Capacity and Training project (675-0204) to be completed in FY 84 and the Smallholders Production Preparation project (675-0210). The new project will develop technical packages utilizing agricultural research facilities and logistical and administrative infrastructure previously financed by A.I.D. It will utilize a farming systems approach to develop technical packages suitable for use by small producers. It will explore alternative methods of extension to smallholders to provide a basis for GOG planning for future large-scale extension efforts. Specifically, the objective of the project is to establish a practical, adaptive research mechanism which can develop, experiment, adapt, test and support crop system packages suitable for extension. This adaptive research approach involves the use of a core cadre of specialists in relevant agricultural disciplines. This cadre, initially comprised of both Guinean and U.S. technical advisors supported by Guinean staff, will address itself to the definition and development of technical packages for food crops and animal systems on small farms. The technical package will consist of a crop specific program, developed in consultation with farmers and tested at farm sites. To increase its adoption, it will be consistent with cultural, economic, technical and risk constraints typical of farms in a particular micro-environment. It is expected that as production and market liberalization take hold, the most serious external constraint of lack of producer incentives will gradually erode.

Relationship of Project to A.I.D. Country Strategy: U.S. Assistance to Guinea is focused on the agricultural sector. The central objective of the A.I.D. program is to increase food reproduction by addressing two major constraints, -- lack of production incentives and a lack of appropriate

tested packages of production inputs available to smallholder farmers. This project directly addresses the input constraint through building on the foundation laid by predecessor A.I.D. projects in providing operationally ready agricultural research and training facilities

Host Country and Other Donors: The host country contribution will be between 25 and 30% of total project funding or the local currency equivalent of approximately \$2,300,000. With the exception of personnel and in-kind contributions, GOG project financing will be provided through utilization of local currency proceeds derived from the sale of PL-480 Title I commodities. In view of its complementarity with an IBRD rice development project, the completion of the design of this project and its implementation will be closely coordinated with the IBRD.

Beneficiaries: Initially, the beneficiaries of this project will be the 2,000 smallholder farm families of the Nialia District of the Faranah region of upper Guinea who will be utilizing new production techniques and improved technical packages. Long-term beneficiaries would be the approximately 15,000 farm families of the Faranah region and all non-farm consumers receiving benefits of locally produced and improved farm products.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (657) GUINEA-BISSAU

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 827  
 PER CAPITA GNP..... (DOLLARS,1981) 190  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) -0.6%  
 ANNUAL RATE OF INFLATION (1970-81) 7.2%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 42.8 MALE 41.2 FEMALE 44.4  
     (1970) TOTAL 37.5 MALE 36.0 FEMALE 39.1  
 ADULT LITERACY RATE (1980) TOTAL 19% MALE 25% FEMALE 13%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 51%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 127  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: ROOTS & TUBERS ,RICE , 20% (1982)  
     CASH: PEANUTS ,COCONUTS , 30% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) PEANUTS ,PALM KERNELS ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) RICE ,WHEAT ,  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 83%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     ( .) . ( .) . ( .)  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     ( .) . ( .) . ( .)  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     ( .) . ( .) . ( .)  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. ( .) . % ( .) . % ( .) . %  
     AS % OF GNP..... ( .) . % ( .) . % ( .) . %  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
     (\$MILLIONS, U.S.) ( .) . ( .) . ( .) .  
     EQUIVALENT TO . MONTHS OF IMPORTS ( .)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) NUTS ,PALM KERNELS ,SHELLFISH  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) ( .) . ( .) . ( .) .  
     AS % OF TOTAL EXPORTS ( .) .% ( .) .% ( .) .%  
 MAJOR IMPORTS....(1981) FOODSTUFFS ,MANUFACTURES ,FUELS  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1979) 1 (1980) 0 (1981) 4  
     AS % OF TOTAL IMPORTS ( .) .% ( .) .% ( .) .%  
 TRADE BALANCE(\$ MILLIONS, U.S.)( .) .( .) .( .) .  
 TRADING PARTNERS: PORTUGAL ,SWEDEN ,USSR  
 EXTERNAL PUBLIC DEBT AS % OF GNP ( .) . %  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... ( .) .  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... ( .) . %

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 0.5% (1978) 1.7% (1983) 1.8%  
 POPULATION IN URBAN AREAS.....(1970) 18% (1982) 25%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 40 (1983) 39  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 39.7% (15-64YRS) 56.1% (65+ YRS) 4.1%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 142  
 PEOPLE PER PHYSICIAN..... (1979) 10,000  
 MAJOR CAUSES OF  
 DISEASE (1981) MALARIA ,PROTOZOAL INT. D ,GONORRHEA  
 DEATH.. (1970) TUBERCULOSIS ,MALARIA ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1980) 73%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1978) 11%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
     PRIMARY..... (1979) TOTAL 96.0% MALE 133% FEMALE 60.0%  
     SECONDARY..... (1979) TOTAL 8.0% MALE 13.0% FEMALE 3.0%  
     POST SECONDARY.. ( .) TOTAL . % MALE . % FEMALE . %  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

U.S. OVERSEAS LOANS AND GRANTS — OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years — Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)				
COUNTRY GUINEA BISSAU									A. ASSISTANCE FROM INTERNATIONAL AGENCIES — COMMITMENTS				
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAYMENTS AND INTEREST 1946-82	TOTAL LESS REPAYMENTS AND INTEREST 1946-82	TOTAL.....	FY 1981	FY 1982	FY 1983	FY 1946-83
	1978	1979	1980	1981	1982								
<b>I. ECONOMIC ASSISTANCE — TOTAL</b>	5.9	2.4	2.1	7.4	4.1	25.3	-	25.3	7.3	14.8	29.1	33.4	
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Grants	5.9	2.4	2.1	7.4	4.1	25.3	-	25.3	0.0	0.0	0.0	0.0	
<b>a. A.I.D. and Predecessor Agencies</b>	1.3	2.2	1.7	1.9	2.4	11.9	-	11.9	0.0	0.0	0.0	0.0	
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Grants	1.3	2.2	1.7	1.9	2.4	11.9	-	11.9	0.0	0.0	0.0	0.0	
(Economic Support Fund)	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
<b>b. Food for Peace (PL 480)</b>	5.5	0.2	0.4	5.5	1.7	14.4	-	14.4	0.0	0.0	0.0	0.0	
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Grants	5.5	0.2	0.4	5.5	1.7	14.4	-	14.4	0.0	0.0	0.0	0.0	
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Title II - Total Grants	5.6	0.2	0.4	5.5	1.7	14.4	-	14.4	0.0	0.0	0.0	0.0	
Emerg. Relief, Econ. Develop. & World Food Program	5.5	0.2	0.4	5.5	1.7	14.4	-	14.4	0.0	0.0	0.0	0.0	
Voluntary Relief Agencies	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
<b>c. Other Economic Assistance</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Grants	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Peace Corps	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Narcotics	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Other	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
<b>II. MILITARY ASSISTANCE — TOTAL</b>	-	-	-	-	*	*	-	*	0.0	0.0	0.0	0.0	
Credits or Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Grants	-	-	-	-	*	*	-	*	0.0	0.0	0.0	0.0	
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	*	*	-	*	0.0	0.0	0.0	0.0	
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	5.9	2.4	2.1	7.4	4.1	25.3	-	25.3	7.3	14.8	29.1	33.4	
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Grants	5.9	2.4	2.1	7.4	4.1	25.3	-	25.3	0.0	0.0	0.0	0.0	
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE			
1. D.A.C. COUNTRIES (Gross Disbursements)			
	CY 1961	CY 1982	CY 1978-82
United States	8.0	4.0	20.0
Sweden	12.1	11.1	60.7
Netherlands	12.6	8.4	50.0
France	2.9	-	10.0
Denmark	0.8	0.4	7.6
Other	5.1	8.2	30.4
Total	41.5	32.1	178.7
2. O.P.E.C. COUNTRIES (Gross Disbursements)			
	CY 1981	CY 1982	CY 1978-81
	0.1	N.A.	5.3
C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES			
	CY 1981	CY 1982	CY 1954-82
USSR	Negl.	15	25
Eastern Europe	-	-	10
China	-	-	15
Total	-	15	50

\* LESS THAN \$50,000.

GUINEA BISSAU

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	2,000	2,000	-	-	-	-	-	-
Total	2,000	2,000	-	-	-	-	-	-
a/1984								
Loans	-	-	-	-	-	-	-	-
Grants	2,000	1,000	-	-	1,000	-	-	-
Total	2,000	1,000	-	-	1,000	-	-	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	2,000	1,500	-	-	500	-	-	-
Total	2,000	1,500	-	-	500	-	-	-

a/ The total excludes \$40 which has already been notified for deobligation and has not yet been identified for reobligation by project.

FY 1985 PROGRAM HIGHLIGHTS	
<p>Food self-sufficiency continues to be the central focus of the program with:</p> <ul style="list-style-type: none"> <li>-- the further implementation of land reclamation work for rice production in the South Coast region (\$1,000,000),</li> <li>-- and continued assistance to the national Crop Protection Service in establishing regional extension centers (\$500,000).</li> </ul> <p>In addition, trilateral collaboration with Portugal and Guinea Bissau will continue through the Technical Skills Training project (\$500,000).</p>	

GUINEA BISSAU

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	1,206	2,724	2,000
Total AID	1,206	2,724	2,000
P.L. 480**			
Title I	-	-	-
(of which Title III is)	( - )	( - )	( - )
Title II	639	711	804
Total P.L. 480	639	711	804
Total AID and P.L. 480	1,845	3,435	2,804

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	5	4	4
PASA <sup>c</sup>	1	1	1
Contract	4	6	6
Total	10	11	11
Participants <sup>d</sup>			
Noncontract	2	7	6
Contract	-	-	-
Total	2	7	6

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(IN 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		-		-		-
World Food Programs		639		711		804
Gov't-to-Gov't		-		-		-
Title II Total		639		711		804
Total P.L. 480		639		711		804

## GUINEA-BISSAU

### Development Overview

Guinea-Bissau ranks among the poorest countries in the world. By all socio-economic indicators, the nature and extent of poverty in Guinea-Bissau is glaring -- a high incidence of endemic diseases and inadequate availability of safe potable water; a life expectancy of only 42 years; an adult literacy rate of 7%; and an infant mortality rate of 142 per thousand births, one of the highest in Africa. Poverty in Guinea-Bissau is also further characterized by very low incomes (estimated per capita GNP is \$190), a general lack of access to formal education and health services, and widespread non-availability of electricity for domestic use. Development is impeded by the severe lack of physical and institutional infrastructures. A critical shortage of trained manpower in all fields and at every level further constrains the Government of Guinea-Bissau's (GGOB) ability to plan and implement programs of economic and social development.

Agriculture is the most important economic activity in Guinea-Bissau, accounting for more than 50% of GDP and 60% of exports. It provides a livelihood for over 85% of the country's estimated 823,000 population. With a traditional pattern of subsistence farming, until the 1960's Guinea-Bissau was self-sufficient in rice, the staple of the Guinean diet. Today the country imports significant amounts of basic food-stuffs. The historic decline in agricultural products was in part attributable to the destruction of diking infrastructure for mangrove rice production during the thirteen-year war for independence that reduced total land under cultivation by more than 50%. Today almost half of these lands are still out of production.

More recently, the country's chronic food deficits have been more the result of inadequate or inappropriate economic, financial, and agricultural policies. Since independence in 1974, all aspects of economic and agricultural activity have been centrally planned with the State responsible for providing all agricultural production inputs and marketing of all agricultural products through an array of poorly administered parastatals. This includes a system of controlled producer prices for agricultural commodities which has served as a disincentive for farmers. A disorganized and inefficient state-dominated marketing system has resulted in reduced levels of legal official agricultural exports and locally marketed produce. Increasing amounts of agricultural production, sorely needed for domestic needs, are exported illegally and a parallel market exchange rate

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several times the official rate prevails. The country suffers chronic balance of trade deficits, expected to reach \$75 million in 1983.

In spite of the current situation, Guinea-Bissau has a potential for longer-term development. With good soils, generally favorable rainfall, and a large rural labor force the potential exists for substantial increases in agricultural production. The current Government has begun a serious reassessment of its economic policies and in December 1982 issued an Economic Stabilization Plan which calls for a number of significant policy reform measures in 1983-84 which it has begun to implement. These include increased selective taxes to raise Government revenues; restrictions on current expenditures, including a freeze on civil service hirings; increased producer prices to provide incentives to farmers; and, eventually, an adjustment to the exchange rate. The Plan also calls for a revitalized role of the private sector in commercialization for the rural sector. In early 1984 the GOGB is expected to present to the international donor community its first Four Year Development Plan which places priority emphasis on the agriculture sector. Heavy inflows of external assistance will be required to support the GOGB's reform efforts and development objectives.

### U.S. Interests and Objectives

United States interests in Guinea-Bissau are primarily developmental and humanitarian but include such objectives as promoting more supportive understanding of U.S. global and regional policy concerns and encouraging the Government to broaden and diversify its relations with the international community in a more non-aligned manner. Development objectives center on assisting the Government with its most immediate and important goal of achieving food self-sufficiency and acquiring greater stability through national food security.

### A.I.D. Development Strategy

The A.I.D. Program has evolved from a solely humanitarian effort at the time of independence to a program that now concentrates predominantly on the achievement of food self-sufficiency. Although the A.I.D. program is quite modest in size, it does promote increased agricultural production through increasing the availability of basic food products by land reclamation,

producing improved seed, transferring of improved technology in rice and other cereal grain production, and introducing food crop protection measures. A.I.D.'s strategy also emphasizes institutional development, particularly of those Government entities which have the most direct impact on food production. Indigenous management and technical expertise needed to support improved agricultural production is being provided through various A.I.D. activities. Academic degree training in the U.S. is being furnished under the bilateral projects and A.I.D. regionally-funded training programs, such as Africa Manpower Development Program and the African Graduate Fellowship Program. More practical direct training is given in-country.

A.I.D. Program (FYs 1983-1984)

Current Status:

A. The ongoing projects emphasize institution-building and technology transfer in the Agriculture, Rural Development and Nutrition sector. Positive accomplishments have already been achieved through the Agriculture Development (657-0002) and Food Crop Protection (657-0007) projects. Under the former, seed production and storage capacities are being upgraded, a national seed testing laboratory has been constructed and equipped, and program technicians have been trained. Under the land reclamation component of the project, over 5,000 hectares of former mangrove swamp have been reclaimed for rice production. Young Guineans are also receiving U.S. academic degree training in agricultural hydrology, farm management, and seed technology. The Food Crop Protection Project has been largely responsible for establishing the National Crop Protection Service through U.S. academic degree training for the Service's key technicians, the construction of a central pesticides warehouse and a national training facility, and equipping and mobilizing extension teams. Begun in 1978, the National Crop Protection Service has evolved from a paper organization into an effective operational unit. Technical assistance under an agreement with the United States Department of Agriculture will continue to be provided to the Service through FY-84.

The arrival of U.S. contract technicians in 1983 began the intensive implementation of the Rice Production project (657-0009). In-country training efforts have been started as

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well as the development of technological production schemes for the production of improved rice and cereal grains by approximately 1,200 small farmer families of the food deficient Geba River Basin area. This project builds on a former A.I.D. pilot project in the same areas which yielded up to four-fold increases in rice production. The project has also introduced animal traction and simple plows that allow more land to be cultivated in a shorter period of time while reducing the amount of backbreaking effort expended in preparing the land.

In FY 1983 A.I.D. started a major new project, South Coast Agricultural Development (657-0010), which centers on the rice growing regions of Guinea-Bissau's south coast, the area with the most promising agricultural potential for meeting national food requirements. The project concentrates on building up the capability of the Department of Agricultural Hydrology and Soils to undertake more cost-effective land reclamation. By training key personnel and providing facilities and equipment, it will assist the Department to improve its ability to support traditional rice farmers through improving water management and increasing the rate at which land can be reclaimed and productively cultivated. This is expected to lead to proportional improvements in production and yields.

B. A small PL 480 Title II food assistance program was continued through contributions to the World Food Program.

### FY 1984 Program:

A. Under Agriculture, Rural Development and Nutrition \$1,000,000 is budgeted: \$550,000 is to provide funding for the continuation of the Rice Production project (657-0009) and \$450,000 is for the continuation of activities under the South Coast Agriculture Development project (657-0010).

B. Under Education and Human Resources Development, \$1,000,000 is budgeted to fund a joint U.S./Portuguese project. This trilateral undertaking (a first for A.I.D.) will involve close collaboration among the three countries, with A.I.D. providing the funding support for technical assistance to be furnished by Portugal to carry out a general development training program in Guinea Bissau. The Technical Skills Training project (657-0011) which is planned to start in FY 84, will chiefly focus on training of middle level technicians and skilled and semi-skilled workers. Emphasis will be placed on upgrading the skills of individuals already employed and special courses will be provided for skilled and semi-skilled labor needed for new or expanding businesses. Portuguese advisory services will also be provided for restructuring poorly organized state-run businesses and industries.

GUINEA-BISSAU

C. In addition to our bilateral and trilateral initiatives, possible emergency PL 480 assistance is under consideration to help meet the country's more urgent current food needs. In addition, continued modest support is being given to the World Food Program (\$711,000) through PL 480 Title II food donations.

Requested Year Program: (FY 1985)

A. Agriculture, Rural Development and Nutrition: A.I.D. is requesting funding of \$1,500,000 for this sector. Of this amount, \$1,000,000 is for the South Coast Agricultural Development project (651-0010) which will continue as the centerpiece of A.I.D.'s program in Guinea-Bissau. These funds will finance the beginning of U.S. contract technical assistance which will organize and provide training to the mechanical and engineering sections of the Department of Agricultural Hydrology and Soil's and support and improve the Department's land reclamation activities in the south coast mangrove rice producing areas. The other \$500,000 is for funding a third phase of the Food Crop Protection project to assist the National Crop Protection Service to establish regional extension centers which will allow the Service to provide more timely assistance to a greater number of farmers.

B. Education and Human Resources: A.I.D. is requesting \$500,000 for completing the funding of the Technical Skills Training project which will continue to provide general development training to middle level technicians and skilled and semi-skilled workers.

C. PL 480 Title II: Commodities will continue to be provided through the World Food Program for maternal/child health and other institutional feeding activities (\$804,000).

Regional Development Officer: Louis F. Macary

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: GUINEA-BISSAU

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH FY83- OBLIG ACTIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ACTIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ACTIONS	FY85- EXPENDI TURES
AGRICULTURE, RURAL DEV. AND NUTRITION											
AGRICULTURE <sup>1</sup> DEVELOPMENT	G 657-0002	77	80	1,853	1,853	1,853	1,520	---	333	---	---
FOOD CROP PROTECTION	G 657-0007	78	85	1,839	2,339	1,339	876	---	480	500	300
RICE PRODUCTION	G 657-0009	80	84	4,500	4,500	3,950	1,444	550	700	---	500
SOUTH COAST RICE PRODUCTION	G 657-0010	83	87	5,500	5,500	1,730	30	450	1,085	1,000	950
TOTAL FOR ACCOUNT GRANTS				13,692	14,192	9,372	3,870	1,000	2,593	1,500	1,750
LOANS				---	---	---	---	---	---	---	---
EDUCATION AND HUMAN RESOURCES											
TECHNICAL SKILLS TRAINING	G 657-0011	84	89	---	1,500	---	---	1,000	50	500	250
TOTAL FOR ACCOUNT GRANTS				---	1,500	---	---	1,000	50	500	250
LOANS				---	---	---	---	---	---	---	---
ASSIST TO PORTUGAL & PORTUGUESE COLONIES											
AGRICULTURE DEVELOPMENT	G 657-0002	77	80	500	500	500	424	---	76	---	---
TOTAL FOR ACCOUNT GRANTS				500	500	500	424	---	76	---	---
LOANS				---	---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				14,192	16,192	9,372	4,294	2,000 <sup>1/</sup>	2,724	2,000	2,000
LOANS				---	---	---	---	---	---	---	---

<sup>1/</sup> FY 1984 total excludes \$40 thousand which has already been notified for deobligation and has not yet been identified for reobligation by project.

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column -- All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

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Liberia

FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (669) LIBERIA

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 2,091  
 PER CAPITA GNP..... (DOLLARS,1981) 520  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) -0.4%  
 ANNUAL RATE OF INFLATION (1970-81) 8.9%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..(1970) 5.3%  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 54.1 MALE 52.5 FEMALE 55.9  
     (1970) TOTAL 49.1 MALE 48.3 FEMALE 49.9  
 ADULT LITERACY RATE (1974) TOTAL 21% MALE 30% FEMALE 12%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) -2.0%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 31%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 767  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: RICE , , 54% (1982)  
     CASH: COFFEE ,COCOA BEANS , 9% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) RUBBER , ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) RICE ,WHEAT ,RAW SUGAR  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 70%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     (1979) 224 (80) 225 (81) 243  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     (1979) 365 (80) 314 (81) 353  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     (1979) -141 (80) -88 (81) -109  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. (1979) 2.5% (80) 5.2% (81) 10.1%  
     AS % OF GNP..... (1979) 1.0% (80) 1.7% (81) 3.8%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) ( . ) ( . ) ( . )  
 EQUIVALENT TO . MONTHS OF IMPORTS ( . )

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) IRON ORE ,RUBBER ,DIAMONDS  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1980) 126 (1981) 124 (1982) 104  
     AS % OF TOTAL EXPORTS (1979) 20% (1980) 21% (1981) 23%  
 MAJOR IMPORTS....(1981) MACHINERY ,TRANSPORT EQPT ,PETROLEUM  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 122 (1981) 142 (1982) 125  
     AS % OF TOTAL IMPORTS (1979) 26% (1980) 25% (1981) 33%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) 74(80) 116(81) 99  
 TRADING PARTNERS: UNITED STATES ,WEST GERMANY ,ITALY  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 82.2%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1981) 34  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 6.5%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 3.0% (1978) 3.1% (1983) 3.3%  
 POPULATION IN URBAN AREAS.....(1970) 26% (1982) 34%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 50 (1983) 45  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 47.8% (15-64YRS) 49.9% (65+ YRS) 2.4%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 132  
 PEOPLE PER PHYSICIAN..... (1975) 9,276  
 MAJOR CAUSES OF  
 DISEASE (1975) MEASLES ,MALARIA ,DYSENTERY  
 DEATH.. (1982) DEFICIENT DIET ,DYSENTERY ,ENTERIC DISEASE  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 101%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1980) 20%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1979) TOTAL 67.0% MALE 83.0% FEMALE 51.0%  
 SECONDARY..... (1979) TOTAL 22.0% MALE 31.0% FEMALE 12.0%  
 POST SECONDARY.. (1976) TOTAL 1.4% MALE 2.1% FEMALE 0.6%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 5.0%

U.S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years - Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)				
COUNTRY		LIBERIA							A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS				
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-83	
	1978	1979	1980	1981	1982								
<b>I. ECONOMIC ASSISTANCE - TOTAL</b>	7.2	17.6	23.5	55.1	65.5	431.7	26.3	405.4	TOTAL.....	11.4	57.0	15.3	313.0
Loans	-	-	10.0	15.0	15.0	150.9	26.3	124.6	IBRD	5.0	20.0	0.0	156.0
Grants	7.2	17.6	13.5	40.1	50.5	280.8	-	280.8	IFC	0.0	0.0	0.0	0.6
<b>a. A.I.D. and Predecessor Agencies</b>	5.3	14.9	16.0	37.3	47.0	326.8	21.3	305.5	IDA	4.0	25.5	15.3	88.8
Loans	-	-	5.0	-	-	103.1	21.3	81.8	IS3	0.0	0.0	0.0	0.0
Grants	5.3	14.9	11.0	37.3	47.0	223.7	-	223.7	ADB	0.0	0.0	0.0	0.0
(Economic Support Fund)	-	5.0	5.2	32.0	35.0	77.2	-	-	AFDB	0.0	9.1	0.0	27.4
<b>b. Food for Peace (PL 480)</b>	0.1	0.1	5.2	15.1	15.3	49.9	4.2	45.7	UNJP	1.8	1.2	0.0	25.3
Loans	-	-	5.0	15.0	15.0	40.1	4.2	35.9	OTHER-UN	0.6	1.2	0.0	7.5
Grants	0.1	0.1	0.2	0.1	0.3	9.8	-	9.8	EEC	0.0	0.0	0.0	7.4
Title I - Total Sales Agreements	-	-	5.0	15.0	15.0	40.1	4.2	35.9					
Repayable in U.S. Dollars - Loans	-	-	5.0	15.0	15.0	40.1	4.2	35.9					
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-					
Title II - Total Grants	0.1	0.1	0.2	0.1	0.3	9.8	-	9.8					
Emerg. Relief, Econ. Develop. & World Food Program	0.1	0.1	0.2	0.1	0.3	4.8	-	4.8					
Voluntary Relief Agencies	-	-	-	-	-	5.0	-	5.0					
<b>c. Other Economic Assistance</b>	1.3	2.6	2.3	2.7	3.2	55.0	0.8	54.2					
Loans	-	-	-	-	-	7.7	0.8	6.9					
Grants	1.3	2.6	2.3	2.7	3.2	47.3	-	47.3					
Peace Corps	1.3	2.6	2.3	2.7	3.2	46.4	-	46.4					
Narcotics	-	-	-	-	-	-	-	-					
Other	-	-	-	-	-	0.9	-	0.9					
<b>II. MILITARY ASSISTANCE - TOTAL</b>	0.7	1.5	2.7	6.3	12.6	39.9	9.3	30.6					
Credits or Loans	0.5	1.2	2.5	4.7	7.0	22.9	9.3	13.6					
Grants	0.2	0.3	0.2	1.6	5.6	17.0	-	17.0					
<b>a. MAP Grants</b>	-	-	-	1.0	5.0	11.3	-	11.3					
<b>b. Credit Financing - FMS</b>	0.5	1.2	2.5	4.7	7.0	22.9	9.3	13.6					
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	0.2	0.3	0.2	0.6	0.6	5.3	-	5.3					
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	0.4	-	0.4					
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-					
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	7.9	19.1	26.2	61.4	73.1	471.6	35.6	436.0					
Loans	0.5	1.2	12.5	19.7	22.0	173.8	35.6	138.2					
Grants	7.4	17.9	13.7	41.7	56.1	297.8	-	297.8					
<b>Other U.S. Government Loans and Grants</b>	0.4	-	2.1	-	0.5	116.2	172.5	56.3					
<b>a. Export-Import Bank Loans</b>	-	-	2.1	-	-	115.3	172.4	57.1					
<b>b. All Other Loans</b>	0.4	-	-	-	0.5	0.9	0.1	0.9					
* LESS THAN \$50,000.									<b>B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE</b>				
									<b>1. D.A.C. COUNTRIES (Gross Disbursements)</b>				
									CY 1981	CY 1982	CY 1978-82		
									United States	66.0	63.0	186.0	
									Germany Fed. Rep.	17.0	11.5	69.9	
									Japan	2.5	7.1	27.0	
									United Kingdom	3.5	1.7	7.3	
									Netherlands	1.9	1.1	6.0	
									Other	2.2	2.1	6.4	
									Total	93.1	86.5	302.6	
									<b>2. O.P.E.C. COUNTRIES (Gross Disbursements)</b>				
									CY 1981	CY 1982	CY 1978-81		
									2.4	N.A.	26.4		
									<b>C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES</b>				
									CY 1981	CY 1982	CY 1954-82		
									USSR	-	-	Negl.	
									Eastern Europe	-	-	-	
									China	-	-	25	
									Total	-	-	25	

## LIBERIA

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	1,700	1,700	-	-	-	-	-	-
Grants	43,100	2,300	300	3,500	2,000	3,000	32,000	-
Total	44,800	4,000	300	3,500	2,000	3,000	32,000	-
a/ 1984								
Loans	-	-	-	-	-	-	-	-
Grants	46,117	7,330	-	1,342	2,295	1,000	34,150	-
Total	46,117	7,330	-	1,342	2,295	1,000	34,150	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	59,500	6,530	-	3,000	3,300	1,670	45,000	-
Total	59,500	6,530	-	3,000	3,300	1,670	45,000	-

a/ The total excludes \$78 which has already been notified for deobligation and has not yet been identified for reobligation by project.

FY 1985 PROGRAM HIGHLIGHTS	
-	\$45.0 million in Economic Support Fund assistance for balance of payments and budget support.
-	\$16.0 million in PL 480 Title I food aid to assure adequate rice supplies and to support ongoing development activities.
-	\$750,000 for a Rural Road Maintenance project to stem the deterioration of infrastructure.
-	\$2.0 million for training of agricultural technicians in improved technology for small farmers through the Rural Development Training Institute II project.
-	\$1.5 million to improve the quality of primary school instruction under the new Improved Efficiency of Learning II project.
-	\$800 thousand for a Management Improvement project.

## LIBERIA

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	1,874	2,562	3,223
Grants	39,026	49,979	61,363
Total AID	40,900	52,541	64,586
P.L. 480**			
Title I	15,000	15,000	16,000
(of which Title III is)	( - )	( - )	( - )
Title II	33	127	109
Total P.L. 480	15,033	15,127	16,109
Total AID and P.L. 480	55,933	67,668	80,695

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	23	23	24
PASAC <sup>c</sup>	7	0	9
Contract	19	21	26
Total	49	53	59
Participants <sup>d</sup>			
Noncontract	207	94	191
Contract	45	367	165
Total	252	461	356

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(IN 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	45,600	15,000	36,000	15,000	42,000	16,000
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)	/	15,000	/	15,000	/	16,000
Title II						
Voluntary Agencies	/	-	/	-	/	-
World Food Programs	/	33	/	127	/	109
Gov't-to-Gov't	/	-	/	-	/	-
Title II Total	/	33	/	127	/	109
Total P.L. 480	/	15,033	/	15,127	/	16,109

## LIBERIA

### Development Overview

Currently Liberia is still confronted with severe economic problems that have plagued the country for the past 5 years. The economic crisis is the result of a convergence of political and economic events. Under the People's Redemption Council which swept to power with the 1980 coup, Liberia is rewriting its constitution and preparing for open, democratic presidential and legislative elections in 1985. The 1980 change of government and the process of returning to democratic government have contributed to economic uncertainty.

The severe economic contraction experienced by the developed western economies beginning in the late 1970's as a result of oil price increases continues to have serious consequences for the Liberian economy. Heavily dependent on primary products sold in international markets, Liberian export earnings have declined substantially. Unproductive investment in facilities for the 1979 Organization of African Unity conference financed mainly through short-term commercial borrowings, the establishment of inefficient public corporations which drain government finances, and high government recurrent expenditures hinder the Government of Liberia's (GOL) capacity to respond to the economic crisis. Real gross domestic product (GDP) declined by over 17% between 1980 and 1982 and is projected to decline 3% further in 1983. The crisis has been manifested in large budget deficits (\$118 million in 1982, \$99 million in 1983, and \$42 million projected for 1984), and significant disequilibrium in the balance of payments.

Per capita GNP for Liberia's 1.9 million people is estimated at \$520, however, the distribution of income is highly skewed and for about 75% of the population, it is less than \$250. Open unemployment, concentrated in Monrovia, is estimated in excess of 30% of the labor force. Although the country's population is small compared with other African countries, Liberia has one of the highest population growth rates (3.5%) in Africa.

In spite of these obstacles to development, progress is being made. The GOL is taking steps to implement a more austere fiscal policy. The current budget reduces government expenditure, particularly for salaries, over previous years. Government subsidies to public corporations have been reduced and a policy of the eventual conversion of many of them to private enterprises has been adopted. The World Bank (IBRD) is considering a structural adjustment loan to assist in the implementation of this policy. The GOL has recently entered into a standby agreement with the International Monetary Fund (IMF) which is aimed at limiting public sector credit, easing the balance of

## LIBERIA

payments imbalance, and otherwise reinforcing the GOL's austerity program. The GOL organized a Donor's Roundtable Conference in October 1983 at which it proposed the creation of an Inter-Governmental Group for Liberia. The purpose of this group would be to increase coordination between the GOL and the donor community and to obtain increased financial support for Liberia to revive its economy and address its long term development problems.

### U.S. Interests and Objectives

The United States has long been identified as Liberia's closest friend, with unique cultural and historical ties dating back to the arrival in Liberia of ex-slaves from the United States and the country's founding in 1847. Equally important are special U.S. interests which include strategic rights at the airfield and port, the most important concentration of U.S. Government communications facilities in Africa, and black Africa's second largest block of U.S. private investment. U.S. short-to-medium term objectives are to foster economic and financial stability and to support return to stable, democratic, civilian rule by 1985, as announced by the present military government. Over the longer term, the U.S. believes that a government committed to political, economic, and social justice for the majority can best assure peace and stability.

### A.I.D. Development Strategy

A.I.D. has shifted the primary focus of its assistance from long-range development to the immediate economic crisis. A.I.D. collaborates with the IMF and IBRD in encouraging the GOL to make policy changes and structural adjustments. In 1983, the GOL concluded an IMF standby agreement and agreed to restrict credit, debt arrears, and deficit spending. A.I.D. strategy is to use its resources and a policy dialogue to assist the GOL to comply with the standby agreement targets, to stabilize the economy in the short run and, gradually, to initiate a program of economic recovery and development. In this sense, we are encouraging the implementation of policies to improve fiscal management, to streamline public sector corporations and transfer as many as possible to the private sector, and to promote new private investment.

Selected high priority development projects, which are critical to long-term restructuring of the economy and are essential to maintaining productive infrastructure needed for recovery, are being continued. Agricultural sector projects which stimulate production as part of the recovery process are also encouraged.

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### A.I.D. Program (FY 1983-1984)

#### Current Status:

The A.I.D. program for FY 1983 and FY 1984 stresses urgent economic assistance to help Liberia regain control of the economy, to reduce the budget deficit, to restore equilibrium in the balance of payments, and to move toward a productive basis for increased employment and economic recovery. A.I.D. was instrumental in encouraging the GOL to reduce its wage bill and provided consultant services which led to the GOL decision to close its inefficient oil refinery and to involve the private sector in oil imports. This will lead to a substantial reduction in GOL budget deficits and improve the liquidity situation. A.I.D. consultants are also assisting in the reduction of budget deficits through improved revenue collection and better budget management and control practices.

In FY 1983, the United States provided \$12.8 million in Development Assistance (DA) and \$32.0 million in Economic Support Funds (ESF), in addition to \$15.0 million of PL 480 Title I assistance. A.I.D. supported the GOL and the IMF in adopting a monetary policy which puts limits on central bank credit to the public sector and which reduces GOL budget deficits. The PL 480 Title I program financed rice imports and generated counterpart funds which supported ongoing development projects.

#### FY 1984 Program

In FY 1984, DA and ESF resources will total \$12.0 million and \$34.2 million, respectively, in addition to \$15.0 million of PL 480 Title I assistance. Major program components include the following:

A. Economic Support Fund: A \$34.2 million Program Grant VI (669-0189) will provide critical balance of payments and budget support for its economic stabilization program.

B. Agriculture, Rural Development, and Nutrition: A.I.D. continues to emphasize the adoption of appropriate agricultural policies and programs and the development of sound institutions through the Agricultural Sector Analysis and Planning project (669-0137), the Agricultural Research and Extension project (669-0135) and the Rural Development Training I operational program grant (OPG) project (669-0153). Evaluation of the Rural Development Training project established the basis for revising and extending this activity. An integrated area development project in Upper Bong County is continuing to increase crop

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production. Feeder roads construction and small enterprise development are also funded under this project. To promote more broadly based rural development, the Rural Information System project (669-0134) is developing a radio system to broadcast information about improved farming and health practices and educational programs for Liberia's rural population, 80% of whom are relatively isolated. Funding of the Nimba County Rural Technology OPG project (669-0163) will continue.

C. Population: No additional funding is required in FY 1984 for the population component of the Primary Health Care project (669-0165). Under the centrally funded Bureau for Science and Technology project, Resources for the Awareness of Population Impact Development (RAPID), a presentation was made to the GOL. As a result, the Government is developing its own population policies which encourage birth spacing, responsible parenthood, and family planning.

D. Health: Additional funding will be provided to continue the Primary Health Care project (669-0165). This major new project for a nationwide program for expanded health services began in FY 1983.

E. Education and Human Resources Development: The Improved Efficiency of Learning I project (669-0130) is successfully developing and demonstrating programmed teaching modules in 15 primary schools. An evaluation of the project in FY 1983 identified some adjustments which have been made in the logistic support elements to improve the effectiveness of the project. Additional funds will be provided to continue the Economic and Financial Management and Training project (669-0184), a major means of assisting the GOL to implement policies and systems to improve fiscal management. A team of advisors in public finance and budget analysis is improving the capability of the GOL to reduce budget deficits. A project evaluation in FY 1984 is expected to result in supporting a three-year extension of the project. The new Liberia Development Foundation Adult Education OPG project (669-0199) will instruct rural women in basic literacy, health and nutrition education as well as food production and processing.

F. Selected Development Activities: Assistance to the Ministry of Finance in customs and tax administration is continuing under the Increased Revenue for Development project (669-0132). Success since FY 1978 in improving the GOL's revenue generation capability prompted a project extension to FY 1985. The new Small and Medium Enterprise Development OPG project (669-0201) will strengthen the Small Enterprise Finance Organization's capability to advise and assist indigenous entrepreneurs to establish or expand businesses through a grant to Partners for Productivity.

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G. PL 480 Title I: Food imports totalled \$15 million in FY 1983 and are planned to be \$15 million in FY 1984. These imports of rice help to relieve the balance of payments deficit. Through the use of sales proceeds and the requirement for GOL self-help actions, the program encourages agricultural sector reforms which promote increased production, such as decentralization of agricultural project planning and integration of agricultural research, extension and training.

Requested Year Program (FY 1985)

A. Economic Support Fund: The requested \$45,000,000 of ESF assistance is for the Program Grant VII project (669-0202) to continue providing balance of payments and budget support.

B. Agriculture, Rural Development, and Nutrition: A.I.D. is requesting \$6,530,000 in this sector. The proposed \$2,000,000 for the Rural Development Training II OPG project (669-0185) will firmly establish the Rural Development Institute at Cuttington University College as the Ministry of Agriculture's major center for training technicians to transfer improved agricultural technology to small farmers. This new project follows successful implementation of the ongoing Rural Development Training I OPG project (669-0153). Funding (\$750,000) is also proposed for a new Rural Roads Maintenance project (669-0200) which will strengthen the capacity of the Ministry of Public Works to maintain the road network. This initiative is important to the maintenance of Liberia's infrastructure and productive capacity. The remaining \$3,780,000 will be used to provide additional funding for the Rural Information System project (669-0134) the Agricultural Research and Extension II project (669-0188), the Agricultural Analysis and Planning project (669-0137), and the Nimba County Rural Technology OPG project (669-0163).

C. Health: The \$3,000,000 requested in this sector is for additional funding of the Primary Health Care project (669-0165).

D. Education and Human Resources Development: A.I.D. is requesting \$3,300,000 in this sector. Funding is requested for the Improved Efficiency of Learning II project (669-0166), which will expand upon the successful implementation of the Improved Efficiency of Learning I project (669-0130). This project is an experiment in the development and testing of programmed instructional materials for elementary school teachers. A new initiative, the Management Improvement project (669-0198), is proposed to improve GOL managerial and administrative capacity to provide social services and to take advantage of the worldwide economic recovery as it expands. Additional funding is planned to continue the Economic and Financial Management and Training project (669-0184).

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E. Special Development Activities: A.I.D. seeks \$1,670,000 in this sector. The Small and Medium Enterprise Development OPG project (669-0201), which will continue to assist small Liberian businesses and entrepreneurs to participate in the economic recovery, is budgeted for \$750,000. The Increased Revenues for Development project (669-0132) will be funded for \$920,000.

F. P.L. 480: A Title I program of \$16,000,000 is proposed to finance essential food imports, to provide balance of payments support, and to continue support of GOL reforms in the agricultural sector. A small food assistance program is being continued through donations to the World Food Program.

MISSION DIRECTOR: Lois C. Richards

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: LIBERIA

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
RURAL INFORMATION SYSTEM	G 659-0134	80	85	5,000	5,000	3,099	1,726	1,000	966	901	1,124
RURAL INFORMATION SYSTEM	L 659-0134	80	83	6,700	6,700	6,700	290	---	1,044	---	3,223
AGRICULTURAL RESEARCH AND EXTENSION	G 659-0135	80	82	4,997	4,997	4,997	2,202	---	1,376	---	1,419
AGRICULTURAL ANALYSIS AND PLANNING	G 659-0137	77	85	3,250	3,250	1,650	1,519	1,600	548	---	702
UPPER BONG COUNTY RURAL DEV.	L 659-0139	77	77	6,600	6,600	6,600	5,082	---	1,518	---	---
RURAL DEV TRAINING - CUTTINGTON (PVO)	G 659-0153	77	84	4,880	5,730	4,879	4,504	850	1,045	---	180
NIABA CO RURAL TECHNOLOGY (PVO)	G 659-0163	80	86	3,195	4,995	2,321	2,321	700	1,000	749	500
RURAL DEVELOPMENT TRAINING II (PVG)	* G 659-0185	85	88	---	4,800	---	---	---	---	2,000	1,500
AGRICULTURAL RESEARCH AND EXTENSION II	G 659-0188	84	89	---	21,400	---	---	3,180	---	2,130	1,400
RURAL ROAD MAINTENANCE	* G 659-0200	85	88	---	7,000	---	---	---	---	750	250
TOTAL FOR ACCOUNT				34,622	70,472	30,746	17,644	7,330	7,497	6,530	10,298
GRANTS				21,322	57,172	17,446	12,272	7,330	4,935	6,530	7,075
LOANS				13,300	13,300	13,300	5,372	---	2,562	---	3,223
POPULATION PLANNING											
PRIMARY HEALTH CARE	G 659-0165	83	83	300	300	300	---	---	175	---	125
TOTAL FOR ACCOUNT				300	300	300	---	---	175	---	125
GRANTS				300	300	300	---	---	175	---	125
LOANS				---	---	---	---	---	---	---	---
HEALTH											
HEALTH MANAGEMENT AND PLANNING	G 659-0126	76	80	2,500	2,371	1,335	749	---	316	---	270

\* Refers to the planned project summary sheet

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C Level of effort activity

FY of final obligation column -- All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: LIBERIA

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES
PRIMARY HEALTH CARE	G 659-0165	33	87	14,700	14,700	3,500	---	1,342	2,200	3,000	3,300
TOTAL FOR ACCOUNT GRANTS LOANS				17,200 17,200 ---	17,071 17,071 ---	4,835 4,835 ---	749 749 ---	1,342 1,342 ---	2,516 2,516 ---	3,000 3,000 ---	3,570 3,570 ---
EDUCATION AND HUMAN RESOURCES											
IMPROVED EFFICIENCY OF LEARNING	G 659-0130	78	34	7,500	7,500	6,500	5,680	1,000	1,259	---	562
IMPROVED EFFICIENCY LEARNING II	* G 659-0166	35	37	---	7,000	---	---	---	---	1,500	400
OPPOR INDUST CNT INTL-LIBERIA (PVO)	G 659-0168	79	82	3,654	3,654	3,654	2,208	---	1,146	---	300
ECONOMIC MANAGEMENT AND TRAINING	G 659-0134	32	86	3,000	6,000	3,000	864	825	854	1,000	1,643
MANAGEMENT IMPROVEMENT	* G 659-0198	35	83	---	5,000	---	---	---	---	800	350
LIBERIAN DEVELOPMENT FOUNDATION (PVO)	G 659-0199	34	34	---	470	---	---	470	79	---	201
TOTAL FOR ACCOUNT GRANTS LOANS				14,154 14,154 ---	29,624 29,624 ---	13,154 13,154 ---	8,752 8,752 ---	2,295 2,295 ---	3,338 3,338 ---	3,300 3,300 ---	3,456 3,456 ---
SELECTED DEVELOPMENT ACTIVITIES											
INCREASED REVENUES FOR DEVELOPMENT	G 659-0132	78	36	8,283	8,283	5,300	2,384	500	2,439	920	1,000
LOW INCOME HOUSING PHASE I	G 659-0146	78	81	1,348	1,348	1,348	1,267	---	81	---	---
SMALL MEDIUM ENTERPRISE DEV. (PVO)	G 659-0201	34	37	---	2,550	---	---	500	250	750	600
TOTAL FOR ACCOUNT GRANTS LOANS				9,631 9,631 ---	12,181 12,181 ---	6,648 6,648 ---	3,651 3,651 ---	1,000 1,000 ---	2,770 2,770 ---	1,670 1,670 ---	1,600 1,600 ---
ECONOMIC SUPPORT FUND											

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: LIBERIA

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY33- OBLIG ATIONS	FY33- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
LOW INCOME HOUSING PHASE II	G 669-0167	79	80	5,000	5,000	2,363	---	2,095	---	537
PROGRAM GRANT VI	G 669-0189	84	84	35,000	---	---	34,150	34,150	---	---
PROGRAM GRANT VII	* G 669-0202	85	85	---	---	---	---	---	45,000	45,000
TOTAL FOR ACCOUNT GRANTS				40,000	5,000	2,363	34,150	36,245	45,000	45,537
LOANS				40,000	5,000	2,363	34,150	36,245	45,000	45,537
				---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				115,907	60,683	33,164	46,117 <sup>1/</sup>	52,541	59,500	64,536
LOANS				102,607	47,383	27,792	46,117	49,979	59,500	61,363
				13,300	13,300	5,372	---	2,562	---	3,223

<sup>1/</sup> FY 1984 total excludes \$78 thousand which has already been notified for deobligation and has not yet been identified for reobligation by project.

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column — All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

## PROGRAM: LIBERIA

## PLANNED PROGRAM SUMMARY SHEET

Title Rural Development Training II, OPG		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
			2,000		FY 85	2,000	Life of Project Funding 4,800
Number 669-0185	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 85	FY 88	FY 88

Purpose: To train Ministry of Agriculture (MOA) technicians to transfer improved agricultural technology to small farmers.

Project Description: Liberia's agricultural sector is characterized by the predominance of subsistence agriculture dependent on traditional technologies. Agricultural productivity is low due to poor soils and topography, inadequate adaptive research to develop improved technological packages for small farmers, inadequate marketing access and facilities, poorly defined GOL agricultural policies and ineffective extension services. In addressing these constraints, A.I.D. has been developing an institution to train agricultural technicians.

The Rural Development Training I project (669-0153), a \$5.7 million operational program grant (OPG) to the Protestant Episcopal Church of the United States (PECUSA), has established the Rural Development Institute (RDI) at Cuttington University College in Bong County, Liberia. The Rural Development Institute offers a two-year program of intensive training in the principles and application of agricultural development and production. A specialization, plant science or animal science, may be selected.

To date, dormitories have been built for the projected enrollment of 200. Three classes have graduated from the Institute since 1980. Over 80% of the first two classes are employed in the public and private sectors.

An evaluation in 1982 found that development of RDI is incomplete and some shortcomings threaten its long-term viability. RDI's faculty and administrative staff are only partially Liberianized. It still lacks the necessary physical infrastructure, including adequate classroom space, and faculty offices and housing. Additional curriculum development is needed to make it less academic and more oriented to the practical, hands-on skills needed in field extension work. RDI's relationship to the Ministry of Agriculture and its role as the MOA's major training center needs clarification.

The principal task of the Rural Development Training II project is to complete institutional development of RDI, making it self-sufficient and financially viable. Liberianization of the faculty and administrative staff will be completed. Offices, housing, and classrooms will be constructed. Based on the evaluation findings and clarification of RDI's role in the Government of Liberia's (GOL) agricultural development strategy, further revisions will be made in the curriculum and teaching methodology and in the GOL's role in guiding RDI policy.

Relationship of Project to A.I.D. Country Strategy: The Presidential Agricultural Task Force to Liberia has endorsed A.I.D.'s proposal to continue support for the Rural Development Institute. Current A.I.D. strategy is to continue ongoing development efforts which will contribute to stabilization and eventual economic recovery.

Host Country and Other Donors: A.I.D. is planning to contribute \$4.8 million, the GOL approximately \$1.2 million and the Episcopal Church (Cuttington University College) will continue to make its facilities available to the Institute. The Near East Foundation and the European Economic Community (EEC) are also considering contributions to the RDI.

Beneficiaries: The immediate beneficiaries are the estimated 100 students who will complete training annually at RDI. There are 175,000 farm families in Liberia, most of whom are beyond the effective outreach of the existing inadequate extension service of the Ministry of Agriculture. The new project will provide a cadre of trained agricultural technicians to meet the extension needs of these subsistence farm families.

## PROGRAM: LIBERIA

## PLANNED PROGRAM SUMMARY SHEET

Title Rural Roads Maintenance		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
			750		FY 85	750	Life of Project Funding 7,000
Number 669-0200	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 85	FY 88	FY 89

Purpose: To strengthen the technical and administrative management capability of the Ministry of Public Works to maintain the nation's road network.

Project Description: Liberia's primary and secondary roads system is largely comprised of earth (laterite) roads which require regular maintenance. Maintenance needs are greater than in many countries because of the 150-200 inch annual rainfall throughout most of the country. While secondary and feeder road construction has continued gradually in recent years with International Bank for Reconstruction Development (IBRD) and A.I.D. financial support, Liberia's prolonged economic crisis, especially reduced maintenance budgets to support the nation's major infrastructure, is leading to serious deterioration of the major road network. Also, limited GOL technical and management capability at the Ministry of Public Works (MPW) is a serious constraint in maintaining the roads. Both the IBRD and A.I.D. recognize the need to maintain basic infrastructure, such as roads, during the current economic crisis, so that when prices for Liberia's exports rise, farmers will have the capacity to bring coffee, cocoa, palm oil and other exports to domestic markets and to Liberian ports. The IBRD's Fifth Highway project, which is scheduled to begin in FY 84, will finance road graveling and reconstruction costs, technical assistance to the Ministry of Public Works' Maintenance Department, limited road maintenance equipment and short-term training. Technical assistance will be provided in management, accounting and road maintenance operations.

The proposed 5-year A.I.D. project will support IBRD efforts by providing supplementary technical assistance and equipment procurement. It may include a technical assistance team to work with the MPW, beginning in July, 1985, focusing on implementation of road maintenance programs at the regional level, warehousing and procurement, and equipment maintenance. Overseas training may be provided for mid-level and senior management. Other potential project activities could include regraveling of some 125 miles of road by private contractors, short-term training and possibly rehabilitation of MPW's

radio network.

In addition, the project will increase the capacity of the local private sector in maintenance work by providing the resources to stimulate the construction sector.

Relationship of Project to A.I.D. Country Strategy: The proposed project will support the A.I.D. strategy to promote fiscal discipline and economic stabilization and to maintain Liberia's infrastructure and productive capacity, so that the country will be prepared to respond as world economic recovery spreads to Liberia. It also supports the A.I.D. emphasis on stimulation of the local private sector.

Host Country and Other Donors: In addition to the A.I.D. contribution, the \$33 million total cost of the project will be financed with \$7 million from the IBRD and approximately \$19 million provided by the GOL. The 1983 Donors' Roundtable Conference for Liberia, held in Bern, Switzerland noted the importance of safeguarding infrastructure during periods of reduced national maintenance budgets. Additional donor assistance could be forthcoming to assist the GOL with its contribution.

Beneficiaries: The immediate beneficiary is the MPW whose administrative and technical efficiency will be improved. Private sector contractors, who will have an increasingly important role in road and infrastructure maintenance as a result of the project, will also benefit. Secondary beneficiaries will be the farmers, loggers, other rural industries and businesses and rural inhabitants that will benefit from improved roads and communications.

## PROGRAM: LIBERIA

## PLANNED PROGRAM SUMMARY SHEET

Title Improved Efficiency of Learning II		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
					FY 85 1,500	Life of Project Funding 7,000	
Number 669-0166	<input checked="" type="checkbox"/> NEW	Population	ED. & HR 1,500	Sel. Act.	Initial Obligation FY 85	Estimated Final Obligation FY 87	Estimated Completion Date of Project FY 92
<input checked="" type="checkbox"/> GRANT	<input type="checkbox"/> LOAN	<input type="checkbox"/> CONTINUING					

Purpose: To develop production, distribution, and training systems which will enable Liberia to introduce programmed instructional materials for elementary school teachers nationwide.

Project Description: Data on education in Liberia indicate that less than 50% of elementary school age children attend school and 70% of primary school teachers are underqualified. Traditional methods of training teachers are far too expensive to meet the ever increasing demands for qualified instructors and quality education.

The Improved Efficiency of Learning I project (IEL) is an experiment in the development and testing of programmed materials utilizing the Liberian curriculum. Over 500 modules for grades 1-6 are being developed. After four years, approximately 400 modules have been designed, tested in the laboratory school, revised and introduced into 15 experimental public schools. Formative evaluation of the materials is continuing.

Four evaluations of project performance have been carried out since the project's inception. All suggest that the IEL system is well suited to the current Liberian educational situation and that if used as a complete system it will be much more effective than the traditional system. Formal data on the effectiveness of the system will be available in 1984. Recent analyses of costs show that in classes of 20 students or more the system using these newly developed IEL materials can be less expensive than a system using traditional textbooks and supporting materials. Also, during the four years of the project, enrollment in IEL schools has doubled while it has decreased slightly in the traditional schools being used for comparison. A controlled study is comparing traditional schools and those using the experimental methods. It will test the learning efficiencies and cost effectiveness of both systems.

The proposed Improved Efficiency of Learning II project will extend the experimentally validated system to 1000 additional Ministry of Education schools, with an estimated 4000 classes

in grades 1-6 (approximately 140,000 students). Ministry of Education personnel will be trained to manage materials production and distribution. Project activities will include the training of under and unqualified teachers in the IEL technology and system. Training will include 18 person years of long-term and 3 person years of short-term training in the U.S. as well as short-term in-country training of more than 3000 teachers. Plans for the GOL to absorb the costs of maintaining and implementing the IEL system will receive careful examination. A.I.D. remains confident that efficient and cost effective means of module production can be developed. A cost-effective system of supervision using local supervisors and school administrators will also be developed.

Relationship of the Project to A.I.D. Country Strategy: This project supports the A.I.D. strategy by assisting Liberia to improve the internal and external efficiencies of its primary education system through cost-effective means of providing basic education. Liberia's economic stabilization goal can be reached only if fiscal discipline is maintained in the development and recurrent budgets. The IEL project offers the GOL a means to obtain better results for its educational dollars.

Host Country and Other Donors: The project will be managed by the Ministry of Education. The World Bank's Fourth Education Project will provide significant support in the printing and distribution of materials and in teacher training. The GOL will fund recurrent project costs.

Beneficiaries: The immediate beneficiaries will be the teachers, administrators and students in the project, but the improved educational techniques introduced will ultimately benefit the entire country. The project will affect 140,000 children and 4,000 teachers, an estimated 50% of the present public elementary education system.

PROGRAM: LIBERIA

PLANNED PROGRAM SUMMARY SHEET

Title Management Improvement		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
					FY 85	800	Life of Project Funding 5,000
Number 669-0198	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING			800		FY 85	FY 88	FY 90

Purpose: To establish improved management systems for the Government of Liberia (GOL).

Project Description: Liberia's national development is hindered by the relative paucity of qualified managers and by a social cultural climate which does not reward effort or achievement. The nation's management and administrative capacity are seriously constrained in (1) recruitment, promotion and incentive systems in the public and private sectors; (2) the state of applied information technology; (3) explicitness of goal definition, and (4) personal and organizational accountability. The present management deficiencies result from traditions which link promotion to family, ethnic and political connections instead of performance; from relaxed attitudes towards time; from ethnic rivalries; from traditional relationships between older and younger persons; and from the attitude that government employment is more a "right" than a responsibility.

A recent Education and Human Resources Development Sector Assessment sponsored by A.I.D. indicates that the problem is systemic and that positive change must address the whole system.

It further recommends that because of the complexity of the problem and previous A.I.D. difficulties in management improvement in Liberia, a step-by-step approach to the problem rather than a specific project is proposed at this time. The proposed approach will first attempt to establish high level policy support for improved management through an ongoing policy dialogue with GOL officials. This began in late 1983 and will continue. Another step is the development of a Social and Institutional Profile (SIP) of a key ministry, the Ministry of Agriculture. The SIP will define and analyze the social and institutional factors which affect management of agricultural development in Liberia with respect to assisting A.I.D. regarding strategy, programming and project identification, design and implementation.

If the Social and Institutional Profile results indicate that

opportunities exist for management improvement, especially that a "critical mass" of Liberians are seriously interested in improving management, the project design will proceed. It would take the form of establishing three management models in government as recommended in the Sector Assessment, or other forms which might emerge from the SIP.

Relationship to A.I.D. Country Strategy: The proposed activity is consistent with the A.I.D. sector strategy objective of enhancing GOL management capabilities developed from recommendations made by an A.I.D. sponsored education sector assessment completed in 1982. If the agricultural sector, in which 70% of the workforce are employed, is to become an important force for economic recovery, major improvements will be needed in the way the GOL conducts its business.

Host Country and Other Donors: Several GOL entities will be involved in the proposed project including the Ministry of Planning and Economic Affairs and the Ministry of Agriculture. Other government institutions such as public corporations and the Institute of Public Administration are likely to participate. These GOL institutions will be expected to pay the local costs of activities.

Beneficiaries: The primary beneficiaries will be the GOL officials whose managerial skills are improved. Ultimately benefits will flow to the Liberian people as a whole as they experience the results of more efficient and better management of the government.

PROGRAM: LIBERIA

PLANNED PROGRAM SUMMARY SHEET

Title Program Grant VII		Funding Source ESF 45,000	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 669-0202		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	FY 85 45,000	Life of Project Funding 45,000
<input checked="" type="checkbox"/> GRANT	<input type="checkbox"/> LOAN	<input type="checkbox"/> CONTINUING				Initial Obligation	Estimated Final Obligation
						FY 85	FY 85
							Estimated Completion Date of Project FY 85

**Purpose:** To assist the Government of Liberia (GOL) to achieve economic stabilization by providing foreign exchange to improve external debt management and to meet other essential requirements.

**Project Description:** Liberia's development over the last seven years has virtually halted for a combination of domestic and international reasons. The worldwide recession has reduced Liberia's export earnings (primarily iron ore, rubber, timber, coffee and cocoa) and recovery of world market prices and demand for these exports is uncertain. Infrastructure, such as roads, education and health facilities, is deteriorating because of inadequate maintenance budgets and normal depreciation. There has been little meaningful private investment since the late 1970's because of deterioration in the investment climate.

These adverse developments contributed to large budget deficits in the past three years, to the GOL's inability to finance recurrent costs of development projects, to finance oil imports, and to make timely debt payments. Debt service payments were budgeted at \$71 million in 1983 and will increase to \$94 million or 38% of estimated domestic revenues in 1984.

To reverse the present course of the economy, the GOL has entered into standby agreements with the International Monetary Fund (IMF). The current agreement, which will provide \$58 million during 1983-1984, continues to support GOL stabilization efforts. Meeting the fiscal deficit reduction and limits on external arrears targets of the IMF agreement will be especially difficult.

It is exceedingly important that Liberia complies with an austerity program, especially the conditions stipulated under the IMF agreement, if it is to achieve stabilization and eventual recovery. To help it in this difficult undertaking, this Economic Support Fund (ESF) grant will assist the GOL in budget and balance of payments support.

**Relationship of Project to A.I.D. Country Strategy:** AID's long term strategy is to promote economic growth and development for the poor majority, most of whom live in rural areas. So that past economic gains are not sacrificed and that long-term development may eventually resume, Liberia's short-run economic crisis must be contained. ESF assistance is central to A.I.D. efforts to assist the GOL to deal with its fiscal and balance-of-payments problems consistent with IMF requirements. The proposed grant, apart from helping to contribute to immediate economic stability, also provides a means for A.I.D. to encourage the GOL to adopt policy changes which address effectively the country's economic problems. Furthermore, this grant demonstrates continuing United States support for Liberia in a time of great political change, as Liberia moves toward democratic elections and civilian rule in 1985.

**Host Country and Other Donors:** Aside from the United States, the IMF, the World Bank, the Federal Republic of Germany and the European Economic Community have been the largest contributors to Liberia's development program. In 1983 the IMF provides \$60.5 million standby aid and \$30.5 million in compensatory financing facility funds. The IMF agreement in fiscal 1984 will be the last year of IMF support for Liberia. The World Bank is considering a \$30 million structural adjustment loan which would be disbursed in fiscal 1985. A donor's conference in October, 1983 revealed that other donors are prepared to assist Liberia. An Inter-Governmental Group for Liberia is also being formed with the United States as chairman.

**Beneficiaries:** The immediate and direct beneficiary of the grant will be the GOL. This assistance will help to stabilize the economy so that economic recovery can begin. Increased production that contributes to recovery will generate employment and lead to growth with equity for the rural poor.

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FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (636) SIERRA LEONE

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 3,705  
 PER CAPITA GNP..... (DOLLARS,1981) 320  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) -1.0%  
 ANNUAL RATE OF INFLATION (1970-81) 12.2%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 (1982) TOTAL 47.9 MALE 46.3 FEMALE 49.6  
 (1970) TOTAL 42.1 MALE 40.6 FEMALE 43.8  
 ADULT LITERACY RATE ( .) TOTAL .% MALE .% FEMALE .%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) -1.4%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 28%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 221  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: RICE , 23% (1982)  
 CASH: PALM OIL ,PALM KERNELS , .% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COFFEE ,COCOA BEANS ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) RICE ,WHEAT ,  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 65%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 (1979) 182 (80) 188 (81) 205  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 (1979) 251 (80) 318 (81) 308  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 (1979) -69 (80) -130 (81) -104  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. (1977) 3.9% (78) 3.6% (79) 3.2%  
 AS % OF GNP..... (1977) 0.9% (78) 1.0% (79) 0.9%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) ( .) ( .) ( .) .  
 EQUIVALENT TO . MONTHS OF IMPORTS ( .)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) DIAMONDS ,IRON ORE ,PALM KERNELS  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1980) 25 (1981) 43 (1982) 34  
 AS % OF TOTAL EXPORTS (1979) 5% (1980) 12% (1981) 28%  
 MAJOR IMPORTS....(1981) MACHIN\*Y/TRANSP ,MANUFACTURES ,  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 23 (1981) 29 (1982) 17  
 AS % OF TOTAL IMPORTS (1979) 6% (1980) 6% (1981) 10%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) -139(80) -172(81) -129  
 TRADING PARTNERS: UNITED KINGDOM ,UNITED STATES ,NETHERLANDS  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 39.1%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 50  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 33.1%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.1% (1978) 2.5% (1983) 2.7%  
 POPULATION IN URBAN AREAS.....(1970) 18% (1982) 24%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 46 (1983) 50  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. ( .) . %  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 44.1% (15-64YRS) 52.7% (65+ YRS) 3.2%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 201  
 PEOPLE PER PHYSICIAN..... (1970) 18,067  
 MAJOR CAUSES OF  
 DISEASE (1979) GONORRHEA ,PARASITIC DISEAS ,MALARIA  
 DEATH.. (19 ) , ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 85%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1970) 12%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1977) TOTAL 37.0% MALE 45.0% FEMALE 30.0%  
 SECONDARY..... (1977) TOTAL 12.0% MALE 16.0% FEMALE 8.0%  
 POST SECONDARY.. (1975) TOTAL 0.5% MALE 0.8% FEMALE 0.2%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

U.S. OVERSEAS LOANS AND GRANTS -- OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years -- Millions of Dollars)										ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)				
COUNTRY SIERRA LEONE										A. ASSISTANCE FROM INTERNATIONAL AGENCIES -- COMMITMENTS				
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	TOTAL.....	FY 1981	FY 1982	FY 1983	FY 1946-83	
	1978	1979	1980	1981	1982									
<b>I. ECONOMIC ASSISTANCE -- TOTAL</b>	7.1	8.6	7.1	9.4	10.4	101.9	4.2	97.7						
Loans	1.3	1.2	1.2	2.3	3.0	13.0	4.2	8.8						
Grants	5.8	7.4	5.9	7.1	7.4	88.9	-	88.9						
<b>a. A.I.D. and Predecessor Agencies</b>	3.0	3.9	2.0	2.8	3.1	27.6	-	27.6						
Loans	-	-	-	-	-	-	-	-						
Grants (Economic Support Fund)	3.0	3.9	2.0	2.8	3.1	27.6	-	27.6						
<b>b. Food for Peace (PL 480)</b>	2.2	2.2	2.5	4.2	4.4	33.0	4.2	33.2						
Loans	1.3	1.2	1.2	2.3	3.0	13.0	4.2	8.8						
Grants	0.9	1.0	1.4	1.9	1.4	25.0	-	25.0						
Title I - Total Sales Agreements	1.3	1.2	1.2	2.3	3.0	13.0	4.2	8.8						
Repayable in U.S. Dollars - Loans	1.3	1.2	1.2	2.3	3.0	13.0	4.2	8.8						
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-						
Title II - Total Grants	0.9	1.0	1.4	1.9	1.4	25.0	-	25.0						
Emerg. Relief, Econ. Develop. & World Food Program	0.1	-	-	-	-	1.4	-	1.4						
Voluntary Relief Agencies	0.8	1.0	1.4	1.9	1.4	23.6	-	23.6						
<b>c. Other Economic Assistance</b>	1.9	2.5	2.5	2.4	2.9	36.3	-	36.3						
Loans	-	-	-	-	-	-	-	-						
Grants	1.9	2.5	2.5	2.4	2.9	36.3	-	36.3						
Peace Corps	1.9	2.5	2.5	2.4	2.9	36.3	-	36.3						
Narcotics	-	-	-	-	-	-	-	-						
Other	-	-	-	-	-	-	-	-						
<b>II. MILITARY ASSISTANCE -- TOTAL</b>	-	-	-	-	*	*	-	*						
Credits or Loans	-	-	-	-	*	*	-	*						
Grants	-	-	-	-	*	*	-	*						
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-						
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-						
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	*	*	-	*						
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-						
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-						
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	7.1	8.6	7.1	9.4	10.4	101.9	4.2	97.7						
Loans	1.3	1.2	1.2	2.3	3.0	13.0	4.2	8.8						
Grants	5.8	7.4	5.9	7.1	7.4	88.9	-	88.9						
<b>Other U.S. Government Loans and Grants</b>	0.3	-	-	-	-	28.8	17.5	11.2						
<b>a. Export-Import Bank Loans</b>	0.3	-	-	-	-	28.8	17.5	11.2						
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-						
* LESS THAN \$50,000.														

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE				
1. D.A.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-82	
United States	8.0	8.0	36.0	
Germany Fed. Rep.	16.9	14.9	58.8	
Japan	3.0	10.1	31.3	
United Kingdom	7.0	6.7	29.3	
Netherlands	1.7	1.4	21.0	
Other	3.5	5.0	16.9	
<b>Total</b>	<b>40.1</b>	<b>46.1</b>	<b>193.3</b>	
2. O.P.E.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-81	
	1.0	N.A.	9.3	
C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES				
	CY 1981	CY 1982	CY 1954-82	
USSR	Negl.	-	30	
Eastern Europe	-	-	-	
China	-	-	60	
<b>Total</b>			<b>90</b>	

## SIERRA LEONE

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	1,000	1,000	-	-	-	-	-	-
Total	1,000	1,000	-	-	-	-	-	-
1984								
Loans	-	-	-	-	-	-	-	-
Grants	1,000	1,000	-	-	-	-	-	-
Total	1,000	1,000	-	-	-	-	-	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	1,300	1,300	-	-	-	-	-	-
Total	1,300	1,300	-	-	-	-	-	-

FY 1985  
PROGRAM HIGHLIGHTS

- \$1.3 million for a new initiative, Cropping System Development, which will emphasize technology diffusion and adaptive research and will employ a strategy of institution building and policy reform.
- \$4.0 million in PL 480, Title I assistance, which will provide balance of payments support and local currency generations for priority development projects as well as needed food commodities.
- \$1.6 million in PL 480, Title II to support health and nutrition education for mothers and children under 5 years.

## SIERRA LEONE

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	1,591	2,399	2,400
Total AID	1,591	2,399	2,400
P.L. 480**			
Title I (of which Title III is)	3,600 ( - )	3,000 ( - )	4,000 ( - )
Title II	1,318	1,647	1,644
Total P.L. 480	4,918	4,647	5,644
Total AID and P.L. 480	6,509	7,046	8,044

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	3	2	2
PASA <sup>c</sup>	1	-	-
Contract	5	5	6
Total	9	7	8
Participants <sup>d</sup>			
Noncontract	6	6	5
Contract	12	7	7
Total	18	13	12

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(IN 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	3.4	600	11.0	2,000	13.0	2,000
Rice	10.0	3,000	3.0	1,000	5.0	2,000
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		3,600		3,000		4,000
Title II						
Voluntary Agencies		1,318		1,647		1,644
World Food Programs		-		-		-
Gov't-to-Gov't		-		-		-
Title II Total		1,318		1,647		1,644
Total P.L. 480		4,918		4,647		5,644

## SIERRA LEONE

### Development Overview

The economy of Sierra Leone is in serious condition: output in the major sectors of agriculture and mining is declining and per capita real incomes are falling. The decline in agriculture has been about 3.7% per annum in the 1981-83 period following an annual growth of almost 4% in the late seventies. In its mining sector the decline began in the mid-1970's and coincides with the closing of the iron ore mines and falling alluvial diamond production. Agriculture is key to a reversal of this situation as it is virtually the only potential source of recovery and growth of the economy in the medium term.

Agriculture accounts for 65% of total employment in Sierra Leone, while contributing only 30% of GDP. Production is mainly for subsistence, with less than 40% of total production entering the monetized economy. Practically all of Sierra Leone's farmers are smallholders, farming an average of less than 4 acres. Official exports of the main cash crops --coffee and palm kernel-- have been fluctuating considerably over the past four years. The production of rice, the main staple crop, has increased over the past two years but has not kept pace with population growth.

The slow growth of agricultural output during the seventies and the sector's poor performance in recent years is in large part due to the macro-economic policies pursued by the Government. Despite the good intentions expressed in its public investment policy statements, budgetary allocations to agriculture have been comparatively low and not productively used. The proposed three-year development plan emphasizes improved implementation of on-going projects and investing in new projects with quick yielding results. The major part, 26% of total proposed public sector investment, is allocated to agriculture. Implementation of virtually the entire plan is dependent on external financing, as domestic savings have been only 3% of GDP.

Other Government policies have had a more direct effect on agriculture production. The over-valued Leone held down producer prices for export crops as well as for rice. The recent move to a single exchange rate, however, has raised commodity prices. The problem of low producer prices has also been compounded by delays in the Government controlled price adjustment mechanism. Signals are sent too late for producer responses, often causing disruptions in the markets which lead to windfall gains to traders and money lenders. Another problem is the analytical foundations for determining price policies. Government's skills need to be improved in such areas as farm and market analysis and

cross-border pricing policies.

While Sierra Leone agriculture faces significant technological constraints, improvements in the incentive structure are key to improving the technological framework for increasing production in Sierra Leone. Technological limitations include inefficient agronomic practices, inadequate water control methods, and almost complete dependence on human labor for agricultural energy.

#### U.S. Interests and Objectives

U.S. interests in Sierra Leone are primarily but not exclusively developmental. The United States is concerned that the continued deterioration of the economy will weaken political institutions and make instability more likely. Such an eventuality would reduce prospects for economic recovery and provide an opportunity for those countries which would seek to exploit political unrest to undermine regional stability and cooperation among the states of the Mano River Union (Liberia, Guinea and Sierra Leone).

These three states are economically linked. Price disparities among the three countries for important food and cash crops, petrol and consumer goods have stimulated vigorous smuggling. Exchange rate fluctuations and the lure of Liberia's dollar currency have also contributed to increased smuggling into that country and a loss of scarce hard currency. The leadership of the three countries is aware of the need for political stability and economic cooperation. We are therefore placing new emphasis on studying the factors affecting cross border trade in order to assist Government policy makers.

The U.S. is also concerned that Sierra Leone effectively develop and protect its natural resources, particularly fisheries and minerals. The main U.S. investment in Sierra Leone is a \$75 million investment in titanium ore (rutile) extraction. The Government treatment of U.S. mineral investors has been fair and our interest is in the continuation of this policy and creation of a more favourable economic policy environment to encourage additional investment.

Sierra Leone is a non-aligned country whose positions on some issues diverge from our own. Nevertheless, there is a cultural and historical tradition among Sierra Leoneans which causes them to appreciate western democratic values and institutions and creates a basis for underlying friendship. Our programs in Sierra Leone, both in developmental and cultural exchange fields, reinforce our historic ties of friendship.

AID Development Strategy

A.I.D.'s development strategy in Sierra Leone is primarily to increase food crop production. This strategy is being implemented through strengthening the Government's institutional framework in research and technology transfer systems into an cohesive, effective and efficient structure. In its adaptive research program which A.I.D. supports, the Government has farm tested technologies to increase small farm production without substantial capital inputs for such crops as rice, tubers, cowpeas, beans and maize. Most of these increases are being realized through the several donor-financed extension services that cover a relatively small part of the country's 286,000 farmers. The demonstrations have shown better alternatives to current low yields.

This strategy is also being implemented through the PL 480 Title I program. In addition to providing local currency generations which support high priority food-production oriented programs, Title I assistance is used as a basis for discussing policy issues with the Government. It provides a more meaningful opportunity to explain the need for stronger farm gate prices based on production data, a greater private sector role in marketing and storage, and in providing agricultural input supplies without subsidies.

A.I.D.'s population sector strategy is to assist the Government and the private sector to increase the awareness of the population issue throughout Sierra Leone and to provide a full array of contraceptive services to those who seek assistance. This is carried out by the coordination of the twelve or so activities financed by A.I.D.'s central and Africa regional projects.

A.I.D. Program (FYs 1983-1984)

A. Agriculture, Rural Development and Nutrition: Development assistance for FY 1983 and FY 1984 is basically identical increments of one million dollars in each year for the Adaptive Crop Research and Extension (ACRE) project (636-0102). The 1984 increment is planned as the final A.I.D. contribution to the project which is scheduled for completion in June 1987. The project is meeting its objectives in providing improved seeds and technology to farmers through both the extension services of the project and those of other donor supported Integrated Agricultural Development Projects. The project has now reached the stage where its adaptive trials and experimental designs are being favourably compared with similar activities at land grant institutions in the U.S. Much of this success is attributable to the Southern University/Louisiana State University team effort, the quality of Sierra Leonean researchers and managers assigned to the project, the critical mass of U.S. trained researchers

## SIERRA LEONE

returning to the project from abroad, and Government's local cost support for the project. Emphasis over the remaining life of the project is on Government internalization of the procedures and practices developed in the project within its indigenous structure. This process has already started with a national seminar on integration in June 1983. A second one is scheduled for January 1984.

B. Education and Human Resources: The OICI Vocational Training project (636-0169), scheduled to be completed during FY 1984, has expanded vocational training for early school leavers and augmented entrepreneurial skills for rural artisans. Through FY 1983 over 500 trainees have been placed in wage-earning jobs and some 900 management and business development participants from both the public and private sector have been trained in essential elementary management/business skills.

The Cooperative Credit Societies project (636-0112), a PVO grant to the Credit Union National Association, is also scheduled for completion in FY 1984. This private sector oriented project helps the Sierra Leoneans marshal their own resources for development by assisting in creating a self-sufficient national cooperative savings and credit league with an expanded network of savings and credit societies.

C. PL 480: Title I assistance has provided substantial leverage in supporting high priority activities within the development budget. Because of revenue shortfalls, the Government relies on local currency generations to finance selected programs, a process that forces choices from among an array of priority development activities. Title I programs are expected to continue to play an important role in supporting A.I.D. financed projects in Sierra Leone and in rationalizing the process of selecting development budget priorities.

Title II commodities are distributed by Catholic Relief Services through its own and the Government's network of health centers throughout Sierra Leone. Its emphasis is on nutrition and its evaluation of program impact on mother and child nutrition and growth has demonstrated favourable results.

### Requested Year Program (FY 1985)

A. Agriculture, Rural Development and Nutrition: A.I.D. is requesting funding of \$1,300,000 to start a new project, Cropping Systems Development (636-0170). This project builds on the achievement of the ACRE project, shifting the emphasis from research and development to the technology diffusion process.

SIERRA LEONE

The purpose of the Cropping Systems Development project is to increase farm unit productivity for a variety of food crops by reaching a substantial number of the country's farmers at a cost affordable to the Government. At the same time it will attempt to integrate the various project extension services and research activities into the internal government structure.

B. PL 480: The Title I program is proposed to be continued at a level of \$4,000,000 in FY 1985. In addition a PL 480 Title II program of \$1,644,000 is proposed which will continue to focus on maternal child health and nutrition education programs.

A.I.D. Affairs Officer: William S. Lefes

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SIERRA LEONE

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
ADAPTIVE CROP RESEARCH AND EXTENSION	G 636-0102	78	84	9,063	9,063	8,063	4,005	1,000	2,100	---	1,900
CROPPING SYSTEMS DEVELOPMENT	* G 636-0170	85	89	---	3,500	---	---	---	---	1,300	500
TOTAL FOR ACCOUNT GRANTS				9,063	17,563	8,063	4,005	1,000	2,100	1,300	2,400
LOANS				9,063	17,563	8,063	4,005	1,000	2,100	1,300	2,400
				---	---	---	---	---	---	---	
EDUCATION AND HUMAN RESOURCES											
OIGI VOCATIONAL TRAINING II (PVO)	G 636-0169	82	82	679	679	679	380	---	299	---	---
TOTAL FOR ACCOUNT GRANTS				679	679	679	380	---	299	---	---
LOANS				679	679	679	380	---	299	---	---
				---	---	---	---	---	---	---	
TOTAL FOR COUNTRY GRANTS				9,742	18,242	8,742	4,385	1,000	2,399	1,300	2,400
LOANS				9,742	18,242	8,742	4,385	1,000	2,399	1,300	2,400
				---	---	---	---	---	---	---	

\* Refers to the planned project summary sheet  
C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

Title Cropping Systems Development		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
			1,300		FY 85	1,300	Life of Project Funding 8,500
Number 636-0170	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 85	FY 89	FY 91

Purpose: To increase small scale farm unit productivity for a variety of food crops, particularly rice.

Project Description: This project builds on the achievements of the Adaptive Crop Research and Extension (ACRE) project. ACRE primarily focused on the establishment of a research capacity with some attention to the field service. This project will seek to sustain the effectiveness of research but will concentrate on strengthening the field service to ensure the flow of improved technology directly to farmers. Its aim is to reach a substantial number of the country's farmers at a cost affordable to the Government.

As project activities shift from the research to the extension emphasis there will be an acceleration of the intensity of field visits, farm contacts, number of trials and the geographic spread of demonstrations. There will be frequent farmer related events and radio and television programs on new farm technologies, farm prices, and marketing information. Emphasis will be given to the impact of new appropriate technologies, developed by the research center and distributed to farmers

The project will fund a team of U.S. technical experts in extension and research, U.S. training for middle and senior level staff and short term training in Africa for field workers, and teaching aid materials for field workers.

Relationship of Project to A.I.D. Country Strategy: This project is A.I.D.'s major undertaking in Sierra Leone and aims directly at increasing food crop production, the primary emphasis of the A.I.D. development strategy in the country. The project is designed to address this objective through strengthening the Government's institutional framework in research and technology transfer systems.

Host Country and Other Donors: Other U.S. Government resources will include the estimated 40 agricultural Peace Corps Volunteers who serve in various parts of the country

and work with extension personnel. The Sierra Leone Government will provide the local currency financing for the project as well as the cost of field agents, district and provincial level agricultural officers, and the corps of crop specialists who will deal with researchers and field staff in the diffusion of new technologies and improved seed. Njala University College will provide financing for professional personnel who will teach and conduct research. The World Bank plans to initiate its agricultural sector support project in late 1984, to focus support on marketing and storage, Ministry analytical capability and administration. Other donors, e.g. EEC, FRG and FAD who currently finance area development projects are expected to be collaborators in the new project.

Beneficiaries: About 286,000 small scale farmers in Sierra Leone produce most of the food crops. The project will focus on this target group. The small farmer is often described as one who lives with seven others in his family, tills about four acres of land and earns less than 100 U.S. dollars a year, less than half of the average income in Sierra Leone.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (693) TOGO

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 2,823  
 PER CAPITA GNP..... (DOLLARS,1981) 380  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) -0.6%  
 ANNUAL RATE OF INFLATION (1970-81) 8.9%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 (1982) TOTAL 48.0 MALE 46.4 FEMALE 49.6  
 (1970) TOTAL 42.2 MALE 40.7 FEMALE 43.9  
 ADULT LITERACY RATE (1975) TOTAL 38% MALE 51% FEMALE 25%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) -0.0%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 24%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 390  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: YAMS ,CASSAVA ,CORN 9% (1982)  
 CASH: COCOA BEANS ,COFFEE , 3% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) , ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) , ,  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 67%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 (1978) 252 (79) 329 (80) 346  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 (1978) 513 (79) 414 (80) 368  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 (1978) -261 (79) -84 (80) -22  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. (1977) 13.7% (78) 8.7% (79) 5.4%  
 AS % OF GNP..... (1977) 6.2% (78) 5.1% (79) 2.5%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) (1980) 78 (81) 157 (82) 173  
 EQUIVALENT TO 5.8 MONTHS OF IMPORTS (1981)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) PHOSPHATES ,COCOA ,COFFEE  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1980) 15 (1981) 9 (1982) 10  
 AS % OF TOTAL EXPORTS (1979) 1% (1980) 4% (1981) 4%  
 MAJOR IMPORTS....(1981) MANUFACTURES ,FUELS ,MACHINERY  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 19 (1981) 27 (1982) 28  
 AS % OF TOTAL IMPORTS (1979) 4% (1980) 4% (1981) 8%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) -160(80) -173(81) -88  
 TRADING PARTNERS: , ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 118%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 40  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 17.2%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.7% (1978) 2.8% (1983) 3.1%  
 POPULATION IN URBAN AREAS.....(1970) 13% (1982) 20%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 49 (1983) 48  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. ( .) . %  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 46.4% (15-64YRS) 50.9% (65+ YRS) 2.7%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 99  
 PEOPLE PER PHYSICIAN..... (1977) 18,164  
 MAJOR CAUSES OF  
 DISEASE (1980) MALARIA ,MEASLES ,ANCYLOSTOMIASIS  
 DEATH.. (19 ) , ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 92%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1975) 16%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1979) TOTAL 110% MALE 136% FEMALE 85.0%  
 SECONDARY..... (1979) TOTAL 32.0% MALE 48.0% FEMALE 15.0%  
 POST SECONDARY.. (1976) TOTAL 1.1% MALE 1.9% FEMALE 0.4%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 0.6%

U.S. OVERSEAS LOANS AND GRANTS – OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years – Millions of Dollars)										ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)				
COUNTRY TOGO										A. ASSISTANCE FROM INTERNATIONAL AGENCIES – COMMITMENTS				
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82						
	1978	1979	1980	1981	1982				FY 1981	FY 1982	FY 1983	FY 1946-83		
<b>I. ECONOMIC ASSISTANCE – TOTAL</b>	4.2	5.1	5.5	10.0	7.7	57.3	-	57.3	TOTAL.....	33.7	23.9	87.6	404.8	
Loans	-	-	-	-	-	-	-	-	IBRD	0.0	0.0	0.0	3.5	
Grants	4.2	5.1	5.5	10.0	7.7	57.3	-	57.3	IFC	0.0	0.0	0.0	0.0	
<b>a. A.I.D. and Predecessor Agencies</b>	1.3	1.2	1.9	4.5	3.4	19.5	-	19.5	IDA	25.7	5.5	81.2	211.3	
Loans	-	-	-	-	-	-	-	-	IJB	0.0	0.0	0.0	0.0	
Grants	1.3	1.2	1.9	4.5	3.4	19.5	-	19.5	AJB	0.0	0.0	0.0	0.0	
(Economic Support Fund)	-	-	-	-	-	-	-	-	AFDB	9.7	10.8	6.4	66.2	
<b>b. Food for Peace (PL 480)</b>	1.4	2.7	1.7	3.1	1.9	25.7	-	25.7	UNDP	2.5	3.2	0.0	29.6	
Loans	-	-	-	-	-	-	-	-	OTHER-UN	0.8	0.0	0.0	3.8	
Grants	1.4	2.7	1.7	3.1	1.9	25.7	-	25.7	EEC	0.0	4.4	0.0	90.4	
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-	<b>B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE</b>					
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	1. <u>D.A.C. COUNTRIES (Gross Disbursements)</u>					
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	CY 1981 CY 1982 CY 1978-82					
Title II - Total Grants	1.4	2.7	1.7	3.1	1.9	25.7	-	25.7	United States	4.0	6.0	19.0		
Emerg. Relief, Econ. Develop. & World Food Program	1.0	0.4	0.5	0.5	0.8	10.9	-	10.9	Germany Fed. Rep.	12.7	20.9	125.9		
Voluntary Relief Agencies	0.4	2.3	1.2	2.5	1.1	14.8	-	14.8	France	18.8	21.2	99.4		
<b>c. Other Economic Assistance</b>	1.5	2.2	2.0	2.3	2.4	22.1	-	22.1	Denmark	-	0.1	17.7		
Loans	-	-	-	-	-	-	-	-	Canada	0.3	0.6	14.1		
Grants	1.5	2.2	2.0	2.3	2.4	22.1	-	22.1	Other	2.6	2.8	13.0		
Peace Corps	1.5	2.2	2.0	2.3	2.4	22.1	-	22.1	Total	38.4	51.6	289.1		
Narcotics	-	-	-	-	-	-	-	-	2. <u>O.P.E.C. COUNTRIES (Gross Disbursements)</u>					
Other	-	-	-	-	-	-	-	-	CY 1981 CY 1982 CY 1978-81					
<b>II. MILITARY ASSISTANCE – TOTAL</b>	-	-	*	*	*	0.1	-	0.1						
Credits or Loans	-	-	-	-	-	-	-	-		0.5	N.A.	0.5		
Grants	-	-	*	*	*	0.1	-	0.1	<b>C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES</b>					
<b>a. MAP Grants</b>	-	-	-	-	-	*	-	*	CY 1981 CY 1982 CY 1954-82					
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-	USSR	-	-	-		
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	*	*	*	0.1	-	0.1	Eastern Europe	-	-	-		
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	China	-	-	45		
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	Total	-	-	45		
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	4.2	6.1	5.5	10.0	7.7	57.4	-	57.4						
Loans	-	-	-	-	-	-	-	-						
Grants	4.2	6.1	5.5	10.0	7.7	57.4	-	57.4						
<b>Other U.S. Government Loans and Grants</b>	3.3	0.3	-	-	-	1.4	2.3	0.9-						
<b>a. Export-Import Bank Loans</b>	3.3	0.3	-	-	-	1.4	2.3	0.9-						
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-						

\* LESS THAN \$50,000.

TOGO

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	3,430	2,731	-	699	-	-	-	-
Total	3,430	2,731	-	699	-	-	-	-
1984								
Loans	-	-	-	-	-	-	-	-
Grants	3,900	1,608	-	2,292	-	-	-	-
Total	3,900	1,608	-	2,292	-	-	-	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	3,000	1,000	-	2,000	-	-	-	-
Total	3,000	1,000	-	2,000	-	-	-	-

FY 1985 PROGRAM HIGHLIGHTS
<p>Program will emphasize:</p> <ul style="list-style-type: none"> <li>--consolidation of A.I.D.'s portfolio with accent on project implementation of programs in rural development, \$1.0 million; and provision of safe drinking water, \$2.0 million;</li> <li>--policy dialogue with emphasis on human resources development as related to management oversight and financial monitoring; and</li> <li>--continuation of food assistance to maternal/child health care programs and other needy groups through a \$2.8 million PL 480 Title II program.</li> </ul>

## TOGO

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	2,904	3,889	3,155
Total AID	2,904	3,889	3,155
P.L. 480**			
Title I (of which Title III is)	( - )	( - )	( - )
Title II	1,904	2,973	2,803
Total P.L. 480	1,904	2,973	2,803
Total AID and P.L. 480	3,808	6,862	5,958

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	5	4	4
PASA <sup>c</sup>	1	1	1
Contract	5	6	6
Total	11	11	11
Participants <sup>d</sup>			
Noncontract	15	17	20
Contract	-	-	-
Total	15	17	20

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(IN 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		1,249		2,003		2,149
World Food Programs		655		970		654
Gov't-to-Gov't		-		-		-
Title II Total		1,904		2,973		2,803
Total P.L. 480		1,904		2,973		2,803

Development Overview

The Togolese economy is characterized by a heavy dependence on three major exports - cocoa, coffee and phosphates - as well as by a traditionally active trading sector. The majority of the Togolese population, however, engages in subsistence agriculture. While the Togolese GDP has grown steadily in nominal terms over the past decade, in real terms it fell an average of approximately 4% a year from 1980 to 1982. Its decline in dollar terms has been even more striking due to the increasing value of the dollar against the CFA franc. In December 1982 the U.N. General Assembly recognized Togo as being among the world's least developed countries.

Economic growth in Togo has been primarily in the industrial and commercial sector with agricultural production accounting for only a fourth of its GNP. Togo's small size (21,850 sq. miles) and population (2.7 million), however, imply limited prospects for industrial development since it is based on local consumption. Except for phosphates, which are characterized by a widely fluctuating world market price, the country's export possibilities are also limited.

Togo is beset with a number of the general development problems prevalent throughout West Africa: serious incidence of endemic diseases; low level of literacy and technology which limit development capacity; high urban unemployment stemming from a rate of rural-to-urban migration greater than the capacity of the urban economy to absorb; and difficulties in national integration owing to ethnic diversity and inadequate transport and communication infrastructure.

Development over the last decade has been characterized by the creation of several enclave-type heavy industrial enterprises in mining and manufacturing: phosphates, petroleum refining, steel based on scrap, electric power generation, and cement production. Phosphate mining is of particular importance for Togo, accounting for over 40% of total exports in 1981, but the boom and bust character of the world market for phosphates has had a marked effect on the economy. Togo's limited heavy industry is supplemented by about 40 medium-size modern manufacturing plants and an active small-scale artisan enterprise sector.

Agriculture is a mainstay of the Togolese economy, employing 80% of the labor force. Agricultural production is well diversified with a wide variety of subsistence food crops and some exportable cash crops, i.e. coffee, cocoa, beans. Togo's agriculture tended to stagnate during the past decade due chiefly to bad weather.

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But low producer prices, a lack of small farmer incentives, and some counter-productive agricultural policies have also contributed to the lack-luster performance. The Government of Togo (GOT) has, however, renewed its commitment to agricultural self-sufficiency; and, given normal climatic conditions, Togo should be virtually self-sufficient in foodstuffs. The agricultural sector consistently accounts for one fourth of the total GDP. Production of most food crops has increased over the past three years, but corn and peanuts did not do well in 1982, largely due to disappointing rains. The 1981-82 season for cash crops also showed mixed results with decreases in production of cocoa and cotton and a moderate increase in coffee. These declines are due mostly to drought conditions which continued into the 1982-83 season.

Internationally financed development programs for cocoa, coffee and cotton as well as for the introduction of animal traction and the construction of feeder roads and small irrigation systems should help Togo over the long run to increase its agricultural production and exports. The GOT plans to designate large sections of land in each of Togo's regions for use by foreign investors interested in large-scale agricultural projects which also will contribute significantly to this effort.

### U.S. Interest and Objectives

United States interests in Togo are primarily humanitarian and developmental. As a relatively poor country, Togo has a clear need for concessionary economic assistance. With a western oriented, moderate, and cooperative government, Togo represents an attractive partner with the United States in a development assistance relationship. Selected as the seat of the Economic Community of West African States, Togo's strong partnership role with its African neighbors has already been established. The A.I.D. program addresses U.S. Government foreign policy objectives in recognizing past and present demonstration of Togo's friendship to the United States, including support it has given the U.S. in international fora.

### A.I.D. Development Strategy

A.I.D.'s development strategy is to foster the well-being of the Togolese rural population by addressing critical deterrents to social and economic development, i.e., inadequate income on the part of rural inhabitants due to the lack of appropriate technical means and the ill health of a large percentage of the population. This strategy therefore addresses itself to the interrelated problems of agricultural production/marketing and rural public health.

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A.I.D. activities in agriculture continue to emphasize increased agricultural production through the introduction of appropriate technology, applied research, extension services, and various training media. The A.I.D. health program supports Togolese priorities for providing safe water to rural areas as well as extending primary health care and sanitation programs.

To maximize the impact of the modest A.I.D. program budget for Togo, close collaboration with other donors and U.S. intermediary agencies is stressed throughout the program. Funding levels over the planning period will continue ongoing activities in rural development (agriculture and health) and, in large part, will support those activities having substantial Peace Corps and/or U.S. Private Voluntary Organization (PVO) involvement.

### A.I.D. Program (FY's 1983-1984)

The A.I.D. program in Togo continues to emphasize training and transfer of appropriate technology in the agriculture and health sectors. It makes effective use of Peace Corps and PVO resources where appropriate.

#### Current Status:

A. Agriculture, Rural Development and Nutrition: The Togo Animal Traction project (693-0218) was started in late FY 1983 with the obligation of \$2,431,000 of the total LOP of \$3,130,000. The project will assist the GOT establish a nation wide coordinating unit, Project for the Promotion of Animal Traction (PROTA), under the Ministry of Rural Development. PROTA will coordinate and integrate the diverse activities of donors and promote the training, sale and use of draft animals for agricultural production throughout Togo.

The Opportunities Industrialization Center International (OICI) project continues to provide non-formal agricultural training to northern Togo area farmers. OICI conducts residential agricultural training programs in close cooperation with the Ministry of Rural Development. Under the current phase of the project, it emphasizes the training of trainers with the aim of strengthening the Ministry's training/extension apparatus. The training simulates actual small farm conditions and focuses on the needs of the small producer. This project is continuing under funding provided through a general Cooperative Agreement with OICI.

The World Council of Credit Unions (WOCCU) has conducted a strong program of advisory assistance to the Togolese National Federation of Credit Unions under the Togo Credit Union (PVO) project (693-0220). The National Federation, with WOCCU's advice

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and encouragement, has expanded services to member credit unions and has been responsible for a significant growth in the overall number of new credit unions in Togo. With the initial grant terminating in September 1983, another grant was approved in FY 83 following a program evaluation. It will continue WOCCU's advisory assistance and support to the growth of the credit union movement in Togo. AID provided an initial \$300,000 in FY 83 for this five year project, Credit Union Development (693-0204), which has been authorized for a total of \$2,150,000.

B. Health: Implementation of the Rural Water Supply and Sanitation project (693-0210) continues to make substantial headway. More than 400 positive wells have been drilled. Health and sanitation related training courses to install village health committees have been completed as planned in 350 project villages. A mid-term evaluation confirmed satisfactory implementation of the project, including recommendations to continue well drilling operations as far as the authorized budget permits. In FY 1983, the final tranche of funding (\$699,000) was provided to complete the project.

Under the Togo Family Health project (693-0212), A.I.D has completed construction of a new building in Lome which provides classrooms, offices and a small auditorium as an annex to the World Health Organization's Regional Training Center. Dedication of the facility took place in October 1983. A number of training courses for maternal/child health workers have been conducted at the new center, and A.I.D will continue to provide planned assistance with curriculum development and training until the project is completed in FY 1985. No further funding will be required.

C. PL 480: During the year Title II resources totalling approximately \$1,249,000 were administered by Catholic Relief Services for its maternal/child health program which is being integrated with related activities in the Rural Water and Sanitation project. World Food Program project activities were supported with donations of \$655,000.

FY 1984 Program:

The Development Assistance level of \$3,900,000 for FY 1984 will be used to fund the continuation of projects already in the A.I.D. portfolio. FY-84 will be essentially a year of consolidation and implementation.

A. Agriculture, Rural Development and Nutrition: Of the \$1,608,000 budgeted: \$699,000 is to provide funding for the continuation of the Togo Animal Traction project; \$409,000 is for the continuation of activities of the Togo Credit Union project

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(693-0224); and \$500,000 is to fund the Sio River Village Production/Marketing project (693-0226) which will begin in FY-84. Under this project technical assistance will be provided in the areas of management and marketing and technological packages will be developed for adaptation within the region. It will be implemented through a grant to a U.S. Private Voluntary Organization, Partners for Productivity (PFP), which is already working in the area. This project will establish mechanisms to provide needed credit to small-scale agricultural producers and other small business people wanting to increase productivity in the Sio River area.

B. Health: \$2,292,000 is budgeted to expand the village based programs which provide safe water and related health and sanitation training begun under the Rural Water Supply and Sanitation project (693-0210). Because of the substantial progress made in providing safe drinking water coupled with improved health status in the target population, an expansion of the original project is planned. In addition to more wells in rural villages with related health training, small community projects will be encouraged to further promote development and well being in rural Togo.

C. PL 480: Title II food commodities valued at \$2,003,000 will be supplied to the Catholic Relief Services to continue its programs of maternal/child health, school feeding, and hygiene education. World Food Program project activities will also be supported with donations of \$970,000.

Requested Year Program (FY 1985)

A. The \$1,000,000 requested for FY 1985 in Agriculture, Rural Development and Nutrition is for two activities: \$500,000 for the continuation of the Credit Union Development Project and \$500,000 for the second year of funding for the Sio River Village Production/Marketing project.

B. The \$2,000,000 requested under Health is to continue the successful village based programs which provide safe water and related health and sanitation training started under the Rural Water Supply and Sanitation project (693-0210).

C. The PL-480 Title II program will supply food commodities to the Catholic Relief Services valued at \$2,149,000 million to continue on-going maternal/child health, hygiene education, and school feeding programs. Also, food donations in the amount of \$654,000 will be provided to the World Food Program in support of their project activities in Togo.

A.I.D. Representative: Myron Golden

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: TOGO

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
OICI- DAVIE COMMUNITY FARM PHASE I (PVO)	G 693-0217	81	81	1,000	1,000	1,300	706	---	294	---	---
TOGO ANIMAL TRACTION (PC)	G 693-0218	83	84	3,130	3,130	2,431	1	699	1,250	---	1,180
CREDIT UNION DEVELOPMENT (PVO)	G 693-0224	83	87	2,150	2,150	300	---	409	275	500	275
PFP SIO RIVER VILLAGE PROD/MARKETING-PVO	G 693-0226	84	87	---	2,000	---	---	500	200	500	200
TOTAL FOR ACCOUNT GRANTS				6,290	8,280	3,731	707	1,608	2,019	1,000	1,655
LOANS				6,280	8,280	3,731	707	1,608	2,019	1,000	1,655
				---	---	---	---	---	---	---	---
HEALTH											
RURAL WATER SUPPLIES/ENVR SANITATION	G 693-0210	80	86	7,839	12,131	7,839	4,110	2,292	1,500	2,000	1,500
TOGO FAMILY HEALTH CENTER	G 693-0212	77	78	1,078	1,078	1,078	783	---	295	---	---
TOTAL FOR ACCOUNT GRANTS				8,917	13,209	8,917	4,893	2,292	1,795	2,000	1,500
LOANS				8,917	13,209	8,917	4,893	2,292	1,795	2,000	1,500
				---	---	---	---	---	---	---	---
SELECTED DEVELOPMENT ACTIVITIES											
LOW INCOME SHELTER	G 693-0213	78	81	910	910	910	835	---	75	---	---
TOTAL FOR ACCOUNT GRANTS				910	910	910	335	---	75	---	---
LOANS				910	910	910	835	---	75	---	---
				---	---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				16,107	22,399	13,558	6,435	3,900	3,889	3,000	3,155
LOANS				16,107	22,399	13,558	6,435	3,900	3,889	3,000	3,155
				---	---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

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AFRICA

CENTRAL AFRICA PROGRAMS

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FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (695) BURUNDI

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 4,561  
 PER CAPITA GNP..... (DOLLARS,1981) 230  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 1.6%  
 ANNUAL RATE OF INFLATION (1970-81) 11.6%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 42.7 MALE 41.1 FEMALE 44.3  
     (1970) TOTAL 39.7 MALE 38.1 FEMALE 41.3  
 ADULT LITERACY RATE (1980) TOTAL 27% MALE 39% FEMALE 15%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
     (1973-1982) 0.5%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 51%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 605  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: BANANAS ,CASSAVA ,SWEET POTATOES 73% (1982)  
     CASH: COFFEE ,COTTON ,TEA 4% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COFFEE ,TEA ,COTTON  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT ,RAW SUGAR ,DAIRY PRODS.  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 84%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     (1975) 73 (76) 98 (77) 109  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     (1975) 87 (76) 101 (77) 118  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     (1975) -14 (76) -3 (77) -9  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. (1975) 13.9% (76) 10.9% (77) 11.2%  
     AS % OF GNP..... (1975) 3.0% (76) 2.5% (77) 2.5%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
     (\$MILLIONS, U.S.) (1979) 99 (80) 104 (81) 68  
 EQUIVALENT TO . MONTHS OF IMPORTS ( .)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) COFFEE ,TEA ,COTTON  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1980) 27 (1981) 31 (1982) 40  
     AS % OF TOTAL EXPORTS ( .) .% ( .) .% ( .) .%  
 MAJOR IMPORTS....(1980) TEXTILES ,FOODSTUFFS ,TRANSPORT EQPT  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 10 (1981) 8 (1982) 9  
     AS % OF TOTAL IMPORTS ( .) .% ( .) .% ( .) .%  
 TRADE BALANCE(\$ MILLIONS, U.S.)( .) .( .) .( .) .  
 TRADING PARTNERS: , ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 42.7%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1981) 5  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... ( .) . %

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.2% (1978) 2.5% (1983) 2.8%  
 POPULATION IN URBAN AREAS.....(1970) 2% (1982) 2%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 44 (1983) 46  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 43.9% (15-64YRS) 53.0% (65+ YRS) 3.1%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 117  
 PEOPLE PER PHYSICIAN..... (1980) 45,020  
 MAJOR CAUSES OF  
 DISEASE (1977) ACUTE RESP. INFE ,PARASITIC DISEAS ,INFECTIOUS DIS.  
 DEATH.. (1977) PERINATAL DIS. ,PARASITIC DISEAS ,INFECTIOUS DIS.  
 PER CAPITA LALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 99%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY( .) .%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1979) TOTAL 23.0% MALE 28.0% FEMALE 18.0%  
 SECONDARY..... (1979) TOTAL 2.0% MALE 3.0% FEMALE 2.0%  
 POST SECONDARY.. (1975) TOTAL 0.2% MALE 0.4% FEMALE 0.1%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 3.9%

**U.S. OVERSEAS LOANS AND GRANTS – OBLIGATIONS AND LOAN AUTHORIZATIONS**  
(U.S. Fiscal Years – Millions of Dollars)

**ECONOMIC PROGRAMS OF ALL DONORS**  
(Millions of Dollars)

**COUNTRY BURUNDI**

PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY-MENTS AND INTEREST 1946-82	TOTAL LESS REPAY-MENTS AND INTEREST 1946-82
	1978	1979	1980	1981	1982			
<b>I. ECONOMIC ASSISTANCE – TOTAL</b>	2.2	2.3	6.5	6.1	7.2	38.0	-	38.0
Loans	-	-	-	-	-	-	-	-
Grants	2.2	2.3	6.5	6.1	7.2	38.0	-	38.0
<b>a. A.I.D. and Predecessor Agencies</b>	0.1	0.1	4.4	3.3	5.0	14.3	-	14.3
Loans	-	-	-	-	-	-	-	-
Grants	0.1	0.1	4.4	3.3	5.0	14.3	-	14.3
(Economic Support Fund)	-	-	-	-	-	-	-	-
<b>b. Food for Peace (PL 480)</b>	2.1	2.2	2.1	2.8	2.2	23.7	-	23.7
Loans	-	-	-	-	-	-	-	-
Grants	2.1	2.2	2.1	2.8	2.2	23.7	-	23.7
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-
Title II - Total Grants	2.1	2.2	2.1	2.8	2.2	23.7	-	23.7
Emerg. Relief, Econ. Develop. & World Food Program	0.8	0.3	1.0	1.0	0.8	11.5	-	11.5
Voluntary Relief Agencies	1.3	1.4	1.1	1.8	1.4	12.2	-	12.2
<b>c. Other Economic Assistance</b>	-	-	-	-	-	*	-	*
Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Peace Corps	-	-	-	-	-	-	*	*
Narcotics	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>II. MILITARY ASSISTANCE – TOTAL</b>	-	-	-	-	*	*	-	*
Credits or Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	*	*	-	*
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	*	*	-	*
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	2.2	2.3	6.5	6.1	7.2	38.0	-	38.0
Loans	-	-	-	-	-	-	-	-
Grants	2.2	2.3	6.5	6.1	7.2	38.0	-	38.0
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	-	-	-
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	-	-	-
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-

\* LESS THAN \$50,000.

**A. ASSISTANCE FROM INTERNATIONAL AGENCIES – COMMITMENTS**

	FY 1981	FY 1982	FY 1983	FY 1946-83
TOTAL.....	75.6	47.4	15.8	360.9
IBRD	0.0	0.0	0.0	4.8
IFC	5.6	0.0	0.0	5.6
IDA	55.0	21.2	15.8	174.5
IDB	0.0	0.0	0.0	0.0
ADB	0.0	0.0	0.0	0.0
AFDB	14.5	10.7	0.0	63.5
UNDP	0.5	12.5	0.0	42.9
OTHER-UN	0.0	2.9	0.0	9.3
EEC	0.0	0.0	0.0	60.3

**B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE**

**1. D.A.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-82
United States	7.0	8.0	24.0
Belgium	22.7	20.6	117.1
France	17.3	25.9	70.8
Germany Fed. Rep.	18.2	14.3	55.5
Japan	2.7	1.6	6.5
Other	3.5	3.8	14.9
Total	71.4	74.2	288.8

**2. O.P.E.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-81
	2.1	N.A.	9.6

**C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES**

	CY 1981	CY 1982	CY 1954-82
USSR	-	-	-
Eastern Europe	Negl.	-	Negl.
China	-	-	60
Total	-	-	60

## BURUNDI

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
Loans	-	-	-	-	-	-	-	-
Grants	5,527	3,997	-	330	-	1,200	-	-
Total								
Loans	-	-	-	-	-	-	-	-
Grants	3,661	3,161	-	-	-	500	-	-
Total								
Loans	-	-	-	-	-	-	-	-
Grants	4,300	1,550	500	500	-	1,750	-	-
Total								

FY 1985  
PROGRAM HIGHLIGHTS

- Continuation of programs to increase food production through improved seed varieties, improved production techniques and agriculture research and provision of access to agricultural markets (\$1,550,000).
- Continued assistance to the government peat production and marketing enterprise to facilitate its move to the private sector (\$1,750,000).
- Initiate a bilateral health/family planning program (\$1,000,000).

BURUNDI

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	2,576	7,701	6,062
Total AID	2,576	7,701	6,062
P.L. 480**			
Title I (of which Title III is)	( - )	( - )	( - )
Title II	1,643	2,413	2,067
Total P.L. 480	1,643	2,413	2,067
Total AID and P.L. 480	4,219	10,114	8,129

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	6	7	7
PASA <sup>c</sup>	-	-	-
Contract	5	7	9
Total	11	14	16
Participants <sup>d</sup>			
Noncontract	19	37	27
Contract	-	-	-
Total	19	37	27

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L 480 Program Summary  
(In 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice						
Feedgrains						
Vegoil						
Non-food						
Title I Total (of which Title III is)		-		-		-
Title II		1,267		1,719		1,643
Voluntary Agencies						
World Food Programs		376		694		424
Gov't-to-Gov't						
Title II Total		1,643		2,413		2,067
Total P.L. 480		1,643		2,413		2,067

## BURUNDI

### Development Overview

Burundi is one of the Relatively Least Developed Countries and has the second highest population density in sub-Saharan Africa.

Population pressure on the land and current limitations on food production capability have caused pre-harvest food shortages, increased soil erosion, reduced soil fertility, and have helped to create the poor health conditions associated with underdevelopment. Burundi will face severe food and fuel shortages before the end of the century unless corrective actions are taken immediately.

More than 95% of the population in Burundi is rural, living on scattered homesteads. Despite efforts at diversification Burundi remains predominantly a subsistence economy dependent upon agricultural production for the major part of its gross domestic product, with exports consisting almost entirely of coffee. The agriculture sector employs 90% of the labor force and generates over 90% of exports.

The Government of the Republic of Burundi (GRB) places great emphasis on increasing food production through improved management techniques as there is relatively little land suitable for agriculture which lies unused. Despite GRB emphasis to stimulate agricultural production, success has been very limited. Outputs of cash crops in recent years have fluctuated below the level of 1970 outputs. The size of the harvest depends heavily on weather as very few modern agricultural inputs are available.

The rural fuel supply problem remains acute. Forests of all types cover only three percent of the land area. If trends continue unchecked, Burundi's tree cover will be reduced to less than 40% of present availabilities within five or six years. Then woodlands would not be able to play their vital role of protecting watersheds from erosion.

Burundi's population relies almost exclusively on wood fuel. The GRB has undertaken a substantial reforestation program in addition to urban hydroelectric supply programs, but little impact can be expected for several years. Therefore, the GRB has launched a high priority program to develop alternative energy sources, such as peat, to supplement forest resources to facilitate soil conservation.

Burundi's population increases at an annual rate estimated at 2.7%. The Government's population policy has shifted from "spaced births" to policies which include family planning along with other health services. The President of Burundi in a major policy speech in April

## BURUNDI

1982 expressed the hope that "an appropriate demographic policy would provide results which are urgently needed."

The GRB increasingly recognizes the magnitude of the problem as evidenced by the recent completion of a health/family planning research program with the University of Burundi and the Columbia University Medical School.

The principal health sector problems include communicable diseases due to lack of preventive care, nutritional deficiencies, poor environmental sanitation, and lack of access to clean water. Infectious and parasitic diseases, made more serious by malnutrition, are the primary causes of death. The Burundi Government has begun stressing preventive medicine, and started a pilot immunization program in June 1980. Government objectives include continued decentralization of health services and training of medical and paramedical personnel, especially in health education and immunization against childhood diseases.

Education and the availability of trained manpower remain key problems in Burundi's development. Less than 25% of the adult population is literate and enrollment in formal primary schools covers only about 30% the primary school age group. Although technical and nonformal education have grown rapidly, the absolute shortage of trained manpower hampers Burundi's ability to implement programs. Managerial and technical skills are also in short supply.

### U.S. Interests and Objectives

U.S. interests are to promote a stable, peaceful Burundi and to reduce the risk of long term human and ecological disaster. Unless development keeps pace with population growth, prospective food and fuel shortages may cause grave problems for Burundians, particularly the rural poor, within the next decade. Extending appropriate assistance to Burundi could reduce the threat to internal and external stability, which this problem poses, as well as promote development and humanitarian objectives.

### A.I.D. Assistance Strategy

A.I.D.'s primary goal in Burundi remains increasing the country's food production and improving economic viability. A.I.D.'s strategy is designed to assist the GRB to arrest human and ecological disaster in the medium and long term.

A.I.D.'s objectives are to assist the GRB to (1) increase food production and availability, particularly in densely populated rural

## BURUNDI

areas; (2) reduce the rate of loss of arable land to soil erosion and increase the availability of alternative energy sources to the rural and urban poor; and, (3) improve the delivery of health and family planning services.

The primary beneficiaries of A.I.D. assistance will be the rural poor along the Zaire/Nile divide and in the Central Plateau regions. By 1988, approximately 500,000 people will benefit directly from one or more A.I.D.-financed projects. In addition, about 60% of the population in the capital, Bujumbura, or roughly 125,000 people, will also benefit from alternative energy projects well before the end of the decade.

The U.S. Government is a relatively minor donor and A.I.D. assistance will continue to be tailored in each sector to complement other donor activities.

For example, in the agriculture sector, A.I.D. projects directed at improving farm to market roads through labor-intensive construction methods are utilizing engineering technical assistance from the World Bank. The first road project is nearing completion with over 40 kilometers out of 60 being complete. A major seed multiplication effort is also underway on a 400 hectare farm established by A.I.D. Most of the infrastructure has been constructed, including housing for project personnel and work sheds, and seed harvesting begun. A new project concentrates on applied agricultural research, particularly on farming systems. A.I.D.'s ultimate objective in food production is implementation of food crop programs to improve both food availability and nutritional quality. Before such programs can be implemented successfully, key components and services must be in place, including relevant results from applied agricultural research, reliable supplies of seeds and other agricultural inputs, trained extension staff, farm to market roads and improved food storage and marketing capabilities.

A.I.D. has also begun a forestry project to protect one of the two remaining natural forests in Burundi. Thousands of cuttings have been put out to regenerate and expand the forest and help meet fuelwood needs. Soil conservation, afforestation and energy use are closely related development problems. Burundi's steep slopes and dense population have exacerbated soil erosion and deforestation has accelerated the process. A.I.D.'s projects also include tapping Burundi's peat resources as an alternative fuel.

Rural health and family planning are closely linked in Burundi, given the sociological importance of the family and the consequences of high infant mortality rates. With continued support first through regional and then through bilateral projects, A.I.D. will be able to assist

## BURUNDI

development efforts to meet needs in such areas as family health, family planning, safe water, immunization and sanitation education.

In the area of private sector development, Burundi has only recently begun to emerge from the post-colonial situation of virtually complete dominance of small private enterprises by expatriates. A.I.D. is assisting the GRB to divest its peat production parastatal.

### A.I.D. Program (FYs 1983-1984)

A. In the agriculture sector, the Basic Food Crops project (695-0101), begun in April 1980, received the final increment of funds in FY 1983. This project, which is helping the Burundi Government make available to subsistence farmers improved varieties of seed and plant materials and improved production techniques for basic food crops, produced 35 tons of corn seed and 45 tons of wheat seed. While this output is lower than the level projected in the project, it was the amount required by the European Development Fund (EDF) which is providing the extension component of the project. In FY 1984 a major evaluation of this activity is planned to assess the project objectives and planned outputs. In August 1983 the Small Farming Systems Research Project Agreement (695-0106) was signed. This project will help the GRB develop an institutional capacity for applied agricultural research in biological and socio-economic fields at the level of the individual smallholder farm. It will also develop a link to bridge the gap between GRB agricultural research and extension activities. The team is expected to be in place by the end of FY 1984.

Through the Bururi Forest project (695-0105), begun in FY 1982 with emphasis on agroforestry, a tree nursery has been established and four hundred hectares of trees are being planned for FY 1984.

The Rural Road (R.P. 84) project (695-0108), signed in FY 1980, is providing access to agricultural markets and to health education services for about 65,000 people living along a mountainous 60 kilometer long road. In FY 1983 almost all earthwork was completed up to Km. 48. The project will be completed in FY 1984. Based on the success of R.P. 84, a follow-on project, Rural Roads II (695-0112), was initiated in FY 1983. This project will help the GRB to begin steps to institutionalize a system for labor intensive rural roads projects within the Public Works Department, conduct studies for six additional labor intensive roads, and reconstruct a branch from kilometer 50 on R.P. 84 down to the major market town of Rumonge, on Lake Tanganyika. In FY 1984 it is anticipated that the six studies will be completed.

## BURUNDI

B. In the energy sector, the Peat II project (695-0103), begun in 1980, continued to promote peat as an urban household and light industry fuel in FY 1983. Ten thousand tons of peat were sold in 1982 and more than 13,000 tons of peat were produced in 1983. The U.S. and Irish contract teams continued to provide technical assistance to the GRB to build a capacity in production and marketing of peat. The major peat production problems that have slowed implementation were solved during FY 1983. In FY 1984 and beyond, the project will concentrate on the marketing aspect of peat production and support the move to private sector operation.

C. The major activity to be initiated in FY 1983 in the health/population sector was the signing of the agreement for the Community Water and Sanitation program (695-0109), a multi-donor program for the capping of 1,250 springs as part of the UNICEF/GRB safe water program. Another major project in FY 1983 was the completion of a proposal with the Medical School of Columbia University for a family health/family planning research project, a regionally funded activity with the University of Burundi. The implementation of this activity is expected to begin in FY 1984 as well as the regionally funded UNICEF/WHO/GRB Combatting Childhood Communicable Diseases project, a major program of immunization to combat eight communicable diseases in children.

D. In the human resources development sector, training activities financed principally under regional projects - AMDP (African Manpower Development Program) and AFGRAD (African Graduate Fellowship Program) - continued as a means to facilitate project implementation in agriculture, administration and private sector development. In FY 1983 nineteen Burundians were trained in agriculture/rural development, energy, administration and economics. In FY 1984 six AFGRAD fellowships will be awarded to Burundi and approximately 37 Burundians, under regional and bilateral programs, will be trained in various areas of agriculture development, economics, energy, conservation and private sector development.

E. The PL 480 Program Title II in Burundi is administered by Catholic Relief Services (CRS) and the World Food Program. The CRS program, in operation since 1970, has made a significant improvement in the nutrition of vulnerable groups. CRS/Burundi is shifting its emphasis increasingly toward maternal and child health in order to reach the most vulnerable sections of the population with its nutrition education program. The food for work projects provide incentives to increase participation in small projects that will benefit the laborers' communities. CRS/Burundi provides food for work commodities to the laborers on the Rural Road project (695-0108) and evaluation findings indicate that PL 480 food was instrumental in motivating

## BURUNDI

laborers to work on this project. However, a 45% increase in the minimum wage and the development of a piecework/contract system within the project have reduced the necessity of food for work as an incentive. Therefore, it is being phased out of the R.P. 84 project.

### Request Year Program (FY 1985)

A. In FY 1985 A.I.D.'s major agricultural sector project, Small Farming Systems Research (695-0106), will be in full implementation and will receive an increment of \$0.550 million. The Basic Food Crops (695-0101), Bururi Forest (695-0105) and Rural Roads II (695-0112) projects will all be entering their final stages of operation. The final farm to market roads project, Rural Roads III (695-0114), will be initiated, with \$1.0 million. This activity is a continuation of A.I.D.'s program to open up potentially rich agriculture areas to develop programs with labor intensive road reconstruction.

B. In the health/population sector, it is anticipated that A.I.D.'s first bilateral effort in health/family planning, Family Health Promotion (695-0116), will be initiated at \$1.0 million. This bilateral effort will be the follow-on to the regional and centrally funded activities initiated in FY 1984.

In private sector/energy development, A.I.D. will continue to provide assistance to GRB peat production and marketing through the Alternative Energy: Peat II project (695-0103) by adding \$750 thousand. A new initiative, the Private Sector/Institutional Development project (695-0115), will require \$1 million in FY 1985, to help ONATOUR, the GRB peat production and marketing enterprise, (1) to improve its institutional capability so that it can effectively develop and expand its markets for indigenous alternative energy resources and (2) to facilitate its transfer to the private sector.

D. The PL 480 Title II program will continue to assist the GRB to meet its caloric and nutrition requirements for vulnerable groups of lactating mothers and children. A total of \$2.067 million is requested for FY 1985 Title II commodities.

Training activities will continue to be funded under the bilateral projects and the regional AMDP and AFGRAD.

A.I.D. Representative: George T. Bliss

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: BURUNDI

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG EXPENDI TURES	-ESTIMATED FY84- OBLIG EXPENDI TURES	-PROPOSED FY85- OBLIG EXPENDI TURES
AGRICULTURE, RURAL DEV. AND NUTRITION							
BASIC FOOD CROPS	G 695-0101	80	83	5,915	5,914	5,915	2,850 --- 1,870 --- 1,185
BURURI FOREST	G 695-0105	82	82	1,144	1,144	1,144	165 --- 450 --- 375
SMALL FARMING SYSTEMS RESEARCH	G 695-0106	83	85	7,800	7,800	2,279	--- 3,161 1,406 550 1,697
RURAL ROAD (ROUTE 34)	G 695-0108	80	83	1,346	1,346	1,346	819 --- 525 --- ---
RURAL ROADS II	G 695-0112	83	83	341	762	341	--- --- 350 --- 425
RURAL ROADS III	* G 695-0114	85	86	---	2,000	---	--- --- --- 1,000 ---
TOTAL FOR ACCOUNT GRANTS				17,046	18,986	11,525	3,834 3,161 4,601 1,550 3,682
LOANS				17,046	18,986	11,525	3,834 3,161 4,601 1,550 3,682
POPULATION PLANNING							
FAMILY HEALTH PROMOTION	* G 695-0116	85	87	---	2,200	---	--- --- --- --- 500 100
TOTAL FOR ACCOUNT GRANTS				---	2,200	---	--- --- --- --- 500 100
LOANS				---	2,200	---	--- --- --- --- 500 100
HEALTH							
COMMUNITY WATER AND SANITATION	G 695-0109	83	83	330	330	330	--- --- 100 --- 180
FAMILY HEALTH PROMOTION	* G 695-0116	85	87	---	2,500	---	--- --- --- --- 500 100
TOTAL FOR ACCOUNT GRANTS				330	2,830	330	--- --- 100 500 280
LOANS				330	2,830	330	--- --- 100 500 280
SELECTED DEVELOPMENT ACTIVITIES							
ALTERNATIVE ENERGY PEAT II	G 695-0103	80	86	8,000	8,800	6,306	2,298 500 3,000 750 2,000
PRIVATE SECTOR/INSTIT. DEV. (PVO)	* G 695-0115	85	86	---	4,500	---	--- --- --- --- 1,000 ---

\* Refers to the planned project summary sheet

C Level of effort ceiling

FY of final obligation column -- All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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01/19/84

PROGRAM: BURUNDI

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
TOTAL FOR ACCOUNT GRANTS				8,000	6,306	2,298	500	3,000	1,750	2,000
LOANS				8,000	6,306	2,298	500	3,000	1,750	2,000
				---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				25,376	18,161	6,132	3,661	7,701	4,300	6,062
LOANS				25,376	18,161	6,132	3,661	7,701	4,300	6,062
				---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: BURUNDI

PLANNED PROGRAM SUMMARY SHEET

Title Rural Roads III		Funding Source	AG, RD & N 1,000	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 695-0114		<input checked="" type="checkbox"/> NEW	ED. & HR	Sel. Act.	FY 1985 1,000	Life of Project Funding 2,000	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING		Population			Initial Obligation FY 1985	Estimated Final Obligation FY 1986	Estimated Completion Date of Project FY 1988

**Purpose:** To provide an unpaved all weather road allowing access to agricultural inputs and marketing services for a potentially rich but underdeveloped agricultural area. In addition, the project will consolidate within the Department of Roads the institutionalization of labor intensive road reconstruction techniques.

**Project Description:** The success of agricultural and rural development projects requires access of personnel, services and agricultural inputs to the project areas as well as the ability to move produce out. In most parts of Burundi it is estimated that only 5% of food crop production is marketed, with resulting regional surplus and deficits. This is partially due to the shortage of secondary and tertiary roads which prevent movement of produce to markets.

In 1980, A.I.D. began a pilot labor intensive rural road project, employing manual labor for all earthwork. The mid-term evaluation of the project in May 1982 revealed that, with the project less than half completed, there had already been a significant increase in road traffic and three market sites along the road had a much larger quantity and variety of goods available. In the 1981 season, the coffee crop had been taken out by pick-up truck (rather than by head) for the first time in several years. The project has an important training component which is developing construction skills in the private sector. A.I.D. obligated funds in FY 1983 for a Phase II road project in the same area. The project continues the institutionalization of the labor intensive rural road program within the Directorate General of Roads in the Ministry of Public Works.

Based on the positive experience with Rural Roads I and the expectation that the Department of Roads will continue to develop its own capabilities for carrying out labor intensive road reconstruction projects under Rural Roads II, the mission will continue with a Phase II project which will consolidate the institutionalization of these capabilities within the Department. A.I.D. plans to fund a third road reconstruction project and will work closely with the

Department as it coordinates its own and other donor inputs in carrying out other road projects. At the end of the project it is expected that the Department will be fully capable of designing, negotiating and implementing similar road reconstruction projects with no external assistance.

**Relationship of Project to A.I.D. Country Strategy:** A.I.D./Burundi's primary objective is to increase food availability to the rural poor. Within that overall objective, the mission is funding labor intensive farm to market road reconstruction projects to stimulate agricultural production by providing market access to underdeveloped, potentially rich farming areas.

**Host Country and Other Donors:** The GRB will provide administrative and support personnel as well as project counterparts, materials and equipment. IBRD will fund two expatriate technicians, one full time and one part time.

**Beneficiaries:** The primary beneficiaries will be the road workers and their families who will enjoy an increased income. Secondly, farmers in the area will benefit through the provision of all weather access to markets. Thirdly, the total population of the area will have improved access to markets, schools and health facilities.

BURUNDI

PROGRAM:

PLANNED PROGRAM SUMMARY SHEET

Title Family Health Promotion		Funding Source	AG, RD & N	Health 500	PROPOSED OBLIGATION <i>(In thousands of dollars)</i>		
Number 695-0116		<input checked="" type="checkbox"/> NEW	Population 500	ED. & HR	Sel. Act.	FY 1985 500 Health	Life of Project Funding 2,200 Pop/2,500 Health
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING						Initial Obligation 500 Pop	Estimated Final Obligation
						FY 1985	Estimated Completion Date of Project FY 1989

Purpose: To assist the Government of the Republic of Burundi in providing widespread education concerning reproduction and family health and in establishing an integrated family health program in a rural medical region by improving mother/child health services delivery and offering culturally acceptable child spacing services.

Project Description: This project continues and expands activities undertaken in FY 1984 under the centrally/regionally financed Childhood Communicable Diseases project. Under the proposed Family Health Promotion project, MCH/FP services will be extended gradually to a complete medical region on a sector by sector basis. (The MOH has divided Burundi into four administrative medical regions which are subdivided into 23 medical sectors, each centered around a rural hospital.) Health staff at the national, regional, sectorial and health center level will receive training in program planning and management, health service delivery, and education techniques. The Ministry of Health administrative support systems and commodity supply routes will be strengthened. To complement the service delivery aspect of the project, an information, education and communication program will be elaborated. The program will be directed at both health personnel and the general population. The messages conveyed will cover all aspects of family health including pre- and post-natal care, nutrition, sanitation, vaccination and child spacing.

Relationship of Project to A.I.D. Country Strategy: The Family Health Promotion project supports USAID/Burundi's strategy objective of improving the delivery of health and family planning to the rural poor.

Host Country and Other Donors: The Burundi Ministry of Health will provide salaries for personnel who will implement the service delivery aspects of this project which will be integrated into other health services. Facilities built and maintained by the Ministry of Health will be used as project sites. In addition to the Ministry of Health, the Ministries of Rural Development, Social Affairs and Interior will

provide personnel to participate in the information, education and communication program.

UNICEF will provide vaccines and equipment for the immunization component of the program as well as medical kits and training for health workers. WHO will finance medical/technical personnel and UNFPA will assist by educating middle level management in principles of population dynamics.

Beneficiaries: Primary beneficiaries will be women of child bearing age and children under the age of five in the geographic areas reached by the project. The capabilities of health workers will be enhanced through training and increased logistic support.

PROGRAM: BURUNDI

## PLANNED PROGRAM SUMMARY SHEET

Title Private Sector/Institutional Development (ONATOUR)		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 695-0115		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Set. Act. 1,000	FY 1985 1,000	Life of Project Funding 4,500
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING						Initial Obligation FY 1985	Estimated Final Obligation FY 1986
							Estimated Completion Date of Project FY 1988

**Purpose:** To develop the institutional capability of ONATOUR, the Government of the Republic of Burundi's (GRB) peat production and marketing enterprise, to enable it to effectively develop and expand its markets for an indigenous alternative energy resource and to facilitate its transfer to the private sector.

**Project Description:** A major constraint to economic development in Burundi is the high cost of imported fuel which is the GRB's largest foreign exchange expenditure. This problem is aggravated by the vulnerability of Burundi's link with the port of Mombasa, Kenya. Economic and political instability in Kenya and Uganda have often caused serious delays in the arrival of oil products and natural gas. As a result, the GRB has been investigating opportunities to curtail the use of imported fuel in the commercial sector. In addition, the risk of the permanent devastation of the national forest has spurred the GRB to develop an energy alternative for its wood users.

In 1977 the GRB created and capitalized the National Office for Peat (ONATOUR), a parastatal with control over all phases of peat production and marketing. In 1978, A.I.D. and the GRB signed a Grant Agreement to assist ONATOUR to develop Burundi's peat reserves for non-industrial thermal energy requirements. Following the successful completion of this project, A.I.D. and the GRB initiated Peat II to increase the availability and acceptability of peat as an alternative energy source, to strengthen the institutional capability of ONATOUR to carry out operations on an efficient basis, and to expand production.

Peat II has demonstrated that peat can be harvested in quantities sufficient to meet the thermal energy needs of the domestic market and can have a considerable impact on reducing the demand for imported fuel oil in industry. The next step in the process is to develop ONATOUR into a financially viable institution capable of effectively marketing peat in Burundi.

An initial evaluation of ONATOUR in May 1983 indicated that ONATOUR would require considerable management development. Therefore, A.I.D. is proposing a major follow-on project which will emphasize technical assistance to upgrade ONATOUR's capacity to operate as a profitable enterprise. Management development, production control, marketing and financial management will be the major foci. Technical advisory services will also be provided to develop a strategy for the privatization of ONATOUR.

**Relationship of Project to A.I.D. Country Strategy:** A major A.I.D./Burundi objective, is to increase the availability of energy to rural and urban poor while reducing the degradation of soils and the environment. By developing the efficient exploitation of an abundant, indigenous energy source, this project contributes to that goal.

**Host Country and Other Donors:** The Peat Board of the Government of Ireland has provided technical assistance during the first two phases of ONATOUR's development. Short term advisory assistance may continue under this final phase of the project. The GRB is expected to provide some financial support.

**Beneficiaries:** The immediate beneficiary will be ONATOUR's management with the ultimate beneficiaries being the commercial businesses and large numbers of domestic households using peat.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (631) CAMEROON

**\*BASIC DATA\***

TOTAL POPULATION.. (THOUSANDS,MID 1983) 9,251  
 PER CAPITA GNP..... (DOLLARS,1981) 880  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 3.6%  
 ANNUAL RATE OF INFLATION (1970-81) 10.6%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( ) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 47.9 MALE 46.4 FEMALE 49.6  
     (1970) TOTAL 42.2 MALE 40.6 FEMALE 43.8  
 ADULT LITERACY RATE (1976) TOTAL 40% MALE 55% FEMALE 24%

**\*AGRICULTURE\***

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) -0.7%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 27%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 140  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: ROOTS & TUBERS ,CORN ,PLANTAINS 28% (1982)  
     CASH: COFFEE ,COCOA BEANS ,COTTON 18% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COFFEE ,COCOA BEANS ,COTTON  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT ,RICE ,DAIRY PRODS.  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1981) 70%

**\*CENTRAL GOVERNMENT FINANCES\***

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     (1978) 794 (79) 1,046 (80) 1,094  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     (1978) 776 (79) 897 (80) 1,059  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     (1978) 18 (79) 149 (80) 34  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. (1978) 8.5% (79) 9.1% (80) 9.1%  
     AS % OF GNP..... (1978) 1.6% (79) 1.6% (80) 1.5%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) (1979) 141 (80) 207 (81) 97  
 EQUIVALENT TO 1.3 MONTHS OF IMPORTS (1979)

**\*FOREIGN TRADE\***

MAJOR EXPORTS... (1981) COCOA ,COFFEE ,CRUDE OIL  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1980) 399 (1981) 425 (1982) 681  
     AS % OF TOTAL EXPORTS (1977) 4% (1978) 4% (1979) 17%  
 MAJOR IMPORTS....(1981) ELECTRIC EQUIPT ,MACHINERY ,TRANSPORT EQPT  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 61 (1981) 91 (1982) 101  
     AS % OF TOTAL IMPORTS (1977) 8% (1978) 6% (1979) 6%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1977) 90(78) 147(79) 83  
 TRADING PARTNERS: FRANCE ,NETHERLANDS ,UNITED STATES  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 41.9%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1981) 200  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1979) 9.8%

**\*SOCIAL DATA\***

POPULATION GROWTH RATE...(1970) 2.1% (1978) 2.6% (1983) 2.7%  
 POPULATION IN URBAN AREAS.....(1970) 20% (1982) 37%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 42 (1983) 45  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 41.3% (15-64YRS) 54.2% (65+ YRS) 4.4%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 134  
 PEOPLE PER PHYSICIAN..... (1977) 16,503  
 MAJOR CAUSES OF DISEASE (1974) FLU & PNEUMONIA ,MALARIA ,MEASLES  
 DEATH.. (1976) ACUTE RESP. INFE ,DYSENTERY ,DEFICIENT DIET  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 106%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1976) 26%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
     PRIMARY..... (1978) TOTAL 103% MALE 113% FEMALE 93.0%  
     SECONDARY..... (1978) TOTAL 17.0% MALE 22.0% FEMALE 12.0%  
     POST SECONDARY.. (1977) TOTAL 1.1% MALE 1.8% FEMALE 0.3%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 79%

**U.S. OVERSEAS LOANS AND GRANTS — OBLIGATIONS AND LOAN AUTHORIZATIONS**  
(U.S. Fiscal Years — Millions of Dollars)

**ECONOMIC PROGRAMS OF ALL DONORS**  
(Millions of Dollars)

COUNTRY CAMEROON

PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82
	1978	1979	1980	1981	1982			
	<b>I. ECONOMIC ASSISTANCE — TOTAL</b>	15.1	11.4	9.4	12.6			
Loans	7.5	-	-	-	9.1	42.3	9.3	33.0
Grants	7.6	11.4	9.4	12.6	10.1	83.6	-	83.5
<b>a. A.I.D. and Predecessor Agencies</b>	12.1	7.7	6.3	7.8	15.3	90.4	9.3	31.1
Loans	7.5	-	-	-	9.1	42.3	9.3	33.0
Grants	4.6	7.7	6.3	7.8	6.2	48.1	-	48.1
(Economic Support Fund)	-	-	-	-	-	3.0	-	-
<b>b. Food for Peace (PL 480)</b>	1.4	1.5	0.9	2.4	1.5	13.1	-	13.1
Loans	-	-	-	-	-	-	-	-
Grants	1.4	1.5	0.9	2.4	1.5	13.1	-	13.1
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-
Title II - Total Grants	1.4	1.5	0.9	2.4	1.5	13.1	-	13.1
Emerg. Relief, Econ. Develop. & World Food Program	0.9	1.1	0.1	1.5	0.9	7.8	-	7.8
Voluntary Relief Agencies	0.5	0.4	0.8	0.9	0.6	5.3	-	5.3
<b>c. Other Economic Assistance</b>	1.6	2.2	2.2	2.4	2.4	22.4	-	22.4
Loans	-	-	-	-	-	-	-	-
Grants	1.6	2.2	2.2	2.4	2.4	22.4	-	22.4
Peace Corps	1.6	2.2	2.2	2.4	2.4	22.4	-	22.4
Narcotics	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>II. MILITARY ASSISTANCE — TOTAL</b>	5.0	2.0	1.0	4.5	1.5	14.3	5.4	8.9
Credits or Loans	5.0	2.0	1.0	4.4	1.5	13.9	5.4	8.5
Grants	-	-	*	0.1	*	0.4	-	0.4
<b>a. MAP Grants</b>	-	-	-	-	-	0.2	-	0.2
<b>b. Credit Financing - FMS</b>	5.0	2.0	1.0	4.4	1.5	13.9	5.4	8.5
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	*	0.1	*	0.2	-	0.2
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	*
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	20.1	13.4	10.4	17.1	20.7	140.2	14.7	125.5
Loans	12.5	2.0	1.0	4.4	10.6	56.2	14.7	41.5
Grants	7.6	11.4	9.4	12.7	10.1	84.0	-	84.0
<b>Other U.S. Government Loans and Grants</b>	-	62.7	6.9	-	63.0	152.9	39.4	113.5
<b>a. Export-Import Bank Loans</b>	-	62.7	6.9	-	63.0	152.9	39.4	113.5
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-

\* LESS THAN \$50,000.

**A. ASSISTANCE FROM INTERNATIONAL AGENCIES — COMMITMENTS**

	FY 1981	FY 1982	FY 1983	FY 1946-83
<b>TOTAL</b>	69.8	173.4	54.5	1101.1
IBRD	40.0	145.3	42.5	538.0
IFC	3.3	1.5	1.3	15.7
IDA	22.5	0.0	0.0	229.2
IDB	0.0	0.0	0.0	0.0
AJB	0.0	0.0	0.0	0.0
AFDB	0.0	15.9	0.0	33.9
UNDP	2.0	0.7	0.0	42.9
OTHER-UN	2.0	0.0	0.0	7.3
EEC	0.0	10.0	10.7	234.1

**B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE**

**1. D.A.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-82
United States	13.0	12.0	51.0
France	80.4	98.8	411.6
Germany Fed. Rep.	17.4	12.3	171.2
Canada	16.5	6.1	67.3
United Kingdom	7.0	5.5	28.8
Other	9.7	28.3	76.2
<b>Total</b>	144.0	163.0	806.1

**2. O.P.E.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-81
	1.3	N.A.	40.7

**C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES**

	CY 1981	CY 1982	CY 1954-82
USSR	-	-	10
Eastern Europe	-	-	-
China	-	-	105
<b>Total</b>	-	-	115

## CAMEROON

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	12,961	12,961	-	-	-	-	-	-
Grants	5,981	5,981	-	-	-	-	-	-
Total	18,942	18,942	-	-	-	-	-	-
1984								
Loans	11,290	9,890	-	-	1,400	-	-	-
Grants	10,910	9,065	-	-	1,845	-	-	-
Total	22,200 <sup>a/</sup>	18,955	-	-	3,245	-	-	-
1985								
Loans	6,900	-	-	-	6,900	-	-	-
Grants	13,500	9,900	-	-	3,600	-	-	-
Total	20,400	9,900	-	-	10,500	-	-	-

<sup>a/</sup> The above total for FY 1984 excludes \$199.4 which has already been notified for deobligation and has not yet been identified for reobligation by project.

FY 1985 PROGRAM HIGHLIGHTS	
-	\$9.9 million for incremental funding of ongoing agricultural sector projects. Primary emphasis on institutional building, research and technology transfer.
-	\$10.5 million for incremental funding of an education sector project with the purpose of assisting the development of improved primary education.

## CAMEROON

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY1985 (Proposed)
Aid*			
Loans	-	601	4,289
Grants	7,749	9,228	10,651
Total AID	7,749	9,829	14,940
P.L. 480**			
Title I (of which Title III is)	( - )	( - )	( - )
Title II	705	846	821
Total P.L. 480	705	846	821
Total AID and P.L. 480	8,454	10,675	15,761

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	24	24	24
PASA <sup>c</sup>	5	5	4
Contract	17	24	29
Total	46	53	57
Participants <sup>d</sup>			
Noncontract	10	10	7
Contract	-	25	34
Total	10	35	41

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(IN 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		354		-		-
World Food Programs		351		846		821
Gov't-to-Gov't		-		-		-
Title II Total		705		846		821
Total P.L. 480		705		846		821

## CAMEROON

### Development Overview

Cameroon is attempting to create an internationally competitive, modern economy that will provide a rising standard of living for a growing population, assure equitable distribution of economic gains among regions and income groups, and alleviate rural poverty. Cameroon's overall policies are conducive to sound development progress, but its human resource base and institutional weaknesses are constraints.

Approximately 70% of the active workforce is engaged in the agricultural sector which provides both the country's basic food needs and forms the basis of some of the country's most important processing and manufacturing industries. With the exception of some large-scale plantations, agriculture is in the hands of small farmers whose productive potential is restricted by inadequate access to inputs such as technology, credit and markets. Up to the present, Cameroon has been one of Africa's few self-sufficient food-producing countries. The rapid shift in the urban/rural population ratio, which began in the mid-1970's, threatens to reverse this situation. To prevent that, significant increases in individual farm production levels must take place and the rate of migration to urban areas must decelerate through programs which will make improvements in the quality of life and income for rural people.

Cameroon's severely limited transportation network and weak institutional infrastructure combine to limit the rural population's access to market centers and government technical and social services. Major health problems exist; diseases such as schistosomiasis, onchocerciasis, malaria and internal parasites debilitate the rural people and limit their productivity. The rural/urban migration pattern accentuates urban development problems including severe urban unemployment. The multiplicity of ecological zones affects agricultural production and, coupled with minimum financial resources and shortages of trained manpower, severely limits Cameroon's ability to plan, develop and implement programs to address the broad range of problems which presently prevent Cameroon from meeting its significant agricultural potential. Nevertheless, Cameroon's economy is one of the few in Africa to have shown steady growth over recent years. This is due primarily to political stability, growth in domestic and foreign private investment, sound government policies, sustained foreign donor assistance, and increased exports. Recent growth in Cameroon's petroleum production and private commercial and industrial sectors show signs of further improving Cameroon's economic situation. Petroleum and other non-renewable resource reserves are, nonetheless, limited. Cameroon's long-term economic viability rests on the development of agriculture production to ensure domestic food supplies, export products and raw materials for its agro-industries.

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The Government of the United Republic of Cameroon, (GURC) plans to make Cameroon a major food supplier for countries within the Central African region. To encourage production, food crops are sold at free market prices. The GURC is also encouraging the continued production of Cameroon's main export crops of cocoa and coffee and has raised producer prices for these crops every year since 1976. Foreign private investors continue to demonstrate interest in the agro-industrial sector, especially in processed fruit and vegetable projects. Private industrial investment is being encouraged by the availability of abundant hydro-electric power, the existence of the Central African Customs and Economic Union (UDEAC), and by a liberal tax investment code. The interest which Cameroon shows in U.S. agricultural technology, policy and approaches to training and research, coupled with its receptivity to change, make it highly probable that the country, given continued technical and financial assistance, will be able to overcome present constraints to increased agriculture production and make significant progress toward its production goals over the medium term.

### U.S. Interests and Objectives

Cameroon has long been regarded as one of Africa's moderate states and has an impressive record of political stability. Cameroon's human rights record, in comparison with most developing countries, is good. Cameroon has a record of moderation in international politics and supports many U.S. Government positions in international fora. Recent strides in development, a concern for development with equity, and a high development potential make Cameroon one of the countries where sustained assistance in conjunction with the investment of Cameroon's own resources can produce significant development gains over the medium term. The development climate in Cameroon is particularly responsive to the catalyst of external assistance and provides the United States Government with an opportunity to achieve exceptional results for its investment.

The recent impetus given to Cameroon's private industrial and commercial sectors by the discovery of petroleum and natural gas deposits, and the GURC's favorable attitude toward the private sector, provides an expanding opportunity for U.S. private investment. A large U.S. trade and investment mission headed by the Secretaries of Agriculture and Commerce made a highly successful visit to Cameroon in January 1982. The maintenance of a strong USG assistance program which contributes to Cameroon's present stability and development progress will lend encouragement to such investment.

### A.I.D. Assistance Strategy

A United States economic assistance program was initiated in Cameroon in FY 1961. In the early 1960's, the first projects attempted to address a variety of development problems Cameroon faced in the years soon after independence from France. Among the activities undertaken were successful

## CAMEROON

projects in vocational education, urban development and training, secondary and technical education, agriculture extension, cocoa disease control, a measles vaccination program, and a commodity import loan which generated local currency for development projects throughout the country. The United States also contributed funding for the rehabilitation of the railway system. U.S. development interventions began to be concentrated in the late 1970's and the impact to date of the projects begun then is not significantly measurable. Given the experimental nature of many of the projects, as well as the inherent problems of rural development activities, A.I.D. does not look for visible impact for the next three to four years. Following that time, however, a growing, cumulative progression with significant development impact within 10 years is anticipated. The current and sharply focussed program emphasis is on developing those Cameroonian institutions responsible for planning, management and implementation of development activities principally in the agriculture and education sectors. The objective of the program is to assist in the development of Cameroon's potential in the area of food crop production by concentrating efforts in research, technology transfer and training, basic education and health.

The requirements of Cameroon's development program are immense throughout all sectors. A.I.D.'s development strategy is to concentrate the majority of its assistance on those sectors affecting sustained development of the rural economy: agriculture, basic education and, if possible, health. The main objectives are to assure increased production in food crops, increase the market participation and income of small farm families, enhance the nutritional levels, and generally improve the quality of life, and hence productivity, of the rural population.

The strategy stresses the development of the institutional capacity Cameroon needs to successfully conduct its current and future development programs. The underlying assumption behind this strategy is that by removing the serious constraints at the institutional level, the present inability to carry out successful programs at the grass-roots level over the long term will be overcome.

1. In the agriculture sector, A.I.D. will concentrate its efforts on increasing food crop production by providing producers access to improved inputs, technology, markets, and management skills. This will be accomplished by strengthening government institutions responsible for agricultural education, training, research and the extension of technology, and by improving institutional capabilities in management, data-collection and planning. In addition, A.I.D. will encourage the complementary development of the agro-industrial sub-sector to enhance the market potential of food crops. Where possible, attractive investment opportunities for U.S. private sector resources, complementary to A.I.D.'s

## CAMEROON

agricultural development programs, will be identified, and the participation of indigenous private sector capital will be promoted.

2. A.I.D.'s strategy focus in the health sector remains that of helping Cameroon improve the health environment in rural areas. Although bilateral projects in health education nutrition were completed in FY 1982, A.I.D. will continue its health strategy dialogue with the GURC. Depending on the availability of future financial resources, and an agreed-upon approach between the GURC and A.I.D., new bilateral program initiatives in this sector will be considered beginning in FY 1986. In the meantime, A.I.D. will continue its involvement with regionally funded activities which provide training, technical assistance and research opportunities which enhance the ability of GURC health sector institutions to provide improved and increased manpower.

3. In the education/human resource sector, A.I.D. strategy will assist in the reform and expansion of primary education where long-range impact on the rural areas will be the greatest. Initial assistance will expand teacher-training colleges to enable them to graduate 680 new and better trained teachers annually. To assist the GURC improve the use of its limited education resources, A.I.D. will support institutional efforts to improve education planning and evaluation. An attempt will also be made to develop programs which provide technical and management training opportunities for Cameroonians from the private business/industrial sector and development administration training for those in the public sector.

### A.I.D. Program (FY's 1983-1984)

FY 1983: A.I.D. obligated all of Cameroon's bilateral assistance budget of \$18.9 million for incremental funding of ongoing agricultural projects.

A. In the agricultural sector, one major project receiving second year funding was Agricultural Education (631-0031) which, with technical assistance from the University of Florida (a Title XII university), will help Cameroon develop an agricultural university modeled on the U.S. Land Grant system. The school will produce high-level agricultural technicians who can effectively staff the government, parastatal and private sector organizations in Cameroon in the roles of managers, researchers, planners and teachers. Three U.S. advisors, out of a technical assistance team which will ultimately reach ten persons, are in Cameroon now and are integrated into the planning operations of the university staff. Architectural and engineering services were contracted for in 1983 and construction of the A.I.D.-financed physical plant is targeted to begin in FY 1985.

Phase II of the North Cameroon Seed Multiplication project (631-0023) also received second-year funding. This project was designed using lessons learned during implementation of the completed Phase I activity. That

## CAMEROON

project developed the institutional base for production and distribution of improved corn, peanut, sorghum and millet seed. Phase II is building on that base and will provide an assured supply of improved seed throughout northern Cameroon by the end of the project. A private sector firm was contracted to manage the implementation of the project and has its technical assistance team in place. Over the life of the project the firm will be undertaking studies to determine the feasibility of private-sector investment and divestiture of present operations now under parastatal control.

Other ongoing agricultural sector projects include: Agricultural Management and Planning (631-0008), and National Cereals Research and Extension (631-0013), which are building an institutional capacity within GURC organizations responsible for the planning, development and delivery of appropriate food production technology. Based on the results of in-depth evaluations carried out in FY 1983, both of these projects will be expanded in FY 1984 to build upon particular successes. The Agriculture Management and Planning project (631-0008) will contribute to the first nation-wide agricultural census ever undertaken in Cameroon. The proposed project expansion will provide additional man-years of technical assistance to be provided by the United States Department of Agriculture's (USDA) team to assist the Cameroon Ministry of Agriculture interpret and use the census results in the formulation of future agricultural sector policy and planning. The National Cereals Research and Extension project (631-0013), which is being implemented by the International Institute for Tropical Agriculture (IITA), will be expanded by providing additional testing and liaison units which have proven very successful in developing effective extension techniques. Expansion will be worked out in close cooperation with the World Bank which has investigated the operation of these units and has requested additional units to assist in a complementary agricultural research project which the Bank will begin in FY 1984.

Following a slow-down in activities caused by a project reorganization, the North Cameroon and Agriculture Development project (631-0004) resumed rapid implementation activities during FY 1983. It is a pilot effort designed to improve the management, production and marketing of livestock and the conservation of rangeland resources in the fragile sahelian ecology of northern Cameroon. The GURC is focusing increased attention on this development problem and has more than tripled its originally planned contribution of budget and personnel resources to the project.

In FY 1983, Private Voluntary Organizations (PVOs) continued to implement several small-scale but important projects in Cameroon. These include: Credit Union Development (631-0044) which is improving the management capability of Cameroon's Cooperative Credit Union in the Northwest Province; Small Farmer Livestock and Poultry Development (631-0015) which is establishing a system through which small farmers can benefit from the

## CAMEROON

development of improved breeds of livestock and poultry; and Northern Wells (631-0025) which is providing dug wells and spring-boxes to improve the supply of potable water in the arid regions of the Mandara Mountains.

B. In the health and population sector, A.I.D. is relying on regional and centrally funded projects to address development problems and influence policy direction. In FY 1983, a \$7 million regionally funded project for schistosomiasis research, Health Constraints to Rural Production (698-0408.1) was signed with the GURC. The project will finance a contract with a U.S. educational institution to provide technical assistance to Cameroon's Institute for Medical Research and Medical Plant Studies to undertake major research studies in the identification, control and eradication of schistosomiasis in the Central African region.

A very successful presentation of the RAPID audio-visual program on the development implications of population growth was shown in FY 1983 throughout the highest levels of the GURC policy and decision-making hierarchy, including the Prime Minister. As a result, the GURC has requested A.I.D. follow-up assistance in continued refinement of the RAPID demographic analysis and the extension of its technique to other sectors as an aid to policy planning.

FY 1984: A.I.D. will continue with planned incremental funding of its: (a) ongoing projects in the agricultural sector including the above mentioned initiation of expanded activities under the National Cereals Research and Extension (631-0013) and the Agricultural Management and Planning (631-0008) projects. Architectural and engineering studies will be completed for the Agricultural Education (631-0031) and North Cameroon Seed Multiplication II (631-0023) projects, both of which will be respectively in their second and first year of active implementation; and (b) in the education and human resource sector, A.I.D. will initiate a major new project start in FY 1984. Through the upgrading and expansion of teacher-training colleges in the north and northwest sections of Cameroon, the Support to Primary Education (631-0033) project will assist the GURC to carry out its program of primary education reform and support GURC efforts to increase primary school enrollment and student retention. Increased levels of primary school education have been proven to have significant impact on increased farmer productivity and income.

### Requested Year Program (FY 1985)

No new projects are planned for FY 1985; A.I.D. is requesting \$20.4 million (\$13,500,000 in grants and \$6,900,000 in loans) for Cameroon in FY 1985 to provide incremental financing for ongoing projects. That amount includes funds for the following projects: (a) agriculture sector \$9.9 million in

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grants: Agricultural Management and Planning (631-0008), \$350,000; National Cereals Research and Extension (631-0013), \$2,550,000; North Cameroon Seed Multiplication II (631-0023), \$3,000,000; Agriculture Education (631-0031), \$4,000,000; and (b) education and human resources sector: Support to Primary Education (631-0033), \$10,500,000 of which amount \$3,600,000 is grant and \$6,900,000 is loan financing.

MISSION DIRECTOR: Ronald D. Levin

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: CAMEROON

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ACTIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ACTIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ACTIONS	FY85- EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
NORTH CAMEROON LIVESTOCK AND AG DEV	G 631-0004	78	84	5,439	5,439	5,439	3,620	---	1,066	---	504
AGRICULTURAL MANAGEMENT AND PLANNING	G 631-0008	79	85	4,200	4,950	3,793	2,730	817	350	350	566
NATIONAL CEREALS RESEARCH AND EXTENSION	G 631-0013	79	85	7,697	10,900	5,150	4,079	3,200	2,716	2,550	2,500
SMALL FARMER LIVESTOCK/POULTRY DEV (PVO)	G 631-0015	80	83	1,285	1,285	1,285	1,019	---	200	---	66
SMALL FARMER FISH PRODUCTION	G 631-0022	80	83	757	757	757	357	---	400	---	---
NORTH CAMEROON SEED MULTIPLICATION II	G 631-0023	32	87	8,040	8,040	2,812	435	2,038	1,129	3,000	1,258
NORTH CAMEROON SEED MULTIPLICATION II	L 631-0023	82	84	5,600	5,600	5,330	---	270	458	---	800
NATIONAL FOOD CROP PROTECTION	G 631-0024	79	82	1,420	1,420	1,420	851	---	569	---	---
AGRICULTURAL EDUCATION	G 631-0031	32	87	16,670	16,670	2,300	1,000	3,010	1,254	4,000	2,870
AGRICULTURAL EDUCATION	L 631-0031	82	87	26,351	26,351	16,731	---	9,620	143	---	1,849
CREDIT UNION DEVELOPMENT (PVO)	G 631-0044	80	83	1,600	1,600	1,600	756	---	424	---	227
TOTAL FOR ACCOUNT GRANTS LOANS				79,059	83,012	46,607	14,847	18,955	8,729	9,900	10,640
				47,108	51,061	24,546	14,847	9,065	8,128	9,900	7,991
				31,951	31,951	22,061	---	9,890	601	---	2,649
HEALTH											
NORTHERN WELLS (OPG)(UR)(PC)	G 631-0025	80	81	1,460	1,459	1,459	1,154	---	182	---	123
TOTAL FOR ACCOUNT GRANTS LOANS				1,460	1,459	1,459	1,154	---	182	---	123
				1,460	1,459	1,459	1,154	---	182	---	123
				---	---	---	---	---	---	---	---
EDUCATION AND HUMAN RESOURCES											

\* Refers to the planned project summary sheet

C Level of effort activity

401

FY of final obligation column -- All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: CAMEROON

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH FY83- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	EXPENDI TURES
SOCIAL SCIENCE RESEARCH AND TRAINING	G 631-0007	78	80	802	802	802	676	---	126	---	---
SUPPORT TO PRIMARY EDUCATION	G 631-0033	34	88	13,712	13,712	---	---	1,845	792	3,600	2,537
SUPPORT TO PRIMARY EDUCATION	L 631-0033	34	86	16,265	16,265	---	---	1,400	---	6,900	1,640
TOTAL FOR ACCOUNT GRANTS				30,779	30,779	802	676	3,245	918	10,500	4,177
LOANS				14,514	14,514	802	676	1,845	918	3,600	2,537
				16,265	16,265	---	---	1,400	---	6,900	1,640
TOTAL FOR COUNTRY GRANTS				111,298	115,250	48,868	16,677	22,200 <sup>1/</sup>	9,829	20,400	14,940
LOANS				63,082	67,034	26,807	16,677	10,910	9,228	13,500	10,651
				45,216	49,216	22,061	---	11,290	601	6,900	4,289

<sup>1/</sup> FY 1984 total excludes \$199.4 thousand which has already been notified for deobligation and has not yet been identified for reobligation by project.

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (676) CENTRL AFRICAN REP

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 2,512  
 PER CAPITA GNP..... (DOLLARS,1981) 320  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) -0.4%  
 ANNUAL RATE OF INFLATION (1970-81) 12.6%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( . ) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 45.4 MALE 43.6 FEMALE 47.2  
     (1970) TOTAL 39.4 MALE 36.4 FEMALE 42.5  
 ADULT LITERACY RATE (1980) TOTAL 33% MALE 48% FEMALE 19%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
     (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 37%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 118  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: CASSAVA ,PEANUTS ,MILLET 33% (1982)  
     CASH: COTTON ,COFFEE , 4% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COFFEE ,COTTON ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT , ,  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 88%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     ( . ) . ( . ) . ( . ) .  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     ( . ) . ( . ) . ( . ) .  
     DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     ( . ) . ( . ) . ( . ) .  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. ( . ) . % ( . ) . % ( . ) . %  
     AS % OF GNP..... ( . ) . % ( . ) . % ( . ) . %  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
     (\$MILLIONS, U.S.) (1979) 50 (80) 62 (81) 74  
     EQUIVALENT TO 4.1 MONTHS OF IMPORTS (1980)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1980) COTTON ,COFFEE ,DIAMONDS  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1980) 1 (1981) 5 (1982) 5  
     AS % OF TOTAL EXPORTS (1978) 5% (1979) 5% (1980) 1%  
 MAJOR IMPORTS....(1980) TEXTILES ,PETROLEUM ,MACHINERY  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 3 (1981) 2 (1982) 1  
     AS % OF TOTAL IMPORTS (1978) 2% (1979) 2% (1980) 2%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1978) -9(79) -11(80) -43  
 TRADING PARTNERS: , ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 36.9%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1981) 6  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1980) 1.8%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.3% (1978) 2.6% (1983) 2.8%  
 POPULATION IN URBAN AREAS.....(1970) 31% (1982) 43%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 44 (1983) 48  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. ( . ) . %  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 40.9% (15-64YRS) 55.3% (65+ YRS) 3.9%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 138  
 PEOPLE PER PHYSICIAN..... (1977) 20,274  
 MAJOR CAUSES OF DISEASE (1980) MALARIA ,INTESTINAL INFEC ,HELMINTHIASIS  
     DEATH.. (19 ) , ,  
     PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 92%  
     POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1980) 16%  
     TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
         PRIMARY..... (1977) TOTAL 77.0% MALE 100% FEMALE 54.0%  
         SECONDARY..... (1977) TOTAL 10.0% MALE 16.0% FEMALE 4.0%  
         POST SECONDARY.. (1977) TOTAL 0.4% MALE 0.8% FEMALE 0.1%  
     ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 8.6%

U.S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years - Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)				
COUNTRY CENTRAL AFRICAN REPUBLIC									A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS				
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	TOTAL.....	FY 1981	FY 1982	FY 1983	FY 1946-83
	1978	1979	1980	1981	1982					1981	1982	1983	1946-83
<b>I. ECONOMIC ASSISTANCE - TOTAL</b>	1.9	1.3	1.5	1.8	2.7	20.3	-	20.3	15.6	23.3	36.3	241.8	
Loans	-	-	-	-	-	-	-	-	3.0	0.0	0.0	0.0	
Grants	1.9	1.3	1.5	1.8	2.7	20.3	-	20.3	0.0	0.0	0.0	0.0	
<b>a. A.I.D. and Predecessor Agencies</b>	0.6	0.1	-	-	1.0	7.5	-	7.5	0.0	13.0	21.4	79.2	
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Grants	0.6	0.1	-	-	1.0	7.5	-	7.5	0.0	0.0	0.0	0.0	
(Economic Support Fund)	-	-	-	-	-	-	-	-	0.0	8.7	14.9	57.1	
<b>b. Food for Peace (PL 480)</b>	0.3	0.2	0.5	0.4	0.2	4.5	-	4.5	5.1	1.6	0.0	25.4	
Loans	-	-	-	-	-	-	-	-	2.1	0.0	0.0	5.7	
Grants	0.3	0.2	0.5	0.4	0.2	4.5	-	4.5	0.0	0.0	0.0	74.4	
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	
Title II - Total Grants	0.3	0.2	0.5	0.4	0.2	4.5	-	4.5	0.0	0.0	0.0	-	
Emerg. Relief, Econ. Develop. & World Food Program	0.3	0.2	0.5	0.4	0.2	4.4	-	4.4	0.0	0.0	0.0	-	
Voluntary Relief Agencies	-	-	-	-	-	0.1	-	0.1	0.0	0.0	0.0	-	
<b>c. Other Economic Assistance</b>	1.0	1.0	1.0	1.4	1.5	8.3	-	8.3	0.0	0.0	0.0	-	
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	
Grants	1.0	1.0	1.0	1.4	1.5	8.3	-	8.3	0.0	0.0	0.0	-	
Peace Corps	1.0	1.0	1.0	1.4	1.5	3.3	-	3.3	0.0	0.0	0.0	-	
Narcotics	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	
Other	-	-	-	-	-	-	-	-	0.0	0.0	0.0	-	
<b>II. MILITARY ASSISTANCE - TOTAL</b>	-	-	-	-	*	*	-	*	-	-	-	-	
Credits or Loans	-	-	-	-	-	-	-	-	-	-	-	-	
Grants	-	-	-	-	*	*	-	*	-	-	-	-	
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-	
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-	-	-	-	-	
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	*	*	-	*	-	-	-	-	
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	-	-	-	-	
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-	
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	1.9	1.3	1.5	1.8	2.7	20.3	-	20.3	-	-	-	-	
Loans	-	-	-	-	-	-	-	-	-	-	-	-	
Grants	1.9	1.3	1.5	1.8	2.7	20.3	-	20.3	-	-	-	-	
<b>Other U.S. Government Loans and Grants</b>	-	-	-	0.5	-	2.8	0.4	2.4	-	-	-	-	
<b>a. Export-Import Bank Loans</b>	-	-	-	0.5	-	2.8	0.4	2.4	-	-	-	-	
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	-	-	-	-	
* LESS THAN \$50,000.													

A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS				
	FY 1981	FY 1982	FY 1983	FY 1946-83
TOTAL.....	15.6	23.3	36.3	241.8
ICRD	0.0	0.0	0.0	0.0
IFC	0.0	0.0	0.0	0.0
IDA	9.4	13.0	21.4	79.2
IDB	0.0	0.0	0.0	0.0
AJB	0.0	0.0	0.0	0.0
AFDB	0.0	8.7	14.9	57.1
UNDP	5.1	1.6	0.0	25.4
OTHER-UN	2.1	0.0	0.0	5.7
EEC	0.0	0.0	0.0	74.4
B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE				
1. D.A.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-82	
United States	1.0	1.0	4.0	
France	67.7	59.3	264.3	
Germany Fed. Rep.	3.6	2.5	18.8	
Japan	0.9	4.2	7.6	
Netherlands	0.7	0.5	2.3	
Other	0.6	1.4	4.6	
Total	74.5	68.9	301.6	
2. O.P.E.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-81	
	-	N.A.	9.4	
C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES				
	CY 1981	CY 1982	CY 1954-82	
USSR	-	-	5	
Eastern Europe	-	-	-	
China	-	-	15	
Total	-	-	20	

## CENTRAL AFRICAN REPUBLIC

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	1,000	1,000	-	-	-	-	-	-
Total	1,000	1,000	-	-	-	-	-	-
1984								
Loans	-	-	-	-	-	-	-	-
Grants	1,200	1,200	-	-	-	-	-	-
Total	1,200	1,200	-	-	-	-	-	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	2,000	2,000	-	-	-	-	-	-
Total	2,000	2,000	-	-	-	-	-	-

**FY 1985  
PROGRAM HIGHLIGHTS**

- \$2.0 million in incremental funding to finance the continuation of a PVO-implemented project to assist small farmers in the development of post-harvest food-crop protection.

CENTRAL AFRICAN REPUBLIC

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 83 (Actual)	FY 84 (Estimated)	FY 85 (Proposed)
Aid*	-	-	-
Loans	211	650	1,340
Grants	211	650	1,340
Total AID	415	1,366	1,507
P.L. 480**	-	-	-
Title I (of which Title III is)	( - )	( - )	( - )
Title II	204	716	167
Total P.L. 480	204	716	167
Total AID and P.L. 480	415	1,366	1,507

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 83 (Actual)	FY 84 (Estimated)	FY 85 (Proposed)
AID Personnel <sup>a</sup>	-	-	-
Direct Hire <sup>b</sup>	-	-	-
PASA <sup>c</sup>	-	-	-
Contract	1	1	1
Total	1	1	1
Participants <sup>d</sup>	-	-	-
Noncontract	-	-	-
Contract	-	-	-
Total	-	-	-

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(IN 000 MT/\$000)

Program	FY 83 (Actual)		FY 84 (Estimated)		FY 85 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I	-	-	-	-	-	-
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II		-		-		-
Voluntary Agencies		204		716		167
World Food Programs		-		-		-
Gov't-to-Gov't		204		716		167
Title II Total		204		716		167
Total P.L. 480		204		716		167

## CENTRAL AFRICAN REPUBLIC

### Development Overview

Classified by the United Nations as one of the world's Relatively Least Developed Countries, the Central African Republic (CAR), with an estimated population of 2.5 million in 1982, is also one of those countries most severely affected by the inflationary consequences of increased oil prices. Although endowed with some basic natural resources, the C.A.R. had mismanaged its development potential particularly during Emperor Bokassa's 14-year rule. The atrocities committed by Bokassa were in large measure responsible for his overthrow in September 1979. The succeeding government of the re-established Central African Republic (GOCAR) faced an ailing economy and crumbling administrative structure.

Despite the new Government's plans to restructure the economy, economic problems proved overwhelming in the short term. As a consequence of this difficult economic situation, an actively hostile political opposition, and the failure to attract sufficient domestic and international support, the new government transferred power to the military in mid-1981. Although military, the government thus far is providing the political stability necessary for the initiation and sustainment of recovery and development progress.

The C.A.R. faces the classic problems which confront most landlocked countries in sub-Saharan Africa. Only 285 kilometers of road are paved in a system of 30,000 kilometers of poorly maintained roads and tracks, and this puts severe limits on access to internal markets and further development of external markets, while greatly increasing the costs of imported materials. The most accessible railhead is 675 miles away at Brazzaville, Congo, and is linked to C.A.R.'s capital city of Bangui by river boats which carry 90% of the C.A.R.'s foreign trade.

Agriculture is the most important sector of the economy, accounting for about 85% of the economically active population. However, little effort has been made to develop food production for domestic consumption with past emphasis having been placed on export crops such as coffee, timber, cotton and tobacco. Although these cash crops are essential to the C.A.R.'s foreign trade position, few of the benefits from this trade accrue to the small producer. A disproportionate share of income was received by major commercial interests. The diversion of labor into cash-crop production and the migration to urban centers also contribute to the stagnation of food production.

The inadequacy of the national educational system is reflected in a teacher-student ratio of 70 to 1, with less than one-third of the teachers having received adequate professional training. The adult literary rate in 1980 was estimated at 39%. In the health sector, the majority of the population is anemic due to a combination of nutritional deficiencies,

## CENTRAL AFRICAN REPUBLIC

intestinal parasites and malaria; goiter also is an acute problem in certain regions.

The GOCAR is attempting to redress many of the causes of these continuing problems. Under its announced recovery program for the 1983-1985 period, the C.A.R.'s highest priority will be given to crop production and animal husbandry to assure long-term self-sufficiency, growth in agricultural exports and rapid increases in rural income. While much of the emphasis continues to be put on cash crops (cotton, coffee, tobacco and timber) which are important foreign exchange earners for the C.A.R., the recovery plan recognizes that a fundamental priority must also be placed on food crop production to assure a sufficient domestic food supply as well as increased rural income.

### U.S. Interests and Objectives

The despotic rule of Emperor Bokassa led to the termination of U.S. assistance in September 1979. Program termination, which had been set in motion months earlier, coincided with Bokassa's overthrow and it was the succeeding government which was confronted with the loss of U.S. assistance. The government appeared to be solidly committed to redressing the evils of the Bokassa era but failed to achieve its own viability for reasons previously described.

The new military government is likewise committed to carrying out sound economic reforms and development policies. It has stated its intention to continue with the policy of attempting to restore the confidence of private investors through a reversal of the nationalization and expropriations which occurred during the Bokassa era. The GOCAR is carrying out a program to pay arrearages to private investors, and to strictly enforce the liberal investment code. The President has stated his hope that achievement of economic recovery might allow the government to reintroduce a representative National Assembly by 1985.

Of specific interest is the recovery program's approach to economic policy. It states that previous government over-involvement in the economy led to failure and, as a consequence, a very large part of the responsibility for the economic recovery program will be given to the private sector. In the future, the state will intervene only when the private sector proves incapable of carrying out a particular development program alone, or where it is essential for the state to exert control such as in the areas of energy and water.

In addition to promoting the development of a poor country, the resumption of assistance demonstrates U.S. willingness to support states which have acted to overthrow tyrannical governments and to attempt necessary policy reforms.

## CENTRAL AFRICAN REPUBLIC

### A.I.D. Assistance Strategy

Prior to the termination of the A.I.D. program in 1979, annual assistance levels were small. Assistance was provided for small projects in agriculture and population/health and there were modest levels of PL-480 Title II grants.

Following a two-year hiatus, A.I.D. reinstated a small assistance program to the C.A.R. in 1982. Given the relatively low levels of assistance, A.I.D. will concentrate its efforts in the agricultural sector. The focus of projects will be on food production which will have a direct impact on the small farmer. To the extent possible, assistance will be augmented and complemented by regional and centrally-funded A.I.D. programs. There is no resident A.I.D. staff in the C.A.R. and program implementation of projects will be primarily through the Peace Corps and private voluntary organizations with oversight provided by USAID/Cameroon.

### A.I.D. Program (FY's 1983-1984)

#### A. Agriculture, Rural Development:

In FY 1982 A.I.D. initiated a \$1 million rural development project (Rural Development - 676-0015) that is being implemented with Peace Corps assistance. The project aims to improve the diet of the rural population and augment the incomes of small subsistence farmers by increasing the production and marketing of fish, honey, beeswax and rice. The project will expand the C.A.R.'s inland fisheries program for the intensive cultivation of fish in six regions of the C.A.R; it will establish a marketing program in coordination with the agriculture extension service to increase the marketing of honey and beeswax in three regions of northwest C.A.R.; and it extends rice cultivation at two cooperative rice centers.

In FY 1983 project activities began. The project administrator came on-board, all major project commodities were procured and are on site, and 9 out of 11 Peace Corps volunteers were in place. The first rice crop utilizing improved seed was planted. Prototype beehives were constructed and marketing studies are underway which will help the C.A.R. recoup its former important export trade in beeswax.

A new agricultural project, previously proposed in 1983, was not developed due to problems encountered during the preliminary design stage of the project. The problems were satisfactorily resolved and the project has been reprogrammed for final design and start-up in FY 1984. In FY 1984, an American private voluntary organization will be selected to undertake the final design and subsequent implementation of a multi-year pilot project (Post Harvest Food Systems - 676-0016) aimed at the prevention of post-harvest food crop losses on small farms. The project will draw upon

## CENTRAL AFRICAN REPUBLIC

the accumulation of world-wide experience in post harvest crop protection in order to develop techniques which are adaptable to the C.A.R. environment and which can be easily adopted and practiced by small farmers. Initial project activities are expected to begin late in the fiscal year.

Extension activities will continue under the on-going rural development project with an expanded number of rural villagers being introduced to improved fishpond management and agriculture techniques by Peace Corps volunteers. Continued training at the rice cooperatives will stress repair and maintenance of irrigation systems and associated equipment to build self-sufficiency.

### B. Health:

Using the centrally-funded Water and Sanitation for Health (WASH) project, technical assistance advisors were made available to help the C.A.R. develop a national strategy for water and sanitation. The strategy developed by the consultants was officially adopted by the GOCAR and follow-up assistance was made available to assist in the development of projects to implement the strategy through funding by other donors. A country assessment was conducted under the regional Combatting Childhood Communicable Diseases (CCCD) project to investigate the feasibility of carrying out CCCD sub-project activities in the C.A.R.

Also in the health sector, continued follow-up under the centrally funded WASH project will assist the C.A.R. in the implementation of its water and sanitation strategy. The results and recommendations of the previous CCCD country assessment will be reviewed by the Center for Disease Control (CDC), A.I.D. and the C.A.R. to determine if a CCCD country program should be initiated under the regionally-funded project.

### Requested Year Program (FY 1985)

A.I.D. is requesting \$2 million in FY 1985 to provide incremental funding for the multi-year Post Harvest Food Systems project scheduled to start in FY 1984 and described above under the FY 1983-1984 section.

MISSION DIRECTOR: Ronald D. Levin  
(Resident in Cameroon)

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: CENTRAL AFR REPUBLIC

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY93- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY94- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY95- OBLIG ATIONS	EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
CAR - RURAL DEVELOPMENT	G 676-0015	82	82	1,000	1,000	211	---	350	---	340	
POST HARVEST FOOD SYSTEM (PVO)	G 676-0016	84	85	---	3,200	---	---	1,200	300	2,000	
TOTAL FOR ACCOUNT GRANTS				1,000	4,200	1,000	211	1,200	650	2,000	
LOANS				1,000	4,200	1,000	211	1,200	650	2,000	
TOTAL FOR COUNTRY GRANTS				1,000	4,200	1,000	211	1,200	650	2,000	
LOANS				1,000	4,200	1,000	211	1,200	650	2,000	

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (679) LONGO

**\*BASIC DATA\***

TOTAL POPULATION.. (THOUSANDS,MID 1983) 1,694  
 PER CAPITA GNP..... (DOLLARS,1981) 1,110  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 1.3%  
 ANNUAL RATE OF INFLATION (1970-81) 11.8%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 (1982) TOTAL 60.3 MALE 58.5 FEMALE 62.2  
 (1970) TOTAL 53.7 MALE 52.1 FEMALE 55.3  
 ADULT LITERACY RATE ( .) TOTAL .% MALE .% FEMALE .%

**\*AGRICULTURE\***

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 9%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 38  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: CASSAVA ,BANANAS ,PLANTAINS 13% (1982)  
 CASH: COFFEE ,PEANUTS ,PALM OIL 2% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COFFEE ,COCOA BEANS ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT ,MEATS ,RICE  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 34%

**\*CENTRAL GOVERNMENT FINANCES\***

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 (1970) 60 (71) 64 (80) 758  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 (1970) 64 (71) 72 (80) 847  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 (1970) -4 (71) -9 (80) -89  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. ( .) . % (70) 13.3% (71) 16.1%  
 AS % OF GNP..... ( .) . % (70) 3.2% (71) 4.0%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) (1979) 48 (80) 92 (81) 128  
 EQUIVALENT TO 1.9 MONTHS OF IMPORTS (1981)

**\*FOREIGN TRADE\***

MAJOR EXPORTS... (1981) OIL PRODUCTS ,WOOD ,COFFEE  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1979) 73 (1980) 136 (1982) 653  
 AS % OF TOTAL EXPORTS (1979) 15% (1980) 15% (1982) 58%  
 MAJOR IMPORTS....(1981) MACHINERY ,TRANSPORT EQPT ,FOODSTUFFS  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 24 (1981) 27 (1982) 76  
 AS % OF TOTAL IMPORTS (1979) 4% (1980) 4% (1981) 3%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) 133(80) 365(81) 269  
 TRADING PARTNERS: FRANCE ,UNITED STATES ,ITALY  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 94.4%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1982) 27  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 10.0%

**\*SOCIAL DATA\***

POPULATION GROWTH RATE...(1970) 2.6% (1978) 2.8% (1983) 3.0%  
 POPULATION IN URBAN AREAS.....(1970) 38% (1982) 43%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 45 (1983) 45  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. ( .) . %  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 43.5% (15-64YRS) 53.3% (65+ YRS) 3.3%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 114  
 PEOPLE PER PHYSICIAN..... (1976) 7,468  
 MAJOR CAUSES OF  
 DISEASE (1982) MEASLES ,MALARIA ,ENTERIC DISEASE  
 DEATH.. (19 ) , ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 99%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1976) 17%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1980) TOTAL 156% MALE 163% FEMALE 148%  
 SECONDARY..... (1980) TOTAL 69.0% MALE 85.0% FEMALE 53.0%  
 POST SECONDARY.. (1975) TOTAL 2.2% MALE 4.1% FEMALE 0.4%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 100%

U.S. OVERSEAS LOANS AND GRANTS – OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years – Millions of Dollars)							ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)							
COUNTRY CONGO							A. ASSISTANCE FROM INTERNATIONAL AGENCIES – COMMITMENTS							
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-82		
	1978	1979	1980	1981	1982				TOTAL.....	IBRD	IFC	ICA	IDB	ADB
<b>I. ECONOMIC ASSISTANCE – TOTAL</b>	0.6	1.1	1.0	2.3	3.4	15.1	-	16.1	5.7	20.2	36.0	329.4		
Loans	-	-	-	-	1.9	1.9	-	1.9	0.0	0.0	35.7	111.7		
Grants	0.6	1.1	1.0	2.3	1.5	14.2	-	14.2	3.5	0.2	0.0	3.7		
<b>a. A.I.D. and Predecessor Agencies</b>	*	0.1	0.2	2.0	1.0	4.9	-	4.9	0.0	17.0	0.0	74.0		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	*	0.1	0.2	2.0	1.0	4.9	-	4.9	0.0	0.0	0.0	0.0		
(Economic Support Fund)	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>b. Food for Peace (PL 480)</b>	0.6	0.9	0.3	0.3	2.4	11.1	-	11.1	0.0	0.0	0.0	0.0		
Loans	-	-	-	-	1.9	1.9	-	1.9	0.0	0.0	0.0	0.0		
Grants	0.6	0.9	0.3	0.3	0.5	9.2	-	9.2	0.0	0.0	0.0	0.0		
Title I - Total Sales Agreements	-	-	-	-	1.9	1.9	-	1.9	0.0	0.0	0.0	0.0		
Repayable in U.S. Dollars - Loans	-	-	-	-	1.9	1.9	-	1.9	0.0	0.0	0.0	0.0		
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Title II - Total Grants	0.6	0.9	0.3	0.3	0.5	9.2	-	9.2	0.0	0.0	0.0	0.0		
Emerg. Relief, Econ. Develop. & World Food Program	0.6	0.9	0.3	0.3	0.5	8.9	-	8.9	0.0	0.0	0.0	0.0		
Voluntary Relief Agencies	-	-	-	-	-	0.3	-	0.3	0.0	0.0	0.0	0.0		
<b>c. Other Economic Assistance</b>	-	0.1	-	-	-	0.1	-	0.1	0.0	0.0	0.0	0.0		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	-	0.1	-	-	-	0.1	-	0.1	0.0	0.0	0.0	0.0		
Peace Corps	-	0.1	-	-	-	0.1	-	0.1	0.0	0.0	0.0	0.0		
Narcotics	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Other	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>II. MILITARY ASSISTANCE – TOTAL</b>	-	-	-	-	*	*	-	*	-	-	-	-		
Credits or Loans	-	-	-	-	-	-	-	-	-	-	-	-		
Grants	-	-	-	-	*	*	-	*	-	-	-	-		
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	*	*	-	*	-	-	-	-		
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	0.6	1.1	1.0	2.3	3.4	16.1	-	16.1	-	-	-	-		
Loans	-	-	-	-	1.9	1.9	-	1.9	-	-	-	-		
Grants	0.6	1.1	1.0	2.3	1.5	14.2	-	14.2	-	-	-	-		
<b>Other U.S. Government Loans and Grants</b>	1.7	-	-	-	-	7.0	1.0	6.0	-	-	-	-		
a. Export-Import Bank Loans	1.7	-	-	-	-	7.0	1.0	6.0	-	-	-	-		
b. All Other Loans	-	-	-	-	-	-	-	-	-	-	-	-		

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE			
1. D.A.C. COUNTRIES (Gross Disbursements)			
	CY 1981	CY 1982	CY 1978-82
United States	-	3.0	3.0
France	41.8	51.8	238.6
Germany Fed. Rep.	2.2	4.3	17.3
Canada	2.3	0.9	9.1
Netherlands	0.1	0.2	1.5
Other	1.3	1.8	5.8
<b>Total</b>	<b>47.7</b>	<b>62.0</b>	<b>275.3</b>
2. O.P.E.C. COUNTRIES (Gross Disbursements)			
	CY 1981	CY 1982	CY 1978-81
	1.7	N.A.	36.5
C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES			
	CY 1981	CY 1982	CY 1954-82
USSR	NA	-	45
Eastern Europe	-	-	60
China	-	-	110
<b>Total</b>			<b>215</b>

\* LESS THAN \$50,000.

CONGO

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Grants	1,000	1,000	-	-	-	-	-	-
Total	1,000	1,000	-	-	-	-	-	-
1984	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Grants	1,000	1,000	-	-	-	-	-	-
Total	1,000	1,000	-	-	-	-	-	-
1985	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Grants	1,000	1,000	-	-	-	-	-	-
Total	1,000	1,000	-	-	-	-	-	-

FY 1985 PROGRAM HIGHLIGHTS	
<p>-- Continue the Small Holder Agricultural Development effort (\$1,000,000), involving:</p> <ul style="list-style-type: none"> <li>- early emphasis on road improvement, and</li> <li>- the addition of a pilot small animal husbandry component.</li> </ul>	

CONGO

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	1,351	2,200	1,800
Total AID	1,351	2,200	1,800
P.L. 480**			
Title I	-	2,000	-
(of which Title III is)	( - )	( - )	( - )
Title II	-	-	-
Total P.L. 480	-	2,000	-
Total AID and P.L. 480	1,351	4,200	1,800

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	-	-	-
PASA <sup>c</sup>	-	1	1
Contract	1	1	1
Total	1	2	2
Participants <sup>d</sup>			
Noncontract	-	-	-
Contract	-	-	-
Total	-	-	-

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

PL 480 PROGRAM SUMMARY  
(000 MT/\$000)

Program	FY1983 (Actual)		FY1984 (Estimated)		FY1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I	-	-			-	-
Wheat						
Rice			6.0	2,000		
Feedgrains						
Vegoil						
Non-food						
Title I Total (of which Title III is)		-		2,000		-
Title II						
Voluntary Agencies						
World Food Programs						
Gov't-to-Gov't						
Title II Total		-		-		-
Total P.L. 480		-		2,000		-

## CONGO

### Development Overview

The Congolese Government (GPRC) began its first Five Year Plan in 1982 with two principal priorities, improved infrastructure and increased agricultural production. These priorities are closely related to the GPRC's overall goal of developing an alternative economic base to sustain the country after its known petroleum reserves are depleted in the 1990s. With oil production accounting for 65% of the GNP, the continued softness of the world petroleum market caused the GPRC to reassess its Five Year Plan. As a result, a number of proposals will be postponed or cancelled. However, it appears that the proportional allocation of available resources will remain the same. This increased austerity has forced the GPRC to lean more towards joint ventures involving foreign capital and expertise than on experiments in socialized production.

The GPRC hopes to counter the effects of falling petroleum revenue by reducing imports, particularly agricultural commodities, and by enhancing foreign exchange earnings through increased overseas sales of forestry products, minerals and agricultural commodities. Although agricultural productivity has declined steadily since independence, recent indicators point out an arrest, and in some cases a reversal, of this trend. Nevertheless, agricultural productivity gains remain a high priority due to the Congo's continued heavy dependence on imported foodstuffs. Much of the planned infrastructure investment is designed to eliminate the serious problem of insufficient farm-to-market transportation.

The Congo is also addressing another serious development obstacle, insufficient administrative management capacity, by increasing training opportunities for its managers, both private and public sector, with the help of A.I.D. and other foreign donors.

Presently, the Congo's annual per capita GNP is about \$1,100, a figure largely attributable to petroleum production. Therefore, this per capita income is not an accurate indicator of the general population. In rural areas, for example, per capita income remains roughly \$130.

## CONGO

### U.S. Interests and Objectives

The United States and the Congo reestablished diplomatic relations in 1977 after a 12 year hiatus. This reflected the GPRC's growing desire for closer relations with the West. It is in the interests of the United States to pursue a relationship of reciprocal advantage. Against this backdrop, U.S./Congoese commercial relations have grown during the past two years. This increase is due in part to the Congo's efforts to diversify its economic partners. (U.S. companies purchased more than 50% of the Congo's exports, mostly oil, in 1982). The United States should maintain access to the Congo's resources, including its minerals, and pursue further trade and investment opportunities. The United States wishes to encourage the GPRC's moderating and stabilizing role in Central Africa and its restraint and responsibility in international fora. Finally, the United States also wishes to support GPRC initiatives to develop sound economic policies including private investment and trade as well as programs and strategies that aim at making the Congo, a largely rural country, self-sufficient in a number of areas including food production.

### A.I.D. Development Strategy

A.I.D.'s basic strategy is to continue a U.S. presence in the Congo's development efforts, with special emphasis on agriculture production. This strategy is complemented with the following goals:

- Providing assistance through well-established PVOs (chiefly CARE) and other non-governmental channels; and
- Encouraging the GPRC to focus on supporting the food production efforts of its small private farmers, rather than on state farms and collectives.

In addition to agricultural development, A.I.D. quick-impact activities in nutrition and preventive health care are reinforcing the U.S. development role by focusing resources in regions chosen by the GPRC for priority rural development.

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A.I.D. Program (FYs 1983-1984)

A. In the agriculture sector, CARE is carrying out two bilateral projects, Small Holder Agricultural Development I and II (679-0001 and 0002). Resources are directed at improving the crop marketing system, providing improved seeds, and enhancing crop preservation (including improved and expanded storage facilities). The original project, initiated in FY 1981, is centered in the northern part of the Niari Valley, a rich agricultural region. Since its initiation, nine new warehouses have been built and eleven refurbished. A training center was built and is in operation with trained crop storage personnel. The phase two project, funded in FY 1983, will extend activities to the Lekoumou region adjacent to the Niari Valley. This project will place early emphasis on road improvement and the addition of a pilot small animal husbandry component.

B. In the health sector, CARE is also carrying out a bilateral project, Nutrition Education Development and Training (679-0005), begun in 1981 and scheduled to end early in FY 1984. A recent final evaluation noted the project's success and recommended a follow-on activity through a new national nutrition program stressing teacher training, education materials and the use of mass media.

A regionally-funded pilot Primary Health Care activity (698-0410.39) is also being implemented by CARE in the Niari Valley. The chief purpose of this program is to organize and train village health worker teams in systematic, self-sustaining preventive health care activities.

A second regionally-funded health project, Combatting Childhood Communicable Diseases, is expected to begin in FY 1984. This activity will build on an earlier Expanded Program of Immunization (FYs 1981-1983) with CDC/Atlanta, an activity that received a highly favorable evaluation and enthusiastic GPRC support. The new project will aim at a continued reinforcement of the GPRC's nation-wide immunization program for children and add malaria control and oral rehydration therapy elements.

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C. Another A.I.D. priority in the Congo is to strengthen management and technical skills of Congolese administrators and technicians. Both long and short term training is provided through the regional African Manpower Development Program, chiefly in agriculture, health and public administration. Several in-country workshops and seminars have been conducted by U.S. universities. These have been particularly popular and well attended.

D. Under PL 480 Title I, a \$ 2 million rice program was approved in FY 1982 from unallocated reserves. A second \$2 million rice program has been requested for FY 1984. Counterpart funds generated from these programs will support economic development projects, chiefly in the agriculture and health sectors.

Request Year Program (FY 1985)

A third and final increment of \$1 million is requested for the Congo Small Holder Agriculture Development II project (679-0002) as part of an ongoing effort to improve the productivity and general well being of small private land holders.

Mission Director: Richard L. Podol  
(Resident in Zaire)

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: CONGO

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
AGRICULTURE, RURAL DEV. AND NUTRITION										
SMALLHOLDER AGRICULTURE DEV. I (PVO)	G 679-0001	81	82	3,000	3,000	1,626	---	1,000	---	300
SMALLHOLDER AGRICULTURE DEV. II (PVO)	G 679-0002	83	85	3,000	1,000	---	1,000	1,200	1,000	1,000
TOTAL FOR ACCOUNT GRANTS				6,000	4,000	1,626	1,000	2,200	1,000	1,800
LOANS				6,000	4,000	1,626	1,000	2,200	1,000	1,800
				---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				6,000	4,000	1,626	1,000	2,200	1,000	1,800
LOANS				6,000	4,000	1,626	1,000	2,200	1,000	1,800
				---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (653) EQ. GUINEA

**\*BASIC DATA\***

TOTAL POPULATION.. (THOUSANDS,MID 1983) 268  
 PER CAPITA GNP..... (DOLLARS,1981) 180  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) . %  
 ANNUAL RATE OF INFLATION (1970-81) 12.1%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 47.9 MALE 46.4 FEMALE 49.6  
     (1970) TOTAL 42.2 MALE 40.6 FEMALE 43.8  
 ADULT LITERACY RATE ( .) TOTAL .% MALE .% FEMALE .%

**\*AGRICULTURE\***

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....( .) .%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 237  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: CASSAVA ,BANANAS ,SWEET POTATOES 25% (1982)  
     CASH: COCOA BEANS ,COFFEE , 39% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COCOA BEANS ,COFFEE ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT ,RICE ,RAW SUGAR  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 76%

**\*CENTRAL GOVERNMENT FINANCES\***

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 ( .) ( .) ( .)  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 ( .) ( .) ( .)  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 ( .) ( .) ( .)  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. ( .) .% ( .) .% ( .) .%  
 AS % OF GNP..... ( .) .% ( .) .% ( .) .%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) ( .) ( .) ( .)  
 EQUIVALENT TO . MONTHS OF IMPORTS ( .)

**\*FOREIGN TRADE\***

MAJOR EXPORTS... (1980) COCOA ,COFFEE ,WOOD  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1976) 1 (1978) 0 (1981) 0  
 AS % OF TOTAL EXPORTS (1971) 10% (1972) 4% (1973) 29%  
 MAJOR IMPORTS....(1980) FOODSTUFFS ,CHEMICALS ,TEXTILES  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1972) 4 (1981) 1 (1982) 1  
 AS % OF TOTAL IMPORTS ( .) .% (1971) 10% (1972) 15%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1972) -4(73) 1(74) 20  
 TRADING PARTNERS: SPAIN ,NETHERLANDS ,WEST GERMANY  
 EXTERNAL PUBLIC DEBT AS % OF GNP ( .) . %  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... ( .) .  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... ( .) . %

**\*SOCIAL DATA\***

POPULATION GROWTH RATE...(1970) 1.9% (1978) 2.3% (1983) 2.5%  
 POPULATION IN URBAN AREAS.....(1970) 39% (1982) 56%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 42 (1983) 42  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. ( .) . %  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 41.8% (15-64YRS) 55.0% (65+ YRS) 3.3%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 136  
 PEOPLE PER PHYSICIAN..... (1975) 58,000  
 MAJOR CAUSES OF  
 DISEASE (19 ) , ,  
 DEATH.. (19 ) , ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. ( .) .%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY( .) .%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1975) TOTAL 81.0% MALE 89.0% FEMALE 72.0%  
 SECONDARY..... (1975) TOTAL 11.0% MALE 19.0% FEMALE 4.0%  
 POST SECONDARY.. ( .) TOTAL . % MALE . % FEMALE . %  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

**U.S. OVERSEAS LOANS AND GRANTS — OBLIGATIONS AND LOAN AUTHORIZATIONS**  
(U.S. Fiscal Years — Millions of Dollars)

**ECONOMIC PROGRAMS OF ALL DONORS**  
(Millions of Dollars)

**COUNTRY EQUATORIAL GUINEA**

PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82
	1978	1979	1980	1981	1982			
<b>I. ECONOMIC ASSISTANCE — TOTAL</b>	-	-	-	1.0	1.3	2.3	-	2.3
Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	1.0	1.3	2.3	-	2.3
<b>a. A.I.D. and Professional Agencies</b>	-	-	-	1.0	1.0	2.0	-	2.0
Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	1.0	1.0	2.0	-	2.0
(Economic Support Fund)	-	-	-	-	-	-	-	-
<b>b. Food for Peace (PL 480)</b>	-	-	-	-	0.3	0.3	-	0.3
Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	0.3	0.3	-	0.3
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-
Title II - Total Grants	-	-	-	-	0.3	0.3	-	0.3
Emerg. Relief, Econ. Develop. & World Food Program	-	-	-	-	0.3	0.3	-	0.3
Voluntary Relief Agencies	-	-	-	-	-	-	-	-
<b>c. Other Economic Assistance</b>	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Peace Corps	-	-	-	-	-	-	-	-
Narcotics	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>II. MILITARY ASSISTANCE — TOTAL</b>	-	-	-	-	*	*	-	*
Credits or Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	*	*	-	*
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	*	*	-	*
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	-	-	-	1.0	1.3	2.3	-	2.3
Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	1.0	1.3	2.3	-	2.3
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	-	-	-
a. Export-Import Bank Loans	-	-	-	-	-	-	-	-
b. All Other Loans	-	-	-	-	-	-	-	-

\* LESS THAN \$50,000.

**A. ASSISTANCE FROM INTERNATIONAL AGENCIES — COMMITMENTS**

	FY 1981	FY 1982	FY 1983	FY 1946-83
TOTAL.....	0.8	10.2	7.6	21.0
IBRD	0.0	0.0	0.0	0.0
IFC	0.0	0.0	0.0	0.0
IDA	0.0	0.0	2.4	2.4
ICS	0.0	0.0	0.0	0.0
A33	0.0	0.0	0.0	0.0
AFDB	0.0	9.2	5.2	13.4
UNJP	0.8	2.0	0.0	5.2
OTHER-UN	0.0	0.0	0.0	0.0
EEC	0.0	0.0	0.0	0.0

**B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE**

**1. D.A.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-82
France	-	2.3	2.3
Germany Fed. Rep.	-	1.0	1.0
Switzerland	-	0.5	0.5
Netherlands	-	0.2	0.2
Other	-	0.1	0.1
Total	-	4.1	4.1

**2. O.P.E.C. COUNTRIES (Gross Disbursements)**

**C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES**

	CY 1981	CY 1982	CY 1954-82
USSR	-	Negl	5
Eastern Europe	-	-	-
China	-	-	25
Total	-	-	30

## EQUATORIAL GUINFA

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	1,000	1,000	-	-	-	-	-	-
Total	1,000	1,000	-	-	-	-	-	-
1984								
Loans	-	-	-	-	-	-	-	-
Grants	1,000	1,000	-	-	-	-	-	-
Total	1,000	1,000	-	-	-	-	-	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	1,000	1,000	-	-	-	-	-	-
Total	1,000	1,000	-	-	-	-	-	-

FY 1985 PROGRAM HIGHLIGHTS	
<p>- \$1.0 million in incremental funding provided for the ongoing cooperative development project, with an emphasis on providing assistance to small farmer cooperatives in the rehabilitation/development of the agriculture sector.</p>	

EQUATORIAL GUINEA

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	135	1,321	1,382
Total AID	135	1,321	1,382
P.L. 480**			
Title I (of which Title III is)	( - )	( - )	( - )
Title II	66	835	676
Total P.L. 480	66	835	676
Total AID and P.L. 480	201	2,156	2,058

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	-	-	-
PASA <sup>c</sup>	-	-	-
Contract	1	3	1
Total	1	3	1
Participants <sup>d</sup>			
Noncontract	-	-	-
Contract	-	-	-
Total	-	-	-

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(IN 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		-		-		-
World Food Programs		66		835		676
Gov't-to-Gov't		-		-		-
Title II Total		66		835		676
Total P.L. 480		66		835		676

## EQUATORIAL GUINEA

### Development Overview

At the time of independence from Spain in 1968, Equatorial Guinea (E.G.) had a self-sufficient economy. Export of cocoa and hardwoods helped provide per capita income of \$500 in 1979 prices. As E.G. had a comparative economic advantage in the production of cash crops, the country was able to import the basic foodstuffs upon which the population depended. An artisanal and commercial fishing industry along with a small livestock sector provided protein. In Africa, the country was second only to oil-rich Gabon in per capita income, had one doctor per 5,130 inhabitants, five hospital beds per 1,000 inhabitants, a literacy rate of 89%, and great potential for increased development.

The despotic Macias regime reversed the bright economic prospects of Equatorial Guinea and led the country to the depths of poverty, terror and hopelessness. Between 1968 and 1979, the population dropped by fully one-third, from 300,000 to 200,000. While most of this drop was due to emigration, many members of the intellectual, political and managerial classes were executed.

Previously the mainstays of the economy, cocoa production dropped from 40,000 tons to 4,000 tons, and coffee and lumber exports dropped respectively from 16,000 and 100,000 tons to numbers too insignificant to record. The livestock population was severely depleted. As a result of this strangulation of the economy and of the society by the Macias regime, per capita income was reduced by three-quarters over an 11-year period. Once a model of its kind, the health system disintegrated with the departure of most of the doctors and nurses and the almost complete disappearance of medical care infrastructure and equipment. It is estimated that with the degradation of the diet of the Equatorial Guinean population and the lack of basic health care, fertility rates have declined, mortality and morbidity have increased, and life expectancy has dropped from 48 to 40. The last complete vaccination campaign against childhood and tropical diseases was conducted in 1970.

At the time of the coup d'etat which deposed Macias in August 1979, Equatorial Guinea was in social, political and administrative chaos. Essential utilities are still in disarray with only sporadic service for electricity and water. This is due to a dearth of technical and administrative talent available to the government following the mass exodus and executions under the Macias regime. Nonetheless, it appears clear on the basis of administrative decrees and on-the-spot observation by USG personnel that the new Government of Equatorial Guinea (GREG) intends to revitalize its market economy and redress the excesses of the 11 years under Macias.

## EQUATORIAL GUINEA

It has reduced the cocoa export tax, and is requiring state enterprises to operate profitably.

Assuming that the new government will be successful in providing political stability and urgently needed economic reforms, Equatorial Guinea has excellent potential prospects for development over the next decade. Merely achieving the 1968 levels of cocoa production would make E.G. the seventh largest producer in the world and would add an estimated \$320 in per-capita income to the economy. Rejuvenating coffee production and re-establishing 1968 export levels would add another \$80 in per-capita income, and the development of lumber exports to the goal of 200,000 tons within the next 5-7 years would add another \$80. Petroleum reserves are also reputed to exist. Re-establishment of the commercial role that E.G. had historically played in the Central African region would add additional impetus to the development of the overall economy.

At present, Equatorial Guinea has almost no liquid assets and is completely dependent upon foreign technical and financial assistance to help it recover from the socio-economic and political reversals experienced over the past years. Although E.G. has the natural resource potential to make recovery possible, its economy is in such disarray, and its human resource base so devastated, that expatriate technicians and financial assistance will be required for some time to exploit that potential.

### U.S. Interests and Objectives

Consistent with its own policy on international human rights, the U.S. Government has a political interest in providing tangible support to those countries which have shown themselves prepared to embark on progressive efforts towards political and economic reform and equitable development. Equatorial Guinea's development potential is such that coordinated assistance between members of the international donor community can produce a remarkable impact within a decade. The GREG urgently requested the U.S. Government to establish a diplomatic presence in E.G. in order to reinforce a western counterbalance to the formerly preponderant but still significant Soviet influence. Spain had specifically requested the United States to participate with other donors in E.G.'s economic recovery and development program. Diplomatic relations were established and an embassy was opened in 1981.

Although there is a potential development role for U.S. private sector trade and investment in E.G., this is not likely to become significant until such time as the GREG has proven itself capable of providing the long-term stability necessary to encourage outside investment. A.I.D. will remain alert to possibilities for the utilization of Trade and Development Program

## EQUATORIAL GUINEA

and other incentive sources for the private sector which would encourage initiatives in the forestry, fishery and food-processing fields. U.S. companies have already shown interest in the exploration of E.G.'s off-shore petroleum potential.

### A.I.D. Assistance Strategy

Given the limited assistance levels and absence of a resident A.I.D. presence in E.G., A.I.D. strategy is concentrated in one sector. As agricultural production (including small livestock) is basic to both the national economy and the population, A.I.D. will concentrate its efforts on small-farmer production. To the extent possible, the assistance of Private Voluntary Organization (PVOs) will be solicited to implement A.I.D. projects.

### A.I.D. Program (FY's 1983-1984)

A.I.D.'s program began in FY 1981 with the approval of a \$1 million project (Agriculture Production - 653-0001) which provided transportation equipment to E.G.'s cocoa cooperatives and assisted in rehabilitation of a poultry production station and small farmer training center. As the requirement for rapid rehabilitation of cocoa and coffee production remained critical for E.G. during this period of economic recovery, A.I.D. expanded the project in FY 1982 by \$1 million to provide additional vehicle spare parts, coffee processing equipment, fungicides and small hand tools to the cooperatives as well as an extension of technical, commodity and training support to the poultry production station. A PVO, International Human Assistance Programs (IHAP), is implementing the poultry component of the project and a technical advisor is resident in Malabo to coordinate the activities of the central station.

In FY 1983, A.I.D. collaborated with the Cooperative League of the United States of America (CLUA), an American PVO, in the investigation and design of a long-term project (Cooperative Development - 653-0002) to assist the small-farmer members of Equatorial Guinea's cocoa and coffee cooperatives to develop administrative, management and marketing capabilities. The long-term objective of this effort is efficient and productive cooperatives within an independent private sector. A Cooperative Agreement for the implementation of this project was subsequently executed between A.I.D. and CLUA in the amount of \$3 million over a four-year period.

Also in FY 83, seven participants were sent to the United States under the regional African Manpower Development Project to begin academic studies towards bachelor's degrees in various agricultural fields.

## EQUATORIAL GUINEA

In FY 1984, CLUSA will continue active implementation of the Cooperative Development Project. This year will see the full technical assistance team fielded and the initiation of training activities for cooperatives' administrative boards. Two cooperative service centers will be established -- one on the mainland and one on the island of Bioko to serve as central maintenance, training and, eventually, input distribution centers for the country's sixty-nine cooperatives. Baseline data studies will be initiated on 12 to 15 selected cooperatives to provide information to guide the project's implementation. \$1 million in incremental funding will be added to the Cooperative Agreement with CLUSA.

FY 1984 will also see the restructuring of the ongoing Agricultural Development Project. An evaluation by the USAID/Cameroon field mission in FY 1983 showed that the present cooperatives are insufficiently prepared to use the commodities effectively. Based upon the recommendations of this evaluation, A.I.D. will place management control of the commodity component under the technical assistance team provided by CLUSA's Cooperative Development Project.

The poultry component of the original project, which has been extremely successful in producing chickens and eggs for the local market, will likewise be restructured in light of Equatorial Guinea's present inability to generate sufficient foreign exchange for the continued importation of poultry feed. The poultry center which the project established will be used to teach small farmers techniques for raising poultry using indigenous feeds, raising small animals and vegetable gardening.

### Requested Year Program (FY 1985)

In FY 1985 A.I.D. is requesting \$1 million as the final obligation for CLUSA's Cooperative Development Project.

MISSION DIRECTOR: Ronald D. Levin  
(Resident in Cameroon)

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: EQUATORIAL GUINEA

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
AGRICULTURAL PRODUCTION (PVD)	G 653-0001	81	82	2,000	2,000	992	---	371	---	532	
COOPERATIVE DEVELOPMENT (PVD)	G 653-0002	83	85	3,000	3,000	1,000	---	1,000	1,000	850	
TOTAL FOR ACCOUNT GRANTS				5,000	5,000	3,000	992	1,000	1,321	1,000	1,382
LOANS				---	---	---	---	---	---	---	
TOTAL FOR COUNTRY GRANTS				5,000	5,000	3,000	992	1,000	1,321	1,000	1,382
LOANS				---	---	---	---	---	---	---	

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data.

For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (696) RWANDA

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 5,644  
 PER CAPITA GNP..... (DOLLARS,1981) 250  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 1.8%  
 ANNUAL RATE OF INFLATION (1970-81) 13.4%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 (1982) TOTAL 46.0 MALE 44.4 FEMALE 47.7  
 (1970) TOTAL 42.1 MALE 40.6 FEMALE 43.8  
 ADULT LITERACY RATE (1980) TOTAL 50% MALE 61% FEMALE 39%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) 1.3%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 46%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 892  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: PULSES ,PLANTAINS ,SWEET POTATOES 81% (1982)  
 CASH: COFFEE , , 3% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COFFEE ,TEA ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT ,DAIRY PRODS. ,RICE  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 91%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 (1978) 99 (79) 134 (80) 152  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 (1978) 113 (79) 152 (80) 163  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 (1978) -14 (79) -17 (80) -12  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. (1978) 12.3% (79) 12.1% (80) 13.1%  
 AS % OF GNP..... (1978) 1.6% (79) 1.8% (80) 1.9%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) (1979) 152 (80) 187 (81) 173  
 EQUIVALENT TO 10.0 MONTHS OF IMPORTS (1981)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) COFFEE ,TEA ,MINERALS  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1980) 1 (1981) 39 (1982) 32  
 AS % OF TOTAL EXPORTS (1977: 0% (1980) 0% (1981) 35%  
 MAJOR IMPORTS....(1981) TEXTILES ,FOODSTUFFS ,MACHINERY  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 11 (1981) 7 (1982) 6  
 AS % OF TOTAL IMPORTS (1979) 4% (1980) 6% (1981) 3%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) 44(80) -62(81) -94  
 TRADING PARTNERS: , ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 25.6%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 3  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 2.4%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.9% (1978) 3.1% (1983) 3.3%  
 POPULATION IN URBAN AREAS.....(1970) 3% (1982) 5%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 50 (1983) 50  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. ( .) . %  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 46.7% (15-64YRS) 50.6% (65+ YRS) 2.7%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 102  
 PEOPLE PER PHYSICIAN..... (1977) 38,792  
 MAJOR CAUSES OF  
 DISEASE (1981) MALARIA ,INFLUENZA ,MEASLES  
 DEATH.. (19 ) , ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 94%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1976) 35%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1979) TOTAL 70.0% MALE 74.0% FEMALE 67.0%  
 SECONDARY..... (1979) TOTAL 2.0% MALE 3.0% FEMALE 1.0%  
 POST SECONDARY.. (1976) TOTAL 0.2% MALE 0.4% FEMALE 0.0%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 22.2%

**U.S. OVERSEAS LOANS AND GRANTS – OBLIGATIONS AND LOAN AUTHORIZATIONS**  
(U.S. Fiscal Years – Millions of Dollars)

**ECONOMIC PROGRAMS OF ALL DONORS**  
(Millions of Dollars)

COUNTRY	RWANDA						TOTAL LOANS AND GRANTS 1946-82	REPAYMENTS AND INTEREST 1946-82	TOTAL LFSC REPAYMENTS AND INTEREST 1946-82
	PROGRAM	FOREIGN ASSISTANCE ACT PERIOD							
		1978	1979	1980	1981	1982			
<b>I. ECONOMIC ASSISTANCE – TOTAL</b>	3.5	6.4	4.1	7.4	9.0	46.1	-	46.1	
Loans	-	-	-	-	-	-	-	-	
Grants	3.5	6.4	4.1	7.4	9.0	46.1	-	46.1	
<b>a. A.I.D. and Predecessor Agencies</b>	1.7	5.3	1.9	3.4	5.5	23.0	-	23.6	
Loans	-	-	-	-	-	-	-	-	
Grants	1.7	5.3	1.9	3.4	5.5	23.6	-	23.6	
(Economic Support Fund)	-	-	-	-	-	1.1	-	-	
<b>b. Food for Peace (PL 480)</b>	1.6	1.3	2.2	3.9	2.4	22.0	-	22.0	
Loans	-	-	-	-	-	-	-	-	
Grants	1.6	1.3	2.2	3.9	2.4	22.0	-	22.0	
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-	
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	
Title II - Total Grants	1.6	1.3	2.2	3.9	2.4	22.0	-	22.0	
Emerg. Relief, Econ. Develop. & World Food Program	0.1	-	0.3	0.6	0.3	5.6	-	5.6	
Voluntary Relief Agencies	1.5	1.3	1.9	3.1	2.1	16.4	-	16.4	
<b>c. Other Economic Assistance</b>	0.2	0.1	*	0.1	0.1	0.5	-	0.5	
Loans	-	-	-	-	-	-	-	-	
Grants	0.2	0.1	*	0.1	0.1	0.5	-	0.5	
Peace Corps	0.2	0.1	*	0.1	0.1	0.5	-	0.5	
Narcotics	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	
<b>II. MILITARY ASSISTANCE – TOTAL</b>	-	-	0.1	1.5	*	1.6	*	0.1	
Credits or Loans	-	-	-	1.5	-	1.5	-	-	
Grants	-	-	0.1	*	*	0.1	-	0.1	
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-	
<b>b. Credit Financing - FMS</b>	-	-	-	1.5	-	1.5	*	*	
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	0.1	*	*	0.1	-	0.1	
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	3.5	6.4	4.2	8.9	9.0	47.7	*	46.2	
Loans	-	-	-	1.5	-	1.5	*	-	
Grants	3.5	6.4	4.2	7.4	9.0	46.2	-	46.2	
<b>Other U.S. Government Loans and Grants</b>	0.3	-	-	-	-	0.9	0.4	0.5	
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	-	-	-	
<b>b. All Other Loans</b>	0.3	-	-	-	-	0.9	0.4	0.5	

\* LESS THAN \$50,000.

**A. ASSISTANCE FROM INTERNATIONAL AGENCIES – COMMITMENTS**

	FY 1981	FY 1982	FY 1983	FY 1946-83
<b>TOTAL</b>	50.5	52.8	48.9	387.6
IBRD	0.0	0.0	0.0	0.0
IFC	0.0	0.0	0.0	0.8
IDA	22.5	40.9	36.3	209.4
IDB	0.0	0.0	0.0	0.0
ADB	0.0	0.0	0.0	0.0
AFDB	33.9	10.4	10.4	78.5
UNDP	6.1	1.5	0.0	28.4
OTHER-UN	0.0	0.0	2.2	10.3
EEC	0.0	0.0	0.0	60.2

**B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE**

**1. D.A.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-82
United States	10.0	9.0	34.0
Belgium	28.9	26.3	163.2
Germany Fed. Rep.	20.7	25.3	107.5
France	21.5	11.8	70.0
Switzerland	7.7	9.3	33.1
Other	15.4	17.4	74.6
<b>Total</b>	104.2	99.1	482.4

**2. O.P.E.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-81
	0.7	N.A.	3.8

**C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES**

	CY 1981	CY 1982	CY 1954-82
USSR	-	-	Neg1.
Eastern Europe	-	-	-
China	-	-	55
<b>Total</b>	-	-	55

## RWANDA

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983	-	-	-	-	-	-	-	-
Loans	5,260	3,560	1,700	-	-	-	-	-
Grants								
a/ Total								
1984	-	-	-	-	-	-	-	-
Loans	4,800	3,000	1,000	-	-	-	-	-
Grants								
Total								
Loans	-	-	-	-	-	-	-	-
Grants	5,500	5,000	500	-	-	-	-	-
Total								

a/Excludes \$4.4 million in State Migration and Refugee Assistance

FY 1985 PROGRAM HIGHLIGHTS	
--	Continue emphasis to strengthen the Agriculture Sector (\$5,000,000)
--	Rural Health and Family Programs receive continuing attention (\$500,000).

## RWANDA

RESOURCE FLOWS			
<i>(In thousands of dollars)</i>			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	2,246	6,780	7,165
Total AID	2,246	6,780	7,165
P.L. 480**			
Title I	-	-	-
<i>(of which Title III is)</i>	<i>( - )</i>	<i>( - )</i>	<i>( - )</i>
Title II	3,214	4,499	4,088
Total P.L. 480	3,214	4,499	4,088
Total AID and P.L. 480	5,460	11,279	11,253

\*AID levels represent actual and estimated expenditures.  
\*\*P. L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	7	8	7
PASA <sup>c</sup>	1	2	2
Contract	9	15	18
Total	17	25	27
Participants <sup>d</sup>			
Noncontract	19	22	10
Contract	13	27	12
Total	32	49	22

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 Program Summary  
(in 000 MT/000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I	-	-	-	-	-	-
Wheat						
Rice						
Feedgrains						
Vegoil						
Non-food						
Title I Total <i>(of which Title III is)</i>						
Title II						
Voluntary Agencies		2,836		3,800		3,335
World Food Programs		378		699		753
Gov't-to-Gov't		-		-		-
Title II Total		3,214		4,499		4,088
Total P.L. 480		3,214		4,499		4,088

## RWANDA

### Development Overview

The principal causes of poverty and the leading constraints to accelerating development in Rwanda are (1) a low level of agricultural technology and inability to extend known technology; (2) a low absorptive capacity due to limited trained manpower and physical infrastructure; and (3) high population pressure on productive land and lack of off-farm employment opportunities.

The Government of Rwanda's (GOR) Development Strategy addresses the two principal problems of (1) food availability for a growing population and (2) underutilization of human resource potential. If production increases are to be achieved over the medium term through crop intensification, a strengthening of the agricultural research and extension services will be required. A major factor in the achievement of a long-term solution must be a reduction in the 3.7 % population growth rate.

Rwanda is among the poorest countries in the world, with a per capita GNP of \$250 in 1981. It is also the most densely populated country in Africa and will probably be using 100 percent of its arable land before the end of the century. The GOR is aware of its demographic problems and has adopted a strong policy of support for the development of a National Family Planning program which in the long run should attenuate its growing problem of population pressure on the land.

Over the past several years depressed export prices (i.e, for coffee, tea, and pyrethrum flower) as well as an increase in import prices have led to a deterioration in Rwanda's trade balance. To reverse this adverse trend, in 1983 the GOR implemented a new import tariff scheme which substantially raised import costs. This scheme is designed to reduce costly imports that act as a drain on Rwanda's precious foreign exchange. Internally, taxes on beer, cigarettes and income were increased to raise funds to cover budgetary shortfalls caused by poor export prices. Nonetheless Rwanda's ordinary budget (versus its development budget) went into deficit for the first time in approximately 10 years. Thus in a further attempt to rectify its macro-economic imbalances, the GOR decided to devalue marginally (six percent) the Rwandan franc vis-a-vis the U.S. dollar while continuing to rely on pragmatic fiscal planning.

## RWANDA

Despite its present economic difficulties Rwanda does possess certain resources which have enabled it to stave off massive food imports. Soils are fertile, rainfall is sufficient for two crops per year, variation in elevation and climate allow a wide range of crops, and there is a strong work ethic among the people. These resources are not used to full advantage, however, largely due to the deficiencies in research and extension. Yields remain stagnant with production increases realized only by diminishing fallowing practices and bringing marginal land under cultivation. Because of growing population pressure on limited land, future increases in production will have to come from crop intensification.

In this regard the ability of the Government of Rwanda to absorb external funding, especially in agriculture, and to use its internal resources effectively, is constrained by a significant shortage of trained personnel. Less than 40% of the adult population is literate; less than 2% has a secondary education.

The cooperative movement is strong and strengthening of cooperatives to permit them to provide many of the services normally offered by government extension agencies seems promising. Cooperatives are already beginning to give farmers institutional access to means of production, markets, agricultural knowledge, and the financial systems.

Employment generation presents a difficult challenge. More than 30,000 youths enter the job market every year. With an urban economy able to absorb less than a fifth of them, rural employment, through the opening of new lands to agriculture, labor-intensive rural works, cooperative formation and rural artisanry, must be generated. Government policy for the private sector focuses on the development of small and medium-sized labor intensive enterprises, an increasing number of which are to be located outside of the capital city. A job creation target of 30-35,000 new jobs between 1982-1986 has been set. To improve the supply of skilled labor to the private sector, the Ministry of Economy and Commerce plans to establish a technical training school and new industries will be encouraged to engage in apprenticeship schemes. Measures to increase the efficiency of financial, technical and advisory services to businesses include the expansion and reorganization of institutions providing these services, such as the Chamber of Commerce and the Office of Industrial Promotion.

## RWANDA

### U.S. Interests and Objectives

U.S. interests in Rwanda are primarily developmental. Rwanda, one of Africa's poorest nations, suffers from a lack of land and an excess of people as do other countries in the region. It is the U.S. interest to see that this poverty and problems resulting from it do not turn into general regional instability. A dramatic expression of U.S. humanitarian interests was U.S. assistance in 1982 and 1983 to meet the needs of refugees entering Rwanda from Uganda. Less dramatic but more important is continued U.S. support to development efforts which have been and continue to be successful.

Rwanda over the past ten years has managed its affairs in a manner that successive U.S. administrations have approved of. It is a Western oriented, non-aligned nation whose human rights record is relatively good and which has taken steps towards more representational government. It has supported a variety of U.S. positions in various international fora. Rwanda encourages indigenous and foreign private enterprise. Its overall economic and political performance is significantly better than its neighbors. It is in the U.S. interest to continue to encourage Rwanda to follow its present development strategy.

U.S. economic interests in Rwanda are small. U.S. private investment is limited with the largest amount, \$3 million, in tea production. Exports to Rwanda total approximately \$5.8 million (1982). Rwanda's main export to the United States, coffee, is not vital to U.S. interests but is very important to the well being of the Rwandan economy. Total coffee exports account for approximately 70 percent of Rwanda's export income.

### A.I.D. Assistance Strategy

Rwanda's principal problem is a rapidly growing population (estimated at 3.7%) and a corresponding decrease in the per capita availability of arable farm land. To address these problems A.I.D. objectives are: (1) increasing per capita supply of food and (2) improving the health status of the Rwandan population. To achieve these objectives, the A.I.D. strategy for Rwanda seeks to use project funding and PL 480 assistance to:

## RWANDA

--Develop an institutional capacity at both the national level and through local cooperatives to store and market food crops.

--Build the institutional capacity and provide the human resources to carry out rural economic and agronomic research in three areas:

- (1) food crop storage and marketing;
- (2) farm systems; and
- (3) selected crop varieties.

--Provide technical and financial assistance to small Rwandan entrepreneurs with emphasis on private sector agricultural development.

--Provide information, education and services for mother and child health care, and for family planning.

These objectives of concentration have been chosen for the following reasons:

A. Food crop marketing and storage is a sector where limited resources could have a significant impact within a reasonably short time on improving food availability.

B. It has become apparent that years of stagnation in agricultural research and extension in Rwanda must be reversed if the country is to maintain the relative food self-sufficiency it now enjoys. A.I.D. will foster a change in approach to research and extension, one that encourages farmer participation in research and that assures effective delivery of research results to the farmer.

C. The GOR encourages private sector development, although credit facilities, technical training, etc. are currently in short supply. A.I.D. funds will help to alleviate these private enterprise support institutions. Farmers, the largest group in Rwanda's private sector, will also benefit from this private investment initiative since it will indirectly promote agro-industry, food marketing and storage, etc.

D. Population pressure on limited agricultural land is intense. Our program to reduce infant mortality and improve the health of mothers is combined with an effort to reduce the population growth rate.

## RWANDA

The United States has particular expertise to offer in these sectors, an expertise built both at home and in the developing world. A.I.D. resources have already induced policy change in Rwanda, the most notable being a shift away from a five-year experiment with fixed prices for basic food crops to free marketing pricing policies. A.I.D. programs in family health care have assisted the GOR in formulating a national demographic policy. Other positive GOR policy changes that have developed during this period include the recent devaluation of the Rwandan franc and a shift of focus within the GOR on agricultural research and technology transfer. Progress has also been made in effecting GOR policy changes on providing: increased resources for health care delivery, incentive prices for basic food crops, and a stronger role for cooperatives.

### A.I.D. Program (FYs 1983-1984)

A. In the agriculture sector, A.I.D. has followed a consistent program in Rwanda since 1975 of developing the crop storage and marketing sector. This program began with the Food Storage and Marketing project (696-0116) which constructed storage centers in strategic locations throughout Rwanda. Currently eight warehouses are in operation, with a total capacity of 10,000 metric tons. A joint A.I.D./GOR evaluation of this project in June 1981 found that it had been successful in establishing a national agency for storing and marketing food grains and pulses and in meeting the need to transfer food supplies to deficit production regions. It also contributed to the achievement of price stability and the reduction of regional food shortages. Following the recommendations of the evaluation, a second phase of the program was initially funded in FY 1982 to provide continued technical assistance for research into the feasibility of establishing a food security stockpile comprised of sorghum and beans. Efforts to improve marketing operations will also continue. This program continued in FY 1983 with an obligation of \$1,100,000 for the Food Storage and Marketing II project (696-0116) which will continue through FY 1986. In conjunction with the Local Crop Storage project (696-0107), a joint research program into the problems of long-term storage and marketing is being undertaken.

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The Local Crop Storage project (LCS) is complementary to Food Storage and Marketing II. LCS is focused on developing Rwanda's cooperatives with a particular emphasis on their role in a comprehensive food storage and marketing system. The project was initiated in 1979 and is being implemented by the Cooperative League of the United States of America (CLUSA). It built on pilot cooperative storage projects implemented by Catholic Relief Services (CRS) and CLUSA. To date the LCS project has constructed a network of cooperative storage facilities which are now in operation. An additional 11 will be built in 1984. A 1983 evaluation of the LCS project indicated it was having a favorable impact on the farmers it is serving.

The development of an effective cooperative movement is a GOR priority strongly supported by A.I.D. In addition to the LCS project, A.I.D. is financing, in conjunction with the Swiss Government, a cooperative training center in Kigali. CLUSA is also the implementing agent for the Cooperative Training Center project (696-0122) which will train Rwandans in all aspects of cooperative management.

A.I.D. is financing two other projects that are intended to develop the institutions that serve rural Rwanda. The first is the Agricultural Education project (696-0109) which has constructed 30 schools. In 1983 the Agricultural Education project began its curriculum development phase which will continue in 1984. Emphasis is being placed on training that will prepare post primary school youths for rural employment. Finally, the Agriculture Survey and Analysis project (696-0115) completed the pilot survey phase in 1983. The full field survey has begun and will continue through 1984.

Two regional projects, Communal Afforestation (698-0425) and Cooperative Resource Development (CRDP) (698-0662.01), will begin implementation in 1984. Both projects will be located in the Ruhengeri area which will be A.I.D.'s area of geographic concentration over the next several years. The Communal Afforestation Project will develop a reforestation program in three communes (townships) in the area. The CRDP activity will do research in the ecology of the area, provide training in environmental matters and develop demonstration activities that will show how local residents can improve the productivity of their region. Both projects are complementary to A.I.D.'s major new project, Cropping Systems Improvement.

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The Cropping Systems Improvement project (CSIP) (696-0110) will begin in 1984 and will also focus on the Ruhengeri area. It represents A.I.D.'s major effort to improve agriculture production. CSIP represents an effort in adaptive agronomic research ultimately intended to improve the performance of the extension system in providing improved technology to the farmers.

Also in 1984 the Private Enterprise Development project (696-0121) will be initiated. This project is intended to improve the environment in which private enterprise takes place. Initial efforts will focus on training, particularly in accounting, and project proposal preparation. A line of credit for small entrepreneurs is also planned. Agro-business will be emphasized.

B. Consistent with the A.I.D. country health sector strategy of improving maternal/child health and family planning (MCH/FP) services, a pilot project was financed in 1979 under an Africa regional project (Family Health Initiatives, 698-0662) to provide planning, training, and commodity support to assist the government in developing the infrastructure required to provide MCH/FP services. This project provided a basic MCH/FP planning document, transportation support, U.S. and third country training for over 60 Rwandans, and support for a national population and development conference. Other ongoing activities include a national fertility survey and training programs for government leaders and traditional midwives.

Building upon the success of the regional Family Health Initiatives project is the bilateral Maternal/Child Health and Family Planning (MCH/FP) project (696-0113) which was started in FY 1981. The MCH/FP project represents a major commitment by the GOR and A.I.D. to develop a national MCH/FP program. During this past year there has been noteworthy progress in developing family planning services. Services have been established in 51 institutions (23 hospitals and 28 health centers). An estimated 10,000 family planning acceptors are projected by the end of 1983.

Another element of the A.I.D. program in this sector is an activity begun in 1980 under the regional Expanded Program for Immunization (698-0410) developed in conjunction with the World Health Organization and UNICEF. This activity assists the Ministry of Public Health in improving its national immunization program in order to reduce morbidity and mortality due to preventable childhood diseases. This activity was recently evaluated by a joint WHO, UNICEF, A.I.D. and GOR team and was found to have been quite effective in achieving

## RWANDA

its objectives. Indeed, disease specific vaccination coverage exceeded original objectives. The GOR has requested continued A.I.D. assistance upon termination of the current activity.

C. Through CRS and the Seventh Day Adventist World Service (SAWS), A.I.D. is providing PL 480 Title II food imports to support nutrition education, child feeding and community development programs. CRS reports significant improvements in nutrition levels of 65 to 70 percent of all families enrolled in the child feeding program. Community development activities such as road building under the SAWS food for work program are having a positive impact in many rural communities.

D. While not an area of concentration for A.I.D., refugees in Rwanda have become a significant developmental problem since October 1982 when approximately 40,000 persons were forced out of Uganda into Rwanda. The GOR has acted with both compassion and effectiveness to assist these people. To support this effort A.I.D. provided temporary food assistance and now under a grant from the State Department Bureau for Refugee Affairs is financing a \$4.4 million resettlement scheme in the Lake Nasho area, implemented by AFRICARE.

### Requested Year Program (FY 1985)

One new project, Cooperative Credit and Training (696-0112) is proposed for funding of \$1.5 million in FY 1985. Under this project, activity to increase the number and effectiveness of cooperatives, particularly in storage and marketing of crops will be undertaken. Also in the agriculture sector additional funding of \$3.5 million is proposed for the Cropping Systems Improvement (696-0110) project. The MCH/FP (696-0113) project is proposed for \$500,000 in additional funding. Under the PL 480 Title II program \$3,335,000 is requested to continue activities carried out by CRS and SAWS.

Mission Director:

Eugene R. Chiavaroli

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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01/19/84

PROGRAM: RWANDA

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
LOCAL CROP STORAGE	G 696-0107	79	80	2,573	2,573	2,573	883	---	300	---	300
AGRICULTURAL EDUCATION	G 696-0109	79	83	5,126	5,126	5,126	2,199	---	350	---	700
CROPPING SYSTEMS IMPROVEMENT	G 696-0110	84	87	---	12,000	---	---	2,000	100	3,500	500
FISH CULTURE	G 696-0112	81	82	2,470	2,450	2,450	159	---	300	---	300
RWANDA AGRICULTURE SURVEY AND ANALYSIS	G 696-0115	81	83	3,706	3,706	3,706	1,060	---	1,000	---	1,000
FOOD STORAGE AND MARKETING II	G 696-0116	32	83	2,100	2,100	2,100	249	---	300	---	300
COOPERATIVE TRAINING CENTER (PVO)	G 696-0119	81	83	897	897	897	309	---	330	---	300
RWANDAN PRIVATE ENTERPRISE DEVELOPMENT	G 696-0121	34	84	---	1,000	---	---	1,000	100	---	500
COOPERATIVE CREDIT & TRAINING	* G 696-0122	35	86	---	4,000	---	---	---	---	1,500	250
CROPPING SYSTEMS IMPROVEMENT	G 696-0123	33	83	515	515	515	---	---	500	---	15
TOTAL FOR ACCOUNT GRANTS				17,387	31,867	17,367	4,864	3,000	5,280	5,000	5,665
LOANS				17,387	31,867	17,367	4,864	3,000	5,280	5,000	5,665
POPULATION PLANNING											
MATERNAL CHILD HEALTH / FAMILY PLANNING	G 696-0113	81	85	6,250	6,250	3,212	374	1,800	1,500	500	1,500
TOTAL FOR ACCOUNT GRANTS				6,250	6,250	3,212	374	1,800	1,500	500	1,500
LOANS				6,250	6,250	3,212	374	1,800	1,500	500	1,500
TOTAL FOR COUNTRY GRANTS				23,637	38,117	20,579	5,238	4,800	6,780	5,500	7,165
LOANS				23,637	38,117	20,579	5,238	4,800	6,780	5,500	7,165

\* Refers to the planned project summary sheet

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C Level of effort authority

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: RWANDA

PLANNED PROGRAM SUMMARY SHEET

Title Cooperative Credit and Training		Funding Source	AG, RD & N 1,500	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 696-0122		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	FY 1985 1,500	Life of Project Funding 4,000	
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING				Sel. Act.	Initial Obligation FY 1985	Estimated Final Obligation FY 1986	Estimated Completion Date of Project FY 1987

Project Purpose: To strengthen small farmer productivity by providing training, credit and crop storage facilities through the cooperative structure. Emphasis will be placed on increasing the productive capacity of cooperative members by strengthening the ability of cooperatives to provide agricultural services.

Project Description: The project builds on the Local Crop Storage (LCS) project (696-0107). The LCS project evaluation, completed in July 1983, concluded that this project was having a favorable impact on cooperative development even through many cooperatives are not at this time strong enough to survive without outside assistance. Hence the Cooperative Credit and Training (CCT) project will continue to assist the cooperative movement's growth and development.

The primary constraint to successful institutionalization of cooperatives is personnel, who frequently lack the technical and managerial skills to manage successfully a cooperative as well as the vision to develop new markets. The lack of facilities and capital to finance their operation is also a significant constraint.

The CCT project will emphasize three areas of assistance: (1) organizational support and training; (2) development of a storage and marketing system; and (3) provision of credit.

Continued organizational support and training is expected to develop new and strengthen existing cooperatives. Emphasis will be placed on accounting, extension and cooperative management training. Much of the training will be done through the Cooperative Training Center. Organizational work is required to upgrade the status of both new and existing cooperatives and to stimulate trade between the cooperatives and various marketing organizations.

Continued development of a marketing and storage system is also required which translates into the need for the construction of more silos at the cooperative level. Further

work is also required to develop the cooperatives' ability to market their members' products.

Credit is the third essential. The primary use of the credit will be for the cooperatives to buy their members crops under a revolving credit fund. Once the fund is successfully implemented, consideration will be given to financing the purchase of such agricultural inputs as improved seeds, pesticides and fertilizer. Credit will be advanced to the cooperatives through the Ministry of Social Affairs and Cooperatives which administers a cooperative credit program and the Banques Populaires, a village-level bank serving both cooperatives and farmers. Experience in managing the revolving credit fund is presently being gained in the Local Crop Storage project.

Relationship of Project to A.I.D. Country Strategy: A.I.D.'s objective in Rwanda is to increase the per capita availability of food. As a first step towards this, A.I.D. has worked to develop an effective crop storage marketing system. Cooperatives are an important element in its development. Therefore, this project will increase the coverage and improve the performance of cooperatives. As the cooperatives' performance improves, they will be able to assist the farmer in improving crop yields.

Host Country and Other Donors: The GOR shares A.I.D.'s priority for developing the crop marketing sector and has committed significant resources to this sector's development. The Swiss have also contributed to cooperative development by financing the construction of the Cooperative Training Center to which A.I.D. provides technical assistance. In addition the Swiss are providing technical assistance and funding for the Banques Populaires.

Beneficiaries: The beneficiaries are those Rwandans who are not yet organized into cooperatives or who are members of ineffective cooperatives. A.I.D.'s aim is to develop an effective cooperative movement which encompasses about 70,000 farm families.

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FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (660) ZAIRE

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 31,250  
 PER CAPITA GNP..... (DOLLARS,1981) 210  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) -3.1%  
 ANNUAL RATE OF INFLATION (1970-81) 35.4%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( . ) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 (1982) TOTAL 47.9 MALE 46.4 FEMALE 49.6  
 (1970) TOTAL 42.7 MALE 41.2 FEMALE 44.4  
 ADULT LITERACY RATE (1980) TOTAL 55% MALE 74% FEMALE 37%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) -0.3%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 30%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 460  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: CASSAVA ,CORN ,BANANAS 58% (1982)  
 CASH: PALM OIL ,COFFEE ,COTTON 10% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COFFEE ,RUBBER ,PALM OIL  
 MAJOR AGRICULTURAL IMPORTS:(1982) CASSAVA ,CORN ,BANANAS  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 75%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 (1977) 968 (78) 1,337 (79) 829  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 (1977) 1,493 (78) 1,813 (79) 1,766  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 (1977) -525 (78) -717 (79) -323  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. ( . ) . % ( . ) . % ( . ) . %  
 AS % OF GNP..... ( . ) . % ( . ) . % ( . ) . %  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) (1980) 357 (81) 288 (82) 282  
 EQUIVALENT TO 1.1 MONTHS OF IMPORTS (1977)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) COFFEE ,NICKEL ,DIAMONDS  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1980) 368 (1981) 400 (1982) 616  
 AS % OF TOTAL EXPORTS (1975) 7% (1976) 9% (1977) 6%  
 MAJOR IMPORTS....(1981) MANUFACTURES ,FOODSTUFFS ,MACHINRY/TRANSP  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 171 (1981) 155 (1982) 100  
 AS % OF TOTAL IMPORTS (1975) 12% (1976) 10% (1977) 6%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1980) 754(81) 397(83) 415  
 TRADING PARTNERS: BELGIUM ,UNITED STATES ,FRANCE  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 72.7%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1982) 140  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1982) 9.8%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.9% (1978) 2.8% (1983) 2.9%  
 POPULATION IN URBAN AREAS.....(1970) 22% (1982) 38%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 47 (1983) 45  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 44.7% (15-64YRS) 52.5% (65+ YRS) 2.8%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 118  
 PEOPLE PER PHYSICIAN..... (1978) 15,529  
 MAJOR CAUSES OF  
 DISEASE (1978) TYPHOID FEVER , ,  
 DEATH.. (1973) GASTROINTESTINAL ,MALARIA ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 102%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1976) 16%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1977) TOTAL 90.0% MALE 103% FEMALE 77.0%  
 SECONDARY..... (1977) TOTAL 19.0% MALE 23.0% FEMALE 14.0%  
 POST SECONDARY.. ( . ) TOTAL . % MALE . % FEMALE . %  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 107%

**U.S. OVERSEAS LOANS AND GRANTS – OBLIGATIONS AND LOAN AUTHORIZATIONS**  
(U.S. Fiscal Years – Millions of Dollars)

**ECONOMIC PROGRAMS OF ALL DONORS**  
(Millions of Dollars)

COUNTRY	ZAIRE	PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAYMENTS AND INTEREST 1946-82	TOTAL LESS REPAYMENTS AND INTEREST 1946-82		
			1978	1979*	1980	1981	1982					
			<b>I. ECONOMIC ASSISTANCE – TOTAL</b>								31.7	37.3
Loans					23.4	23.3	15.7	12.0	12.0	333.7	133.3	230.7
Grants					8.3	14.0	10.7	16.6	12.0	368.3	-	368.3
<b>a. A.I.D. and Predecessor Agencies</b>					10.0	12.0	6.9	10.6	10.3	383.5	49.3	333.7
Loans					5.4	6.3	-	2.0	2.0	139.4	49.3	89.6
Grants					4.6	5.7	6.9	8.6	8.3	244.1	-	244.1
(Economic Support Fund)					10.0	-	-	-	-	295.7	-	-
<b>b. Food for Peace (PL 480)</b>					18.5	21.4	16.3	13.5	10.0	283.0	53.2	229.8
Loans					18.0	17.0	15.7	10.0	10.0	194.3	53.2	141.1
Grants					0.5	4.4	0.6	3.5	-	88.7	-	88.7
Title I - Total Sales Agreements					18.0	17.0	15.7	10.0	10.0	235.3	53.2	182.1
Repayable in U.S. Dollars - Loans					18.0	17.0	15.7	10.0	10.0	151.8	48.4	113.4
Payable in Foreign Currency - Planned for Country Use					-	-	-	-	-	73.5	4.3	68.7
Title II - Total Grants					0.5	4.4	0.6	3.5	-	47.7	-	47.7
Emerg. Relief, Econ. Develop. & World Food Program					0.5	1.9	-	-	-	19.9	-	19.9
Voluntary Relief Agencies					-	2.5	0.6	3.5	-	27.8	-	27.8
<b>c. Other Economic Assistance</b>					3.2	3.9	3.2	4.5	3.7	35.5	-	35.5
Loans					-	-	-	-	-	-	-	-
Grants					3.2	3.9	3.2	4.5	3.7	35.5	-	35.5
Peace Corps					3.2	3.9	3.2	4.5	3.7	35.5	-	35.5
Narcotics					-	-	-	-	-	-	-	-
Other					-	-	-	-	-	-	-	-
<b>II. MILITARY ASSISTANCE – TOTAL</b>					17.5	9.8	6.9	6.8	10.7	173.7	28.9	144.8
Credits or Loans					17.5	8.0	6.1	6.0	7.5	130.6	28.9	101.7
Grants					2.0	1.8	0.8	0.8	3.2	43.1	-	43.1
<b>a. MAP Grants</b>					-	-	-	-	3.0	26.3	-	26.3
<b>b. Credit Financing - FMS</b>					17.5	8.0	6.1	6.0	7.5	130.6	28.9	101.7
<b>c. Military Assistance Service-Funded (MASF) Grants</b>					2.0	1.8	0.8	0.8	3.2	11.6	-	11.6
<b>d. Transfers from Excess Stocks</b>					-	-	-	-	-	5.2	-	5.2
<b>e. Other Grants</b>					-	-	-	-	-	-	-	-
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>					51.2	47.1	36.3	35.4	34.7	875.7	131.9	743.8
Loans					40.9	31.3	21.3	18.0	19.5	464.3	131.9	332.4
Grants					10.3	15.8	11.5	17.4	15.2	411.4	-	411.4
<b>Other U.S. Government Loans and Grants</b>					18.0	50.5	-	-	10.9	254.2	110.0	144.2
<b>a. Export-Import Bank Loans</b>					15.7	46.5	-	-	-	223.0	85.4	137.6
<b>b. All Other Loans</b>					1.3	4.0	-	-	10.9	31.2	24.6	6.6

\* LESS THAN \$50,000.

**A. ASSISTANCE FROM INTERNATIONAL AGENCIES – COMMITMENTS**

	FY 1981	FY 1982	FY 1983	FY 1946-83
TOTAL.....	51.3	151.0	90.2	1084.6
IBRD	0.0	0.0	0.0	221.7
IFC	0.0	0.0	0.2	5.1
IDA	29.3	100.3	88.5	495.6
IDS	0.0	0.0	0.0	0.0
AJB	0.0	0.0	0.0	0.0
AFDB	10.4	29.0	1.5	74.2
UNDP	8.0	11.0	0.0	69.3
OTHER-UN	4.1	10.2	0.0	25.3
EEC	0.0	0.0	0.0	192.4

**B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE**

**1. D.A.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-82
United States	24.0	26.0	148.0
Belgium	124.2	103.6	681.8
Japan	53.2	43.6	165.8
Germany Fed. Rep.	37.2	32.0	143.6
France	26.7	24.7	140.4
Other	20.3	28.1	101.3
Total	285.6	258.0	1,380.9

**2. O.P.E.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-81
	14.5	N.A.	24.3

**C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES**

	CY 1981	CY 1982	CY 1954-82
USSR	-	-	-
Eastern Europe	-	-	-
China	-	-	135
Total	-	-	135

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PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Grants	14,535	6,181	2,000	1,035	319	-	5,000	-
Total	14,535	6,181	2,000	1,035	319	-	5,000	-
1984	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Grants	16,692	7,100	1,592	-	-	-	8,000	-
Total	16,692	7,100	1,592	-	-	-	8,000	-
1985	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Grants	27,000	9,886	-	2,114	-	-	15,000	-
Total	27,000	9,886	-	2,114	-	-	15,000	-

The above total for FY 1984 excludes \$200 which has already been notified for deobligation and has not been identified for reobligation by project.

FY 1985 PROGRAM HIGHLIGHTS	
--	The DA program (\$12,000,000) will continue to support North Shaba rural development (\$1,300,000); nutrition improvement (\$1,286,000); agricultural research and extension (\$2,600,000); and agriculture marketing development (\$1,400,000). The program will also finance a new area food and market development project (\$3,300,000) and a new public health project (\$2,114,000).
--	Under ESF (\$15,000,000) a new project will fund U.S. materials and expertise for Zaire's agro-industries.

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RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	2,876	4,490	2,137
Grants	6,488	20,447	25,146
Total AID	9,364	24,937	27,283
P.L. 480**			
Title I (of which Title III is)	10,000 ( - )	10,000 ( - )	15,000 ( - )
Title II	948	411	1,079
Total P.L. 480	10,948	10,411	16,079
Total AID and P.L. 480	20,312	35,348	43,362

\*AID levels represent actual and estimated expenditures.  
 \*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	25	22	22
PASAC <sup>c</sup>	2	2	2
Contract	28	32	38
Total	55	56	62
Participants <sup>d</sup>			
Noncontract	42	56	47
Contract	7	26	30
Total	49	82	77

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 Program Summary  
(in 000 MT/\$000)

Program	FY (Actual)		FY (Estimated)		FY (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	61.0	10,000	58.0	10,000	82.0	13,000
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	1.0	2,000
Title I Total (of which Title III is)		10,000		10,000		15,000
Title II						
Voluntary Agencies		948		411		1,079
World Food Programs		-		-		-
Gov't-to-Gov't		-		-		-
Title II Total		948		411		1,079
Total P.L. 480		10,948		10,411		16,079

## ZAIRE

### Development Overview

From the early 1970's until 1982, Zaire experienced declining terms of trade, mounting government budget and balance of payments deficits, declining GNP and a steadily more onerous debt burden. Beginning in 1983 in an effort to reverse this trend and lay the groundwork for economic stabilization, the GOZ implemented a "shadow" standby program suggested by the IMF which included among its major elements: reduction in the government deficit, elimination of most price controls, devaluation of the exchange rate, deregulation of interest rates, establishment of an interbank market for foreign exchange based on supply and demand, and improvement in the management and reform of taxation of the major state-owned copper producer, Gecamines. Zaire's success in meeting all performance criteria set by the IMF led to a 15 month Standby Agreement in mid December which will provide about \$350 million in additional resources from the Fund. In addition, Zaire's public creditors, meeting at the Paris Club in December following the IMF agreement, indicated their willingness to reschedule the overwhelming debt service burden now facing the country. It is expected that private creditors (London Club) are also generally willing to give Zaire a rescheduling which will result in a more realistic payment schedule. A.I.D.'s contribution to the stabilization effort will include (1) assisting the public sector to play an enhanced role (through training, institutional development and policy reform); (2) assisting the private sector to meet local demand for agricultural products; and (3) participating actively in a continued policy dialogue with Zaire.

### U.S. Interests and Objectives

The United States' interests in Zaire fall into four categories: political, strategic, commercial and developmental. Zaire's size and location, large population, strategic mineral reserves, and potential for growth make it important in Sub-Saharan Africa. Zaire has served as a haven for refugees from several neighboring states and has strong ties with the West, while some of the nine African nations on its borders maintain close links to the East. Several U.S. banks and commercial ventures have invested in Zaire.

A.I.D. programs can promote U.S. interests by: (1) helping to maintain Zaire's stability; (2) helping to lay the groundwork for, and assisting in, the achievement of economic development in key sectors; and (3) maintaining our dialogue with the GOZ on policy and program direction. The United States strongly supports the economic stabilization program that Zaire has undertaken in cooperation with the IMF. A.I.D. serves this interest through its development assistance program and through a continuous U.S. Mission dialogue on policy, programming, and coordination of assistance with the

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GOZ, international agencies, the private sector, other donors and voluntary agencies. Reinstitution of commodity import support would also facilitate U.S. exports, helping to fulfill U.S. commercial objectives in Zaire.

### A.I.D. Development Strategy

A.I.D.'s strategy is to assist Zaire in developing institutions, manpower capability and rural infrastructure essential for major development programs in food production, health, nutrition and family planning. This strategy suggests a two-track approach: (1) the upgrading or creation of national institutions to operate at the sector level; and (2) the implementation of economic/social development activities, primarily rural, at the local level. Prominently, the strategy includes a policy dialogue with the GOZ, other donors, and public and private intermediaries. Specifically, A.I.D. will assist Zaire to: (1) demonstrate that, through increased production of domestic staple food crops, a decrease in malnutrition and an improvement in the income of small agricultural producers are attainable; (2) help achieve the objective of "health for all by the year 2000"; and (3) meet demand for family planning services. A.I.D. will foster role of the private sector in achieving these development objectives. A.I.D.'s support of the stabilization program, and our emphasis on the agriculture and health sectors, are consistent with GOZ priorities.

To achieve the objective of increased food production and supply, the A.I.D. program seeks to improve: policy and research institutions, production and marketing techniques, and capabilities of professional manpower. The Agricultural Sector Studies project (660-0070) attempts to upgrade and institutionalize data collection and analysis, permitting improved policy choices. The objective of activity in food crop research is to institutionalize sustainable, coordinated research in corn, cassava and legumes. The three crop programs receiving A.I.D. assistance are designed to serve as models and nuclei for revival of Zaire's agricultural research capabilities. Some areas near the larger cities are already responding to demands of the cash economy with improved methods of agricultural management. A.I.D. will, in the new Area Food and Marketing project (660-0102) as well as in the established North Shaba project (660-0059), seek to assist modernization in Zaire's leading food crop production areas. Finally, A.I.D. supports professional-level training, both in-country and abroad, throughout our agricultural activities.

The second major objective is an improvement in health which would lead to enhanced human wellbeing and worker productivity. Malnutrition, morbidity and mortality rates in Zaire are quite high, especially in rural areas of the country and among children. A.I.D. programs in health and nutrition are

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attempting to alleviate these problems. At the same time, it is hoped that this success coupled with family planning initiatives will, over the long term, increase parental confidence in their children's survivability and reinforce effects of family planning efforts to lower Zaire's high rate of population increase.

### A.I.D. Program (FYs 1983-1984)

In FYs 1983 and 1984 A.I.D. continues to implement projects which emphasize food production and marketing, the delivery of health, nutrition and population services to the poor, and human resources development. A.I.D.'s project portfolio narrowed in FY 1983 in the interest of more effective management. Thus, in FY 1983 the Family Planning project (660-0094) consolidated several uncoordinated centrally-funded projects, and the Applied Agricultural Research and Outreach project (660-0091) was designed to centralize our research program which, to date, has been implemented under two separate projects.

A. Assistance to the agriculture sector was concentrated in three basic areas: planning and analysis, food production and marketing, and research.

One institution building project, Agricultural Sector Studies (660-0070), is developing the policy planning and analysis capabilities of the Department of Agriculture. Some 60 agriculture planners have been trained in the United States and many of these are currently working with a U.S. technical assistance team in the Bureau of Studies of the Department of Agriculture.

Four regional food production and marketing projects continued. The North Shaba Rural Development project (660-0059) was extended for an additional three years (FY 1983-1986) and additional funds provided in FYs 1983 and 1984 in order to consolidate and sustain the significant food production increases achieved to date. An active working relationship between this project and the Bureau of Studies should serve to improve the latter's oversight, analytic and planning capacity.

The successful joint USAID/Peace Corps Fish Culture Expansion project (660-0080) received final year funding in FY 1982, and has extended its activities from three to five of Zaire's nine regions. A Training and Research Center funded under the project was opened in early FY 1983, and will ensure a smooth phase-out of USAID and Peace Corps assistance in coming years.

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Two A.I.D. loans, Agricultural Marketing Development I and II (660-0026 and 660-0028), are stimulating agricultural production in one region by improving farmer access to major markets. In FY 1984, the third Agricultural Marketing Development Project (660-0098) will receive grant funding to improve market access for small holder agricultural commodities in the Bandundu Region of west-central Zaire. The project will, to the extent feasible, restore the capacity of the area's deteriorated transportation network to carry a significant volume of rural produce to major urban centers. Close institutional ties will be maintained between this project and the Bureau of Studies of the Department of Agriculture which will monitor the project's impact on production, marketing, and farmer income. As a consequence of the experience gained under the North Shaba Rural Development project, close attention will be paid to the development of strong local private institutions that will maintain roads, bridges and river facilities.

The third area of continuing A.I.D. emphasis in agriculture is food crop research. The Applied Agricultural Research and Outreach project (660-0091) received initial funding in FY 1983 and will, over its ten-year life, identify improved varieties of cassava, corn and legumes. Research results will be extended to farmers through the GOZ and donor projects, PVOs, private companies, and the GOZ extension service. The project builds on two ongoing A.I.D. activities, INERA Support (660-0064) and Cassava Outreach (660-0077) and a GOZ-funded CIMMYT-implemented corn research project. Both A.I.D. predecessor projects were evaluated in 1983. These evaluations demonstrated that long-term investment in foodcrop research is an essential, feasible, and cost effective way to increase production. At the same time, the evaluations pointed up certain problems (e.g., the inappropriateness of a sophisticated soils analysis laboratory, the lack of a strong management system, and weak GOZ agricultural research institutional structure) which were specifically addressed in the design of the new project. Additional funds are being provided in FY 1984 for Applied Agricultural Research and Outreach.

B. In the health sector, A.I.D. assistance continued under the Basic Rural Health project (660-0086) and the centrally-funded Combatting Childhood Communicable Diseases project (698-0421) to improve the capacity of the GOZ and PVOs to deliver basic, low cost health care services such as oral rehydration therapy, measles vaccine, and malaria treatment to rural zones. The Basic Rural Health project is establishing community-supported health care units, which provide family planning information and materials as well as basic health care. A system of user fees for medicine and services has

## ZAIRE

been applied to ensure that each rural zone is able to replenish its supply of basic medicines and equipment as the initial A.I.D.-financed stock is exhausted. The Family Planning Services project (660-0094) assists existing GOZ and private sector family planning organizations to coordinate and expand their activities and it provides a central focus for PVO family planning programs. The Area Nutrition Improvement project began in FY 1983 to build up the capacity of the national nutrition institute, CEPLANUT, to implement a targeted regional program. These three health projects are bringing about increased coordination between the public and private sectors in health and family planning service delivery.

D. The Development Manpower Training project (660-0068) continued its work in developing a host-country institution, CENACOF, which provides in-service training to lower and middle level development cadres in the public and private sectors. Some 200 Zairian agriculturalists received in-country training through this project in FY 1983.

E. After a hiatus of four years, the Economic Support Fund program was renewed in FY 1983 through an ESF-funded PVO Economic Support project (660-0097). This project builds on the extensive network of private voluntary organizations working in Zaire by providing them with resources to continue or expand their development activities in improving farmer access roads, health and family planning delivery systems, and rural hydropower facilities. A new ESF project, Agricultural Inputs Support (660-0100), will begin in 1984. This activity will help stabilize the agro-industrial sector by supplying essential U.S.-manufactured intermediate and capital goods to private agro-industrial firms. In addition the project will generate counterpart funds which will be used to implement private sector and PVO local currency programs.

F. PL 480 Title I agricultural imports remain essential to help alleviate shortages of basic foodstuffs in key urban areas. The annual Title I negotiations and quarterly A.I.D.-GOZ Title I policy dialogue meetings will continue to be the focal point of USAID efforts to influence and monitor GOZ macroeconomic and sectoral policies. In FY 1983 these discussions covered, inter alia, producer price controls for agricultural products, the development of local sources of financing for farmer access roads, user fees for health services, increased PVO and private sector involvement in health service delivery, and the development of a comprehensive long range plan to improve the nutritional status of the Zairian population. Local currency generated from Title I sales is allocated for priority development purposes, including, food production and marketing, health and nutrition, and family

## ZAIRE

planning. These local currency resources supplement A.I.D. and other donor projects, a self-help program (implemented in large part by the Peace Corps), and private sector initiatives. Finally, USAID is developing a 1984 Title II program that will be targeted on acutely malnourished children and closely integrated with the use and distribution of locally-produced foods.

### Requested Year Program (FY 1985)

A.I.D. is requesting a total of \$12.0 million in Development Assistance for FY 1985 for the following activities:

#### A. Agricultural and Rural Development and Nutrition - \$9,886,000

One new FY 1985 project will be initiated: Area Food and Market Development (660-0102) at \$3,300,000. This project will focus on the physical infrastructure requirements of the marketing system including roads, bridges, dredging, navigational aids and warehouses to facilitate smallholder agricultural activity in the Bandundu region of Zaire.

Second year funding for the Agricultural Marketing Development project (660-0098) of \$1,400,000, also in the Bandundu region, will continue activities to increase and sustain the production and marketing of smallholder basic food and export crops by providing technical assistance and appropriate technology.

The Area Nutrition Improvement project (660-0079) will receive its last increment of funding (\$1,286,000). A final obligation of \$1,300,000 is planned for the North Shaba Rural Development Project (660-0059) and \$2,600,000 is earmarked for the Applied Agricultural Research Project (660-0091).

#### B. Health and Family Planning - \$2,114,000

Also scheduled for initial funding in 1985 is the School of Public Health project (660-0101). Growing demand for qualified public health personnel has rendered in-country training substantially more cost-effective than U.S. or third country programs. To meet this growing demand, the School will annually provide MPH training for approximately 20 students and in-service specialty training for up to 500 health workers.

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C. A.I.D. is requesting a total of \$15.0 million in Economic Support Funds. The Agricultural Inputs Support II project (660-0103) will continue U.S. support to the stabilization program by enhancing domestic foodcrop production. This program will provide American capital equipment, spare parts, and raw materials to selected agricultural, general and transport firms producing for or servicing the domestic market and will generate local currency to continue support to PVO initiatives and other local development programs.

D. The Mission is proposing a \$15,000,000 PL 480 Title I program for FY 1985. The importation of wheat and wheat flour will: (1) help sustain the nutritional status of the population, in key urban areas; (2) ease balance of payments pressures; and (3) generate counterpart funds for A.I.D. and other donor projects as well as self-help programs and private sector initiatives.

Under the PL 480 Title II USAID will request \$1,079,000 to continue a food assistance program.

Mission Director:  
Richard L. Podol

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: ZAIRE

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ACTIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ACTIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ACTIONS	FY85- EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
AGRICULTURE MARKETING DEVELOPMENT LOAN	L 660-0026	79	79	5,000	5,000	5,000	1,613	---	2,450	---	937
AGRICULTURAL MARKETING DEVELOPMENT	L 660-0028	81	82	4,000	4,000	4,000	---	---	---	---	1,200
AGRICULTURE ECONOMIC DEVELOPMENT	G 660-0052	77	80	2,169	2,169	1,999	1,506	---	176	---	---
NORTH SHABA RURAL DEVELOPMENT	G 660-0059	76	85	15,125	15,125	11,925	9,308	1,900	2,150	1,300	1,980
NORTH SHABA RURAL DEVELOPMENT	L 660-0059	76	76	3,500	3,500	3,500	2,747	---	753	---	---
INERA SUPPORT	G 660-0064	77	81	2,950	2,950	2,950	2,456	---	---	---	---
AGRICULTURE SECTOR STUDY	G 660-0070	77	83	3,480	3,480	2,980	1,198	---	720	---	550
CASSA'A OUTREACH	G 660-0077	78	82	3,027	3,027	3,027	1,099	---	880	---	---
AREA NUTRITION IMPROVEMENT	G 660-0079	82	85	4,300	4,300	3,014	158	---	950	1,286	1,300
FISH CULTURE EXPANSION	G 660-0080	78	82	486	486	486	251	---	184	---	---
APPLIED RESEARCH AND EXTENSION	G 660-0091	83	87	10,000	10,000	1,988	---	2,800	1,000	2,600	2,200
AGRICULTURE MARKETING DEVELOPMENT	G 660-0098	84	89	---	8,000	---	---	2,400	850	1,400	1,300
AREA FOOD AND MARKETING	* G 660-0102	85	92	---	15,000	---	---	---	---	3,300	1,000
TOTAL FOR ACCOUNT				54,037	77,037	40,869	20,336	7,100	10,113	9,886	10,467
GRANTS				41,537	64,537	28,369	15,976	7,100	6,910	9,886	8,330
LOANS				12,500	12,500	12,500	4,360	---	3,203	---	2,137
POPULATION PLANNING											
FAMILY PLANNING	G 660-0094	83	84	3,940	3,952	2,348	51	1,592	800	---	1,000

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: ZAIRE

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD	PLANNED	-THROUGH FY83- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY35- OBLIG ATIONS	EXPENDI TURES
TOTAL FOR ACCOUNT GRANTS				3,940	3,952	2,348	51	1,592	800	---	1,000
LOANS				---	---	---	---	---	---	---	---
HEALTH											
HEALTH SYSTEMS DEVELOPMENT	G 660-0057	76	80	610	610	---	---	---	250	---	---
ENDEMIC AND COMMUNICABLE DISEASE CONTROL	G 660-0058	76	78	387	387	---	---	---	52	---	---
BASIC RURAL HEALTH	G 660-0086	81	83	4,864	4,864	4,864	1,078	---	1,300	---	1,350
INTEGRATED RURAL DEVELOPMENT (PRVD)	G 660-0093	81	81	489	489	489	232	---	150	---	107
SCHOOL OF PUBLIC HEALTH	* G 660-0101	85	87	---	4,000	---	---	---	---	2,114	800
TOTAL FOR ACCOUNT GRANTS				6,850	10,850	5,353	1,310	---	1,792	2,114	2,257
LOANS				---	---	---	---	---	---	---	---
EDUCATION AND HUMAN RESOURCES											
DEVELOPMENT MANPOWER TRAINING	G 660-0068	80	83	2,544	2,544	2,544	526	---	1,100	---	918
TOTAL FOR ACCOUNT GRANTS				2,544	2,544	2,544	526	---	1,100	---	918
LOANS				---	---	---	---	---	---	---	---
SELECTED DEVELOPMENT ACTIVITIES											
TRANSPORT SECTOR	L 660-0032			---	---	10,000	9,710	---	---	---	---
TOTAL FOR ACCOUNT GRANTS				---	---	10,000	9,710	---	---	---	---
LOANS				---	---	10,000	9,710	---	---	---	---
ECONOMIC SUPPORT FUND											
AGRICULTURAL MARKET SUPPORT	L 660-K025	78	78	5,400	5,400	5,400	2,470	---	1,287	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: ZAIRE

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES	
AGRICULTURE ECONOMIC DEVELOPMENT	G 660-0052	77	77	1,561	1,561	1,510	---	544	---	---	
INERA SUPPORT	G 660-0064	77	78	900	900	857	---	537	---	---	
CASSAVA OUTREACH	G 660-0077	78	78	1,473	1,473	1,300	---	1,260	---	841	
FISH CULTURE EXPANSION	G 660-0080	78	78	464	464	395	---	304	---	---	
ECONOMIC SUPPORT-(PVO)	G 660-0097	83	83	5,000	5,000	---	---	1,200	---	3,800	
AGRICULTURAL INPUTS SUPPORT	G 660-0100	84	84	---	8,000	---	---	8,000	---	2,000	
AGRICULTURAL INPUTS SUPPORT II	* G 660-0103	85	85	---	15,000	---	---	---	15,000	6,000	
TOTAL FOR ACCOUNT GRANTS				14,798	37,798	14,798	6,532	8,000 <sup>1/</sup>	11,132	15,000	12,641
LOANS				9,398	32,398	9,398	4,062	8,000	9,845	15,000	12,641
TOTAL FOR COUNTRY GRANTS				5,400	5,400	5,400	2,470	---	1,287	---	---
LOANS				82,169	132,181	75,912	38,465	16,692	24,937	27,000	27,283
TOTAL FOR COUNTRY GRANTS				64,269	114,281	48,012	21,925	16,692	20,447	27,000	25,146
LOANS				17,900	17,900	27,900	16,540	---	4,490	---	2,137

<sup>1/</sup> FY 1984 total excludes \$200 thousand which has already been notified for deobligation and has not yet been identified for reobligation by project.

\* Refer to the planned project summary sheet  
C Level of effort category

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

ZAIRE

PLANNED PROGRAM SUMMARY SHEET

PROGRAM: ZAIRES		AG, RD & N		PROPOSED OBLIGATION (In thousands of dollars)	
Title Area Food and Market Development		Funding Source	3,300	FY 1985	3,300
				Life of Project Funding 15,000	
Number 660-0102	<input checked="" type="checkbox"/> NEW <input type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING	Population	ED. & HR	Sel. Act.	Initial Obligation FY 1985
					Estimated Final Obligation FY 1992
					Estimated Completion Date of Project FY 1993

Purpose: To improve basic foodcrop production capabilities in the Bandundu region and to facilitate the marketing of surplus production to major consumption centers.

Project Description: This project is designed to increase and sustain the production and marketing of agricultural commodities in Bandundu, one of the most densely populated areas of Zaire, where the majority of the population is engaged in agriculture or agriculture-related activities. It will complement the Agricultural Marketing Development Project (660-0098) which will focus on the physical infrastructure requirements of the marketing system in the same area, including roads, bridges, dredging, navigational aids and warehouses. The area is linked to Kinshasa by air, by a paved road from its main city, Kikwit, and by the Kasai and Kwilu river system. The river system is the primary means of moving produce.

The project activities will consist of: (1) cultivar improvement, multiplication and distribution through public and private institutions; (2) development of appropriate farming practices and equipment and the strengthening of existing agricultural extension systems through the training or retraining of extension agents; (3) research into suitable storage and processing technologies and their introduction; (4) development of a natural resource management program stressing soil conservation and land management; (5) assistance to the food-crop marketing system by giving small traders access to short-term credit and through improvement in the vehicle fleet and handling facilities; (6) infrastructure rehabilitation and development.

Relationship to A.I.D. Country Strategy: This project supports the country strategy's major focus in the agriculture sector aimed at increasing food production and improving the welfare of smallholders. It also furthers private sector goals by closely associating the project with private sector commercial organizations and voluntary institutions that have a vested interest in the area.

Host Country and Other Donors: The GOZ will provide the equivalent of \$10,000,000 over the life of project for transport improvements, extension agent support, agricultural inputs, credit, and support to the natural resource management program. Participating merchants, other businessmen, and church related organizations firmly established in the project area will provide the needed institutional base for the project. The project will be implemented through the Ministry of Agriculture and the office of the regional Governor. This project will be closely coordinated with other projects in the area financed by the World Bank and other donors. Cooperation with other donors such as Belgium, UNDP and the World Bank will be essential, especially during the design stage.

Beneficiaries: The rural poor will be the primary beneficiaries through the improvement of social and economic conditions at the rural household level and through the strengthening of local development institutions. Women cultivators, the major producers of food crops, will benefit from access to training, improved crops genetic materials, other agricultural inputs and from an improved marketing system. The urban poor will be the secondary beneficiaries through increased availability of food crops. Private institutions, including PVO's, will benefit from their participation in this area's development.

PROGRAM: ZAIRE

## PLANNED PROGRAM SUMMARY SHEET

Title School of Public Health		Funding Source	AG, RD & N	Health 2,114	PROPOSED OBLIGATION (In thousands of dollars)			
Number 660-0101		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	FY 1985	2,114	Life of Project Funding 4,000
<input checked="" type="checkbox"/> GRANT	<input type="checkbox"/> LOAN	<input type="checkbox"/> CONTINUING				Initial Obligation FY 1985	Estimated Final Obligation FY 1987	Estimated Completion Date of Project FY 1989

**Purpose:** To create a School of Public Health that will provide annually Masters of Public Health training for approximately 20 students and in-service specialty training for up to 500 health workers.

**Project Description:** There is a critical shortage of individuals trained in appropriate public health specialty areas in Zaire. Particularly needed are individuals conversant with public health problems and trained in public health management, administration and planning. Without such a training capacity in Zaire, significant expansion and improvement in health care nationally cannot be forthcoming. The project will work through the University of Kinshasa to establish a School of Public Health by upgrading the present Department of Public Health in the Faculty of Medicine. It will build upon, expand, and strengthen the present institutional foundations including organizational structures, trained personnel, and financing arrangements. A curriculum will be added leading to the Master of Public Health Degree as well as in-service training for health sector professionals. Institution building will be through a combination of long (192 person months) and short-term (48 pm) technical assistance, training and commodity support. The present core faculty (four part time and two full time) of the Department of Public Health will form the starting faculty of the School, with additional positions to be created and individuals trained to fill them as part of the project.

**Relationship to A.I.D. Country Strategy:** The training proposed in this project will directly support GOZ health sector objectives. The current GOZ Health Action Plan (1982-1986) emphasizes training of personnel at all levels, applied research in public health, and improved program management and planning. This project also accords with A.I.D.'s health sector strategy in Zaire and will reinforce the sustainability of existing initiative to expand basic health services.

**Host Country and Other Donors:** The GOZ will provide facilities, faculty salaries and operating costs for the new School.

**Beneficiaries:** Direct beneficiaries will be those persons receiving training at the newly created School of Public Health either at the Masters level or in-service. In broader terms, the School of Public Health will orient health practitioners in Zaire to preventive medicine, including health through nutrition, and further the GOZ's goal of "health for all by the year 2000" through primary health care services.

PROGRAM: ZAIRE

PLANNED PROGRAM SUMMARY SHEET

Title Agricultural Inputs Support II		Funding Source ESF 15,000	AG, RD & N	Health	PROPOSED OBLIGATION <i>(In thousands of dollars)</i>		
					FY 1985	15,000	Life of Project Funding 15,000
Number 660-0103	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 1985	FY 1985	FY 1988

**Purpose:** To enhance the productivity and output of Zaire's agricultural sector by increasing the supply of U.S. origin agro-inputs to private enterprises.

**Project Description:** The project will continue assistance started by the previous ESF grant, Agricultural Input Support I (660-0100) scheduled for FY 1984. The project will provide American capital equipment, spare parts, and raw materials to selected agricultural, general and transport firms producing for or servicing the domestic market. Categories of equipment, spare parts, and materials will be negotiated with the objective of increasing the productivity of existing private sector facilities. Agricultural industries presently operate at 20% to 40% of plant capacity due to shortages of domestic raw materials and of foreign exchange.

The project is expected to lead to an upswing in the utilization of industrial capacity, increase employment opportunities and familiarity with and appreciation of U.S. goods and equipment. The policy dialogue associated with the project will support private sector handling of agricultural inputs, including seeds, fertilizers and equipment.

Local currency generated by imports financed under the program will be used to support A.I.D.-assisted development activities in Zaire, including lending to private enterprises. This is a critical consideration given the GOZ's exceedingly limited budgetary capacities for development project support. The program also will demonstrate to the GOZ the continued commitment of the United States to Zaire's economic and social stability.

**Relationship to A.I.D. Country Strategy:** The project will make a significant contribution to A.I.D.'s food production strategy by reducing unused capacity in agriculturally related industries and by stimulating employment and effective demand for foods and fibers produced by small farmers. The program compliments P.L. 480 and other USAID/GOZ project activities in agriculture.

**Host Country and Other Donors:** The proposed project is strongly supportive of the Government of Zaire's medium-term stabilization strategy. It is essential that Zaire's domestic agriculture revive quickly and sustain outputs of a wide variety of foodstuffs in order to lessen import dependence and to dampen price inflation. The project will be financed solely by A.I.D. and the GOZ. A number of other donors are providing similar assistance.

**Beneficiaries:** Employees and entrepreneurs in agro-industries receiving commodity support will constitute the direct beneficiaries. As a stabilization activity, the project will also benefit the agro-industrial sector as a whole. Secondary benefits will also result as development programs receive local currency generations. In addition the GOZ (through enhanced tax receipts), local business and their employees, farmers, shippers and consumers in Zaire will benefit from greater and more efficient production of goods for the domestic market. Finally, U.S. commercial interests should benefit in the long run from continued utilization of U.S. technology in the Zairian market.

**AFRICA**

**SOUTHERN AFRICA PROGRAM**

## SOUTHERN AFRICA OVERVIEW

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	15,000	-	-	-	-	-	15,000	-
Grants	113,483	12,071	40	4,341	12,154	-	84,877	-
Total	128,483	12,071	40	4,341	12,154	-	99,877	-
1984								
Loans	3,000	3,000	-	-	-	-	-	-
Grants	110,734	13,090	1400	2450	15,594	2,200	76,000	-
Total	113,734	16,090	1,400	2,450	15,594	2,200	76,000	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	125,200	12,403	5,092	5,094	17,711	2,900	82,000	-
Total	125,200	12,403	5,092	5,094	17,711	2,900	82,000	-

FY 1985  
PROGRAM HIGHLIGHTS

- Economic Support Funds for Southern Africa Regional program (\$37 million), Zambia (\$20 million), Zimbabwe (\$15 million), and Botswana (\$10 million).
- Southern Africa Regional Program addresses agriculture, transportation, development planning, self-help, human rights and training, including training of disadvantaged South Africans.
- Development Assistance Funds for Zimbabwe (\$15.0 million), Lesotho (\$10.3 million), Malawi (\$10.0 million) and Swaziland (\$7.9 million).

## SOUTHERN AFRICA OVERVIEW

### Political Overview

Southern Africa can be characterized as being economically dependent upon the Republic of South Africa, having an immensely poor population still, after more than two decades, not being completely free from colonial and minority rule. It is a region with great prospects for self-sustained economic growth since it is richly endowed in natural resources. The region constitutes that portion of the Africa sub-continent stretching from oil-endowed Angola on the Atlantic to Mozambique on the Indian Ocean. It encompasses Namibia, the Republic of South Africa and six landlocked countries: Zimbabwe, Zambia, Malawi, Botswana, Lesotho and Swaziland.

The recognition that conflicts, both internal and external, tend to have cross-border impacts has led to informal regional political entities such as the Front-Line States. The West is working with this group to develop peaceful solutions to the region's problems. The continued discord involving Namibia, Angola and South Africa is a fundamental concern of the other countries of the region and is a major cause of continued instability in the region. The land-locked countries must depend on their neighbors for access to the sea. Armed conflict in Angola and in Mozambique limit access to their ports and increase reliance on South African ports. The attainment of majority rule in Zimbabwe initially reduced the level of conflict in the region; however, continued internal strife in Zimbabwe also is of concern to the United States. At the same time, Zimbabwe's pragmatic economic policies have stood it well and lessened economic burdens for many of Zimbabwe's neighbors. South Africa continues to be in a state of political and military confrontation with many of its majority-ruled neighbors, and its internal policy of apartheid prevents equitable internal social and economic development in spite of its relative wealth in the region.

The Southern Africa Development Coordination Conference (SADCC), which consists of the region's eight majority-ruled countries plus Tanzania, has been organized to foster cooperation in solving the economic and political problems of the region and develop alternatives to economic dependence on the Republic of South Africa. The United States continues to provide economic support to this important regional organization.

### Development Overview

All of the majority-ruled countries in southern Africa face serious development problems. The average per capita GNP of about \$400 of the region's population of almost 40 million people masks wide income disparities. Foreign exchange shortages constrain all of the economies, suggesting a need, inter alia, for greater emphasis on export sector development throughout the region. None has achieved self-sustaining growth; all rely heavily on external capital inflows, and the land locked states are increasingly dependent on transportation links through South Africa and economic and trade arrangements with that country for survival. In 1982-83, the southern Africa region suffered from one of its worst droughts of this century, causing widespread starvation and human suffering. Mozambique and South Africa were the most seriously affected countries.

## SOUTHERN AFRICA OVERVIEW

Throughout the region there is a great disparity in income and welfare between the traditional and the modern sectors of the economy. The starkest case among the majority-ruled countries is Zimbabwe where there is a modern economy that produces 95% of GDP, and income per capita is 28 times higher in the modern economy than in the traditional one. How to narrow this gap, while moving toward self-sustaining growth, remains the great challenge in the region. The problem is political as well as economic. In some instances majority rule has created expectations which can neither be ignored nor accommodated. Efforts to manage economies toward equitable growth have met with mixed results. In some the results have been negative annual rates of investment. For example, in the period between 1970 and 1979, Angola posted a -9.0% rate; Mozambique, -8.4%; and Zambia, -55.6%. During the same period all three suffered reductions in per capita GDP and Angola suffered a negative annual growth rate of -2.1% per annum in the aggregate GNP. While some of this can be ascribed to the political and military turbulence in the region, inadequate management of the economy must be held accountable for a large portion of this poor performance. Zimbabwe, though still in a very early and sensitive stage of independence, had initial but shortlived success in initiating policies that seek to bridge the gap between the two economies and maintain economic growth.

On the other hand, during the same period gross domestic investment grew annually by 24.4% in Lesotho, 13.3% in Swaziland, 5.6% in Botswana and 2.3% in Malawi. This resulted in GDP growth of 9.1% in Botswana, 7.2% in Swaziland, 6.0% in Lesotho and 2.9% in Malawi. High population growth rates ranging from 3.4% in Zimbabwe threaten, however, to overwhelm the growth that is taking place.

Civil strife and disinvestment have taken their toll in other ways. The transportation system in particular has deteriorated and become overburdened. As a result, rail access from neighboring countries to ports in Angola has ceased, while routes leading to Mozambique's ports of Beira, Nacala and Maputo can be traversed only with difficulty. While Tanzania's ports may offer a partial alternative in the near future for the northern tier states of Malawi and Zambia, the inordinate dependence for most of the region on the rail facilities and ports of South Africa poses problems on two levels: (1) the longer routes to South African ports raise the cost of imports and exports; and (2) South Africa's influence over the other countries of the region is reinforced.

Throughout the region the lack of adequate skilled and managerial manpower remains a serious constraint to development. Secondary school enrollment is less than 5% of school-age population. This often leads to recruitment of expatriates to fill the gap, with further increases in cost and drain on foreign exchange.

Generally, agricultural levels have not met expectations. Only Swaziland was able to increase its 1979 per capita food output over the 1969-1971 base period. In 1981, only Zimbabwe and South Africa produced a surplus for

## SOUTHERN AFRICA OVERVIEW

export, but as a result of the 1982-83 drought, both countries became temporary net grain importers. Annual per capita growth rates for agricultural production for the 1969-71 period are: Zimbabwe, -1.6%; Zambia, -1.5%; Mozambique, -6.0%; and Angola, -9.9%.

For a number of reasons, throughout the region commerce and industry are operating at less than optimum levels. In some areas, government control, inefficient parastatal industries and unsound monetary and fiscal policies have stifled or suppressed a good deal of the private sector. In other areas, lack of adequate credit, money markets, relevant manpower and infrastructure have become a serious constraint. In most of these countries, with the exception of South Africa, the markets are relatively small and often do not allow for economies of scale. In recognition of these problems, the Southern Africa Development Coordination Conference has established working groups to seek solutions to some of the region's most pressing problems, such as transportation, agriculture and food security, manpower and industrial development. These are addressed by both bilateral and regional aid programs.

### U.S. Interests and Strategy

U.S. interests in the region are strategic, economic and political. Southern Africa is the source of strategic metals and minerals, in addition to possessing substantial energy resources. The former include chromium, manganese, vanadium and platinum. Direct U.S. investment of \$2.5 billion in southern Africa provides a large and growing market for U.S. goods and services.

U.S. objectives remain unchanged from previous years. They are: (1) reinforcing evidence of positive economic policy in Zimbabwe; (2) promotion of early independence in Namibia and peaceful change in South Africa; (3) continued Western access to the minerals and raw materials in the region; (4) support for policies leading to equitable, self-sustaining growth; and (5) support of the development of the private sector and its role in the economies of the region.

In pursuit of these objectives, A.I.D. has established six offices in the region to plan and manage bilateral aid; in addition, A.I.D. has assigned a Regional Development Officer to USAID/Zimbabwe. This officer coordinates U.S. assistance to economic development activities that are regional in scope. The United States has supported the activities of SADCC and views it as an appropriate forum for a cooperative assault on the region's cross-border problems. Bilaterally, A.I.D. continues to support rural agricultural projects to upgrade the traditional sectors. These are complemented by manpower training projects, assistance in health and population, food and program aid. The United States now includes Mozambique as a direct beneficiary of AID-financed regional development programs, and we have increased educational and training programs benefitting disadvantaged South Africans, working through community organizations and private groups in South Africa.

## SOUTHERN AFRICA OVERVIEW

### The Proposed Program

Economic Support Funds totalling \$82.0 million are requested for the activities indicated in the following countries:

Botswana: (\$10.0 million) \$2.336 million for agriculture and rural development; and \$7.664 million for education and human resource development.

Zambia: (\$20.00 million) \$15.0 million for a commodity import program to provide agricultural commodities; \$4.0 million for technical assistance in agricultural research, planning and extension, and \$1.0 million for human and institutional resources development. A \$10.0 million P.L. 480 Title I program is proposed.

Zimbabwe: (\$15 million) Rural development assisting small farmers - \$11.3 million; human resources development, expanding formal, non-formal education and training programs - \$3.7 million.

Regional: (\$37.0 million) \$8.0 million for regional transportation support; \$14.242 million for agricultural research and training; \$5.0 million for manpower development; \$5.0 million for training for educationally disadvantaged South Africans through the U.S. Scholarship Program and through in-country training activities; \$1.7 million for SADCC technical support; \$0.7 million for local self-help projects; \$1.258 million for program management, planning and development; and \$1.1 million for human rights activities.

Development Assistance Funds totalling \$43.2 million are requested for activities as indicated in the following countries:

Lesotho: (\$10.3 million) \$5.703 million for agriculture planning, research, conservation and land resource development; \$3.003 million for vocational, technical and managerial training and university support; \$1.294 million for rural water and sanitation; and \$0.3 million for renewable energy.

Malawi: (\$10.0 million) \$4.4 million for agricultural research and extension, commercial fisheries and rural enterprise development; \$3.6 million for family planning and health institutions development; \$2.0 for commercial transport development.

Swaziland: (\$7.9 million) \$2.3 million for small farmer irrigation, cropping systems research and extension training; \$3.0 million for teacher training and manpower development; \$2.0 million for rural health development; and \$0.6 million for small enterprise support.

Zimbabwe: (\$15.0 million) \$3.292 million for expansion of the existing population program; \$11.708 million for human resources development.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (633) BOTSWANA

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 1,001  
 PER CAPITA GNP..... (DOLLARS,1981) 1,010  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 8.5%  
 ANNUAL RATE OF INFLATION (1970-81) 11.6%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..(1971) 1.6%  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 51.1 MALE 49.4 FEMALE 52.9  
     (1970) TOTAL 44.6 MALE 43.0 FEMALE 46.3  
 ADULT LITERACY RATE (1971) TOTAL 41% MALE 37% FEMALE 44%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1980) 12%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 5  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: SORGHUM ,LIVESTOCK ,CORN 13% (1982)  
 CASH: CATTLE ,CORN ,PULSES 6% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) BEEF AND VEAL ,HIDES & SKINS ,PUPOPULATION (1981) IN AGE GROUP:  
 MAJOR AGRICULTURAL IMPORTS:(1982) CORN ,WHEAT ,RAW SUGAR  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 78%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 (1978) 194 (79) 299 (80) 234  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 (1978) 203 (79) 272 (80) 235  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 (1978) -8 (79) 26 (80) -1  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. (1978) 8.2% (79) 9.9% (80) 8.5%  
 AS % OF GNP..... (1978) 4.1% (79) 4.7% (80) 4.2%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) (1980) 198 (81) 187 (82) 317  
 EQUIVALENT TO . MONTHS OF IMPORTS ( . )

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) DIAMONDS ,CATTLE ,  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1980) 81 (1981) 105 (1982) 17  
 AS % OF TOTAL EXPORTS (1979) 13% (1980) 15% (1981) 31%  
 MAJOR IMPORTS....(1981) FOODSTUFFS ,MOTOR VEHICLES ,TEXTILES  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 7 (1981) 18 (1982) 6  
 AS % OF TOTAL IMPORTS (1979) 1% (1980) 1% (1981) 1%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) 0(80) -58(81) -284  
 TRADING PARTNERS: UNITED STATES ,UNITED KINGDOM ,ZIMBABWE  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 9.1%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 9  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 2.2%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.3% (1978) 3.5% (1983) 3.6%  
 POPULATION IN URBAN AREAS.....(1970) 10% (1982) 26%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 51 (1983) 46  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1976) 8.0%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 75  
 PEOPLE PER PHYSICIAN..... (1975) 9,972  
 MAJOR CAUSES OF  
 DISEASE (1975) GASTROINTESTINAL ,ACUTE RESP. INFE ,  
 DEATH.. (1978) PERINATAL DIS. ,MEASLES ,TUBERCULOSIS  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 91%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1975) 45%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1979) TOTAL 93.0% MALE 84.0% FEMALE 103%  
 SECONDARY..... (1979) TOTAL 20.0% MALE 19.0% FEMALE 22.0%  
 POST SECONDARY.. (1977) TOTAL 0.9% MALE 1.2% FEMALE 0.6%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

U.S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years - Millions of Dollars)								ECONOMIC PROGRAMS OF ALL COUNTRIES (Millions of Dollars)				
COUNTRY BOTSWANA								A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS				
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1984-85
	1978	1979	1980	1981	1982				TOTAL.....	33.5	28.6	48.5
<b>I. ECONOMIC ASSISTANCE - TOTAL</b>	19.4	17.9	19.3	17.6	15.9	152.1	4.3	147.8	17.0	20.0	32.5	176.2
Loans	-	-	-	-	-	16.7	4.3	12.4	0.0	0.0	0.5	0.8
Grants	19.4	17.9	19.3	17.6	15.9	135.4	-	135.4	0.0	0.0	0.0	14.8
<b>a. A.I.D. and Predecessor Agencies</b>	15.2	14.0	13.0	10.9	11.4	81.7	4.3	77.4	0.0	0.0	0.0	0.0
Loans	-	-	-	-	-	16.7	4.3	12.4	0.0	0.0	0.0	0.0
Grants	15.2	14.0	13.0	10.9	11.4	65.0	-	65.0	0.0	0.0	0.0	0.0
(Economic Support Fund)	15.2	11.1	13.0	10.9	11.0	51.1	-	51.1	0.0	0.0	0.5	2.8
<b>b. Food for Peace (PL 480)</b>	3.0	2.5	5.1	5.4	3.0	56.6	-	56.6	0.0	0.0	0.0	0.0
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Grants	3.0	2.5	5.1	5.4	3.0	56.6	-	56.6	0.0	0.0	0.0	0.0
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Title II - Total Grants	3.0	2.5	5.1	5.4	3.0	56.6	-	56.6	0.0	0.0	0.0	0.0
Emerg. Relief, Econ. Develop. & World Food Program	3.0	2.5	5.1	5.4	3.0	56.6	-	56.6	0.0	0.0	0.0	0.0
Voluntary Relief Agencies	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>c. Other Economic Assistance</b>	1.2	1.3	1.2	1.3	1.5	13.8	-	13.8	0.0	0.0	0.0	0.0
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Grants	1.2	1.3	1.2	1.3	1.5	13.8	-	13.8	0.0	0.0	0.0	0.0
Peace Corps	1.2	1.3	1.2	1.3	1.5	13.8	-	13.8	0.0	0.0	0.0	0.0
Narcotics	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Other	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>II. MILITARY ASSISTANCE - TOTAL</b>	-	-	0.1	0.5	0.6	1.2	-	1.2	0.0	0.0	0.0	0.0
Credits or Loans	-	-	-	0.5	0.5	1.0	-	1.0	0.0	0.0	0.0	0.0
Grants	-	-	0.1	*	0.1	0.2	-	0.2	0.0	0.0	0.0	0.0
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>b. Credit Financing - FMS</b>	-	-	-	0.5	0.5	1.0	-	1.0	0.0	0.0	0.0	0.0
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	0.1	*	0.1	0.2	-	0.2	0.0	0.0	0.0	0.0
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	19.4	17.9	19.4	18.1	15.5	153.3	4.3	149.0	17.0	20.0	32.5	176.2
Loans	-	-	-	0.5	0.5	17.7	4.3	13.4	0.0	0.0	0.0	0.0
Grants	19.4	17.9	19.4	17.6	15.0	135.6	-	135.6	0.0	0.0	0.0	0.0
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0
* LESS THAN \$50,000.												

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE				
1. D.A.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-82	
United States	14.0	17.0	60.0	
Germany, Fed. Rep.	15.0	24.2	83.2	
United Kingdom	16.6	13.2	77.7	
Sweden	15.2	13.2	75.4	
Norway	8.8	7.4	47.2	
Other	9.7	9.1	81.5	
<b>Total</b>	<b>79.3</b>	<b>84.1</b>	<b>425.0</b>	
2. O.P.E.C. COUNTRIES (Gross Disbursements)				
C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES				
	CY 1981	CY 1982	CY 1954-82	
USSR	-	-	-	
Eastern Europe	-	-	-	
China	-	-	15	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>15</b>	

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PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	10,000	-	-	-	-	-	10,000	-
Total	10,000	-	-	-	-	-	10,000	-
1984								
Loans	- <sup>a/</sup>	-	-	-	-	-	-	-
Grants	10,000	5,533	-	-	4,467	-	-	-
Total	10,000	5,533	-	-	4,467	-	-	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	10,000	-	-	-	-	-	10,000	-
Total	10,000	-	-	-	-	-	10,000	-

a/ FY 1984 total excludes \$800 which has already been notified for deobligation and has not yet been identified for reobligation by project.

FY 1985  
PROGRAM HIGHLIGHTS

- Continued program emphasis on increasing the supply of trained manpower, creating rural employment, and increasing rural incomes.
- In Education and Human Resources Development (\$7.7 million):
  - Advanced level training for administrative and technical personnel in the private sector and in selected Government Ministries
  - Upgrading of primary school instruction
  - Initiation of a new project to increase access to post-primary education and skills training
- In Agriculture and Rural Development (\$2.3 million):
  - Development of technology packaged to increase arable agriculture productivity
  - Expansion of training and credit activities to assist off-farm enterprise development and to create rural jobs.

**BOTSWANA**

<b>RESOURCE FLOWS</b> (In thousands of dollars)			
Program	FY 1983	FY 1984	FY 1985
	(Actual)	(Estimated)	(Proposed)
Aid*			
Loans	---	---	---
Grants	10,303	13,154	16,043
Total AID	10,303	13,154	16,043
P.L. 480**			
Title I (of which Title III is)	( 1,796 )	( 3,635 )	( 2,015 )
Title II	1,796	3,635	2,015
Total P.L. 480	1,796	3,635	2,015
Total AID and P.L. 480	12,099	16,789	18,058

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

<b>PERSONNEL/PARTICIPANTS DATA</b>			
Category	FY 1983	FY 1984	FY 1985
	(Actual)	(Estimated)	(Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	14	11	10
PASAC <sup>c</sup>	2	---	---
Contract	26	22	24
Total	42	33	34
Participants <sup>d</sup>			
Noncontract	13	38	22
Contract	51	56	37
Total	64	94	59

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

**P. L. 480 PROGRAM SUMMARY**  
(000 MT/\$000)

Program	FY 1983		FY 1984		FY 1985	
	(Actual)		(Estimated)		(Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		-		-		-
World Food Programs		1,796		3,635		2,015
Gov't-to-Gov't		-		-		-
Title II Total		1,796		3,635		2,015
Total P.L. 480		1,796		3,635		2,015

## BOTSWANA

### Development Overview

Since Independence in 1966, Botswana's economy has expanded markedly and experienced structural shifts due to the rapidly developing minerals sector and generally favorable developments in the livestock industry. Botswana's mineral resources include copper, nickel and manganese. Botswana is also a major world producer of diamonds. Over the past decade, the mining sector's share of GDP increased from 1% to 25% while that of agriculture declined from over 40% to 12% in recent years.

The Government of Botswana (GOB) vigorously pursues its goals of rapid economic growth, social justice, economic independence and sustained development. A large portion of the revenues derived from capital-intensive mining is invested in physical and social infrastructure to improve the living standard of the majority. Botswana has made substantial progress in expanding access to basic education, increasing life expectancy, and reducing illiteracy; the quality of life in Botswana is now ranked second among the majority ruled countries in the southern Africa region.

Botswana's economy is strongly linked to and dominated by the neighboring Republic of South Africa. Botswana's membership in the Southern Africa Customs Union generates 33% to 40% of the GOB's annual revenues; and South Africa accounts for 88% of Botswana's imports and 15% of exports. Twenty percent of total modern sector jobs held by Botswana\* are located in South Africa, primarily in the mining industry. The South African companies of DeBeers and Anglo-American have significant equity positions and managerial influence in Botswana's diamond, coal and copper-nickel production.

The majority of households in Botswana subsist by combining farming with wage labor. Livestock production dominates agriculture, accounting for 80% of that sector's share of GDP; ownership, however, is highly skewed with only 6.7% of rural households controlling 54% of the national cattle herd, estimated at 3 million head. The majority of households engaged in agriculture are primarily dependent on raising crops which is very difficult and risky under prevailing climatic and ecological conditions. In years of moderate rainfall, annual food grain production averages 55,000 metric tons while national cereal requirements total about 150,000 metric tons. However, in recent years Botswana has been severely affected by recurrent droughts which have hampered the GOB's development efforts. The current drought has reduced Botswana's output of cereal crops to an estimated 17,000 tons in 1983, from 59,600 tons in 1981. More than 20 percent of the country's 600,000 cattle could die at a cost of \$60.0 million. Nevertheless, the agricultural sector is the most important source of employment, accounting for about 50% of all employment in 1981 and approximately 90% of all jobs in the informal sector.

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\* The citizens of the country are called Batswana.

## BOTSWANA

Botswana's economy is expected to generate enough jobs in the formal sector to employ only about 50% of the working age population during the 1980's. The rest who enter the work force will have to resort to the informal sector which is characterized by low productivity and high under-employment. In the formal sector shortages of skilled manpower including entrepreneurial, managerial and administrative talent lowers productivity and constrains the creation of new employment opportunities. For the remainder of the decade, therefore, the principal problems confronting Botswana will be the lack of job opportunities for a rapidly expanding work force juxtaposed against projected shortages of trained manpower needed for both the formal and informal sectors.

To address these problems, the GOB is placing more emphasis on creating work opportunities in the private sector and on increasing arable crop production to raise small holder incomes in the rural areas where 85% of the population still resides. The formal education system has expanded rapidly since independence and emphasis is now being placed on qualitative improvements in the system and further expansion of post-primary and advanced training programs. The use of skilled expatriates in technical and professional positions and on-the-job training are helping to alleviate manpower shortages, but significant discrepancies between labor market demand and supply will persist through the 1980's.

### U.S. Interests and Objectives

The United States is interested in promoting political stability and economic development in this strategically important region of Southern Africa. Botswana, a member of the "Front-Line States" and home for the Southern Africa Development Coordination Conference (SADCC) Secretariat, has been a moderating influence in attempts to work out peaceful solutions to problems of achieving majority rule within the region, particularly in Zimbabwe and Namibia.

Botswana boasts an excellent human rights record and the rule of law prevails. Moreover, the multi-party parliamentary system of government is an outstanding example of democracy in practice. The country is known for its stability and pursuit of pragmatic economic policies which respect free market forces and promote private investment.

The GOB has demonstrated its willingness to assist the United States, as evidenced by the location in Botswana of the NASA ground-tracking station and a major Voice of America transmitter. United States economic interests in Botswana include the American-owned AMAX Corporation which is a partner in copper and nickel mining near Selebi-Phikwe. ESSO is interested in petroleum exploration. Other United States firms are studying the feasibility of developing coal and soda ash deposits. Botswana is also a potential export market for United States products and technology.

## BOTSWANA

It is in the interest of the United States that Botswana remains democratic, politically stable, economically sound and favorably disposed toward the United States. Lack of job opportunities and an inadequately skilled work force are becoming Botswana's most critical impediments to sustained economic growth. Growing underemployment and unemployment threaten Botswana's internal equilibrium and could disrupt the balance she maintains with her politically varied neighbors. A.I.D.'s program of employment generation and work force training address these development constraints.

### A.I.D. Development Strategy

Botswana's rapidly growing, relatively unskilled labor force is faced with extremely limited opportunities for productive employment, which has contributed to unemployment and underemployment particularly in the rural areas. There are also insufficient numbers of trained Botswana to fill current and projected job vacancies in the formal sector resulting in lower productivity and a continued dependence on expatriate staff. The technical, managerial and entrepreneurial skills required to diversify the economic base and generate new employment opportunities in the productive sectors are also in short supply.

The principal objective of Botswana's Fifth National Development Plan (NDPV, 1979/80 - 1984/85) is to increase employment opportunities and incomes. Since formal sector employment opportunities are, and will continue to be, limited, the Plan emphasizes rural development to increase agricultural production and to create off-farm employment opportunities. It proposes specific policy and program measures to foster labor-intensive business development and economic diversification. The GOB's recent review of the Plan concluded that the basic objectives and strategy would be continued in the next Plan period, 1985 to 1989.

A.I.D./Botswana's strategy supports the Government of Botswana's (GOB) policy and program initiatives in education, work force training, and employment creation. A.I.D.'s strategy concentrates resources in Education and Human Resources Development and Agriculture and Rural Development. Major assistance will be directed toward alleviating the manpower constraint. Education and skills training activities at the primary, post-primary and post-secondary levels constitute the largest portion of A.I.D.'s program; the balance is for institution building in areas crucial to increased agricultural productivity and employment generation. The strategy contains the following three principal objectives:

- to improve the quality and efficiency of the primary and post-primary education systems to better meet projected work force requirements;
- to provide advanced training for administrators and technical personnel to help increase and diversify employment opportunities;
- to strengthen selected GOB institutions which are directly responsible for increasing agricultural and off-farm productivity and incomes in rural areas.

In the Education and Human Resources Development sector, the Primary Education Improvement project (633-0222) is providing major institutional assistance in pre-service and in-service training for teacher training staff, primary school head teachers and inspectors; and is establishing undergraduate programs leading to Diploma and Bachelor level degrees in education. A complementary Secondary Education Improvement project (633-0229) will be initiated in FY 1985 to address critical post-primary education and training needs. The Botswana Workforce and Skills Training (BWAST) project (633-0231) addresses shortages of skilled manpower in both the public and private sector. It is training Botswana for key administrative and technical positions relevant to policy formulation and implementation in four GOB Ministries responsible for creating rural employment. Private sector training is also provided under BWAST to support the development of small-scale enterprises by expanding the pool of manpower with basic managerial, entrepreneurial and accounting skills.

In the Agriculture and Rural Development sector, the Agricultural Technology Improvement project (633-0221) promotes technology development and transfer. It is strengthening the capacity of the Ministry of Agriculture to develop and extend improved farming techniques crucial to increased agricultural productivity. A.I.D.'s recently amended Rural Sector Grant (633-0077) continues to strengthen an institutional system for generating off-farm employment activities. It includes support for business extension activities of the Ministry of Commerce and Industry's Rural Industrial Officer's Cadre, the training of entrepreneurs, and the provision of capital assistance for small-scale activities in rural Botswana. Private sector development is also facilitated by the Small Enterprise Development project (633-0228), an operational program grant which provides business advisory services to small-scale entrepreneurs.

#### A.I.D. Program (FY's 1983-1984)

##### FY 1983:

A. In the Education and Human Resources Development sector, the Southern Africa Manpower Development project (SAMDP, 633-0069) was closed out and its successor project, the Botswana Workforce and Skills Training project (BWAST, 633-0231) began its first full year of implementation. Seventeen new long-term and six short-term participants left for training in the United States; and new requirements for U.S. advisors were identified for recruitment in FY 1984. Over the life-of-project approximately twenty-six U.S. advisors will be provided, seventy-two Botswana will receive long-term training in the U.S. and over one thousand persons will receive short-term training.

An FY 1983 evaluation of the Primary Education Improvement project (633-0222) indicated that the project is "making excellent progress in its pre-service education program and very good progress toward improving teacher education." The Department of Primary Education is now a fully operating unit within the University's Faculty of Education; the Diploma and

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Bachelor programs are functioning; and a national plan for in-service education was approved. Additional evaluations as well as the FY 1984 educational assessment underway in Botswana will assist A.I.D. in identifying any follow-on or complementary activities which may be required in primary education.

B. In the Agriculture and Rural Development sector, three major activities, the Botswana Agricultural College Expansion project (633-0074); the Rural Sector Grant Amendment (633-0077); and the Agricultural Technology Improvement project (633-0221) were operative during FY 1983. Under the latter project, the recruitment and placement of the full eight-person technical assistance team and the placement of all GOB counterparts were completed. Bean/cowpea research trials were initiated and six Botswana were identified for training in the U.S. Surveys of small farmers' agricultural practices are being conducted in two villages. The Rural Sector Grant (633-0077) was amended, extending it for another five years. An evaluation conducted in FY 1982 encouraged continuation of the project and noted that "...project activities are beginning to shape the planning process as well as develop institutions that will impact favorably on rural productive employment." The sub-projects continued under this project are those which have demonstrated the capacity to support and expand rural productive activities, create employment opportunities and increase rural incomes. The Botswana Agricultural College Expansion project (633-0074) is establishing a localized institution for training junior and intermediate level agricultural personnel for the extension service and for employment in agricultural research, planning, credit and marketing. Ten Botswana completed training in the U.S. and five others are in training. The physical expansion of the College is complete, certificate enrollment has doubled and the degree program reached its target of thirty enrolled students in fields of agriculture and animal health. The first class graduated in December 1982.

C. Selected Activities include central and regional funding to support housing and drought relief activities. The construction of self-help housing and related infrastructure in the low income peripheral areas of Gaborone is approximately 90% complete. The grant, loan and implementation agreements for a new, \$16 million Housing Guarantee (633-0238) were signed during FY 1983 and substantial road and drainage work in the project's first phase was completed. Drought assistance consisting of PL 480 Title II emergency bilateral food aid was provided in FY 1983; approximately 2,000 metric tons were supplied to the GOB's Institutional Feeding Program.

### FY 1984:

A. In the Education and Human Resource Development sector, the education sector assessment will be completed and design work will commence on the Secondary Education Improvement project (633-0229). A sixth technician will be added to the Primary Education Improvement project (633-0222) in response to the findings of a 1982 evaluation. This person will train staff in the use of performance assessments to observe teacher competencies at the classroom level. Assistance will continue under the Botswana Workforce and

## BOTSWANA

Skills Training project (633-0231). Nine OPEX officers, eighteen long-term trainees, and nine short-term trainees will be recruited and placed; approximately two hundred and fifty persons will receive short-term in-country training.

B. In the Agriculture and Rural Development sector, the Botswana Agricultural College Expansion project (633-0074) will have its final evaluation; the contract team will complete its final year of instruction; and three Botswana will be trained in the U.S. A sorghum and millet research scientist will be added to the Agricultural Technology Improvement project (633-0221); surveys of farm families will continue and studies on crop yields will commence. The Rural Sector Grant will initiate support to the National Development Bank for loans to small-scale productive enterprises; a district administration training plan will be developed; construction of two horticultural estates, rural industrial offices and support facilities will be nearing completion; and expanded training and technical services to rural entrepreneurs will be underway.

C. Selected Activities for FY 1984 include completion of most of Phase I infrastructure of the new Housing Guarantee Program (633-0238). Plot allocations and self-help housing construction will begin and three long-term technicians will be in place to assist in the development and implementation of a new National Housing Plan. Continuing U. S. food contributions through the World Food Program will be delivered in response to the drought.

### Requested Year Program (FY 1985)

A. Education and Human Resources Development which is the primary focus of the A.I.D. program will require approximately \$7.7 million: \$3.5 million for the Botswana Workforce and Skills Training project (633-0231); \$1.2 million for the Primary Education Improvement project (633-0222); and \$3 million for the proposed Secondary Education Improvement project (633-0229). The latter will increase access to post-primary education and skills training for primary school leavers who are unable to find secondary or vocational school placements and are unqualified for employment in the existing job market. The educational assessment currently underway will assist A.I.D. and the GOB in identifying the appropriate mix of formal secondary education and skills training needs to address this problem.

B. Agriculture and Rural Development requires \$2.3 million: \$0.6 million for the Rural Sector Grant (633-0077), and \$1.7 million for the Agricultural Technology Improvement project (633-0221).

In FY 1985 A.I.D. will concentrate approximately 75% of its resources in Education and Human Resources Development with the remainder in Agriculture and Rural Development. The bilateral project portfolio will be reduced from twenty-one projects in 1982 to seven by the end of FY 1985. This will permit more efficient management and a more effective use of resources by concentrating in areas directly related to the implementation of A.I.D.'s strategy.

MISSION DIRECTOR: J. Paul Guedet

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: BOTSWANA

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHO PLANNED		-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES
AGRICULTURE, RURAL DEV. AND NUTRITION											
AGRICULTURAL PLANNING	G 633-0067	78	82	973	973	973	823	---	150	---	---
AGRICULTURE COLLEGE EXPANSION	G 633-0074	78	84	719	719	---	---	719	---	---	719
RURAL SECTOR GRANT	G 633-0077	80	86	2,473	2,473	---	---	2,473	---	---	449
AGRICULTURAL TECHNOLOGY IMPROVEMENT	G 633-0221	81	85	2,341	2,341	---	---	2,341	---	---	1,000
TOTAL FOR ACCOUNT GRANTS				6,506	6,506	973	823	5,533	150	---	2,168
LOANS				---	---	---	---	---	---	---	---
EDUCATION AND HUMAN RESOURCES											
PRIMARY EDUCATION IMPROVEMENT	G 633-0222	81	85	1,650	1,650	---	---	1,650	---	---	987
BOTSWANA WORKFORCE AND SKILLS TRAINING	G 633-0231	82	86	2,817	2,817	---	---	2,817	---	---	2,133
TOTAL FOR ACCOUNT GRANTS				4,467	4,467	---	---	4,467	---	---	3,120
LOANS				---	---	---	---	---	---	---	---
ECONOMIC SUPPORT FUND											
AGRICULTURAL PLANNING	G 633-0067	78	82	2,661	2,661	2,661	2,069	---	592	---	---
BOTSWANA-ZAMBIA ROAD	G 633-0072	77	82	508	508	508	139	---	369	---	---
TRANSPORT SECTOR	G 633-0073	79	79	6,000	5,900	5,900	5,740	---	160	---	---
AGRICULTURE COLLEGE EXPANSION	G 633-0074	78	84	7,930	7,930	7,930	6,262	---	1,100	---	568
RURAL SECTOR GRANT	G 633-0077	80	86	6,876	6,876	5,349	2,298	---	1,600	605	1,451
HEALTH SERVICES DEVELOPMENT	G 633-0078	78	80	4,785	4,305	4,305	1,774	---	750	---	1,400
RENEWABLE ENERGY TECHNOLOGY	G 633-0209	80	82	3,304	3,304	3,304	1,502	---	1,000	---	1,000

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: BOTSWANA

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES
AGRICULTURAL TECHNOLOGY IMPROVEMENT	G 633-0221	31	85	6,839	6,839	5,108	722	---	1,900	1,731	2,486
PRIMARY EDUCATION IMPROVEMENT	G 633-0222	31	85	5,643	5,643	4,483	1,470	---	1,700	1,160	1,313
SMALL ENTERPRISE DEVELOPMENT (PVO)	G 633-0228	32	82	452	452	452	104	---	180	---	168
SECONDARY EDUCATION IMPROVEMENT	* G 633-0229	85	89	---	15,000	---	---	---	---	3,000	1,000
BOTSWANA WORKFORCE AND SKILLS TRAINING	G 633-0231	82	86	11,741	11,741	4,572	305	---	3,200	3,504	1,067
GABORONE WEST HOUSING AND FACILITIES	G 633-0238	83	83	650	650	650	---	---	350	---	300
TOTAL FOR ACCOUNT GRANTS				57,389	71,809	45,222	22,185	---	12,901	10,000	10,755
LOANS				---	---	---	---	---	---	---	---
SECURITY SUPPORTING ASSISTANCE											
AGRICULTURAL PLANNING	G 633-0067	78	82	1,145	1,145	1,145	1,042	---	103	---	---
TOTAL FOR ACCOUNT GRANTS				1,145	1,145	1,145	1,042	---	103	---	---
LOANS				---	---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				69,507	83,927	47,340	24,050	10,000 <sup>1/</sup>	13,154	10,000	16,043
LOANS				---	---	---	---	---	---	---	---

<sup>1/</sup> FY 1984 total excludes \$800 thousand which has already been notified for deobligation and has not been identified for reobligation by project.

\* Refers to the planned project summary sheet  
C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: BOTSWANA

## PLANNED PROGRAM SUMMARY SHEET

Title Secondary Education Improvement		Funding Source ESF 3,000	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 633-0229		Population	ED. & HR	Sel. Act.	FY 1985 3,000	Life of Project Funding 15,000	
<input checked="" type="checkbox"/> NEW					Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 1985	FY 1989	FY 1990

**Project Purpose:** A preliminary analysis of Botswana's labor supply and demand for the 1980s shows that there will be 1) a rapidly increasing surplus of primary school leavers who will neither be able to continue their education nor find employment and 2) an increasing shortage of manpower with a junior secondary level education and the technical training required to meet projected job market demands. The implications are clear: self-sustained economic development will continue to be inhibited by low productivity and a dependency on skilled expatriate manpower. Approximately 85% of primary school age children are now enrolled in school. About 65% of those who complete primary school generally do not have the skills required for employment and are unable to find secondary school or vocational placements. The purpose of the proposed project is to expand and improve the effectiveness of post-primary education and training programs in Botswana.

**Project Description:** The project will support the GOB's priority efforts to expand junior secondary education and skills training required to meet projected manpower demand and generate additional jobs in the economy. An education and human resource development assessment will be completed in early FY 1984; the results of the assessment and subsequent project design work will determine the precise nature and scope of the project. Technical assistance and participant training will be provided to help expand the post-primary education and training system in a cost-effective manner and improve the quality and relevance of instruction. Appropriate training by the private sector will be encouraged. It is anticipated that approximately 25 person years of participant training and limited plant and equipment assistance will be required.

**Relationship of Project to A.I.D. Country Strategy:** The project will focus on increased access to secondary education and skills training and is fully consistent with A.I.D./Botswana's strategy goal of increasing the supply of trained manpower to participate productively in the economy. The project will fill an important gap between the on-going

Primary Education Improvement Project, which is upgrading the quality of primary education, and the Botswana Workforce and Skills Training Project which addresses advanced level, post-secondary education and skills needs.

**Host Country and Other Donors:** The GOB allocates about 13.5% of total national recurrent expenditures to education. This amount includes increased funding for junior secondary education. The African Development Fund (ADF) is financing a new junior secondary teacher training college. The World Bank is focusing on secondary education in its contemplated fourth education loan. The United Kingdom will continue to be a major resource for internal and external training of key educators and technicians needed to fill the gap until participants have returned from advanced training. The proposed A.I.D. project will be closely coordinated with other donors; it is anticipated that other donors and the GOB will finance the bulk of construction costs which may be required to physically expand education and training facilities.

**Beneficiaries:** The immediate beneficiaries are those who will receive training and technical assistance under the project. The ultimate beneficiaries will be the primary school leavers who will be able to continue their education in secondary school or obtain skills training needed for employment. It is estimated that about 11,000 - 15,000 of the annual number of primary school leavers will benefit from the project.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (632) LESOTHO

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 1,438  
 PER CAPITA GNP..... (DOLLARS,1981) 540  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 7.8%  
 ANNUAL RATE OF INFLATION (1970-81) 10.5%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 (1982) TOTAL 51.8 MALE 50.2 FEMALE 53.5  
 (1970) TOTAL 46.5 MALE 45.5 FEMALE 47.6  
 ADULT LITERACY RATE ( .) TOTAL .% MALE .% FEMALE .%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1980) 25%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 146  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: CORN ,LIVESTOCK ,SORGHUM 55% (1982)  
 CASH: WHEAT ,GREASE WOOL ,GREASE MOHAIR 10% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) GREASE WOOL ,GREASE MOHAIR ,CATT  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT ,CORN ,RAW SUGAR  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 87%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 (1972) 19 (73) 35 (74) 47  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 (1972) 21 (73) 28 (74) 34  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 (1972) -1 (73) 7 (74) 13  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. ( .) . % ( .) . % ( .) . %  
 AS % OF GNP..... ( .) . % ( .) . % ( .) . %  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) ( .) ( .) ( .)  
 EQUIVALENT TO . MONTHS OF IMPORTS ( .)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) WOOL ,MOHAIR ,WHEAT  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1978) 0 (1981) 0 (1982) 0  
 AS % OF TOTAL EXPORTS (1977) 1% (1978) 1% (1981) 0%  
 MAJOR IMPORTS....(1981) CORN ,BUILDING M7RLS ,CLOTHING  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 9 (1981) 10 (1982) 7  
 AS % OF TOTAL IMPORTS (1979) 2% (1980) 2% (1981) 2%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) -275(80) -348(81) -403  
 TRADING PARTNERS: UNITED STATES ,WEST GERMANY ,PAKISTAN  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 25.9%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 10  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 19.0%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.3% (1978) 2.3% (1983) 2.5%  
 POPULATION IN URBAN AREAS.....(1970) 3% (1982) 9%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 39 (1983) 41  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 3.7%  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 41.0% (15-64YRS) 54.9% (65+ YRS) 4.1%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 104  
 PEOPLE PER PHYSICIAN..... (1977) 18,642  
 MAJOR CAUSES OF  
 DISEASE (1979) INTestinal INFEC ,GONORRHEA ,MEASLES  
 DEATH.. (1973) TUBERCULOSIS ,HEART DISEASE ,ACUTE RESP. INFE  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 95%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1975) 17%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1979) TOTAL 104% MALE 84.0% FEMALE 123%  
 SECONDARY..... (1979) TOTAL 17.0% MALE 13.0% FEMALE 20.0%  
 POST SECONDARY.. (1974) TOTAL 0.5% MALE 0.5% FEMALE 0.4%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

U.S. OVERSEAS LOANS AND GRANTS — OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years — Millions of Dollars)							ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)					
COUNTRY LESOTHO							A. ASSISTANCE FROM INTERNATIONAL AGENCIES — COMMITMENTS					
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-83
	1978	1979	1980	1981	1982				TOTAL.....	12.9	10.6	9.4
<b>I. ECONOMIC ASSISTANCE — TOTAL</b>	10.4	13.7	18.9	24.9	15.6	120.4	-	120.4				
Loans	-	-	-	-	-	-	-	-				
Grants	10.4	13.7	18.9	24.9	15.6	120.4	-	120.4				
<b>a. A.I.D. and Prodoncor Agencies</b>	5.5	6.5	9.3	10.5	10.2	43.9	-	43.9				
Loans	-	-	-	-	-	-	-	-				
Grants	5.5	6.5	9.3	10.5	10.2	43.9	-	43.9				
(Economic Support Fund)	5.5	-	-	-	-	5.5	-	-				
<b>b. Food for Peace (PL 480)</b>	3.6	5.5	7.3	13.1	5.1	55.1	-	65.1				
Loans	-	-	-	-	-	-	-	-				
Grants	3.6	5.5	7.3	13.1	5.1	55.1	-	65.1				
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-				
Payable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-				
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-				
Title II - Total Grants	3.6	5.5	7.3	13.1	5.1	55.1	-	55.1				
Emerg. Relief, Econ. Develop. & World Food Program	1.9	2.0	3.2	7.2	0.8	31.2	-	31.2				
Voluntary Relief Agencies	1.7	3.5	4.1	5.9	4.3	33.9	-	33.9				
<b>c. Other Economic Assistance</b>	1.3	1.4	1.3	1.3	1.3	11.4	-	11.4				
Loans	-	-	-	-	-	-	-	-				
Grants	1.3	1.4	1.3	1.3	1.3	11.4	-	11.4				
Peace Corps	1.3	1.4	1.3	1.3	1.3	11.4	-	11.4				
Narcotics	-	-	-	-	-	-	-	-				
Other	-	-	-	-	-	-	-	-				
<b>II. MILITARY ASSISTANCE — TOTAL</b>	-	-	-	-	-	-	-	-				
Credits or Loans	-	-	-	-	-	-	-	-				
Grants	-	-	-	-	-	-	-	-				
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-				
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-				
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	-	-	-	-				
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-				
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-				
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	10.4	13.7	18.9	24.9	15.6	120.4	-	120.4				
Loans	-	-	-	-	-	-	-	-				
Grants	10.4	13.7	18.9	24.9	15.6	120.4	-	120.4				
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	-	-	-				
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	-	-	-				
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-				
* LESS THAN \$50,000.												

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE				
1. D.A.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-82	
United States	25.0	25.0	80.0	
United Kingdom	10.6	6.6	51.0	
Germany Fed. Rep.	11.8	9.3	47.2	
Canada	1.9	4.1	19.9	
Sweden	3.8	2.1	14.6	
Other	6.1	6.0	32.9	
<b>Total</b>	<b>59.2</b>	<b>53.1</b>	<b>245.6</b>	
2. O.P.E.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-81	
	0.2	N.A.	0.7	

C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES				

LESOTHO

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	--	--	--	--	--	--	--	--
Grants	12,281	6,361	40	2,553	3,327	--	--	--
Total	12,281	6,361	40	2,553	3,327	--	--	--
1984								
Loans	--	--	--	--	--	--	--	--
Grants	9,279	3,479	--	1,450	4,350	--	--	--
Total	9,279	3,479	--	1,450	4,350	--	--	--
1985								
Loans	--	--	--	--	--	--	--	--
Grants	10,300	5,703	--	1,294	3,003	300	--	--
Total	10,300	5,703	--	1,294	3,003	300	--	--

FY 1985 PROGRAM HIGHLIGHTS	
-	Consolidation of institutional support to increase agricultural production and rural incomes - (\$5.7 million)
-	Continue an integrated program of policy assistance and institutional support to rural educational needs - (\$3.0 million)
-	Improve rural populations' access to potable water - (\$1.3 million)
-	PL 480 Title II food assistance to support school feeding, Maternal Child Health nutrition programs, and rural infrastructure development through Food-for-Work activities - (\$7.2 million)

LESOTHO

RESOURCE FLOWS			
<i>(In thousands of dollars)</i>			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	-	-	-
Grants	8,874	13,878	16,898
Total AID	8,874	13,878	16,898
P.L. 480**			
Title I	-	-	-
<i>(of which Title III is)</i>	<i>( - )</i>	<i>( - )</i>	<i>( - )</i>
Title II	7,255	9,121	7,189
Total P.L. 480	7,255	9,121	7,189
Total AID and P.L. 480	16,129	22,999	24,087

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	10	11	11
PASA <sup>c</sup>	-	-	-
Contract	60	56	58
Total	70	67	69
Participants <sup>d</sup>			
Noncontract	1	2	2
Contract	31	46	45
Total	32	48	47

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(IN 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total <i>(of which Title III is)</i>	<i>/</i>	<i>-</i>	<i>/</i>	<i>-</i>	<i>/</i>	<i>-</i>
Title II	<i>/</i>		<i>/</i>		<i>/</i>	
Voluntary Agencies	<i>/</i>	3,974	<i>/</i>	7,118	<i>/</i>	4,882
World Food Programs	<i>/</i>	1,813	<i>/</i>	2,003	<i>/</i>	2,307
Gov't-to-Gov't	<i>/</i>	1,468	<i>/</i>	-	<i>/</i>	-
Title II Total	<i>/</i>	7,255	<i>/</i>	9,121	<i>/</i>	7,189
Total P.L. 480	<i>/</i>	7,255	<i>/</i>	9,121	<i>/</i>	7,189

## LESOTHO

### Development Overview

Lesotho is one of the world's least developed countries. It is small, landlocked and mountainous with its entire land mass above 5,000 feet.

About 90% of Lesotho's population of 1,438,000 live in the rural areas, and only about 13% of its land is arable. Agriculture, consisting of small scale production of crops and breeding livestock, is hampered by land erosion, overgrazing, and the lack of incentives inherent in a traditional land tenure system. These factors and limited employment opportunities in Lesotho outside the agricultural sector encourage the adult male population to seek employment in the mines of the Republic of South Africa (RSA). At present, there are approximately 140,000 Basotho\* workers or about 75% of the labor force, employed in the RSA. However, the number is likely to decrease because of South African policies, which give employment preference to citizens of South Africa and its "homelands", mine automation, and the use of long-term, renewable employment contracts which stabilize skills and employment in the mine workforce and will eliminate jobs for Basotho workers.

As an enclave wholly within the borders of the Republic of South Africa, Lesotho is economically dependent on that country. Participation in the South African Customs Union (SACU) and in the Rand Monetary Area formalize Lesotho's close financial ties with and dependence on South Africa. While providing revenue, these ties limit Lesotho's fiscal and monetary policy options. Wages and prices in Lesotho reflect South Africa's economy, not Lesotho's. This condition, plus the easy availability of South African goods and competitive advantages offered by South Africa to domestic and "homelands" firms, limit investment opportunities in Lesotho.

Any recent economic growth is due almost exclusively to miner earnings and government spending. Setbacks in the tourist and mining industries, the stagnation or decline in real output in agriculture, the failure of costly agricultural production efforts of other donors to achieve increases commensurate with costs, and the recent severe drought have also contributed to the severe and worsening financial conditions. Meanwhile the labor force grows by 12,000-15,000 annually.

The GOL is attempting to respond to its economic crisis by introducing austerity measures to curtail expenditures for salaries and wages, to scrutinize and control donor projects, to control financial commitments more closely, to improve debt management, to impose a sales tax and improve collection of existing taxes. While these measures are salutary, full resolution of the financial crisis will be protracted and difficult.

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\* Citizens of the country are called Basotho.

## LESOTHO

Lesotho is attempting to meet development and employment generation needs by promoting agriculture, agriculture-related and other light industry, and tourism. Weak as they are, limited farmlands and pastures represent Lesotho's only natural resource sector where relatively quick increases in output and eventual surpluses are possible and which can have a strong multiplier effect through the country.

To promote smallholder production, Lesotho has undertaken a series of area development projects based on the use of input packages accompanied by the institutionalization of research and extension; development of rural physical infrastructure (roads and conservation structures); establishment of marketing and storage facilities; and availability of credit. Under the 1979 Land Reform Act, Lesotho is implementing land reform measures designed to provide more secure tenure and promote farmer investment of capital and labor in the land.

Lesotho continues to suffer from a shortage of trained personnel at all levels of skill and responsibility. Lesotho is trying to meet its manpower needs in areas such as functional literacy, child care, nutrition, and co-op management for rural dwellers; professional and vocational skills for first and intermediate level technicians and managers; and managerial skills needed to implement development activities. Although the GOL strongly encourages private as well as public investment, a limited local entrepreneurial tradition and the shortage of skilled manpower continue to limit the productivity of investor funds.

In light of the foregoing, program direction is being focused on strengthening Lesotho's economy by the creation of domestic earnings and employment opportunities, particularly in agriculture where Lesotho enjoys some potential comparative advantages. The challenge is to transform Lesotho from an economy based on migrant labor and subsistence agriculture into a more modern, self-reliant production and market-oriented economy which provides a reasonable standard of living for the Basotho people. To facilitate this, A.I.D. is concentrating its assistance efforts in two key and mutually reinforcing sectors, agriculture and human resource development.

### U.S. Interests and Objectives

U.S. interests in Lesotho lie in the promotion of the country's economic and social stability and in the development of its long-term economic viability. These interests stem from concern over Lesotho's position as a poor country with severe unemployment, income and quality-of-life problems in the midst of an important region undergoing social, political and economic transition. Failure to progress toward meeting employment and income needs domestically will further increase Lesotho's already great dependence on South Africa. Lesotho has been generally supportive of U.S. regional and global interests through votes in international fora. It has also provided vigorous support for majority rule in southern Africa.

## LESOTHO

### A.I.D. Development Strategy

The goal of the A.I.D. strategy is to increase rural income and employment by creating institutions required to achieve self-sustained development in the long-term. Our strategy focuses on two key sectors, agriculture and education and human resource development, in an effort to assist the GOL to establish agriculture, and light industries based on agriculture, as cornerstones of the economy and to give Lesotho greater economic and social viability.

After a four-year period in which no new activities were undertaken, A.I.D. is initiating two new projects: one in Education and Human Resources Development in FY 1984, and the other in Agriculture in FY 1985. Both projects respond to key constraints in these sectors, and are designed to achieve the overall goal of increased rural income and employment. These projects will build upon on-going A.I.D. activities that support institutional development within the two ministries as well as our efforts in policy planning. The new projects will strengthen management linkages, promote technology transfer, and improve policy planning on a broader sector-wide basis. Both projects will support immediate and long-term GOL development goals.

In agriculture, the basis for long-term sustained development (at least 25 years) is being established through strengthening of institutions base and through programs designed to spur production on Lesotho's smallholder-owned or managed agricultural and range lands. As this target group also represents the majority of the population with the greatest need for employment and income, improvements in production and economic well-being will improve directly Lesotho's economic and social viability.

The A.I.D. program will assist the target group in the following ways: (1) Make new technologies available to produce present crops more efficiently and to grow new ones. This will facilitate the introduction of new income producing activities while converting a portion of existing subsistence activities to commercial production. (2) Develop the policy and institutional framework to increase investment in rural based industries. This framework is necessary to sustain more highly productive and commercialized economic activities. (3) Develop the necessary human resources to maintain more technologically advanced and organizationally complex systems and encourage introduction and further exploitation of productive innovations. This goal also requires the development of a strong institutional policy and framework. (4) Provide assistance to preserve and develop productive land and energy resources.

In addition to continuing institutional support to planning, research, agricultural education, and extension, the new agriculture project (632-0221) will provide direct production assistance and increased incomes for an estimated 45,000 rural households. An important element of the project's design specifies the integrated use of P.L. 480 Food for Peace (Food-for-Work) and project resources to stimulate production while maximizing total resource effectiveness and impact.

## LESOTHO

The new human resources development project builds upon predecessor activities in the education sector. This multi-component project is designed to strengthen the GOL's capacity to develop and update educational policies, strengthen the Ministry of Education, and develop relevant programs required to promote rural-based income and employment. In the period 1984-1989, this project will represent the centerpiece of the A.I.D. bilateral program in human resources development.

Objectives of the education project include: reversing declining primary education standards and performance; expanding vocational and non-formal education opportunities; and the refocus of Lesotho's basic education system to support development objectives, particularly those related to rural skills enhancement and production.

Upon completion of the Rural Health Development Project (632-0058) in FY 1985 and the Rural Water and Sanitation Project (632-0088) in FY 1987, A.I.D.'s bilateral support in health will be institutionalized. In addition, in FY 1984 an A.I.D. regional activity to combat communicable childhood disease will support the Ministry of Health in data collection and analysis, training and planning -- areas being strengthened under the predecessor Rural Health Development Project (632-0058). In population, A.I.D. is exploring options for assistance which complement government and donor initiatives and do not cause absorptive capacity or recurrent cost problems.

In FY 1983, a review of the private sector was undertaken and the results were utilized in the design of the FY 1984 education and FY 1985 agriculture projects. Central and regional resources will be sought to support worthwhile initiatives in these two areas.

### A.I.D. Program (FY's 1983 and 1984)

#### FY 1983:

Program implementation in FY 1983 consisted of 12 on-going projects.

A. Agriculture, Rural Development and Nutrition: Applied agricultural research for small to medium size farms and associated institutional development and skills training continues under the Farming Systems Research Project (632-0065). Major evaluations in FY's 1982 and 1983 have led to a reorientation of the project toward a more basic institutional development approach to agriculture research in addition to introducing the farming systems concept. As recommended in the FY 1983 evaluation, and to permit a bridge of research activities to the FY 1985 Lesotho Agriculture Production and Institutional Support (LAPIS) Project (632-0221), this project is being extended for a period of two years. This extension is in keeping with the A.I.D. strategy which recognizes the importance of a long-term research capability in high value crops.

## LESOTHO

The Agriculture Planning Project (632-0218) continues to focus on basic institutional development to improve policy and planning capability in the agriculture sector. Emphasis is on regular statistical data gathering and analysis and project development and monitoring. During FY 1983, this emphasis has resulted in a series of eight GOL agriculture policy statements which establish the rationale for sector priorities and present strategies for attaining production objectives. Cabinet action is expected on these recommendations in FY 1984.

Land conservation and range development, technology transfer and institutional strengthening efforts continue under the Land Conservation and Range Development Project (632-0215). The FY 1983 evaluation confirmed the soundness of working in prototype range management areas and systems. Grazing associations formed with project support are already resulting in improved animal health, animal breeding and better animal quality. Aerial surveys conducted in FY 1983 are contributing to this process by providing the basis for and systematized approaches to animal control within range carrying capacities. The GOL has suggested that a pilot Grazing Association of Sehlabathebe, formed in 1982, be used as the model for the planned World Bank mountain grazing and animal improvement program. In light of project experience, certain existing grazing regulations under the Land Act of 1979 were found to be inappropriate. Thus, proposals for changes to the existing legislation are being developed. This task will be completed in late FY 1984 or early FY 1985 when Cabinet approval of the changes is expected.

**B. Health:** In FY 1983, the Rural Water and Sanitation Project (632-0088) provided institutional support and technology transfer in the construction and maintenance of water supply systems for rural communities. Village participation in this activity remains a key ingredient of the project's success in insuring access to a dependable water supply for domestic and farm use. As of the end of FY 1983, over 25,000 villagers have been provided with improved water supplies.

The Rural Health Development Project (632-0058) is helping to achieve an affordable integrated village health program which emphasizes preventive measures, and active community support, and is linking the community to central health services. Included in the project is a program to train a cadre of para-professional rural health personnel. In FY 1983, the second class of nurse clinicians graduated and an eight-month administration and management training program for health administrators from Lesotho and other countries in the region was completed. This project and A.I.D. centrally-funded population and family planning resources support the GOL's objective of reducing population growth from 2.3% to 2.1%.

## LESOTHO

C. Education and Human Resources Development: Efforts continue to increase Lesotho's reservoir of trained manpower. While Basotho are undergoing advanced and specialized training in the United States, the A.I.D. Manpower Development and Training Project (632-0069) provides expatriate technicians to fill critical public sector positions, e.g., in public works, manpower planning, rural development, personnel and financial management. To date, 204 Basotho have completed training under this and other projects and have returned to Lesotho while another 92 are still enrolled in training programs. Phase II of the Instructional Materials Resource Center Project (632-0061) is assisting the Ministry of Education in educational materials development, production and distribution and, in coordination with the World Bank, assisting in curriculum development activities. The National University of Lesotho Project (632-0080) is expanding programs for working adults in university degree programs, secondary level business studies, and short courses in fields related to a more productive rural life such as cooperative organizations and management.

The Lesotho Industrialization Center (LOIC) Project (632-0217) continues training in construction skills such as plumbing, carpentry, bricklaying, construction foremanship, and other trades, and is the only source of such training in Lesotho for school leavers. The project emphasizes placement of its graduates with private and public employers and monitors their post-training performance. FY 1982 was the last year of funding for this activity which is now fully localized.

D. Selected Development Activities: The Renewable Energy Technology Project (632-0206) was scheduled to end in March 1984. Based on evaluation findings, additional funding is being provided for a limited extension to ensure rapid and effective dissemination of tested technologies including cooking stoves, water heaters and grow holes.

E. Food Aid: PL 480 Title II resources administered by the World Food Program (WFP) and Catholic Relief Services (CRS), in addition to providing essential food aid, have contributed to Lesotho's economic development over the past decade. Food-for-Work programs have contributed to rural development in the construction and maintenance of rural access roads and tracks, soil and conservation works, and income-related rural infrastructure projects such as fish ponds. Food aid assistance to maternal and child health clinics is providing nutritional supplements and nutrition education to pregnant and lactating mothers and young children.

Lesotho, as well as the rest of southern Africa, is experiencing a serious drought. Crop failure, due to low rainfall, was between 70 and 80 percent and most livestock are reported to be in poor condition. Overall, it is estimated that losses represent about 30% of 1979/80 gross domestic product (GDP), and food imports will add \$24.6 million to the country's balance of payments deficit.

## LESOTHO

In response to the serious drought in Lesotho, A.I.D. provided 10,000 M.T.'s of wheat to the Government of Lesotho on a bilateral basis. The value of this wheat delivered to Lesotho is approximately \$2.6 million. The wheat is to be sold through commercial channels and sales proceeds are to be used for drought relief activities.

In response to a series of consultancies performed during 1980-1983, CRS, WFP and the GOL are taking steps to: increase the effectiveness and focus of the Food-for-Work (FFW) program; improve control and management of food distribution and storage; and strengthen the GOL's food management capability. The introduction of these changes is underway and is expected to be completed in FY 1985.

A.I.D. is also strengthening the capabilities of CRS through a centrally supported outreach operational program grant. Under this project, rural warehouses are being constructed in remote mountainous regions to insure ready access to food supplies for the nutritionally needy.

### FY 1984 Program

\$9.279 million is planned to support the total A.I.D. bilateral program described above and to permit the start of the Basic and Non-Formal Education Systems (BNFES) Project (632-0222). By sector, \$3.479 million is required to continue three existing projects in Agriculture, Rural Development and Nutrition; \$1.45 million for the Rural Water and Sanitation Project. In Education and Human Resources, \$4.35 million is planned for two continuing activities (\$1.35 million) and for the new Basic and Non-Formal Education System (BNFES) project (\$3.0 million).

To continue PL 480 Title II programs through the World Food Program and Catholic Relief Services \$9.121 million is required. In addition, in response to drought food needs, A.I.D. will provide emergency food assistance through the CRS. Additional emergency food will be provided as determined by the continuing severity of the drought and funding availabilities.

In FY 1984, one project will end as scheduled--Nutrition Planning (632-0220).

### Requested Year Program (FY 1985)

\$10.300 million is requested to support the total A.I.D. bilateral program of seven ongoing projects plus one new agriculture project.

In addition, a major capital investment project, funded with regional resources, will end in 1985 with the completion of the Southern Perimeter Road Project (690-0076).

A. \$5.703 million is needed to continue the Farming Systems Research Project (632-0065), the Land Conservation and Range Development Project (632-0215), the Agriculture Planning Project (632-0218), and to commence the Lesotho Agricultural Production and Institutional Support (LAPIS) activity (632-0221).

LESOTHO

B. \$1.294 million is required in Health funds to provide continued support for the Rural Water and Sanitation Project (632-0088).

C. \$3.003 million is needed in Education and Human Resources Development to provide continuing support for the National University of Lesotho Project (632-0080) and the Basic and Non-Formal Education System Project (632-0222).

D. \$0.300 million is requested to continue the Renewable Energy Technology Project (632-0206).

E. Lastly, \$7.189 million is required to continue PL 480 Title II Maternal-Child Health (MCH) School Feeding and Food-for-Work activities through Catholic Relief Services and the World Food Program.

MISSION DIRECTOR: Edna A. Boorady

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: LESOTHO

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH FY83- OBLIG ACTIONS	EXPENDITURES	-ESTIMATED FY84- OBLIG ACTIONS	EXPENDITURES	-PROPOSED FY85- OBLIG ACTIONS	EXPENDITURES
AGRICULTURE, RURAL DEV. AND NUTRITION											
FARMING SYSTEMS RESEARCH	G 632-0065	78	85	7,313	10,199	7,313	5,234	1,230	1,866	1,656	1,890
CREDIT UNION DEVELOPMENT (PVO)	G 632-0214	80	90	595	595	595	502	---	93	---	---
LAND CONSERVATION AND RANGE DEVELOPMENT	G 632-0215	80	86	12,000	12,000	8,259	3,933	1,609	2,080	<del>325</del> <sup>2,182</sup>	2,140
AGRICULTURE PLANNING	G 632-0218	80	86	6,200	6,200	3,959	1,633	640	1,106	491	1,130
NUTRITION PLANNING II	G 632-0220	81	81	382	382	382	305	---	77	---	---
AGRI. PRODUCTION & INSTITUTIONAL SUPPORT	* G 632-0221	85	90	<del>26,400</del>	30,400	---	---	---	---	<del>3,231</del> <sup>4,950</sup>	1,100
TOTAL FOR ACCOUNT GRANTS LOANS				26,490	59,776	20,508	11,607	3,479	5,222	5,703	6,260
				26,490	59,776	20,508	11,607	3,479	5,222	5,703	6,260
				---	---	---	---	---	---	---	---
POPULATION PLANNING											
RURAL HEALTH DEVELOPMENT	G 632-0058	77	83	343	303	303	252	---	51	---	---
TOTAL FOR ACCOUNT GRANTS LOANS				343	303	303	252	---	51	---	---
				343	303	303	252	---	51	---	---
				---	---	---	---	---	---	---	---
HEALTH											
RURAL HEALTH DEVELOPMENT	G 632-0058	77	83	2,755	2,755	2,755	2,215	---	450	---	90
RURAL WATER AND SANITATION	G 632-0088	79	85	12,142	12,142	9,398	4,827	1,450	3,014	1,294	2,860
TOTAL FOR ACCOUNT GRANTS LOANS				14,897	14,897	12,153	7,042	1,450	3,464	1,294	2,950
				14,897	14,897	12,153	7,042	1,450	3,464	1,294	2,950
				---	---	---	---	---	---	---	---
EDUCATION AND HUMAN RESOURCES											
INSTRUCTIONAL MATERIALS RESOURCE CENTER	G 632-0061	77	83	3,381	3,381	3,381	2,553	---	560	---	268

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: LESOTHO

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TJRES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES
MANPOWER DEVELOPMENT AND TRAINING	G 632-0069	78	84	3,203	8,203	7,314	4,867	889	1,672	---	1,440
NATIONAL UNIVERSITY OF LESOTHO	G 632-0080	77	86	5,871	5,871	4,005	1,642	461	1,504	503	1,860
BASIC AND NON-FORMAL EDUCATION SYSTEMS	G 632-0222	84	89	---	25,749	---	---	3,000	980	2,500	3,860
TOTAL FOR ACCOUNT GRANTS				17,455	43,204	14,700	9,062	4,350	4,716	3,003	7,428
LOANS				17,455	43,204	14,700	9,062	4,350	4,716	3,003	7,428
				---	---	---	---	---	---	---	---
SELECTED DEVELOPMENT ACTIVITIES											
RENEWABLE ENERGY TECHNOLOGY	G 632-0206	79	85	1,600	1,900	1,600	1,195	---	405	300	260
TOTAL FOR ACCOUNT GRANTS				1,600	1,900	1,600	1,195	---	405	300	260
LOANS				1,600	1,900	1,600	1,195	---	405	300	260
				---	---	---	---	---	---	---	---
SECURITY SUPPORTING ASSISTANCE											
FARMING SYSTEMS RESEARCH	G 632-0065	78	85	995	995	995	975	---	20	---	---
TOTAL FOR ACCOUNT GRANTS				995	995	995	975	---	20	---	---
LOANS				995	995	995	975	---	20	---	---
				---	---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				61,780	121,075	50,259	30,133	9,279	13,873	10,300	16,898
LOANS				61,780	121,075	50,259	30,133	9,279	13,873	10,300	16,898
				---	---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column -- All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: LESOTHO

PLANNED PROGRAM SUMMARY SHEET

Title Lesotho Agriculture Production and Institutional Support (LAPIS)		Funding Source	AG, RD & N 3,231	Health	PROPOSED OBLIGATION (In thousands of dollars)		
					FY 85 3,231	Life of Project Funding 30,400	
Number <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN	<input checked="" type="checkbox"/> NEW <input type="checkbox"/> CONTINUING	Population	ED. & HR	Sel. Act.	Initial Obligation FY 85	Estimated Final Obligation FY 90	Estimated Completion Date of Project FY 91

Purpose: To increase small farmer agriculture production through assistance to and strengthening of Government of Lesotho (GOL) agriculture research capabilities, extension education organizations, and planning capabilities as well as giving production and marketing assistance to small farmers.

Project Description: This project will assist the GOL in its continuing program of expanding commercial horticultural and livestock production of small farmers while at the same time continuing to strengthen the institutional capacity of the Ministry of Agriculture to facilitate, coordinate, and foster agricultural development in Lesotho. Technical assistance, training, and support will be provided to the Ministry of Agriculture's Research, Range Management, Livestock and Planning Divisions and the Lesotho Agricultural College (LAC) so that these agencies may more adequately meet the needs of expanding production and long-term development.

The project addresses the challenges of increasing rural income, production and employment by: generating higher income, labor intensive, high production agricultural enterprises and by assisting the Government of Lesotho to increase its capacity to respond to the changing economic and demographic situation. High value products will be emphasized using labor intensive methods for the domestic and, ultimately, the export markets. The particular products to be encouraged will be those that are best adapted to the economic, social and physical conditions of the country, largely livestock and livestock products in the mountains and horticultural products in the lowlands and foothills. Increases in agricultural income per acre and labor use per acre per season are projected. Increased output will first substitute for imports and later may generate export earnings which can be used to import those foods for which Lesotho lacks the resources to economically produce.

Relationship of Project to A.I.D. Country Strategy: The proposed project is designed to be the foundation and basis of Lesotho's agricultural sector activities during the 1985-1990 period. The project consists of four major components: agriculture planning, policy development, applied agricultural research, agricultural education, and agricultural production support. Linking these in one project allows for management economies, flexibility in the use of resources, and strengthens the operational linkages necessary to direct institutional support to agricultural production.

It will also provide the needed catalyst for greater coordination within the Ministry of Agriculture (MOA). Assessments and evaluation of AID's current projects within the sector have been both (a) critical to project design for providing essential integration of valuable activities within existing projects into its design and (b) helpful in realigning the inputs and expected outputs of current projects to enhance institutional strengths required for implementation of the LAPIS project.

Host Country and Other Donors: The GOL will support salary and related costs of all Basotho personnel associated with the project and continue to provide for recurrent costs for which they currently have budgeted funds. The 1983/84 GOL budget, for example, contains \$1,906,380 for allocation to ministry divisions that would directly support this project. Using these figures as a base, life-of-project host country contribution totals approximately \$11.5 million.

Planned project activities blend well with several activities and projects currently under implementation or in planning by other donors. These include: (a) World Bank (mountain grazing/livestock development); (b) Danish Aid (livestock marketing/abattoir operations); (c) FAO (afforestation/land use planning); (d) Anglo de Beers (woodlots); (e) African Development Bank and International Fund for Agricultural Development (Lesotho Agricultural Bank development of rural agricultural credit capability); and (f) West Germany (Lesotho Cooperative Credit Union League development of agricultural production credit scheme).

Beneficiaries: The project can be expected to affect approximately 45,000 farm families (20 percent of the nation), increasing incomes by at least \$150 per family per year. In addition, approximately thirty small-scale agricultural projects will have been assisted. This will effect economic spin-off benefits in agro-marketing and agro-industry. Formal training will be provided locally to 680 persons. Another 30 persons will receive overseas training and several thousand persons will receive non-formal education benefits of various types. The institutional capability of four major organizations of the MOA -- research, range/livestock, education, and planning and policy -- will have been significantly strengthened.

Malawi

FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (612) MALAWI

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 6,612  
 PER CAPITA GNP..... (DOLLARS,1981) 200  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 2.3%  
 ANNUAL RATE OF INFLATION (1970-81) 10.3%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 44.7 MALE 43.2 FEMALE 46.3  
     (1970) TOTAL 41.6 MALE 40.3 FEMALE 43.0  
 ADULT LITERACY RATE ( .) TOTAL .% MALE .% FEMALE .%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
     (1973-1982) 0.6%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1980) 39%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 367  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: CORN ,SORGHUM ,PULSES 70% (1982)  
     CASH: TOBACCO ,CORN ,SUGAR CANE 56% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) TOBACCO ,TEA ,ANIMAL PRODS.  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT ,DAIRY PRODS. ,ANIMAL PRODS.  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 86%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     (1978) 205 (79) 266 (80) 300  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     (1978) 289 (79) 352 (80) 443  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     (1978) -84 (79) -85 (80) -143  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. (1978) 9.9% (79) 13.5% (80) 12.4%  
     AS % OF GNP..... (1978) 2.8% (79) 3.8% (80) 3.7%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
     (\$MILLIONS, U.S.) (1980) 69 (81) 50 (82) 23  
 EQUIVALENT TO 2.1 MONTHS OF IMPORTS (1981)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) TOBACCO ,TEA ,SUGAR  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1980) 48 (1981) 79 (1982) 20  
     AS % OF TOTAL EXPORTS (1979) 8% (1980) 16% (1981) 28%  
 MAJOR IMPORTS....(1980) MANUFACTURES ,MACHINERY ,TRANSPORT EQPT  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 15 (1981) 15 (1982) 7  
     AS % OF TOTAL IMPORTS (1979) 4% (1980) 5% (1981) 5%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) -89(80) -47(81) 5  
 TRADING PARTNERS: UNITED KINGDOM ,SOUTH AFRICA ,UNITED STATES  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 53.0%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1981) 89  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 31.1%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 2.3% (1978) 3.0% (1983) 3.2%  
 POPULATION IN URBAN AREAS.....(1970) 6% (1980) 10%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 52 (1983) 54  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 47.3% (15-64YRS) 48.9% (65+ YRS) 3.8%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 164  
 PEOPLE PER PHYSICIAN..... (1979) 41,007  
 MAJOR CAUSES OF DISEASE (1981) MALARIA ,MEASLES ,INTESTINAL INFECTION  
 DEATH.. (1977) GASTROINTESTINAL ,FLU & PNEUMONIA ,MALARIA  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 97%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1980) 33%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
     PRIMARY..... (1979) TOTAL 59.0% MALE 70.0% FEMALE 48.0%  
     SECONDARY..... (1979) TOTAL 4.0% MALE 5.0% FEMALE 2.0%  
     POST SECONDARY.. (1976) TOTAL 0.2% MALE 0.4% FEMALE 0.1%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 16.4%



## MALAWI

PROGRAM SUMMARY (In millions of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	--	--	--	--	--	--	--	--
Grants	7,088	3,623	--	731	2,734	--	--	--
Total	7,088	3,623	--	731	2,734	--	--	--
1984								
Loans	--	--	--	--	--	--	--	--
Grants	7,600	3,000	1,400	1,000	--	2,200	--	--
Total	7,600	3,000	1,400	1,000	--	2,200	--	--
1985								
Loans	--	--	--	--	--	--	--	--
Grants	10,000	4,400	1,800	1,800	--	2,000	--	--
Total	10,000	4,400	1,800	1,800	--	2,000	--	--

FY 1985  
PROGRAM HIGHLIGHTS

- Expanded private indigenous Malawi capacity for international transport of exports and imports, reducing Malawi's dependence on foreign firms and saving foreign exchange. (\$2.0 million)
- Upgraded primary health care and expanded family planning services available to Malawian villagers, decreasing infant mortality rate and the population growth rate. (\$3.6 million)
- Reorganized and improved agricultural and fisheries research and extension systems, increasing employment opportunities and assuring food security without decreasing the production of export crops or using foreign exchange for food imports. (\$4.4 million)

## MALAWI

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	--	--	--
Grants	3,811	8,637	11,052
Total AID	3,811	8,637	11,052
P.L. 480**			
Title I (of which Title III is)	( -- )	( -- )	( -- )
Title II	228	261	348
Total P.L. 480	228	261	348
Total AID and P.L. 480	4,039	8,898	11,400

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	5	6	7
PASAC <sup>c</sup>	-	1	1
Contract	2	2	2
Total	7	9	10
Participants <sup>d</sup>			
Noncontract	10	12	12
Contract	10	12	12
Total	20	24	24

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	--	--	--	--	--	--
Rice	--	--	--	--	--	--
Feedgrains	--	--	--	--	--	--
Vegoil	--	--	--	--	--	--
Non-food	--	--	--	--	--	--
Title I Total (of which Title III is)		--		--		--
Title II						
Voluntary Agencies		--		--		--
World Food Programs		228		261		348
Gov't-to-Gov't		--		--		--
Title II Total		228		261		348
Total P.L. 480		228		261		348

## MALAWI

### Development Overview

Nyasaland became the independent state of Malawi on July 6, 1964. At that time, the country not only lacked sufficient human, capital and natural resources to embark upon a promising future, but had difficulty maintaining its already low standard of living. Furthermore, Malawi's landlocked status has, through the years, led to a number of adverse effects including rising import costs, lowered export revenues and unreliable transportation links to sea ports in a volatile region.

However, Malawi was not without important advantages. First, it had a relatively homogeneous tribal/linguistic structure. Secondly, there was fertile land with a wide range of climatic and soil conditions that permitted a variety of crops and forest products to be grown. Third, the country has had political stability and a pragmatic economic policy framework.

The development strategy adopted by the Government of Malawi (GOM) at independence was highly appropriate to the country's geographic location and resource endowment. First, economic growth was accelerated by emphasizing agricultural production for exports while maintaining food self-sufficiency, undertaking efficient import substitution activities and agricultural processing. Foreign and domestic capital, both financial and human, was encouraged to participate fully in this process. Secondly, economic growth was to be efficient in that it would reflect the true costs of resources and respond to market forces. Historically, exchange rates have been kept realistic, real interest rates positive and wages low reflecting the abundance of unskilled labor. GOM policies and expenditures indicate that it has largely confined itself to providing infrastructure and services which could not be efficiently or optimally provided by the private sector. At the same time, however, it has ensured Malawian control, through a system of statutory bodies which own large portions of the economy. In short, private enterprise in Malawi is to an extent government owned yet fully responsive to market forces. As a result, the distortions and inefficiencies which characterize many other countries in sub-Saharan Africa are absent in Malawi.

Malawi has achieved striking success in the face of enormous odds. From 1973 to 1979, the real gross domestic product grew at 6.1 % per annum. These gains have generally been distributed equitably. The relative share of GDP accounted for by Government services has remained fairly constant over time - an indicator that the GOM is not expanding at a faster rate than the economy. Until recently, exports expanded at the same rate as imports (about 15% annually from 1964 to 1980).

Since 1979 a combination of events has caused a marked deterioration in Malawi's economic situation. Droughts led to the temporary importation of maize in 1981. Periodic interruptions in the rail routes in Mozambique due to guerilla activity and poor track maintenance have impeded the movement of imports and exports. This has substantially raised transport costs and led to shortages of fuel, fertilizer and other critical imports. Increased

## MALAWI

petroleum costs in 1979 coupled with declining international prices for Malawi's major exports (tobacco, sugar and tea) resulted in a substantial decline in the terms of trade in the face of a growing debt service problem. Government deficits and foreign and domestic bank borrowing rose significantly over the period from 1979 to 1982. As a result of these factors, inflation accelerated, the external debt rose dramatically, and the real growth in gross domestic product declined.

The GOM has attempted to come to grips with its problems. Malawi devalued its currency by 15% in April 1982 and by 12% in September 1983, increased producer prices for the 1982/1983 growing season (which led to a maize surplus for export), and accepted ceilings on non-concessional foreign borrowing and net (domestic) bank credit. In January 1982, bilateral donors agreed to reschedule debts for a one year period with a provision for further rescheduling if the economic situation warrants. That provision was exercised in November 1983 when donors agreed to reschedule debts for a second year.

Malawi's record of growth and development from 1974 to 1979, against formidable odds, offers proof that the GOM has embarked on a correct development strategy. Accordingly, the economic decline of 1979-1983 can best be seen as an aberration. At the same time, however, there are major difficulties on the horizon that could darken the prospects of even the best development strategy. It is to these difficulties, and how A.I.D. can best relate to their amelioration, that the A.I.D. program must now turn.

Malawi has one of the few open-market export-oriented economies in sub-Saharan Africa. Furthermore, domestic and foreign policies are developed in a rational manner and are periodically reviewed in terms of their relevancy. The GOM is quick to consider policy reforms when reasonable alternatives are presented.

In terms of domestic policy performance, the following major examples are cited:

Malawi is one of the few countries on the continent to have consistently achieved self-sufficiency in food production each year since independence, excepting the drought-induced need for corn imports in 1981. The GOM has not put in place policies which undermine the economic viability of smallholder farms by placing unrealistically low limits on producer prices to subsidize urban consumption. On the contrary, the profit motive is the foundation upon which the agricultural sector has been built.

### U.S. Interests and Objectives

(1) Malawi has been traditionally hospitable to private enterprise and foreign investment. The economy is largely market-oriented with strong government intervention through monetary and fiscal policies, price and trade controls, regulatory activities and direct participation of public statutory enterprises. The GOM will grant exclusive licensing to foreign investors for a given period. Imported inputs are either duty free or are charged a low rate. Foreign investors receive attractive tax incentives and

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depreciation allowances. Also, there are relatively few restrictions on the number of expatriates who may be hired and on profit and dividend repatriation.

(2) GOM officials actively participate in the design, implementation and evaluation of development projects and are quick to point out areas for improvement on either the donor or the GOM's part. The GOM does not accept aid just because it might be available. It consistently raises questions about recurrent costs and other costs to the GOM, emphasizing the need for sustainability. The GOM also questions the ability of donors, when warranted, to provide certain types of assistance. The GOM is cognizant of the strengths and weaknesses of each donor and tailors its requests for assistance accordingly.

(3) The country has achieved a unique record of political stability. Malawi is not experiencing significant social or political problems. The Malawi Congress Party, the sole political party, has a dynamic structure from the national to the grassroots levels. At the village level, elected party officials participate in development committees that present the collective desires of villagers to appropriate government officials. The country's crime rate is extremely low. Corruption among political and Government officials has been traditionally rare.

Malawi's foreign policy has been consistently pro-Western, anti-communist and emphasizes dialogue rather than confrontation. For example, Malawi favors peaceful resolution of international conflicts, most especially those in southern Africa (e.g. Malawi supported the emergence of majority-ruled Zimbabwe and supports U.S. efforts for a negotiated settlement in Namibia). Malawi also has supported the U.S. on issues such as Lebanon, Grenada, Afghanistan, and the taking of hostages in Iran.

In sum, U.S. interests and objectives are best served by encouraging the GOM to continue with its open-market economy and its rational domestic and foreign policies. The U.S. Government should provide financial and other types of support to insure that Malawi will not only survive within an increasingly volatile region but may indeed serve as a development model for other countries.

### A.I.D. Development Strategy

After nearly 20 years of uninterrupted growth, Malawi is facing an economic crisis due to its inability to transport fertilizer and other essential commodities via rail links through Mozambique. As a result, fertilizer, petroleum products and other basic commodities have to be imported through South African ports and transported to Malawi via Zimbabwean and Zambian road and rail links. The transport problem has also delayed or stopped the export of cash crops, such as tobacco, tea, sugar and cotton. The problem is exacerbated by the fact that the Malawi private sector does not have an international trucking capability. Therefore, the country must rely on South African, Zambian and Zimbabwean truckers for transport of its exports and imports.

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A.I.D. funded a transport sector survey in 1983 to assess the magnitude of the problem and to identify alternatives. The survey led A.I.D. to consider a project for the establishment of private Malawian trucking companies, thus discouraging the possible creation of a parastatal to fill the indigenous trucking void. Furthermore, this private sector trucking effort will save foreign exchange and generate spin-off activities, such as truck repairs and servicing businesses.

Policy dialogue in the population area during FY 1982 and FY 1983 yielded encouraging results. Discussions began in earnest when the Futures Group, a centrally-funded A.I.D. contractor, sent a representative to Malawi to organize a computer presentation for senior GOM officials regarding the impact of unabated population growth on Malawi's long-term development. As a result, the GOM requested A.I.D. support in initiating a family planning component as part of our health activity. Family planning will remain a core element of the USAID strategy over the long term since any gains made in other sectors will be negated unless the population growth rate is slowed significantly.

Substantial progress has been made in the health sector through the effective implementation of a well-designed gravity-fed water project. An FY 1983 GAO audit and A.I.D. evaluation of the self-help rural water project clearly demonstrated that this project is providing significant health, economic and social benefits to more than 400,000 Malawians. Therefore, A.I.D. is examining the possibility of a follow-on rural water project to provide the GOM with the additional resources needed to reach its goal of 100% water coverage of villages by the year 2000.

At present, Malawi is self-sufficient in food and earns its foreign exchange through agricultural exports. However, the best arable land is already under production. Fish production, which supplies 70% of the animal protein consumed, is declining. Fuelwood stocks are being depleted faster than replacement trees can produce.

An evaluation of the A.I.D.-supported agricultural research project in FY 1982 confirmed that Malawi's current food self-sufficiency status is no accident but a result of favorable GOM policies. However, it was also noted in the same evaluation that this status would not be maintained if the GOM did not immediately address a number of structural weaknesses in the country's agriculture and fisheries research and extension systems. Research activities are being planned in collaboration with the National Rural Development Program (NRDP), which is a comprehensive GOM effort to distribute equitably the benefits of development to more than one million smallholders. Extension workers generally receive adequate training but do not have sufficient new and/or relevant technical information to disseminate. The GOM has recognized these structural weaknesses and has initiated the preparation of a 15-year comprehensive master plan for agricultural research, extension and training. The IBRD and A.I.D. have been actively involved in policy dialogue on the plan; however, progress has been slow.

## MALAWI

It is clear that Malawi cannot maintain its current food self-sufficiency status without sustained agricultural research linked with an effective extension system. While A.I.D. is the only donor which now provides effective support for agricultural research, the IBRD is active in rural development programs and has indicated an interest in support for research. Thus, A.I.D. believes it should continue to take a major role in agricultural research and extension in conjunction with IBRD in order to expand production and productivity in the agriculture sector.

### A.I.D. Program (FY 1983-84)

FY 1983: The major sectors of emphasis were, in priority order, agriculture, education and health. Private enterprise activities were initiated as an integral component in each of those sectors not as a separate sector.

A. In agriculture, a \$795,000 grant was provided to a private voluntary organization (Save the Children) to undertake a rural development project in northern Malawi aimed at exploring new techniques in interfacing among rural communities and local development officials under the NRDP. A.I.D. undertook a major effort in 1983 to lay the groundwork for increased agro-business productivity and expanded U.S. investment in Malawi. This effort involved (1) a \$2,828,000 grant to Partnership for Productivity to expand Malawi's traders trust's capacity to provide high quality advisory support to rural traders and retailers, and (2) a U.S. private sector financed initiative to explore parastatal divestiture possibilities. As a result, several private U.S. businessmen expressed an interest in equity investments in divested components of a major parastatal (Spearhead). Subsequently, about \$150,000 from the Private Enterprise Bureau was committed to carry out a detailed feasibility study on the profit potential for beef exports to Egypt and the Middle East and for export of high value, low volume agricultural exports (coffee, macademia nuts, canned foods, etc.) to other countries. In line with long-range agro-industrial development efforts, the GOM requested and received a \$100,000 grant from the Trade and Development Program to undertake a hydroelectric plant expansion feasibility study.

B. In education, we provided a final tranche of \$2,734,000, for a total of \$8,314,000, to expand the capacity of the Polytechnic Institute to train engineers for the private and public sectors. Also, nearly \$400,000 in central A.I.D. grant funds was provided under the African Manpower Development project for graduate training and for short-term specialized training for key University of Malawi faculty members and GOM officials.

C. In health, a final tranche of \$731,000 was provided to fully fund the highly successful \$6.0 million Self-Help Rural Water Support project.

### FY 1984:

A. In agriculture and rural development, \$455,000 million will be provided for a Rural Private Sector Development Project (612-0220) to establish agro-business revolving credit funds within the Malawi Union of Savings and Credit Cooperatives, a smallholder organization, and within the Investment

MALAWI

and Development Bank of Malawi, a non-government, autonomous, supervised credit institution geared toward assisting small to middle level agro-businesses. A.I.D. also plans to provide \$2,045,000 for the Rural Enterprises and Agribusiness Development Institutions project (612-0214) and \$500 thousand to extend the Agricultural Research project (612-0202) by one year. The extension of the project is necessary because of the delay in the development of the follow-on Agricultural Research and Extension project, which is contingent upon Ministry of Agriculture producing an acceptable long-term plan for research, extension and training.

B. In health and family planning, an initial \$2,400,000 (1,400,000 from population account and \$1,000,000 from health account) will be provided to begin a health institutions project which has a major family planning component.

C. Selected development activities, \$2.2 million will be provided to cover costs for the first phase of Commercial Transport project (612-0218).

Requested Year Program (FY 1985)

A. In Agriculture and Rural Development, \$1.0 million will fund the first phase of the Agricultural Research and Extension project (612-0215); \$1.0 million will be used for the Commercial Fisheries project (612-0217), scheduled to begin in FY 1985; and \$2.4 million will continue funding the Indigenous Agribusiness-Small Enterprise project (612-0214).

B. In Health and Family Planning, \$1.8 million from the Population account and \$1.8 million from the Health account will be used to fund the ongoing Health Institutions project (612-0211).

C. In Selected Development Activities, \$2.0 million will be used for the ongoing Commercial Transportation project (612-0218).

A.I.D. REPRESENTATIVE: Sheldon Cole

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: MALAWI

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY93- OBLIG ATIONS	FY93- EXPENDI TURES	-ESTIMATED FY94- OBLIG ATIONS	FY94- EXPENDI TURES	-PROPOSED FY95- OBLIG ATIONS	FY95- EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
BUNDA AGRICULTURAL COLLEGE	G 612-0054	76	79	4,097	4,097	4,097	3,810	---	287	---	---
AGRICULTURAL RESEARCH	G 612-0202	79	84	9,000	9,500	9,000	4,317	500	2,000	---	2,000
MALAWI UNION OF SAVINGS COOP DEV (PVO)	G 612-0205	80	81	760	760	760	453	---	200	---	102
RURAL ENTERPRISES & AGRIBUSINESS DEVELOP	G 612-0214	84	86	---	5,100	---	---	2,045	500	2,400	750
AGRICULTURAL RESEARCH AND EXTENSION	* G 612-0215	85	88	---	15,000	---	---	---	---	1,000	450
COMMERCIAL FISHERIES DEVELOPMENT	* G 612-0217	85	87	---	5,000	---	---	---	---	1,000	500
MANAGEMENT ASSIST. TO RURAL TRADERS (PVO)	G 612-0219	93	83	2,828	2,828	2,828	---	---	500	---	500
RURAL DEVELOPMENT LINKAGES (PVO)	G 612-0220	83	94	1,022	1,250	795	---	455	250	---	250
TOTAL FOR ACCOUNT GRANTS				17,707	43,535	17,480	9,585	3,000	3,737	4,400	4,552
LOANS				---	---	---	---	---	---	---	---
TOTAL FOR ACCOUNT GRANTS				17,707	43,535	17,480	9,585	3,000	3,737	4,400	4,552
LOANS				---	---	---	---	---	---	---	---
POPULATION PLANNING											
HEALTH INSTITUTIONS DEVELOPMENT	G 612-0211	84	86	---	6,000	---	---	1,400	500	1,800	750
TOTAL FOR ACCOUNT GRANTS				---	6,000	---	---	1,400	500	1,800	750
LOANS				---	6,000	---	---	1,400	500	1,800	750
HEALTH											
RURAL WATER	G 612-0207	80	83	6,000	6,000	6,000	1,944	---	1,200	---	1,500
HEALTH INSTITUTIONS DEVELOPMENT	G 612-0211	84	86	---	6,000	---	---	1,000	200	1,800	750

\* Refers to the planned project summary sheet  
C Level of effort activity

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FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: MALAWI

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
TOTAL FOR ACCOUNT GRANTS				6,000	6,000	1,944	1,000	1,400	1,800	2,250
LOANS				6,000	6,000	1,944	1,000	1,400	1,800	2,250
				---	---	---	---	---	---	---
EDUCATION AND HUMAN RESOURCES										
MALAWI POLYTECHNIC INSTITUTE	G 512-0201	80	83	8,314	8,314	759	---	1,500	---	2,000
TOTAL FOR ACCOUNT GRANTS				8,314	8,314	759	---	1,500	---	2,000
LOANS				8,314	8,314	759	---	1,500	---	2,000
				---	---	---	---	---	---	---
SELECTED DEVELOPMENT ACTIVITIES										
COMMERCIAL TRANSPORTATION	G 612-0218	84	87	---	7,000	---	---	2,200	1,500	2,000
TOTAL FOR ACCOUNT GRANTS				---	7,000	---	---	2,200	1,500	1,500
LOANS				---	7,000	---	---	2,200	1,500	1,500
				---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				32,021	31,794	11,288	7,600	8,637	10,000	11,052
LOANS				32,021	31,794	11,288	7,600	8,637	10,000	11,052
				---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

PROGRAM: MALAWI

PLANNED PROGRAM SUMMARY SHEET

Title Agriculture Research and Extension		Funding Source	AG, RD & N 1,000	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 612-0215		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	CEI. Act.	FY 1985 1,000	Life of Project Funding 15,000
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING						Initial Obligation	Estimated Final Obligation
						FY 1985	FY 1988
							Estimated Completion Date of Project FY 1989

Purpose: To help the Government of Malawi (GOM) strengthen agricultural research and increase the effectiveness of the extension service to meet the needs of smallholders.

Project Description: This project will help identify the problems of the smallholders, will introduce solutions to those problems, and initiate problem-oriented research. The project is a rational evolution of the current Agricultural Research Project (612-0202). An evaluation of that project confirmed the need for (1) a comprehensive research and extension program to develop a system for research planning and setting priorities, and (2) the introduction of adaptive research approach involving research, extension and farmers in program identification, and evaluation of solutions. The adaptive research approach will insure farmer participation, particularly by women who account for up to 70% of the farm labor in some areas of the country. A study, completed in October 1983 by a joint Malawi/IBRD/USAID team, resulted in a master plan for research and extension. Thus, the new project will build on the foundation established by the current project and implement the initial phase of the master plan for research and extension. During recent policy dialogue, the Ministry of Agriculture agreed to the following: a research policy/planning unit, multidisciplinary food crop research teams, strengthened joint research/extension adaptive research units in all eight development divisions, and improved technical capability of extension staff to participate in the joint research/extension/farmer adaptive research activities in the field. USAID is expected to finance technical assistance and training components while the IBRD and other donors finance commodities and the construction of additional physical facilities.

Relationships to A.I.D. Country Strategy: The A.I.D. country strategy states that the continued growth of the Malawian economy—especially in terms of economic output and employment—will have to be achieved through improved international transportation links; a reduction in the population growth rate; an increase in the productivity of agricultural

producers, especially smallholders; and a greater diversification of agricultural export crops, especially commodities having low bulk and high value and labor intensive production techniques. The proposed Agricultural Research and Extension project directly addresses the latter two objectives. Continued assistance to the agricultural research and extension system is required to insure the development of a viable agricultural sector which provides the nation's food requirements, employment and income for Malawi's rural population, and continues to earn the foreign exchange needed by the economy. Malawi has reached the point where production cannot be expanded by bringing new lands into production. It is equally critical for the Malawian economy to maintain food self-sufficiency and increase agricultural exports. Thus, it must increase productivity of existing agricultural resources. An effective and efficient research and extension system, when coupled with an adequate agricultural credit and input delivery system, is expected to lead to greater agricultural productivity.

Host Country and Other Donors: In the proposed five-year project, A.I.D. will provide technical assistance and training estimated at \$15 million. The IBRD is expected to provide support for capital development and commodities estimated at \$28 million. The GOM contribution will be about \$10 million for participant's salaries, general support for U.S. technicians, local costs for construction and in-country travel.

Beneficiaries: The smallholder farmers, both men and women, who make up about 85% of Malawi's total population of 6.6 million will be the intended project beneficiaries. Benefits to this large and important group of people will be continued rural employment, assured income through diversifying farm enterprises, and improved nutrition as new varieties of fruits and vegetables are introduced into farming systems.

PROGRAM: MALAWI

## PLANNED PROGRAM SUMMARY SHEET

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Commerical Fisheries Development			1,000		FY 1985 1,000	Life of Project Funding 5,000	
Number 612-0217	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 1985	FY 1987	FY 1989

Purpose: The purpose of the project is to promote conservation of the natural resources of Lake Malawi and to increase the efficiency for utilizing fisheries resources on a long term and sustainable basis.

Project Description: Lake Malawi is one of the country's most valuable resources. It has a large and diverse fish population (500 plus species of fish) which are a major protein source for human consumption and a minor source of foreign exchange earnings. However, over the past five years, annual catches have declined and it is evident from the examination of catches that the fish stock is being depleted. The Department of Fisheries, which is responsible for the efficient utilization and conservation of fisheries resources, has been hampered by a variety of constraints. These constraints include (1) poor linkages between fisheries extension personnel and fisherman; (2) the lack of a capability by the Department of Fisheries to monitor, analyze and interpret information on fish stocks essential to manage the utilization rate and methods of fisheries resources; (3) inadequate fish processing and/or inefficient methods of cold storage and marketing; and (4) a lack of credit for fishermen to modify traditional fishing methods in a manner which would maintain present income levels and reduce over fishing of the preferred varieties. This project will examine and test alternative extension and credit facilities for fishermen. The Department of Fisheries will work with the existing credit institutions - The Malawi Union of Savings and Credit Cooperatives and the Investment and Development Bank of Malawi - in developing a credit program for fishermen. Technical assistance will also be provided to small entrepreneurs in the area of fish processing, cold storage and marketing facilities. The project will also enhance the capacity of the Department of Fisheries to collect, analyze and interpret the current status and trends in fish species, population, and potential catch in lakes, streams and ponds. Mid-level Department of Fisheries staff will receive intensive in-service and academic training to improve the technical and policy making skills of current staff and to

qualify Malawian staff for promotion into senior positions which are currently held by expatriates or are vacant. The extension staff will receive training in educational methodology so that they can work effectively with fishermen to assist them resolve production constraints, increase the efficiency of fish catches and jointly implement actions to sustain or increase current fish stocks.

Relationship to A.I.D. Country Strategy: Maintaining self-sufficiency in food production will stabilize or increase rural employment and contribute to the national protein supply. This directly relates to the A.I.D. strategy of increasing employment and rural productivity. The project will also place Malawi in a better position to carry out its responsibility in SADCC as the lead country for fisheries.

Host Country and Other Donors: Malawi's Department of Fisheries includes research, extension, marketing and fish farming sections. The Department operates the Mpwapwe Fisheries Training Center and supplies some teaching staff for the Natural Resources College. The British support several operational positions at the college. The European Development Fund supports development of commercial trawling and fish farms. Research is supported by the U.S. National Science Foundation and the British. The United Nations, through its FAO, developed the Fisheries Data Collection System which is currently in use. The A.I.D. project proposes to support those areas not currently addressed by any donor - that is, improving fisheries extension, provision of credit to fishermen and development of a private sector response in the areas of fish processing, cold storage and marketing. The GOM contribution to this project is estimated to be \$1.0 million.

Beneficiaries: The beneficiaries of this project will be indigenous fishermen, who will be assured continued employment and adequate income, and rural and urban people who rely on fish for 70% of the animal protein in their diet.

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Swaziland

FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (645) SWAZILAND

**\*BASIC DATA\***

TOTAL POPULATION.. (THOUSANDS,MID 1983) 632  
 PER CAPITA GNP..... (DOLLARS,1981) 760  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 3.9%  
 ANNUAL RATE OF INFLATION (1970-81) 11.5%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 47.9 MALE 46.3 FEMALE 49.6  
     (1970) TOTAL 42.1 MALE 40.6 FEMALE 43.8  
 ADULT LITERACY RATE (1976) TOTAL 55% MALE 57% FEMALE 54%

**\*AGRICULTURE\***

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) . %  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1977) 25%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 100  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: CORN ,LIVESTOCK ,SORGHUM 33% (1982)  
 CASH: SUGAR CANE ,ORANGES ,BEEF AND VEAL 18% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) RAW SUGAR ,CITRUS FRUIT ,COTTON  
 MAJOR AGRICULTURAL IMPORTS:(1982) CORN ,DAIRY PRODS. ,LIVESTOCK  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 74%

**\*CENTRAL GOVERNMENT FINANCES\***

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 (1978) 121 (79) 159 (80) 201  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 (1978) 167 (79) 155 (80) 166  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 (1978) -46 (79) 5 (80) 35  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. (1978) 5.0% (79) 6.3% (80) 7.7%  
 AS % OF GNP..... (1978) 2.8% (79) 3.0% (80) 2.8%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) ( .) ( .) ( .) ( .) .  
 EQUIVALENT TO . MONTHS OF IMPORTS ( .) .

**\*FOREIGN TRADE\***

MAJOR EXPORTS... (1980) SUGAR ,ASBESTOS ,WOOD M\*FACTURES  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1980) 56 (1981) 65 (1982) 27  
 AS % OF TOTAL EXPORTS (1979) 9% (1980) 16% (1981) 17%  
 MAJOR IMPORTS....(1980) MOTOR VEHICLES ,PETROLEUM ,FOODSTUFFS  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 7 (1981) 8 (1982) 2  
 AS % OF TOTAL IMPORTS (1979) 1% (1980) 2% (1981) 2%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) -22(80) -107(81) -57  
 TRADING PARTNERS: UNITED KINGDOM ,JAPAN ,UNITED STATES  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 50.7%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 16  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 4.1%

**\*SOCIAL DATA\***

POPULATION GROWTH RATE...(1970) 2.7% (1978) 2.8% (1983) 3.0%  
 POPULATION IN URBAN AREAS.....(1970) 8% (1982) 10%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 49 (1983) 50  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. ( .) . %  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 45.2% (15-64YRS) 51.9% (65+ YRS) 2.9%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 142  
 PEOPLE PER PHYSICIAN..... (1976) 9,185  
 MAJOR CAUSES OF  
 DISEASE (1979) ACUTE RESP. INFE ,GASTROINTESTINAL ,  
 DEATH.. (1979) ACUTE RESP. INFE ,TUBERCULOSIS ,GASTROINTESTINAL  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 99%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1975) 37%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1979) TOTAL 103% MALE 104% FEMALE 102%  
 SECONDARY..... (1979) TOTAL 33.0% MALE 34.0% FEMALE 32.0%  
 POST SECONDARY.. (1976) TOTAL 1.9% MALE 2.6% FEMALE 1.2%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) . %

U.S. OVERSEAS LOANS AND GRANTS – OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years – Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)					
COUNTRY SWAZILAND									A. ASSISTANCE FROM INTERNATIONAL AGENCIES – COMMITMENTS					
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-83		
	1978	1979	1980	1981	1982				TOTAL .....	IBRD	IFC	IJA	IDB	ADB
<b>I. ECONOMIC ASSISTANCE – TOTAL</b>	14.2	7.6	9.3	11.5	13.0	65.1	0.9	64.2	12.7	7.1	0.0	142.1		
Loans	5.4	2.3	2.5	-	-	10.8	0.9	9.9	13.0	0.0	0.0	65.6		
Grants	8.8	5.3	6.8	11.5	13.0	54.3	-	54.3	0.0	0.0	0.0	9.5		
<b>a. A.I.D. and Production Agencies</b>	12.8	6.0	7.5	9.7	9.7	46.0	0.9	45.1	0.0	0.0	0.0	7.8		
Loans	5.4	2.0	2.5	-	-	10.8	0.9	9.9	0.0	0.0	0.0	3.0		
Grants	7.4	4.0	5.0	9.7	9.7	35.2	-	35.2	0.0	0.0	0.0	4.8		
(Economic Support Fund)	12.8	-	-	-	-	12.8	-	-	0.0	0.0	0.0	3.0		
<b>b. Food for Peace (PL 480)</b>	0.4	0.3	0.2	0.6	-	7.0	-	7.0	0.0	0.0	0.0	27.6		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	11.6		
Grants	0.4	0.3	0.2	0.6	-	7.0	-	7.0	0.0	0.0	0.0	2.0		
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-	0.0	0.0	0.0	19.0		
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	-	-	-	-		
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	-	-	-	-		
Title II - Total Grants	0.4	0.3	0.2	0.6	-	7.0	-	7.0	-	-	-	-		
Emerg. Relief, Econ. Devel. & World Food Program	0.4	0.3	0.2	0.6	-	6.8	-	6.8	-	-	-	-		
Voluntary Relief Agencies	-	-	-	-	-	0.2	-	0.2	-	-	-	-		
<b>c. Other Economic Assistance</b>	1.0	1.3	1.3	1.2	1.3	12.1	-	12.1	-	-	-	-		
Loans	-	-	-	-	-	-	-	-	-	-	-	-		
Grants	1.0	1.3	1.3	1.2	1.3	12.1	-	12.1	-	-	-	-		
Peace Corps	1.0	1.3	1.3	1.2	1.3	12.1	-	12.1	-	-	-	-		
Narcotics	-	-	-	-	-	-	-	-	-	-	-	-		
Other	-	-	-	-	-	-	-	-	-	-	-	-		
<b>II. MILITARY ASSISTANCE – TOTAL</b>	-	-	-	-	-	-	-	-	-	-	-	-		
Credits or Loans	-	-	-	-	-	-	-	-	-	-	-	-		
Grants	-	-	-	-	-	-	-	-	-	-	-	-		
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	14.2	7.6	9.3	11.5	13.0	65.1	0.9	64.2	-	-	-	-		
Loans	5.4	2.3	2.5	-	-	10.8	0.9	9.9	-	-	-	-		
Grants	8.8	5.3	6.8	11.5	13.0	54.3	-	54.3	-	-	-	-		
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	-	-	-	-		
* LESS THAN \$50,000.									<b>B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE</b>					
									<b>1. D.A.C. COUNTRIES (Gross Disbursements)</b>					
									CY 1981	CY 1982	CY 1978-82			
									United States	7.0	7.0	28.0		
									United Kingdom	8.4	6.4	56.7		
									Germany Fed. Rep.	2.3	2.8	33.4		
									Sweden	4.1	1.2	10.8		
									Canada	1.0	1.0	6.2		
									Other	2.6	2.6	12.2		
									Total	25.4	21.0	147.3		
									<b>2. O.P.E.C. COUNTRIES (Gross Disbursements)</b>					
									<b>C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES</b>					

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PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	6,187	2,087	-	1,057	3,043	-	-	-
Total	6,187	2,087	-	1,057	3,043	-	-	-
1984								
Loans	3,000	3,000	-	-	-	-	-	-
Grants	4,855	1,078	-	-	3,777	-	-	-
Total	7,855 <sup>a/</sup>	4,078	-	-	3,777	-	-	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	7,900	2,300	-	2,000	3,000	600	-	-
Total	7,900	2,300	-	2,000	3,000	600	-	-

<sup>a/</sup>FY 1984 total excludes \$10.2 thousand which has already been notified for deobligation and has not yet been identified for reobligation by project.

FY 1985 PROGRAM HIGHLIGHTS	
-	Strategy aims to increase agricultural productivity; combat rising unemployment; improve health, particularly among children under two; and promote awareness of effects of rapid population growth.
-	Program emphasizes human resources development as a major factor for achievement of overall assistance objectives. Training is part of all projects.
-	Institutional development and technology transfer are elements common to all ongoing and planned development activities.
-	Two new projects are planned: Rural Health Development, \$2 million initial obligation in FY 1985; and Small Enterprise Support, \$600,000.
-	Ongoing projects are in agricultural research and extension training, irrigation, teacher training and human resources development.

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RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983		FY 1985
	(Actual)	FY 1984 (Estimated)	(Proposed)
Aid*			
Loans	2,332	3,790	550
Grants	4,221	11,181	8,111
Total AID	6,553	14,971	8,661
P.L. 480**			
Title I (of which Title III is)	( - )	( - )	( - )
Title II	381		
Total P.L. 480	381	511	442
Total AID and P.L. 480	6,934	15,482	9,103

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983		FY 1985
	(Actual)	FY 1984 (Estimated)	(Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	12	13	13
PASA <sup>c</sup>	-	-	-
Contract	24	19	22
Total	36	32	35
Participants <sup>d</sup>			
Noncontract	63	42	50
Contract	10	25	18
Total	73	67	68

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(IN 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat						
Rice						
Feedgrains						
Vegoil						
Non-food						
Title I Total (of which Title III is)						
Title II						
Voluntary Agencies						
World Food Programs		381		511		442
Gov't-to-Gov't						
Title II Total		381		511		442
Total P.L. 480		381		511		442

SWAZILAND

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P.L. 480  
(In thousands of dollars)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat						
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## SWAZILAND

### Development Overview

Swaziland's economy is expanding and diversifying. The agricultural, manufacturing and service sectors have made good progress. The government states its goals to be economic growth, self-reliance and social justice with stability.

From independence in 1968, Swaziland's per capita GNP rose from less than \$300 to an estimated \$750 in 1982. GNP per capita expressed in dollars fell in 1982 (from an estimated \$840 in 1981), primarily because of a dramatic increase in the value of the dollar. Expressed in local currency, real GNP per capita fell .7%. From 1971 to 1982 the real annual per capita growth of GDP has been 1.4% per year. Agriculture's share of GDP has remained constant at around one fourth, with manufacturing increasing from 19% to 23%. Government's contribution to GDP has risen from 12% to 16%, while mining's share has fallen from 7% to 3%.

Agriculture remains the most important economic sector in Swaziland. Modern sugar, wood, citrus and pineapple plantations, producing mainly for export, provided 64% of total 1982 exports and 42% of private sector jobs. Additional people were employed in processing agricultural output (e.g., sugar milling). This part of the agricultural sector is primarily responsible for Swaziland's rate of growth in agricultural output being among the highest in sub-Saharan Africa. Traditional agriculture also remains important because it provides a livelihood for the great majority of Swazi people. However, productivity and incomes have been much lower in traditional agriculture than in the modern sector.

Since 1971, real growth of manufacturing output has averaged 5.3% per year providing over a fourth of all paid employment in the country and accounting for over half the growth in paid jobs during the past five years. In 1982 industrial exports came to nearly one third of total exports.

The Government of Swaziland (GOS) is committed to a free enterprise economic system and actively encourages private investment, both foreign and domestic, while insisting that for larger enterprises Swazi interests be represented through either loan or equity participation by the government. In other respects, the government rarely interferes with market forces.

By virtue of its geographic situation and membership in both the Rand Monetary Area and the Southern African Customs Union (SACU), Swaziland's economy is closely linked to that of the Republic of South Africa. Although this permits very limited scope for Swaziland in setting independent fiscal and monetary policies, the relationship also offers important market opportunities, and customs receipts account for nearly 60% of government revenue.

Despite Swaziland's overall progress, portions of important economic and social sectors--including traditional agriculture, employment, and health--lag behind. Adverse effects of poor performance in these areas are felt primarily in the rural areas, where 85% of the Swazis live.

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Agricultural productivity on Swazi Nation Land (SNL), (land held in Trust for use of the Swazi people--the majority of whom live there and practice traditional agriculture) is very low in comparison to productivity on private and estate farms. In fact, the real value of output on SNL has fallen by an average of 1.9% per year since 1974, while comparable statistics show a 2% per year increase for private farms. In addition, the financial return to the SNL farmer is much lower at present than other types of labor, thereby contributing to increased migration to urban areas and an inability of the economy to absorb anticipated additions to the labor force. In 1982, average return per hour of unskilled labor in the modern sector was almost 42% greater than the return per hour of labor devoted to traditional agriculture.

Swaziland's adult literacy rate of 65% and its primary school enrollment of 78% of the primary school age population compare favorably to those of other developing countries with similar income levels. The pass rate, however, for students taking standardized high school examinations has been falling and is now only 24%. Of the students who start primary school, only half finish. Their lack of education is an important contributing factor to Swaziland's rising unemployment problem.

Swaziland has a high infant mortality rate (about 142 per thousand) and a life expectancy at birth of only 47 years. These are very poor rates in comparison with other countries in the area and with other countries with similar per capita incomes and educational levels. A very high population growth rate (estimated to be more than 3%) contributes to all of these problems.

### U. S. Interests and Objectives

The U. S. seeks to support a continuation of the significant development gains made since independence; to encourage expansion in, and a more equitable distribution of the benefits from, a free enterprise economy; and to be responsive to a government which plays an active and constructive role in key international issues. The A.I.D. program is geared to these interests and reflects U. S. support for majority-ruled countries of southern Africa, particularly those which practice the free enterprise system.

### A.I.D. Development Strategy

A.I.D.'s strategy is directed toward helping Swaziland attain its development goals through projects which attack the major interrelated problem areas of: low agricultural productivity and incomes on Swazi Nation Land, low health status (with particular concern for the high mortality rate among children under two years of age), and rising unemployment.

The A.I.D. program places major emphasis on human resources development as vital to elimination of constraints in all areas and as the fundamental requirement for self-sustaining national development. Institutional development and technology transfer are also elements common to all of the ongoing and planned A.I.D. development activities in Swaziland.

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In addition, the base for wider participation by individual Swazis in economic and social development will be laid through greater emphasis on the private sector, to include training activities and the initiation of a private enterprise project in FY 1985.

Although A.I.D.'s bilateral program includes no specific population project, the important problem of rapid population growth is being addressed through a variety of A.I.D. centrally and regionally funded activities being carried out to foster awareness of the effects of rapid population growth. These efforts are generally well received and serve as a reference point for policy dialogue and for public statements by high-level GOS officials. In addition, through centrally funded programs, A.I.D. helps the Family Life Association of Swaziland (FLAS) mount workshops for nurses and secondary school teachers.

Agricultural productivity is very low on Swazi Nation Land (SNL), the approximately 60% of Swaziland's total land area falling under the traditional system. Under current agricultural conditions (small farm size, traditional land tenure system, reliance on rain-fed agriculture, lack of marketing systems, inefficient support systems and lack of appropriate agricultural research and extension services), the income potential of the average SNL farm, even if worked intensively, is less than that for alternative forms of employment. If agricultural conditions can be improved to a point where labor can earn a reasonable return, employment opportunities and incomes for the poorest segment of the Swazi population can be significantly increased. The strategy is to encourage movement from subsistence into semi-commercial and commercial farming. Improvements are necessary throughout the agricultural sector in order to bring this about.

All current and planned A.I.D. agricultural projects aim to increase productivity and farmer incomes on SNL. They promote movement toward commercial farming and encourage research, improved extension and support services, land use planning, conservation, and the development of irrigated systems. They offer the greatest potential for benefitting the largest number of Swazis, for promoting further growth of agriculturally based private enterprise, and for stimulating national development.

The generally poor level of health in the country is primarily the result of a high rate of infectious disease, especially gastro-intestinal diseases, tuberculosis and respiratory illnesses. A.I.D. strategy in the health area is directed toward reducing or eliminating those factors which contribute to the very high level of mortality among children under two years of age. To accomplish those ends, A.I.D. is assisting the GOS to train health workers, institute more effective health planning and administrative systems, improve water and sanitation facilities, and increase knowledge among Swazis of reasons for disease prevention and methods of accomplishing it. A number of regionally and centrally funded activities are enabling A.I.D. to make important health contributions through oral rehydration therapy, immunizations, nutrition surveys and surveillance, and support to family planning programs.

Rising unemployment is an emerging problem. Paid employment in the modern sector has been rising by over 2,700 jobs per year since 1976 (a growth of

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3.8% per year). While there are no accurate figures on Swazi unemployment, the proportion of the working age population (15-64) which holds paid employment is about 28%. This figure appears high in comparison with that of most other African countries, but the rate of job formation, both current and projected, is insufficient to provide employment for the number of Swazis leaving school each year. Moreover, paid employment appears to have dropped by 3% in 1982, the first decrease since the GOS began keeping employment statistics.

A.I.D. is taking a long-range approach to this problem by encouraging fundamental changes in primary education. These changes are expected to prepare students for the jobs that are likely to be available in Swaziland and to foster appropriate attitudes among students toward such jobs. They will be brought about by training better teachers and by establishing a national capacity to produce curricula which will better reflect Swaziland's practical educational needs and goals. Emphasis is placed on developing a sound human resources base through a variety of training programs in the U.S., third countries and Swaziland. All A.I.D. projects include training components; moreover, one ongoing and one planned project are devoted primarily to training.

### A.I.D. Program: (FYs 1983-84)

Project activities currently under way or planned concentrate assistance efforts in the major sectors of: (1) education and human resources development, (2) agriculture/rural development, and (3) health.

### FY 1983:

\$6.187 million in Development Assistance funds was provided to Swaziland in FY 1983. The total included \$2.087 million for agriculture/rural development, \$1.057 million for health and \$3.043 million for education and human resources.

### A. Education and Human Resources:

A new Teacher Training project (645-0214) began in FY 1983 with initial funding of \$1.343 million. It is designed to improve and expand the capacity of Swaziland's primary teacher training institutions to train both new and in-service teachers and equip them to teach practical skills to prepare students for productive employment.

The Primary Curriculum Development project (645-0009) is helping to make fundamental changes in the Swazi educational system by developing the institutional capacity of the GOS to produce improved curricula for math, science, social studies, language arts and practical studies for all seven grades of the primary school system. An evaluation of this activity was instrumental in determining that a Teacher Training project was one of the most critical requirements for Swaziland and in providing essential data for the design of the project.

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The University College of Swaziland project (645-0081) is increasing the capacity of the University of Swaziland's Division of Extra Mural Studies to meet mid-level manpower training needs. In-service and after-hours programs are being developed for adults in education, business/commercial studies and general management. The program has been broadened to include management training for private as well as public sector employees.

The Southern Africa Manpower Development and Training project (645-0069) assists the GOS to upgrade the management capabilities and technical skills of Swazis through a broad range of training programs in Swaziland, elsewhere in Africa, and in the United States. The project also provides operational technical assistance personnel to fill key positions. In FY 1983, \$1.7 million in incremental funding was provided for this project.

### B. Three projects are currently under way in Agriculture/Rural Development:

The Rural Development Areas--Infrastructure Support project (645-0068) is establishing soil conservation systems and constructing rural access roads, dams, small irrigation schemes and rural water systems on Swazi National Land. It forms part of a multi-donor program to accelerate and expand the process of rural development. The A.I.D. loan portion of this project provides heavy equipment to carry out needed construction and land preparation works, while the A.I.D. grant finances technical assistance in land use planning and development and in equipment use and maintenance. An evaluation of this project was carried out in August of 1983. The results are proving useful in design of a Small Farmer Irrigation project and have important implications for all agricultural activities in Swaziland.

The Cropping Systems Research and Extension Training project (645-0212) aims to develop, through applied local-level research, recommendations for improved cropping systems for both dryland and irrigated crops and to make these recommendations available to small farmers on Swazi National Land through improved extension services. As a result of such research and improved extension services, made possible by the transfer of skills, knowledge, management techniques, and training by a U. S. land grant university technical assistance team, it is believed the returns from small-scale agriculture can be made reasonably competitive with returns from other employment opportunities. \$2.055 million in incremental funding was provided for this project in FY 1983.

An Operational Program Grant to the National Council of Negro Women, Inc., is helping that organization to improve income-generating opportunities, especially for women, through the Swine Production Cooperative Development project (645-0213) (Lundzi-Mpuluzi Pig Production). An additional \$32,000 was provided for this activity in FY 1983.

### C. Health and Population:

The Health Manpower Training project (645-0062) has developed an institute for training nurses and other para-medical personnel and is assisting the GOS in improving hospital administration, district health administration and services, and the health data collection and analysis system. The Institute

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of Health Sciences, which was established under the project, is now a functioning, viable Swazi organization and is an outstanding example of what A.I.D. can do in institution building.

An Operational Program Grant with International Human Assistance Programs, Inc., is assisting the Ministry of Health through the Health Planning and Management project (645-0215). This activity has been instrumental in encouraging and supporting the GOS in gradually shifting the emphasis of national health programs from focus on curative to preventive measures and from major concentration on urban to rural areas.

Final funding of \$1.057 million was provided in FY 1983 for the Rural Water-Borne Disease Control project (645-0087). That project is helping the GOS to establish a program for basic health education which will foster improved practices related to water use and sanitation, demonstrate the construction of low-cost, technically appropriate pit latrines, and incorporate health criteria into the design of irrigation systems in Swaziland. In addition, a nationwide survey of schistosomiasis and other parasitic diseases is being conducted under this project.

Regionally funded projects complement the bilateral health portfolio. For example, the Combating Childhood Communicable Diseases project involves Oral Rehydration Therapy (ORT), Expanded Program of Immunization (EPI), malaria and nutrition interventions, all of which have direct impact on the mortality rate of children under two. A national nutrition survey mounted in Swaziland with assistance from the U. S. Centers for Disease Control under a centrally funded grant will provide data on nutritional status, functional group classification, and infant mortality. The GOS will then be better able to plan effective nutrition interventions to combat the high infant mortality rate. Population activities, clinical services and family life education are continuing with A.I.D. support to the Family Life Association of Swaziland.

### FY 1984:

In FY 1984, A.I.D. plans to provide \$7.855 million for development assistance in Swaziland.

A. This will include \$4.078 million in the agriculture/rural development sector, \$578 thousand of which will be used to complete funding on the Rural Development Areas--Infrastructure Support project (645-0068).

A new project, Small Farmer Irrigation (645-0217), will be initiated with a \$3.5 million obligation. This project will provide funding to identify, design, construct, and develop into productive enterprises individual and group irrigation schemes which are expected to increase employment opportunities, agricultural productivity and incomes. It will help farmers on Swazi National Land to make the switch from primarily subsistence farming to semi-commercial and eventually commercial farming. The project will include in an irrigated cropping systems approach such factors as cropping patterns, input supply, marketing, and others.

## SWAZILAND

B. For the education/human resources sector, \$3.777 million is being sought to provide funding for three projects. To allow continuation of ongoing efforts, final funding of \$1.237 million will be provided for the Southern Africa Manpower Development and Training project (645-0069), and \$0.455 million will be provided for the Teacher Training Project (645-0214).

A new project, Swaziland Manpower Development (645-0218), will continue the work of the Southern Africa Manpower Development and Training project in providing training in key development fields for Swazis in the United States, in Swaziland, and in other African nations. The new project to begin with incremental funding of \$2.085 million, will focus on leadership training and will include trainees from the private sector and outstanding university students as well as government employees. It will initiate a number of measures designed to find and select for training the best qualified Swazis. Provision of in-country training in management, administration, and selected development interests for local-level traditional leaders is expected to be an important element of the new project and a significant innovation in training programs in Swaziland. The project will assist Swaziland in putting its media resources, especially radio, to use in reaching Swazis at a variety of income levels and in every area of the country with development information of practical importance to their daily lives. Cropping advice, health recommendations, family planning messages, and basic education in a number of subjects will be included and will provide a coordinated means of transferring knowledge to the general public.

### Requested Year Program: (FY 1985)

In FY 1985, A.I.D. proposes to provide \$7.9 million to Swaziland to fund incrementally four ongoing projects and start two new activities.

Incremental funding will be provided as follows: \$0.8 million for Cropping Systems Research and Extension Training (645-0212), \$1.5 million for Small Farmer Irrigation (645-0217), \$1 million for Teacher Training (645-0214), and \$2 million for Swaziland Manpower Development (645-0218).

A new project, Rural Health Development (645-0220), will receive an initial obligation of \$2 million in FY 1985. The project will assist the Ministry of Health to improve the effectiveness of rural health delivery systems by implementing major changes in health policy and management systems. It will also supplement, as needed, ongoing ORT programs to reduce the severity of diarrheal disease and EPI programs to ensure protection against communicable diseases. Reduction of diarrheal and communicable diseases is a vital element in seeking to reduce Swaziland's very high childhood mortality rate.

Another new project, Small Enterprise Support (645-0222), will be proposed in FY 1985, with full funding of \$600,000 to be provided. It is expected to be implemented by an appropriate U. S. Private Voluntary Organization. The project will foster the formation and development of associations of small-scale entrepreneurs in related fields. Through those associations technical assistance and training will be provided for Swazi small businesses.

MISSION DIRECTOR: Robert Huesmann

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SWAZILAND

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH OBLIG ACTIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ACTIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ACTIONS	FY85- EXPENDI TURES	
AGRICULTURE, RURAL DEV. AND NUTRITION											
RURAL DEV AREA INFRASTRUCTURE SUPPORT	G 645-0068	78	84	5,070	5,070	4,492	2,180	578	2,890	---	---
RURAL DEV AREA INFRASTRUCTURE SUPPORT	L 645-0068	78	84	4,600	4,600	4,600	1,060	---	3,540	---	---
CROPPING SYSTEMS RESEARCH AND EXT TRNG	G 645-0212	81	87	12,900	12,900	8,461	1,250	---	2,465	800	1,665
SWINE PRODUCTION AND COOP DEV (PYO)	G 645-0213	80	83	393	341	341	211	---	130	---	---
SMALL FARMER IRRIGATION	G 645-0217	84	88	---	4,600	---	---	500	130	1,500	810
SMALL FARMER IRRIGATION	L 645-0217	84	88	---	3,000	---	---	3,000	250	---	550
TOTAL FOR ACCOUNT				22,953	30,511	17,894	4,701	4,078	9,405	2,300	3,025
GRANTS				18,353	22,911	13,294	3,641	1,078	5,615	2,300	2,475
LOANS				4,600	7,600	4,600	1,060	3,000	3,790	---	550
HEALTH											
HEALTH MANPOWER TRAINING	G 645-0062	77	82	2,442	2,442	2,442	1,895	---	547	---	---
RURAL WATER BORNE DISEASE CONTROL	G 645-0087	79	83	3,297	3,297	3,297	1,682	---	672	---	495
HEALTH PLANNING AND MANAGEMENT (PYO)	G 645-0215	81	81	996	996	996	343	---	493	---	160
RURAL HEALTH DEVELOPMENT	* G 645-0220	85	88	---	4,300	---	---	---	---	2,000	150
TOTAL FOR ACCOUNT				6,735	10,735	6,735	3,920	---	1,712	2,000	805
GRANTS				6,735	10,735	6,735	3,920	---	1,712	2,000	805
LOANS				---	---	---	---	---	---	---	---
EDUCATION AND HUMAN RESOURCES											
CURRICULUM DEVELOPMENT	G 645-0009	75	82	5,364	5,352	5,352	4,320	---	1,032	---	---
MANPOWER DEVELOPMENT AND TRAINING	G 645-0069	78	84	7,637	7,637	6,400	2,880	1,237	1,906	---	1,903

\* Refers to the planned project summary sheet

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C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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01/19/84

PROGRAM: SWAZILAND

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT AUTHD	COST PLANNED	-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES
UNIVERSITY COLLEGE OF SWAZILAND	G 645-0081	78	80	375	375	375	---	---	294	---	81
TEACHER TRAINING	G 645-0214	83	87	5,595	5,595	1,343	---	455	282	1,000	1,497
SWAZILAND MANPOWER DEVELOPMENT	G 645-0213	84	88	---	12,000	---	---	2,035	50	2,000	1,200
TOTAL FOR ACCOUNT GRANTS				18,971	30,959	13,470	7,200	3,777	3,564	3,000	4,681
LOANS				---	---	---	---	---	---	---	---
TOTAL FOR ACCOUNT GRANTS				18,971	30,959	13,470	7,200	3,777	3,564	3,000	4,681
LOANS				---	---	---	---	---	---	---	---
SELECTED DEVELOPMENT ACTIVITIES											
SMALL ENTERPRISE SUPPORT (PVO)	* G 645-0222	85	85	---	600	---	---	---	---	600	150
TOTAL FOR ACCOUNT GRANTS				---	600	---	---	---	---	600	150
LOANS				---	600	---	---	---	---	600	150
TOTAL FOR ACCOUNT GRANTS				---	---	---	---	---	---	---	---
LOANS				---	---	---	---	---	---	---	---
SECURITY SUPPORTING ASSISTANCE											
RURAL DEV AREA INFRASTRUCTURE SUPPORT	G 645-0068	78	80	2,077	2,077	2,077	2,005	---	72	---	---
MANPOWER DEVELOPMENT AND TRAINING	G 645-0069	78	80	1,655	1,655	1,655	1,535	---	120	---	---
UNIVERSITY COLLEGE OF SWAZILAND	G 645-0081	78	80	1,684	1,684	1,684	1,586	---	98	---	---
TOTAL FOR ACCOUNT GRANTS				5,416	5,416	5,416	5,126	---	290	---	---
LOANS				5,416	5,416	5,416	5,126	---	290	---	---
TOTAL FOR ACCOUNT GRANTS				---	---	---	---	---	---	---	---
LOANS				---	---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				54,075	78,221	43,515	20,947	7,855 <sup>1/</sup>	14,971	7,900	8,661
LOANS				49,475	70,621	38,915	19,887	4,855	11,181	7,900	8,111
TOTAL FOR COUNTRY GRANTS				4,600	7,600	4,600	1,060	3,000	3,790	---	550

<sup>1/</sup> FY 1984 total excludes \$10.2 thousand which has already been notified for deobligation and has not yet been identified for reobligation by project.

\* Refers to the planned project summary sheet

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C Limit of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on the authorized date.

## PROGRAM: SWAZILAND

## PLANNED PROGRAM SUMMARY SHEET

Title Rural Health Development		Funding Source	AG, RD & N	Health 2,000	PROPOSED OBLIGATION (In thousands of dollars)		
Number 645-0220		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	FY 1985 2,000	Life of Project Funding 4,000
<input checked="" type="checkbox"/> GRANT	<input type="checkbox"/> LOAN	<input type="checkbox"/> CONTINUING				Initial Obligation	Estimated Final Obligation
						FY 1985	FY 1988
							Estimated Completion Date of Project FY 1990

Purpose: To assist the Ministry of Health (MOH) in improving Swaziland's rural health delivery systems by implementing changes in its health policy and in its administrative and management systems and procedures.

Project Description: The Government of Swaziland's major goal in the health sector is to provide health services for all Swazis by the year 2000. Improving health systems in the rural areas is a vital component in attaining this goal. The proposed project is responsive to MOH requests, to GOS and A.I.D. objectives in the health sector, and to a mid-term evaluation of the current A.I.D. Health Planning and Management project which highlighted the need for building on the good planning work already accomplished in health to close gaps between theory and practical application.

This project will provide technical assistance and training to move health plans from the conceptual stage and make them a reality in the rural health delivery system. Use of appropriate technology for the delivery of rural health services will be an important objective of the technical assistance team. Swazis working for the MOH at national and district levels will receive training in supervisory and management techniques and in motivating rural health workers to do their jobs more effectively. The project will explore opportunities to include traditional healers as additional front line health workers. Specific actions will take place on 3 levels:

- The project will assist the MOH in improving its overall planning and management capacity, with particular concentration on introducing, improving and institutionalizing data management, decentralization and evaluation as part of MOH activities.
- The project will help the MOH make significant improvements in management support systems, including personnel, financial management, distribution at the central medical stores, material and transport logistics and manpower training.
- Analysis of the service delivery system will identify other problems which adversely affect the availability of health

services to the target group. This project will then provide technical assistance, training, and/or commodities to fill gaps in priority areas. For example, in FY 1984 the A.I.D. Mass Media for Health project will focus on Oral Rehydration Therapy (ORT) for diarrheal disease while the Combatting Childhood Communicable Disease (CCCD) project will assist in ORT, Expanded Program of Immunization (EPI), malaria prevention and nutrition interventions. The proposed project will support these ongoing activities and supplement them wherever necessary.

A.I.D. inputs will include 4 long-term advisors, 20 person-months of short-term consultants, 10 long-term and 8 short-term participants, commodities, and construction of a warehouse for central medical stores.

Relationship of Project to A.I.D. Country Strategy: The approved CDSS established that among major constraints to development are high levels of morbidity and mortality among children under two years of age and rapid population growth rate. Since approximately 85% of Swazi children live in areas served by MOH's rural health system, the proposed project deals directly with the first constraint. An improved health delivery system will provide better access to maternal/child health and family planning services for the rural women.

Host Country and Other Donors: The GOS is expected to contribute over \$1 million to the project for local salaries, international travel, support for technical advisors, in-country training and in-country travel. Health activities sponsored by UNICEF, the World Health Organization, Germany, Denmark and the United Kingdom are closely related to the proposed project and will be complemented and supported by improvements instituted under this project.

Beneficiaries: Ultimate beneficiaries will be the rural poor (85% of Swaziland's population), especially mothers and children, who will have better access to a more effective rural health system.

PROGRAM: SWAZILAND

## PLANNED PROGRAM SUMMARY SHEET

Title Small Enterprise Support		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 645-0222		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	FY 1985 600	Life of Project Funding 600	
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING				Sel. Act. 600	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
					FY 1985	FY 1985	FY 1988

**Purpose:** To encourage the expansion and development of an indigenous small enterprise private sector in Swaziland.

**Project Description:** The development of an indigenous small enterprise private sector in Swaziland continues to be constrained by the lack of appropriate trade associations and trained entrepreneurs. Swaziland's Small Enterprise Development Company (SEDC), a government parastatal charged with assisting the development of small enterprises in Swaziland, has so far been relatively unsuccessful in the expansion and training of Swazi entrepreneurs.

A.I.D. will seek an appropriate Private Voluntary Organization (PVO) to implement the proposed project. The PVO will encourage the formation of associations of small-scale entrepreneurs in related fields. These associations will then form the basis upon which the PVO will provide technical assistance and training to a relatively large number of small businessmen. The PVO selected will assist such associations to become self-sustaining institutions capable of fostering entrepreneurship development and, in so doing, expand and upgrade the Swazi small enterprise sector.

One objective of the project will be to encourage Swazi entrepreneurs to move from traditional service-oriented enterprises into commercial and light-industrial operations, especially operations that process and market locally produced agricultural raw materials. At present, commerce and light industry in Swaziland are dominated by expatriate firms and managers.

The second emphasis of the project will be in training. Formal academic training for Swazi entrepreneurs and managers will be provided under a related activity, the planned Swaziland Manpower Development project, which will offer competitive scholarships for Masters of Business Administration (MBA) programs in the U.S. This overall training project will also support training in the U.S. that may be required for other private sector personnel. The Small Enterprise Support project will provide intensive in-country training

for specific groups of small-scale entrepreneurs. The PVO selected to implement the project will have relationships with other PVOs to draw on for necessary short-term consultancies.

The newly formed or existing associations which will receive technical assistance and training will be independent of government control. SEDCO is currently in the process of severing itself from the status of a government parastatal and becoming an independent institution. While further assessment is needed, there may be areas wherein the PVO and SEDCO can work together in the implementation of this project.

Three advisors in the fields of finance, marketing and management will be stationed in Swaziland. They will be supplemented by short-term advisors to meet more specialized requirements as they arise.

**Relationship of Project to A.I.D. Country Strategy:** USAID/Swaziland's overall strategy is directed toward ameliorating four major interrelated development problems: rapid population growth, high under-two mortality, low agricultural productivity and rising unemployment. The proposed project will directly affect the latter two problems. By opening up possible markets for agricultural goods, there will be more incentive to increase production. In addition, the enterprises of the type and scale to be assisted typically employ labor intensive technologies which should lead to increased employment opportunities for the local labor force.

**Host Country and Other Donor Contributions:** Since this project will deal directly with institutions independent of the government, the contributions to the project will mainly be in-kind contributions of the members and the institutions. Other donors have not to date been significantly active in this field.

**Beneficiaries:** The direct beneficiaries of the project will be the 250-300 small Swazi businessmen who will receive training and technical assistance through the project.

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FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (611) ZAMBIA

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 6,346  
 PER CAPITA GNP..... (DOLLARS,1981) 600  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) -2.6%  
 ANNUAL RATE OF INFLATION (1970-81) 8.4%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..(1976) 3.6%  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 50.4 MALE 48.7 FEMALE 52.1  
     (1970) TOTAL 44.6 MALE 43.0 FEMALE 46.3  
 ADULT LITERACY RATE ( . ) TOTAL .% MALE .% FEMALE .%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
     (1973-1982) -3.3%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 18%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 36  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: CORN ,MILLET ,SORGHUM 27% (1982)  
 CASH: PEANUTS ,SUGAR CANE ,COTTON 3% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) TOBACCO ,PEANUTS ,HIDES & SKINS  
 MAJOR AGRICULTURAL IMPORTS:(1982) CORN ,WHEAT ,VEGETABLE OILS  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 67%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     (1978) 708 (79) 783 (80) 1,003  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     (1978) 1,107 (79) 1,087 (80) 1,722  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     (1978) -399 (79) -304 (80) -720  
 DEFENSE EXPENDITURES,  
     AS % OF TOTAL EXPENDITURES.. ( . ) .% ( . ) .% ( . ) .%  
     AS % OF GNP..... ( . ) .% ( . ) .% ( . ) .%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
     (\$MILLIONS, U.S.) (1980) 89 (81) 66 (82) 118  
 EQUIVALENT TO 0.8 MONTHS OF IMPORTS (1981)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) COPPER ,MINERALS ,NICKEL  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1980) 187 (1981) 107 (1982) 28  
     AS % OF TOTAL EXPORTS (1979) 10% (1980) 14% (1981) 10%  
 MAJOR IMPORTS....(1981) MACHINERY ,TRANSPORT EQPT ,FOODSTUFFS  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 108 (1981) 75 (1982) 76  
     AS % OF TOTAL IMPORTS (1979) 10% (1980) 10% (1981) 7%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) 654(80) 207(81) 58  
 TRADING PARTNERS: UNITED KINGDOM ,JAPAN ,WEST GERMANY  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 104%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1981) 294  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 26.7%

\*SOCIAL DATA\*

POPULATION GROWTH RATE...(1970) 3.0% (1978) 3.1% (1983) 3.2%  
 POPULATION IN URBAN AREAS.....(1970) 30% (1982) 43%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 50 (1983) 48  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 47.2% (15-64YRS) 50.2% (65+ YRS) 2.6%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 112  
 PEOPLE PER PHYSICIAN..... (1975) 10,407  
 MAJOR CAUSES OF  
 DISEASE (1981) TUBERCULOSIS ,LEPROSY ,TUBERCULOSIS  
 DEATH.. (1968) SYPHILIS ,ACCIDENTS ,HEART DISEASE  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 90%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1975) 42%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
     PRIMARY..... (1979) TOTAL 95.0% MALE 101% FEMALE 89.0%  
     SECONDARY..... (1979) TOTAL 17.0% MALE 22.0% FEMALE 12.0%  
     POST SECONDARY.. (1975) TOTAL 1.6% MALE 2.8% FEMALE 0.4%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 68.9%

U.S. OVERSEAS LOANS AND GRANTS — OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years — Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)					
COUNTRY ZAMBIA		FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	A. ASSISTANCE FROM INTERNATIONAL AGENCIES — COMMITMENTS				
PROGRAM	1978	1979	1980	1981	1982	FY 1981				FY 1982	FY 1983	FY 1946-82		
<b>I. ECONOMIC ASSISTANCE — TOTAL</b>	33.5	33.4	46.4	30.6	27.1	254.9	44.2	210.7	TOTAL.....	44.1	140.2	39.1	922.8	
Loans	33.5	30.0	32.5	25.0	22.0	220.5	44.2	176.3	IBRD	26.0	11.7	0.0	580.6	
Grants	-	3.4	13.9	5.6	5.1	34.4	-	34.4	IFC	0.0	34.4	18.8	94.6	
<b>a. A.I.D. and Predecessor Agencies</b>	30.0	20.4	24.0	20.6	20.1	154.4	15.1	149.3	IJA	0.0	50.5	20.3	108.1	
Loans	30.0	20.0	20.0	15.0	15.0	144.2	15.1	129.1	ID3	0.0	0.0	0.0	0.0	
Grants	*	0.4	4.0	5.6	5.1	20.2	-	20.2	ADB	0.0	0.0	0.0	0.0	
(Economic Support Fund)	30.0	20.0	24.0	20.6	20.0	134.6	-	-	AFDB	9.7	9.5	0.0	62.2	
<b>b. Food for Peace (PL 480)</b>	3.5	13.0	22.4	10.0	7.0	58.1	2.0	66.1	UNDP	0.9	2.6	0.0	31.5	
Loans	3.5	10.0	12.5	10.0	7.0	53.9	2.0	51.9	OTHER-UN	1.5	0.0	0.0	3.8	
Grants	-	3.0	9.9	-	-	14.2	-	-	EEC	3.0	31.5	0.0	42.0	
Title I - Total Sales Agreements	3.5	10.0	12.5	10.0	7.0	53.9	2.0	51.9						
Repayable in U.S. Dollars - Loans	3.5	10.0	12.5	10.0	7.0	53.9	2.0	51.9						
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-						
Title II - Total Grants	*	3.0	9.9	-	-	14.2	-	14.2						
Emerg. Relief, Econ. Develop. & World Food Program	*	3.0	9.9	-	-	14.2	-	14.2						
Voluntary Relief Agencies	-	-	-	-	-	-	-	-						
<b>c. Other Economic Assistance</b>	-	-	-	-	-	22.4	27.1	4.7-						
Loans	-	-	-	-	-	22.4	27.1	4.7-						
Grants	-	-	-	-	-	-	-	-						
Peace Corps	-	-	-	-	-	-	-	-						
Narcotics	-	-	-	-	-	-	-	-						
Other	-	-	-	-	-	-	-	-						
<b>II. MILITARY ASSISTANCE — TOTAL</b>	-	-	-	-	-	-	-	-						
Credits or Loans	-	-	-	-	-	-	-	-						
Grants	-	-	-	-	-	-	-	-						
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-						
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-						
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	-	-	-	-						
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-						
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-						
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	33.5	33.4	46.4	30.6	27.1	254.9	44.2	210.7						
Loans	33.5	30.0	32.5	25.0	22.0	220.5	44.2	176.3						
Grants	-	3.4	13.9	5.6	5.1	34.4	-	34.4						
<b>Other U.S. Government Loans and Grants</b>	-	24.7	-	-	-	100.0	85.5	14.4						
<b>a. Export-Import Bank Loans</b>	-	24.7	-	-	-	100.0	85.5	14.4						
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-						
* LESS THAN \$50,000.									<b>B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE</b>					
									<b>1. D.A.C. COUNTRIES (Gross Disbursements)</b>					
									CY 1981	CY 1982	CY 1978-82			
									United States	31.0	22.0	172.0		
									United Kingdom	38.7	22.5	191.8		
									Sweden	28.8	27.5	130.7		
									Germany Fed. Rep.	18.0	29.0	122.8		
									Japan	14.8	25.0	105.4		
									Other	51.2	64.6	271.7		
									Total	182.5	190.6	994.4		
									<b>2. O.P.E.C. COUNTRIES (Gross Disbursements)</b>					
									CY 1981	CY 1982	CY 1978-81			
									2.0	N.A.	11.5			
									<b>C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES</b>					
									CY 1981	CY 1982	CY 1954-82			
									USSR	5	-	20		
									Eastern Europe	-	-	165		
									China	-	-	340		
									Total	5	-	525		

## ZAMBIA

ECONOMIC SUPPORT FUND PROGRAM SUMMARY			
<i>(In millions of dollars)</i>			
	FY 1983	FY 1984	FY 1985
	Actual	Estimated	Request
Loans	15,000	--	--
Grants	483	20,000	20,000
Total	15.483	20,000	20,000

Development Overview

Zambia's population of 6 million is growing at a rate of about 3.2% annually. Over 40% of the population lives in urban areas, making Zambia one of the most urbanized societies in Africa south of the Sahara. Mining is the most important sector and accounted for 32% of gross domestic product (GDP) in 1974. In recent years, however, mining's relative share of GDP has fallen to only 6% in 1982 as a result of the depressed world market demand for copper, sharply declining copper prices and production difficulties. Despite its reduced relative contribution to GDP, the copper industry remains the primary determinant of Zambia's economic and financial performance since the mining sector earns over 90% of Zambia's foreign exchange. Other major contributors to GDP in 1982 included manufacturing, 18%; and agriculture, 15%.

Zambia's per capita GNP remained at about \$500 in 1982. While this suggests a moderately higher income compared to that of many African countries, it does not indicate the dualism that exists between the urban-oriented modern sector, dominated by mining, and the rural agricultural sector. Indicative of modern versus traditional income disparities is a 1980 survey which showed that 80% of all rural households received income below a minimum level to meet basic needs while the same was true for 25% of all households in urban areas. Other socio-economic indicators show per capita caloric supply as a percentage of total requirements at 90%; literacy about 40%; and life expectancy 50 years.

Zambia's mineral resources and large land area offer considerable potential for development. At currently projected rates of extraction, the country's known resources of copper will last about 20 years. During this period, financial resources generated by the mining sector can support diversification efforts, especially in agricultural and rural development, in order to lessen the country's dependence on copper. At present only a small percentage of the country's arable land is under production at any one time. Moreover, subsistence farmers using traditional practices account for 85% of total cereal production and 90% of all cattle slaughtered. Significant production increases are therefore possible through both the expansion of area suitable for cultivation and through higher levels of productivity as traditional farmers adopt more modern technological practices. Enhancing this potential is Zambia's usually favorable climate

## ZAMBIA

### FY 1985 PROGRAM HIGHLIGHTS

- A.I.D.'s objective is to assist Zambia through its financial and economic crisis by providing balance of payments support while continuing a development-oriented program to promote increased food production and small farm income.
- \$15.0 million for commodity imports; \$10.0 million under PL 480 Title I; and \$5.0 million for training and institutional development will assist in meeting external and internal resource needs.

for a wide variety of crops and livestock in varied ecological zones. Thus, with still significant known reserves of mineral deposits, large areas of uncultivated arable land, the absence of population pressures in rural areas, and favorable growing conditions, Zambia has significant potential for development.

While possessing this potential, Zambia also faces formidable development constraints. The overdependence of the economy on copper is, perhaps, the most serious. This dependence, together with the chronic volatility of copper prices, has caused instability in foreign exchange earnings and tax revenues and has made long-term planning difficult.

Transportation is also a major problem for land-locked Zambia. Because of regional political developments in recent years, border closings have often cut off traditional, less costly routes to the sea while operational inefficiencies have plagued alternative routes. The Benguela line through Zaire and Angola to the Atlantic Ocean and to Mozambican ports remains closed. Other traditional outlets are now open but remain costly and difficult to maintain.

Another major constraint facing Zambia is the lack of adequately trained personnel. This deficiency is evident in the continued dependence upon expatriate technical and managerial personnel, the limited institutional capacity of many local entities, and the inefficient management of several key organizations. In FY 1984 A.I.D. initiated a new project in the area of human and institutional resources development to help the country meet these needs. This activity was a tangible result of the U.S.-Zambia bilateral meeting at Coolfont, West Virginia, in June 1983. The meeting provided a unique opportunity for frank and constructive dialogue on the status of the Zambian economy and related development issues.

**ZAMBIA**

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	11,368	20,220	--
Grants	2,525	16,750	23,415
Total AID	13,893	36,970	23,415
P.L. 480**			
Title I (of which Title III is)	7,000 ( -- )	7,000 ( -- )	10,000 ( -- )
Title II	5,442	1,645	--
Total P.L. 480	12,442	8,645	10,000
Total AID and P.L. 480	26,335	45,615	33,415

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	6	7	7
PASAC <sup>c</sup>	-	-	-
Contract	13	13	13
Total	19	20	20
Participants <sup>d</sup>			
Noncontract	3	-	-
Contract	54	46	37
Total	57	46	37

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480  
(In thousands of dollars)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	16.8	2,800	17.0	2,700	26.0	4,000
Rice	6.3	1,800	6.0	1,800	4.0	1,500
Feedgrains	-	-	-	-	-	-
Vegoil	5.9	2,400	4.0	2,500	6.0	4,500
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		7,000		7,000		10,000
Title II						
Voluntary Agencies		-		-		-
World Food Programs		-		-		-
Gov't-to-Gov't		5,442		1,645		-
Title II Total		5,442		1,645		-
Total P.L. 480		12,442		8,645		10,000

## ZAMBIA

The Government has undertaken a series of corrective measures to stabilize the economy since the onset of the economic crisis in the mid-1970's. These have included an initial stabilization program in 1976, a standby agreement with the International Monetary Fund (IMF) from 1978 to 1980, a three-year extended fund facility beginning in May 1981 and a one-year standby with the fund of \$211.5 million in 1983. Also in 1983, the Zambian currency was devalued by 35%, a significant number of prices decontrolled, producer prices increased and new tax measures implemented. The third national development plan (1979-1983) and a multiyear investment plan have provided the basic framework for diversifying the economy. Nationwide food production programs are being launched, and a number of agricultural policies have been changed.

During the past few years, the stabilization efforts have bought time, but the long-term exploitation of Zambia's development potential will depend upon the determination with which the Government of the Republic of Zambia (GRZ) continues to adopt policies conducive to structural change and economic growth. Bringing about the change needed requires perseverance in several difficult areas. These include efforts to maintain the financial stability of the economy; the continuing restructuring of relative domestic prices, particularly of agricultural products, to improve resource allocation; the adjustment of fiscal and monetary policies; improvement in the performance of parastatals and the strengthening of institutions supportive of structural diversification. Additional support of the Government's development planning capacity at national, ministerial and provincial levels is especially needed to better plan overall development policies and investment programs; allocate scarce resources in accordance with established priorities; and enhance decision making, particularly with respect to agricultural and rural development.

### U.S. Interests and Objectives

The United States has a vital interest in maintaining peace and stability in the sensitive region of Southern Africa--now more than ever before in view of the delicate stage of the peace initiative in Namibia. The Government of Zambia plays an important role on this issue and related regional problems. U.S. objectives are to encourage Zambian stability, self-reliance and development so that the country can pursue economic growth and development despite the political, military and economic turmoil in the region. Given its strategic position, a secure and prosperous Zambia will serve to stabilize southern Africa as a whole to ensure continued access to Zambia's strategic minerals and to support its policy initiatives in seeking peaceful solutions of conflict in the area.

### A.I.D. Development Strategy

Given Zambia's severe economic difficulties, the A.I.D. strategy has been to support economic stabilization measures as well as increased food production and small farm income.

## ZAMBIA

A.I.D.'s assistance is being directed primarily at the agricultural sector, an aspect of Zambia's economy long neglected in favor of a heretofore profitable mining industry. While there remain a few large commercial farms, the great bulk of Zambia's agricultural production is dependent upon some 100,000 smallholder farmers. A.I.D.'s strategy has been to increase smallholder productivity by encouraging adoption by the GRZ of incentive policies such as increased prices paid for produce. In 1982, the approach appeared to be paying off when Zambia's farmers planted 25 to 30% more acreage following the announcement of increased prices for maize. Unfortunately, the recurrent drought - which affected most of the southern Africa region - stunted the Zambian crop and the ultimate harvest fell short of the country's food needs, requiring imports. In 1983, the Government of Zambia announced two successive price increases for producers which may lead to additional production increases.

A.I.D. will continue to emphasize agriculturally oriented assistance to support Zambian efforts to achieve economic stability. The proposed program will enhance Zambian agricultural planning and research and extension services to provide technical support for farmers. Closely orchestrated P.L. 480 and Commodity Import Programs will support Zambian policies and initiatives and complement technical assistance resources to accomplish an overall improvement in agricultural productivity with the aim of eliminating the need to import food while exploiting export potential.

### A.I.D. Program (FYs 1983-1984)

Between FY 1977 and FY 1982 resource transfers under the Commodity Import and P.L. 480 Title I programs amounted to \$188.0 million. By providing foreign exchange to purchase essential imports, this assistance has aided the GRZ in its efforts to recover from severe balance of payments difficulties. Most of the commodities imported under the programs were for use in the agricultural sector, e.g., food, fertilizer products, stockfeeds, spare parts and equipment for vehicles used in agricultural production and in transporting goods and services. The sale of these commodities also generated local currency to support the GRZ's development budget. Because of Zambia's difficult economic situation, balance of payments support, especially through a commodity import program, is continuing.

A. In FY 1983, project activities consisted primarily of technical assistance and training in the United States. A.I.D. assistance is strengthening the GRZ's capacity to analyze, define and implement development policy and improving the effectiveness of the country's agricultural research and extension services. These activities are continuing under the Zambia Agricultural Training, Planning and Institutional Development Project (611-0075), and Agricultural Development Research and Extension Project (611-0201). A grant to AFRICARE for a pilot agricultural production project in the north-eastern part of the country continued during FY 1983 permitting a preliminary study of the informal sector. Between FY 1979 and FY 1980 P.L. 480, Title I and Title II

## ZAMBIA

programs were provided to alleviate severe food deficits, provide balance of payments relief and support the GRZ's development budget. In addition, one P.L. 480 agreement, through the self-help provisions, encouraged the GRZ to adopt agricultural policies which improve farmers' terms of trade and reduce GRZ subsidies.

B. In FY 1984, P.L. 480 and Commodity Import Program resources will continue to be used directly to complement A.I.D.'s development strategy. \$15.0 million will be obligated for the Commodity Import Program (611-0070) and \$7.0 million committed under the P.L. 480 Title I program. These two programs will continue to provide short-term balance of payments relief, while contributing to the GRZ's longer term objectives to accelerate agricultural development and diversify the structure of the economy, particularly toward agricultural and rural development.

A.I.D. will continue to emphasize incentives, especially producer price increases and subsidy reductions, through these programs. Also in FY 1984, \$3.9 million will be obligated for the Agricultural Development Research and Extension Project (611-0201) and \$1.1 million for the Human and Institutional Resources Development Project (611-0206), an activity which provides training opportunities in a variety of development fields such as economics, engineering, management, etc.

### Requested Year Program (FY 1985)

Twenty million dollars in ESF is requested in FY 1985 and \$10.0 million in P.L. 480 Title I program. A.I.D. will continue to (a) assist Zambia's economic recovery and policy reform efforts through the Commodity Import Program (\$15.0 million), the P.L. 480 Title I Program (\$10.0 million) and (b) support GRZ development objectives through ongoing projects in agricultural training, planning and institutional development - 611-0075 (\$4.0 million) and training/institutional development - 611-0206 (\$1.0 million).

A.I.D. REPRESENTATIVE: John Patterson

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: ZAMBIA

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES	
ECONOMIC SUPPORT FUND											
COMMODITY IMPORT PROGRAM	G 611-0070	77	85	---	30,000	---	---	15,000	10,000	15,000	15,000
COMMODITY IMPORT PROGRAM	L 611-0070	77	85	135,000	134,940	134,975	114,756	---	20,220	---	---
AG TRAINING/PLANNING/INSTITUTION DEV	G 611-0075	80	85	4,785	8,785	4,785	1,458	---	2,000	4,000	3,000
AGRICULTURE DEV RESEARCH AND EXTENSION	G 611-0201	80	84	12,515	12,515	8,583	2,723	3,932	4,000	---	4,000
CHAMA AREA DEVELOPMENT (PVO)	G 611-0204	81	82	1,166	1,166	1,167	534	---	400	---	232
WESTERN PROVINCE SMALL FARMER PROJ. (PVO)	G 611-0205	83	83	564	483	483	---	---	300	---	183
HUMAN AND INSTITUTIONAL RESOURCES DEV.	G 611-0206	84	88	---	11,300	---	---	1,068	50	1,000	1,000
TOTAL FOR ACCOUNT											
GRANTS				154,030	199,189	149,993	119,476	20,000	36,970	20,000	23,415
LOANS				19,030	64,249	15,018	4,720	20,000	16,750	20,000	23,415
				135,000	134,940	134,975	114,756	---	20,220	---	---
TOTAL FOR COUNTRY											
GRANTS				154,030	199,189	149,993	119,476	20,000	36,970	20,000	23,415
LOANS				19,030	64,249	15,018	4,720	20,000	16,750	20,000	23,415
				135,000	134,940	134,975	114,756	---	20,220	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (613) ZIMBABWE

\*BASIC DATA\*

TOTAL POPULATION.. (THOUSANDS,MID 1983) 8,376  
 PER CAPITA GNP..... (DOLLARS,1981) 870  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) -1.5%  
 ANNUAL RATE OF INFLATION (1970-81) 10.1%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 55.5 MALE 53.8 FEMALE 57.4  
     (1970) TOTAL 53.2 MALE 51.5 FEMALE 55.0  
 ADULT LITERACY RATE (1980) TOTAL 69% MALE 77% FEMALE 61%

\*AGRICULTURE\*

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) -1.6%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 16%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 252  
 MAJOR CROP(S) ARABLE LAND YEAR  
     SUBSISTENCE: CORN ,MILLET ,SORGHUM 74% (1982)  
     CASH: COTTON ,TOBACCO ,SUGAR CANE 8% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) TOBACCO ,COTTON ,RAW SUGAR  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT ,RUBBER ,  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 60%

\*CENTRAL GOVERNMENT FINANCES\*

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 ( .) . ( .) . ( .)  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 ( .) . ( .) . ( .)  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 ( .) . ( .) . ( .)  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. ( .) . % ( .) . % ( .) . %  
 AS % OF GNP..... ( .) . % ( .) . % ( .) . %  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) (1980) 280 (81) 230 (82) 198  
 EQUIVALENT TO 1.8 MONTHS OF IMPORTS (1981)

\*FOREIGN TRADE\*

MAJOR EXPORTS... (1981) RAW MATERIALS ,TOBACCO ,ASBESTOS  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1980) 38 (1981) 100 (1982) 72  
 AS % OF TOTAL EXPORTS (1978) 0% (1980) 3% (1981) 7%  
 MAJOR IMPORTS....(1981) MACHINERY ,PETROLEUM ,WHEAT  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 20 (1981) 119 (1982) 138  
 AS % OF TOTAL IMPORTS (1979) 0% (1980) 2% (1981) 8%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1979) 205(80) 106(81) -83  
 TRADING PARTNERS: SOUTH AFRICA ,UNITED STATES ,UNITED KINGDOM  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 26.7%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 110  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1981) 7.6%

\*SOCIAL DATA\*

POPULATION GROWTH RATE... (1970) 3.3% (1978) 2.0% (1983) 3.3%  
 POPULATION IN URBAN AREAS.....(1970) 17% (1982) 24%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 47 (1983) 48  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1979) 14.0%  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 47.4% (15-64YRS) 50.0% (65+ YRS) 2.6%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 87  
 PEOPLE PER PHYSICIAN..... (1976) 7,027  
 MAJOR CAUSES OF  
 DISEASE (1974) MALARIA , ,  
 DEATH.. (19 ) , ,  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 109%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY( .) . %  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1981) TOTAL 104% MALE 110% FEMALE 95.5%  
 SECONDARY..... (1981) TOTAL 14.7% MALE 17.2% FEMALE 12.2%  
 POST SECONDARY.. ( .) TOTAL . % MALE . % FEMALE . %  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 80.4%

U.S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years - Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)				
COUNTRY ZIMBABWE									A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS				
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	TOTAL.....	FY 1981	FY 1982	FY 1983	FY 1946-83
	1978	1979	1980	1981	1982								
<b>L. ECONOMIC ASSISTANCE - TOTAL</b>	-	-	22.9	27.8	75.0	132.7	470.9	338.2-					
Loans	-	-	-	-	-	5.0	470.9	465.9-					
Grants	-	-	22.9	27.8	75.0	127.7	-	127.7					
<b>a. A.I.D. and Professional Agencies</b>	-	-	22.9	25.0	75.0	129.9	470.9	341.0-					
Loans	-	-	-	-	-	5.0	470.9	465.9-					
Grants	-	-	22.9	25.0	75.0	124.9	-	124.9					
(Economic Support Fund)	-	-	22.9	25.0	75.0	122.9	-	-					
<b>a. Food for Peace (PL 480)</b>	-	-	-	2.8	-	2.8	-	2.8					
Loans	-	-	-	-	-	-	-	-					
Grants	-	-	-	2.8	-	2.8	-	2.8					
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-					
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-					
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-					
Title II - Total Grants	-	-	-	2.8	-	2.8	-	2.8					
Emerg. Relief, Econ. Develop. & World Food Program	-	-	-	2.8	-	2.8	-	2.8					
Voluntary Relief Agencies	-	-	-	-	-	-	-	-					
<b>c. Other Economic Assistance</b>	-	-	-	-	-	-	-	-					
Loans	-	-	-	-	-	-	-	-					
Grants	-	-	-	-	-	-	-	-					
Peace Corps	-	-	-	-	-	-	-	-					
Narcotics	-	-	-	-	-	-	-	-					
Other	-	-	-	-	-	-	-	-					
<b>M. MILITARY ASSISTANCE - TOTAL</b>	-	-	-	-	0.1	0.1	-	0.1					
Credits or Loans	-	-	-	-	-	-	-	-					
Grants	-	-	-	-	0.1	0.1	-	0.1					
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-					
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-					
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	0.1	0.1	-	0.1					
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-					
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-					
<b>MI. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	-	-	22.9	27.8	75.1	132.8	470.9	338.1-					
Loans	-	-	-	-	-	5.0	470.9	465.9-					
Grants	-	-	22.9	27.8	75.1	127.8	-	127.8					
<b>Other U.S. Government Loans and Grants</b>	-	-	-	33.3	5.1	39.4	1.0	38.4					
<b>a. Export-Import Bank Loans</b>	-	-	-	33.3	5.1	39.4	1.0	38.4					
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-					
* LESS THAN \$50,000.													

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE				
1. D.A.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-82	
United States	26.0	7.0	57.0	
United Kingdom	34.8	37.6	171.1	
Germany Fed. Rep.	21.3	23.0	55.0	
Sweden	11.0	10.1	32.6	
Netherlands	8.3	14.3	30.6	
Other	36.1	48.8	98.7	
Total	137.5	140.8	445.0	
2. O.P.E.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-81	
	8.0	N.A.	21.1	
C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES				
	CY 1981	CY 1982	CY 1954-82	
USSR	-	-	-	
Eastern Europe	-	Negl.	-	
China	-	-	25	
Total	-	-	25	

ZIMBABWE

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	60,000	-	-	-	-	-	60,000	-
Total	60,000	-	-	-	-	-	60,000	-
1984								
Loans	-	-	-	-	-	-	-	-
Grants	40,000	-	-	-	-	-	40,000	-
Total	40,000	-	-	-	-	-	40,000	-
1985								
Loans	-	-	-	-	-	-	-	-
Grants	30,000	-	3,292	-	11,708	-	15,000	-
Total	30,000	-	3,292	-	11,708	-	15,000	-

FY 1985 PROGRAM HIGHLIGHTS	
-	Agricultural Development to support sector policy reforms to improve small-farmer productivity. \$11.3 million
-	Human Resources Development to support sector policy reforms in primary, secondary, technical and professional training programs. \$15.4 million
-	Assistance to Child Spacing and Fertility Association to expand programs aimed at a voluntary reduction of the birth rate. \$3.3 million

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RESOURCE FLOWS			
<i>(In thousands of dollars)</i>			
Program	FY 1983	FY 1984	FY 1985
	(Actual)	(Estimated)	(Proposed)
Aid*			
Loans	-	-	-
Grants	44,308	72,604	48,000
Total AID	44,308	72,604	48,000
P.L. 480**			
Title I	-	-	-
<i>(of which Title III is)</i>	<i>( - )</i>	<i>( - )</i>	<i>( - )</i>
Title II	3,974	-	-
Total P.L. 480	3,974	-	-
Total AID and P.L. 480	48,282	72,604	48,000

\*AID levels represent actual and estimated expenditures.  
 \*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983	FY 1984	FY 1985
	(Actual)	(Estimated)	(Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	7	11	11
PASA <sup>c</sup>	-	-	-
Contract	-	2	4
Total	7	13	15
Participants <sup>d</sup>			
Noncontract	12	7	5
Contract	50	54	63
Total	62	61	68

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P. L. 480 PROGRAM SUMMARY  
 (000 MT/\$000)

Program	FY 1983		FY 1984		FY 1985	
	(Actual)		(Estimated)		(Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegetoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total						
<i>(of which Title III is)</i>						
Title II						
Voluntary Agencies		-		-		-
World Food Programs		-		-		-
Gov't-to Gov't		3,974		-		-
Title II Total		3,974		-		-
Total P.L. 480		3,974		-		-

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### Development Overview

Dualism, the co-existence of distinct modern and subsistence economic systems, continues to be the most dominant feature of Zimbabwe's economy. The modern economy produces 95% of GDP, probably 98% of domestic savings, approximately 95% of tax revenues, and 97% of export earnings, while the traditional economy provides the main source of livelihood for over 60% of the population. The modern economy is highly diversified, with important agriculture, mining, manufacturing and service sectors. The traditional economy is based on agriculture, although informal sector activities in manufacturing and services are important. While the modern sector is characterized by specialization of labor, and the use of modern technology (obsolescent in some areas because of a longstanding inability to import new capital equipment), the traditional sector is characterized by vulnerable self-subsistence, limited specialization of labor and rudimentary technologies. The fact that income per capita is 28 times higher in the modern economy than in the traditional one probably best illustrates the extreme dualism of the Zimbabwean economy.

There are flows of income, inputs of goods and services, and information between the two economies. The most important flows are those of labor from the traditional to the modern sector (for wage income), and government services from the modern to the traditional. In addition, the traditional economy does market some 20% of its output, and purchases a substantial portion of goods and services, both for consumption and investment, from the modern economy.

Since independence, Government of Zimbabwe (GOZ) policies have sought without reducing standards to reduce the inherited dualism which also extends to education, health and social services, while maintaining economic growth and productivity in commercial agriculture and private industry. The GOZ's policies have been successful in reducing this dualism in education and health where access has been significantly expanded to populations not previously served.

During the first two years of independence, 1980 and 1981, the Zimbabwe economy grew at very impressive rates of 15% and 13% per annum respectively. This rapid growth was fueled primarily by existing underutilized industrial capacity, pent up demand, excess domestic liquidity and a bumper agricultural crop (1981). Per capita income and real GDP increased significantly. However, in 1982 economic growth slowed dramatically to about 2%, owing primarily to the effects of worldwide recession, foreign exchange shortages, domestic inflation and a severe drought that has now spanned two consecutive planting seasons and has been the country's worst of the century. In 1982 and 1983 all major sectors of the economy registered poorer performance as the drought severely limited agricultural exports while the world recession minimized income from mineral exports.

Against this backdrop of economic distress, the resources available to invest in improving the welfare of the rural poor majority have been drastically reduced. However, the GOZ has adopted a number of measures, both temporary and long term, to help the fledgling economy. In December

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1982, the GOZ, in a move to improve export performance and the balance of payments situation, devalued the Zimbabwe dollar in such a way that the net effect has been a devaluation of 35-40% against the U.S. dollar.

The GOZ also adopted measures in late 1982 to restrain government expenditure by cutting or slowing the rate of implementation of public sector programs. In early 1983, the GOZ signed an IMF standby agreement totalling approximately \$320 million. The agreement calls for measures to limit the expansion of government and domestic credit, limit medium and short-term foreign borrowing as well as the budget deficit, restrain wages and initiate movement to a positive interest rate structure.

In August 1983, the GOZ slashed the remaining \$180 million in consumer subsidies on agricultural products by 71% (\$114 million) and announced its intention to eliminate these subsidies next year. Retail prices for maize meal, bread, cooking oil and milk have increased significantly. To partially offset these increases for the lowest income earners, limited pay hikes of \$4.50 to \$9 for workers earning less than \$300 per month were announced. The GOZ also announced a series of tax measures to increase government revenue. These included an increase in corporate, personal income and sales taxes and the surtax on imports. Also announced was a flat 2% income tax on persons earning more than \$100 per month but not yet in the tax system. This move will add an estimated 450,000 wage earners to the income tax base and is expected to generate \$10 million in revenue in 1983.

In 1984 and beyond, the prognosis for Zimbabwe is brighter assuming: some improvements in the world economic situation; relief from drought conditions; and a continuation of social and economic policies that foster equitable growth and development.

### U.S. Interests and Objectives

The major objective of American policy is to promote the establishment of a non-racial and democratic Zimbabwe with a stable government in the strategic and volatile southern Africa region. An economically important nation, Zimbabwe's pragmatic commitment to growth, to greater equity and to development of both the private and public sectors will, if it succeeds, serve as a model for both white and black ruled neighboring states. Zimbabwe will have an important influence on the pace and direction of political and economic change within the entire region.

As an active member of the Southern Africa Development Coordination Conference (SADCC), and of the Front Line States, Zimbabwe plays an important role in attempts to arrive at a peaceful settlement in Namibia, an effort in which the United States is deeply involved.

The United States is the third largest of Zimbabwe's trading partners (after South Africa and the U.K.) with the volume of two-way trade increasing each year. Zimbabwe is a major producer of chrome, nickel, asbestos, gold and coal, all important to the industrial and strategic planning of the United States and its allies. American investment in Zimbabwe, especially in the strategic minerals sector, is significant. A major U.S. corporation has

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recently made a sizeable investment in the food industry and a number of other potential U.S. investors are watching developments in Zimbabwe carefully with an eye to future opportunities.

Finally, the United States has developmental interests and objectives in Zimbabwe. Zimbabwe ranks in the lower range of middle income countries, but the extraordinarily dualistic economy and society are such that a large proportion of the population has little or no access to minimum social services and suffers the same effects of poverty, illiteracy, high infant mortality, and low agricultural productivity faced by populations in the least developed nations. These problems are solvable in Zimbabwe and development is clearly manageable.

### A.I.D. Development Strategy

The A.I.D. development strategy in Zimbabwe continues to reinforce GOZ efforts to address the key constraints to development and is aimed at achieving two long term objectives. First, the strategy seeks to assist the Government in marshalling foreign and domestic resources into the most competitive growth sectors, thus providing a firm basis for sustainable poverty alleviation and development growth. Secondly, A.I.D.'s aim is to increase rural incomes and employment opportunities in order to narrow the stark dualism in the economy. In order for this strategy to succeed, several major problem areas must be addressed.

The foreign exchange shortage continues to be the number one impediment to growth and employment. Although there was a limited positive response of exports in early 1983 to the devaluation, the manufacturing and mining sectors, both highly dependent upon foreign exchange for the importation of raw materials and equipment, remained depressed. The shortage of skilled manpower is another major constraint. Although Zimbabwe is relatively well endowed with trained people (over 12,000 black University graduates), economic expansion and the broad extension of social and development programs require retraining and additional kinds of manpower. There are serious shortages of engineers, electricians, agricultural scientists, mechanics, secondary and vocational school teachers, etc. The situation is worsening with the continuing departure, albeit at a reduced rate, of skilled white Zimbabweans. In 1982 the net loss of skilled manpower was about 3,834 persons down from 4,700 in 1981. The problem is compounded by high job turnover rates as skilled artisans and technicians move from one employer to another to improve their wages.

Low productivity of small scale agriculture and the limited quantity of high quality land are a third, interrelated set of development problems. Agriculture is not the largest economic sector in spite of being the biggest source of wage employment and a source of income for 50-60 percent of the population. These realities, however, mean agricultural growth is a requisite to achieving growth with equity. With less than 17 percent of Zimbabwe's land area highly suitable for cropping, smallholder farms averaging only 2-3 hectares in size, and very limited quantities of unutilized land, most of the required growth must come from higher land productivity rather than greater acreages being cultivated. Raising

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smallholder productivity and yields to the levels attained by the estimated 4,500 commercial farmers depends on technology, input availability and an effective service system. These production requirements are only beginning to be put in place for large numbers of small scale farmers.

Population and employment are also important constraints. Preliminary data from the 1982 population census suggests a population of 7.6 million and a population growth rate of 3%. However, some still believe that the actual population and growth rate are much higher and that the population could, in fact, double in 15 years. If this were to occur, the strain on government's budget to provide social services to a greatly expanded population would be enormous. Employment and land availability would also be seriously affected. Already about two-thirds of the smallholder areas have population densities exceeding long run sustainable levels. The need to expand modern sector employment opportunities is irrefutable.

The A.I.D. assistance strategy for Zimbabwe is aimed at fulfilling two general requirements: (a) marshalling foreign and domestic resources into the most competitive growth sectors, thus providing a firm basis for sustainable poverty alleviation and development growth; (b) raising living standards, expanding agricultural output, rural incomes, and increasing employment opportunities while narrowing the stark dualism in the economy.

Eight themes provide the content of the strategy, to: (1) expand the productive capacity of the modern sector (manufacturing, industry, mining and commercial agriculture) by provision of foreign exchange channelled largely through the private sector; (2) enlarge agricultural productivity, particularly in smallholder areas; (3) improve human capital in Zimbabwe through skills development, improving education qualitatively, enlarging it quantitatively and making it more cost effective while strengthening local institutions designed to expand human productivity; (4) expand employment both in the modern and rural sectors, while strengthening linkages among training, employment and business, with special emphasis placed on assisting emerging small entrepreneurs; (5) moderate population growth rates, thereby relieving, over time, pressure on land, energy resources, job creation and social services; (6) provide capital resources to open up access to home ownership for low income families, and to involve the private sector as a source of lending for low income housing; (7) engage the Government of Zimbabwe in policy dialogue which will maintain an environment conducive to growth, investment and export-led development; (8) work more closely with other donors in policy dialogue and in building more coherent approaches to Zimbabwe's major development problems.

### A.I.D. Program (FYs 1983 - 1984)

United States assistance to Zimbabwe since its inception in FY 1980 through FY 1983 totals \$228.2 million. This amount includes approximately \$3.9 million in P.L. 480 Title II emergency drought relief assistance and \$25 million in a low cost housing guaranty. In FY 1982, A.I.D. began shifting its emphasis from rehabilitation and reconstruction to developing and implementing programs to address the major longer term constraints to development. In FY 1983 this transition continued and the Mission obligated

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\$60 million in direct bilateral assistance. During FY 1984 A.I.D. is planning to obligate \$40 million to sustain the implementation of A.I.D. programs in support of GOZ development goals. Most of these resources will fund on-going programs.

### A. Commodity Import Program

In FY 1983, to continue to assist the GOZ in coping with the foreign exchange shortage, a \$37 million CIP was provided. These resources, which support the A.I.D. strategy objective of underpinning as well as promoting growth and expansion of the modern sector, at the same time will provide local currency resources for GOZ development activities that benefit small holders and the rural poor. By the end of October, \$22 million of this CIP had been allocated and it is expected that the full amount will have been allocated by the end of December 1983. While most of the funds thus far have been designated for industrial raw materials, it is expected that a substantial amount will also be devoted to heavy construction equipment and equipment for the National Railways. A.I.D. is planning to obligate a \$10 million CIP in FY 1984. This program will be implemented in much the same manner as the two previous programs with a minimum of eighty percent of the funds being channelled through private sector importers. In FY 1984, local currency generations from the CIP will be utilized to establish the National Community Development Trust Fund. This fund will provide interest free loans or grants to community groups and organizations for development projects and activities, particularly those related to income and employment generation.

### B. Human Resources

Since independence in 1980, A.I.D. has been the major donor assisting the human resources sector. In the immediate post-independence period, substantial amounts of local currency from the various cash grants went toward the reconstruction of war-damaged private and public primary and secondary schools. By 1983, local currency generations allocated to school reconstruction totalled Z\$18.8 million.

The experience and knowledge of sector requirements gained in the school reconstruction program and various studies conducted jointly with the Ministries of Education and Culture (MOEC) and Manpower Planning and Development (MMPD), culminated in the design of an education and vocational training sector program. This \$45 million five-year sector program known as the Basic Education and Skills Training (BEST) Sector Program received its initial tranche of \$15 million in FY 1983. An additional \$15 million will be obligated in FY 1984. The program provides financial, technical and training resources to MOEC and MMPD to address five major problems: insufficient numbers of trained instructors; inappropriate instructional curricula; inefficient and inequitable spatial distribution of instructional facilities and staff; insufficient planning capacity; and limited and inequitably located financial resources. Particular attention will be given to developing and testing more cost-effective means of delivering secondary education.

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The \$13 million five-year Zimbabwe Manpower Development Project (613-0215) started in FY 1982 is directed at overcoming the shortage of professional and technical manpower in five areas: agriculture, engineering, health, administration/management, and formal education. This project which received a total of \$8.0 million in FYs 1982 and 1983 will train Zimbabweans in other developing countries or in the USA. By August 1983, over 50 Zimbabweans were in long-term training in the United States.

The pre-independence government placed little emphasis on the education of the black majority. As a result, nearly half the population of Zimbabwe is functionally illiterate. Since literacy and numeracy skills are a major constraint on raising the standard of living in rural Zimbabwe, A.I.D. in FY 1981 provided the Adult Literacy Organization of Zimbabwe (ALoz) with a \$450,000 grant (613-0220) to double its capacity to train literacy teachers. ALoz trainees are sponsored by their communities, church groups, or private businesses. Historically, this has proved to be an effective low cost way of reaching illiterates. In November 1982 A.I.D. provided ALoz with a \$300,000 grant (Books for New Literates 613-0224) to establish a non-profit printshop to help meet the demand for reading materials among new literates, and to reduce 1982 production costs by one-half. The printshop became operational in August 1983.

### C. Agriculture

Consistent with the overall A.I.D. strategy in Zimbabwe, the thrust of the A.I.D. program in the Agriculture/Rural Development Sector is budgetary support to the Government of Zimbabwe programs. The \$45 million five-year Zimbabwe Agricultural Sector Assistance Program, 613-0209 (ZASA) and local currency generations are aimed at alleviating the key constraints on smallholder productivity - agricultural credit, agricultural manpower development, research, input supply and marketing, planning, improved land and water use, and agricultural extension.

In FY 1983 local currency generations from the CIP totalling some \$8.5 million were directed to small scale irrigation (improved land and water use), cooperative development (input supply and marketing), agricultural manpower development and grain storage (input supply and marketing). For FY 1984 approximately \$2.3 million in local currency will be allocated to grain storage, manpower development and cooperative staff housing, with another \$1.8 million allocated to the establishment of rural service centers.

The ZASA program was initiated in FY 1982 with an obligation of \$15 million. \$3.7 million was obligated in FY 1983. The program's commodity import component provides foreign exchange to be used exclusively to import U.S. equipment and capital items needed by agriculture and agricultural industry. This commodity import process in turn generates local currency for allocation to constraint areas. During FY 1984, ZASA-generated local currency will be allocated to the University of Zimbabwe's Faculty of Agriculture expansion program, cooperative development, small scale irrigation, agricultural research and manpower development. ZASA-provided foreign exchange will meet equipment requirements for a major new soil

## ZIMBABWE

conservation program, provide training opportunities in the United States and finance short-term technical assistance in a variety of areas. In FY 1984 an additional \$15 million will be obligated and directed toward the identified constraint areas.

A.I.D. does not regard Zimbabwe as a food deficit country in need of a regular PL480 assistance program. In years of normal rainfall, Zimbabwe has produced large surpluses and has exported maize to other countries in the region. Consequently, the U.S. food aid strategy in Zimbabwe calls only for the infusion of emergency food in the event of natural disaster, drought, or other emergency. During FY 1983, suffering from a devastating drought and faced with a severe food shortage, the Government of Zimbabwe approached A.I.D. for emergency food assistance. The U.S. responded with PL 480 Title II emergency food (10,000 MT of wheat and 5,000 MT of vegetable oil) valued at almost \$4 million. Additional emergency food assistance will be required and requested during FY 1984. However, for the future, given adequate rainfall and continued incentive agricultural policies, USAID expects that Zimbabwe will be able to produce food in sufficient quantities to feed itself and for export. Beyond food aid assistance the Mission will continue to promote triangular food agreements involving the U.S. between Zimbabwe and neighbouring countries to promote intra-regional trade and to stimulate regional markets. Such transactions were arranged in FYs 1981 and 1983.

### D. Housing

In FY 1983, \$2.3 million in local currency resources were allocated to support a UNDP/Habitat pilot low cost housing project. A.I.D. was particularly interested in supporting this program since the objective is to encourage private building societies to extend loans to lower income groups and thereby help to provide shelter for this very large segment of the country's population. To assist the GOZ in meeting capital resource requirements for the construction of low income housing, it is expected that an additional \$50 million in Housing Guaranty (HG) loans will be executed with the GOZ in FY 1984. Half of this amount constitutes the balance of the HG loan authorized by A.I.D. in late FY 1981 and will fund the construction of an additional 5,800 units of low cost housing in Harare and three secondary towns nearby. A.I.D. is also exploring the possibility of initiating an HG program in FY 1984 that would total as much as \$25 million and would provide capital resources to upgrade existing urban neighborhoods in Harare and in other smaller towns and to strengthen institutional capacity at the national and local levels.

### Requested Year Program (FY 1985)

For FY 1985, \$30 million is requested. This lower level of A.I.D. assistance is consistent with A.I.D.'s strategy of providing a large infusion of assistance during the critical first few years of Zimbabwe's independence. Our analysis and other projections suggest that by FY 1985, the Zimbabwe economy should be on an upswing and the need for a large concessional grant program will be less important. During FY 1985, A.I.D. will begin planning an assistance program focused almost exclusively on stimulating domestic and foreign investment and even greater involvement of

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the private sector in the development process. A.I.D. will stress the continual use of Housing Guarantees, concessional loans, use of PVO's and possible AID/Export-Import Bank collaboration.

### A. Human Resources

The funds requested for FY 1985 will support all ongoing activities. For the Basic Education and Skills Training Sector Program \$10,269,000 will be obligated. These latter resources will enable further expansion of technical training with major emphasis given to post-primary training, continued development of improved teacher education and curriculum materials; and expansion of distance education techniques to reduce per student cost at the secondary level. For the Zimbabwe Manpower Development Project \$5,139,000 will be obligated to continue graduate level training of Zimbabwean technical manpower in other developing countries and in the United States.

### B. Agriculture

It is planned that the final funding for ZASA will be provided in FY 1985 (\$11.3 million). This will fund the continuation of constraint area programs begun in previous years as well as new initiatives in planning, credit and research.

### C. Population

A.I.D. will obligate the final tranche of funding (\$3,292,000) for the Child Spacing and Fertility project (CSFA) in FY 1985. The Mission's instrument for assisting the GOZ in addressing the population problem, this project will expand the CSFA's capability to manage its program effectively, extend child spacing coverage to all eight provinces in the country, conduct research studies, expand the CSFA's training capability and establish an Information, Education and Communication unit to help disseminate the child spacing message.

MISSION DIRECTOR: Roy A. Stacy

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: ZIMBABWE

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH FY83- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	EXPENDI TURES
POPULATION PLANNING											
CHILD SPACING AND FERTILITY	G 613-0219	32	85	3,292	3,292	---	---	---	---	3,292	357
TOTAL FOR ACCOUNT GRANTS LOANS				3,292	3,292	---	---	---	---	3,292	357
				3,292	3,292	---	---	---	---	3,292	357
				---	---	---	---	---	---	---	---
EDUCATION AND HUMAN RESOURCES											
BASIC EDUCATION & SKILLS TRAINING	G 613-0203	32	86	11,300	11,300	---	---	---	---	6,569	---
ZIMBABWE MANPOWER DEVELOPMENT	G 613-0215	82	85	5,139	5,139	---	---	---	---	5,139	---
TOTAL FOR ACCOUNT GRANTS LOANS				16,439	16,439	---	---	---	---	11,708	---
				16,439	16,439	---	---	---	---	11,708	---
				---	---	---	---	---	---	---	---
ECONOMIC SUPPORT FUND											
ZIMBABWE LABOR DEVELOPMENT	G 613-0203	90	91	416	416	416	220	---	196	---	---
SCIENCE AND TECHNOLOGY COOPERATION	G 613-0204	80	80	750	750	750	580	---	170	---	---
LOW COST SHELTER	G 613-0205	82	82	750	750	750	163	---	587	---	---
BASIC EDUCATION & SKILLS TRAINING	G 613-0208	32	86	33,700	33,700	15,000	---	15,000	10,000	3,700	12,000
ZIMBABWE AGRICULTURAL SECTOR ASSISTANCE	G 613-0209	32	85	45,000	45,000	18,700	2,981	15,000	20,719	11,300	10,000
ZIMBABWE MANPOWER DEVELOPMENT	G 613-0215	32	85	8,000	8,000	8,000	453	---	2,000	---	3,000
COMMODITY IMPORT PROGRAM	G 613-0216	32	84	97,000	97,000	87,000	40,263	10,000	36,732	---	20,000
CHILD SPACING AND FERTILITY	G 613-0219	82	85	5,250	5,250	5,250	607	---	2,000	---	2,643
ADULT LIT & TCHER TRNG TXIBK PROD. (PVO)	G 613-0220	91	81	450	450	450	330	---	120	---	---

Refer to the planned project summary sheet

\* Level of effort activity

560

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: ZIMBABWE

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PROJECT TITLE	* L PROJECT / NUMBER	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
BOOKS FOR NEW LITERATES (PVC)	G 513-0224	33	33	300 300	300	220	---	80	---	---
TOTAL FOR ACCOUNT GRANTS				151,616 191,616	136,616	45,822	40,000	72,604	15,000	47,643
LOANS				---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				201,347 211,347	136,616	45,822	40,000	72,604	30,000	48,000
LOANS				---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column -- All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

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## SOUTHERN AFRICA REGIONAL

ECONOMIC SUPPORT FUND PROGRAM SUMMARY			
<i>(In millions of dollars)</i>			
	FY 1983 Actual	FY 1984 Estimated	FY 1985 Request
Grants	14,393 <sup>1/</sup>	16,000 <sup>1/</sup>	37,000

<sup>1/</sup> Plus Education Human Resources Development funds (grants) in the following amounts: \$3,050,000 in FY 1983, and \$3,000,000 in FY 1984.

Development Overview

The existing serious economic situation in the southern Africa region has worsened over the past year as the world's economic problems have continued. Development efforts slowed as foreign exchange resources became even more scarce, as demand and prices for the region's exports remained depressed and the prices of its essential imports increased. Continued inflation and the high cost of borrowing caused further deterioration. Exacerbating this situation has been the effect of prolonged drought which has forced countries to divert financial and human resources to food relief programs and the food import bill at the expense of development programs.

Political instability also continues to hamper economic development in the southern Africa region. During 1983, the level of conflict in the region increased. The Namibian independence struggle has continued, affecting both Namibia and Angola. After independence Zimbabwe suffered a setback as civil unrest increased in the southern part of the country. Mozambique came under increased harassment from an internal guerilla movement. The tensions between South Africa and its neighbors remained high with occasional flare-ups of military activity. South Africa continues to pursue apartheid policies which deny economic and political rights to the majority of its people.

In the midst of these problems the governments of the nine\* independent developing countries in the region have continued to work together within the framework of the Southern Africa Development Coordination Conference (SADCC) to discuss mutual problems and to plan and execute programs of regional cooperation where such approaches offer a solution. The goal of SADCC is to lessen economic dependence on the Republic of South Africa. The promise has proved more difficult to realize than anticipated. Political and military conflict in Angola and Mozambique have effectively denied these access routes to the land-locked countries, thereby increasing dependence on South Africa. Project planning has taken longer and in some cases produced proposals for programs which were either impractical or unacceptable to the members and/or donors. National problems have also tended to detract from the commitment to SADCC. Despite this situation, SADCC has resulted in some

\*Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia, Zimbabwe.

SOUTHERN AFRICA REGIONAL

FY 1985  
PROGRAM HIGHLIGHTS

- - Support development of SADCC planning and implementation.
- - Continue to support regional agricultural research capability for food crops.
- - Support development of regional management training capability.
- - Rehabilitate the region's transport network, particularly for routes affecting landlocked countries.
- - Continue support for training of disadvantaged black South Africans.

important initiatives in the areas of transportation, agriculture, and manpower, and efforts continue in other sectors to devise programs and projects which address those development constraints amenable to common or cooperative action.

SADCC is only three years old and as a regional organization has purposefully chosen the more difficult and long term approach to multi-national cooperation. It has avoided the creation of a financially burdensome and unproductive infrastructure and instead relied upon each member to take the lead in examining a sector and identifying where regional action might be better than separate national efforts. Regional institutions and programs are permitted to emerge only after a need has been identified and all nine SADCC member states have agreed. Consequently, to date, only two permanent SADCC organizations have been formed, the Secretariat located in Botswana and the Southern Africa Transportation and Communications Commission (SATCC) in Mozambique. SADCC is handling other sectoral responsibilities through ad hoc units in the various countries and the periodic convening of meetings. The latter include such groupings as the SADCC Council of Ministers, its principle deliberating body which meets twice a year (once in conjunction with a meeting with donor representatives), an annual/Heads of State gathering, and such sectoral bodies as the Regional Training Council, and the Consultative Technical Committees (CTC) on agriculture research, extension, and economics (formed with AID assistance).

SADCC has kept to its original concept of a limited number of sectors which it feels are amenable to regional development efforts. These sectors (and the countries with lead responsibilities) are energy (Angola); agriculture research and animal disease control (Botswana); soil conservation (Lesotho); forestry, fisheries and wildlife (Malawi); transportation and telecommunications (Mozambique); manpower (Swaziland); industry (Tanzania); mining (Zambia); and food security (Zimbabwe). There has also been a recent SADCC interest in trade development. SADCC figures indicate it has already received donor pledges or indications of interest in activities which exceed one billion dollars. Much of this amount is for transport projects which were the highest priority when SADCC began. The existence of six landlocked countries in the region and the high premiums being paid as a result of

## SOUTHERN AFRICA REGIONAL

RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	1,777	10,000	5,523
Grants	6,606	15,163	24,632
Total AID	8,383	25,163	30,155
P.L. 480**			
Title I (of which Title III is)	( - )	( - )	( - )
Title II	-	-	-
Total P.L. 480	8,383	25,163	30,155
Total AID and P.L. 480			

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	-	-	-
PASA <sup>c</sup>	-	-	-
Contract	-	-	-
Total	-	-	-
Participants <sup>d</sup>			
Noncontract			
Contract	82	104	129
Total	82	104	129

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY and position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P. L. 480 PROGRAM SUMMARY  
(000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	-	-	-	-	-	-
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		-		-		-
Title II						
Voluntary Agencies		-		-		-
World Food Programs		-		-		-
Gov't-to-Gov't		-		-		-
Title II Total		-		-		-
Total P.L. 480		-		-		-

having to use deteriorated infrastructure or more costly alternative routes through South Africa provided the rationale for the initial emphasis on transport. The critical food situation experienced this past year caused by the most severe drought in this century has given added impetus to SADCC's concern with increasing food production and putting into place systems to handle shortages when the almost cyclical droughts hit the region. Another high priority is human resources to develop the region's potential. Every development sector is severely constrained by the absence of trained and experienced manpower and the region's education systems have not been able to respond adequately to these needs.

SADCC is not put forth as a panacea for southern Africa's problems. Its members still view national development as the first line of attack. They have correctly perceived, however, that certain aspects of their development require coordinated effort and can reduce costs by introducing economies of scale. Regional cooperation, whether through SADCC or other arrangements, is a facet of southern Africa's development which offers opportunities for development and merits continued support.

#### U.S. Interests and Objectives

U.S. interests in southern Africa relate to the region's political dynamics, economic size and its strategic location. It is an area nearly as large as the continental U.S. and with a population of about 85 million people. It is an important market as both a supplier of essential minerals and a buyer of products from developed countries. Business investments are already at a significant level and growing. Perhaps most importantly the region has the potential as a result of its natural wealth in mineral and agricultural resources to become a strong contributor to the world economy. The realization of this potential would be of mutual benefit to the United States and other western countries. The region is also of concern to the United States because of the widespread poverty which is the norm for most of its inhabitants. This poverty must be dealt with as a prelude to real economic development. The region's political stability, already fragile, will be constantly under threat so long as governments are unable to respond to the population's need and desire for a better way of life. That stability is also at risk while the issues of apartheid in South Africa and Namibian independence remain unresolved.

The United States is encouraging greater political stability and economic growth in the southern Africa region. We have taken an active role in negotiations toward granting of independence to Namibia, as we did with Zimbabwe. We also have undertaken through the policy of constructive engagement to defuse situations of potential conflict between South Africa and its neighbors, and to encourage evolution away from apartheid within South Africa. One manifestation of this policy is the substantial increase over the past few years of United States economic assistance to the region. The United States was an early supporter of regional cooperation through SADCC, seeing that effort as a highly positive force in addressing constraints to development and in establishing closer relations among the countries of the region. The United States is also committed to assisting disadvantaged South Africans to overcome the discriminatory social policies of their Government. The problems of the region are numerous and complex, but the United States has committed itself to assisting in their resolution

since a peaceful and prosperous region is fully consonant with our own interests and objectives.

#### A.I.D. Assistance Strategy

The Southern Africa Regional Program is not a substitute for U.S. bilateral assistance. Economic and social development in most areas are best done on a national level. There are nevertheless aspects of development which are more amenable to change and more cost effective when addressed through multi-country or regional assistance programs. Support for regional cooperation, such as represented by SADCC, also offers additional benefits in that cooperation brings governments to focus on pragmatic rather than ideologically-based solutions to problems facing them.

A.I.D.'s regional program strategy accepts these precepts of regional development, and is designed to provide support for a limited number of sectors selected on the basis of their priority within southern Africa and, their complementarity to United States and other donor bilateral assistance efforts. Many of these regional assistance projects will be done in concert with SADCC, although the A.I.D. regional program encompasses activities not within that organization's program. Sectors being supported by A.I.D. are agriculture, manpower and transportation. In addition, the regional program provides assistance to help SADCC to develop its planning capacity, to carry out analyses of economic conditions and policies, and to examine systematically ways by which trade can be promoted.

Severe food shortages in much of the region after two years of drought have heightened concern within SADCC about increasing agriculture productivity in the context of changing rainfall patterns. Every country in the region, including South Africa and Zimbabwe who have been consistent surplus producers and sources for their neighbors, has had to import large amounts of food this past year. This requirement has not only caused hardship for large numbers of people in each country but has also exacted a high cost in the diversion of human and financial resources away from normal development activities. A.I.D.'s regional strategy has been to assist in the systematic analysis and planning to ensure that the correct long term approaches are adopted at the regional level for addressing agriculture production problems. It has also focused on assisting in the establishment of a capacity to carry out research on food crops and agronomic problems.

Manpower will remain for some time the most pervasive constraint on development in southern Africa. While major gains have been made since countries obtained their independence, the numbers and quality of skilled professionals and technicians remains far short of what is required. Organizations and development projects suffer from shortages of trained and experienced manpower resulting in inefficiencies which are both costly and time consuming. While many training institutions have been created or upgraded since independence in each country, they have not achieved the capacity to meet the manpower demand. SADCC is examining ways by which the existing training infrastructure can be made more effective through regional

## SOUTHERN AFRICA REGIONAL

programs. A.I.D.'s strategy has been to support this effort by financing the basic studies designed to identify existing capacity and needs and develop responsive programs or projects. A.I.D. has also elected to concentrate its support in manpower development on training for management skills and for agricultural professionals.

In addition to assisting manpower development in the SADCC countries, A.I.D. is also helping to improve the quality of education and expand educational opportunities for non-white South Africans. The apartheid system in South Africa has failed to provide equal education and training opportunities for those citizens who are not white. To counter the effects of this policy, A.I.D. is supporting programs to provide scholarships for training at U.S. universities, and within South Africa offering tutorial training for high school students wishing to qualify for higher education and training programs for business managers and for trade union members. A.I.D. is also assisting South African community groups and private organizations discreetly in their struggle for human rights improvements in South Africa.

Regional assistance in southern Africa cannot avoid the problem of transport. With six landlocked countries and an incomplete or badly deteriorated transport infrastructure (as a result of military conflicts, poor maintenance and financial constraints) the southern African economies incur high costs for the movement of goods. This means in general terms that the profit and competitiveness of export industries is less and the costs of import-dependent industries higher. Through its transport and communications commission (SATCC) in Maputo, SADCC has moved further in this sector than in others to develop plans and get projects started. A.I.D. has financed a number of road transport projects throughout the region in support of SADCC's overall program to rehabilitate and create a reliable transport network. It is intended that transport projects will continue to be a significant component for the A.I.D. regional program.

The assistance strategy accepts that an important feature of regional development is the existence of SADCC and that effective regional development programs and projects will depend on that organization being strengthened. SADCC, unlike some other regional groupings, is not a supra-national structure but rather a coordinating mechanism. Its institutional base will remain limited. In an effort to help assure that SADCC fulfills its objectives, support has been given to facilitate SADCC's planning in the sectors of food security, soil conservation, fisheries, and manpower development. In addition, economic policy and trade analyses being carried out through the SADCC Secretariat will be aided.

### A.I.D. Program (FYs 1983-1984)

The Southern Africa Regional Program has supported activities in agriculture, manpower, and transportation as well as provided assistance to help improve SADCC's institutional capability. The program has also funded grants for private voluntary organizations, human rights and self-help projects.

A. Agriculture - A grant made in FY 1982 to assist SADCC in planning its agriculture programs was used to establish three regional Consultative Technical Committees in the areas of research, extension and agriculture economics. These committees, made up of the heads of each discipline from each SADCC member country, have held periodic meetings during FY 1983 to review feasibility studies prepared on food security and agriculture research programs and discuss agriculture policies generally. The same grant also funded a series of seminar/workshops on specific topics related to agriculture production. During FY 1983 A.I.D. entered into an intensive dialogue with SADCC on agriculture research. A feasibility study was supported which led in FY 1984 to the establishment of a formal mechanism, the Southern African Center for Cooperation on Agriculture Research (SACCAR) to be located in Botswana. A.I.D., along with other donors, provided grant funding for SACCAR. Among the functions of this organization are to act as a focal point for networking national and regional research programs, disseminating scientific information, facilitating exchange of seed and germplasm among member states; and in general overseeing the development and progress of agriculture research in the region. The first regional agriculture research project was also initiated in FY 1983 with a grant to the International Crops Research Institute for the Semi-Arid Tropics (in collaboration with a group of United States universities) to initiate a 20-25 year research program for sorghum and millet, two crops particularly appropriate to the region's agro-climatic conditions and already important food crops. Assistance in planning for other agriculture activities will also be supported with grants to Malawi and Lesotho which have responsibility respectively for developing regional programs for SADCC in the areas of fisheries development and soil conservation and land management.

B. Manpower Development - The regional program continues projects in South Africa which were intended to provide educational opportunities for those who have been denied equal access because of their race. These projects include scholarships for academic training in-country and in the United States, preparatory training for high school students, and managerial and trade union training.

C. Transportation - Implementation of the Zambian and Zimbabwean portions of the road rehabilitation project through the Zambezi valley continues into FY 1984. This road is an important commercial route not only for these countries, but also for Malawi which must use it for much of its trade goods.

D. Other Program Areas - As part of its institutional support for SADCC, A.I.D. in FY 1984 plans to grant to the SADCC Secretariat funds for outside experts to assist SADCC in examining regional economic policies and to identify ways in which trade among SADCC member states can be stimulated. Other activities include human rights, and special self-help as well as and planning, management and research support for development of bilateral and regional programs in southern Africa.

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Requested Year Program (FY 1985)

Planned activities in FY 1985 require a program level of \$37 million in Economic Support Funds for the Southern Africa Regional Program. This funding would support new or ongoing activities in the areas of agriculture, manpower development, transportation, self-help and human rights.

In agriculture, a total of \$8.842 is required. In the Regional Sorghum and Millet Research project \$3.842 million is to be applied as the third and final tranche of a grant for the Regional Sorghum and Millet Research project (690-0224) and \$5.0 million as the U.S. contribution to begin a multidonor Regional Legume Research project (690-0229).

Manpower development activities, \$15.4 million: the South Africa Bursaries Project (690-0230) \$1.0 million and the Training for Disadvantaged South Africans (690-0213) \$4.0 million, Management Manpower Development (690-0208) \$5.0 million, and the Agricultural Training project (690-0232) \$5.4 million.

Requirements for activities in the transportation sector are \$8.0 million under the Regional Transportation Support project (690-0231). These funds would be for a partial grant to upgrade the southern Africa road maintenance capabilities and to establish a road standards system for intra-regional commercial routes.

A total of \$1.7 million is needed for continued assistance under the SADCC Technical Support grant (690-0215) which has components in manpower, fisheries, soil conservation, and economic and trade analysis by the Secretariat. The Planning, Management and Research project (690-0206) needs \$1.258 million to support project design, analysis and study requirements. And \$0.7 million is needed for the Self-Help project (690-9901) and \$1.1 million for Human Rights Fund (690-9801) activities.

DIRECTOR, OFFICE OF SOUTHERN AFRICA AFFAIRS: Roger Carlson

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SOUTHERN AFR REG

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHO	PLANNED	-THROUGH FY83- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	EXPENDI TURES
EDUCATION AND HUMAN RESOURCES											
SOUTHERN AFRICA ACADEMIC AND SKILL TRNG	G 690-0083	77	79	1,816	1,763	1,763	1,706	---	57	---	---
TRAINING OF DISADVANTAGED SOUTH AFRICANS	G 690-0213	82	88	6,050	9,050	6,050	3,146	3,000	1,500	---	1,500
TOTAL FOR ACCOUNT GRANTS LOANS				7,866	10,813	7,813	4,852	3,000	1,557	---	1,500
				<del>7,866</del>	<del>10,813</del>	<del>7,813</del>	<del>4,852</del>	<del>3,000</del>	<del>1,557</del>	<del>---</del>	<del>1,500</del>
ECONOMIC SUPPORT FUND											
SOUTHERN PERIMETER ROAD	G 690-0076	78	82	8,000	8,000	8,000	2,754	---	1,000	---	2,000
SOUTHERN AFRICA PLNG MANAGEMENT/RESEARCH	G 690-0206	80	C	---	---	3,525	2,697	1,500	1,000	1650 <del>4258</del>	1,500
AGRICULTURE AND LIVESTOCK DEVELOPMENT	G 690-0207	82	82	675	675	675	22	---	653	---	---
MANAGEMENT MANPOWER DEVELOPMENT	* G 690-0208	85	87	---	12,000	---	---	---	---	5,000	1,500
TRANSPORT AND STORAGE DEVELOPMENT	L 690-0209	81	82	17,300	17,300	17,300	1,777	---	10,000	---	5,523
TRAINING OF DISADVANTAGED SOUTH AFRICANS	G 690-0213	82	88	23,950	20,950	2,047	1,044	1,000	500	4,000	500
PRIVATE ENTERPRISE	G 690-0214	82	82	150	150	150	147	---	3	---	---
SADCC TECHNICAL SUPPORT	G 690-0215	84	85	---	4,300	---	---	2,600	450	1,700	1,200
ENTREPRENEURIAL TRNG/DISADV. SO. AFR.	G 690-0220	83	83	3,000	3,000	3,000	---	---	500	---	750
UNIVERSITY PREPARATION PROGRAM	G 690-0222	83	<del>83</del> <sup>85</sup>	<del>2,000</del> <sup>2,232</sup>	<del>1,862</del> <sup>2,232</sup>	1,862	---	---	<del>300</del> <sup>929</sup>	<del>---</del> <sup>370</sup>	800
LABOR UNION TRAINING FOR SOUTH AFRICANS	G 690-0223	83	<del>84</del> <sup>84</sup>	<del>900</del> <sup>900</sup>	<del>900</del> <sup>900</sup>	675	---	225	400	<del>---</del> <sup>---</sup>	500
REGIONAL SORGHUM/MILLET RESEARCH	G 690-0224	83	85	14,800	14,800	6,083	---	4,875	2,000	3,842	3,000

\* Refers to the planned project summary sheet

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C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SOUTHERN AFR REG

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY3- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	EXPENDI TURES	
REGIONAL ABRI. RESEARCH COORDINATION	G 690-0225	84	84	---	1,500	---	---	1,500	300	---	500
REGIONAL LEGUME RESEARCH	* G 690-0229	85	85	---	5,000	---	---	---	---	5,000	1,000
SOUTH AFRICA BURSARIES PROGRAM	G 690-0230	<del>85</del> 84	<del>85</del> 87	18,000	<del>18,000</del> 15,000	---	---	<del>3,000</del> 1,000	<del>1,000</del> 1,000	<del>1,000</del> 2,000	2,000 <i>en 9/9/85</i>
REGIONAL TRANSPORT DEVELOPMENT	* G 690-0231	85	<del>85</del> 87	<del>12,000</del> 20,000	---	---	---	---	<del>12,000</del> 8,000	2,500	2,500 <i>en 7/15/85</i>
AGRICULTURAL TRAINING	* G 690-0232	85	88	---	30,000	---	---	---	---	5,400	1,200
HUMAN RIGHTS FUND	G 690-9901	79	C	---	---	173	56	600	400	1,100	800
SPECIAL SELF-HELP DEV-ESF	G 690-9901	80	C	---	---	1,928	1,441	700	600	700 <sup>250</sup>	700 <i>en 4/3/85</i>
TOTAL FOR ACCOUNT GRANTS				70,775	155,437	45,418	9,938	16,000	19,606	37,000	25,973
LOANS				53,475	138,137	28,118	8,161	16,000	9,606	37,000	20,450
				17,300	17,300	17,300	1,777	---	10,000	---	5,523
SECURITY SUPPORTING ASSISTANCE											
SOUTHERN PERIMETER ROAD	G 690-0076	78	82	26,000	26,000	26,000	19,318	---	4,000	---	2,682
TOTAL FOR ACCOUNT GRANTS				26,000	26,000	26,000	19,318	---	4,000	---	2,682
LOANS				26,000	26,000	26,000	19,318	---	4,000	---	2,682
				---	---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				104,641	192,250	79,231	34,108	19,000	25,163	37,000	30,155
LOANS				87,341	174,950	61,931	32,331	19,000	15,163	37,000	24,632
				17,300	17,300	17,300	1,777	---	10,000	---	5,523

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

Title Management Manpower Development		Funding Source ESF	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 690-0208		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	FY 1985 5,000	Life of Project Funding 12,000
<input checked="" type="checkbox"/> GRANT	<input type="checkbox"/> LOAN	<input type="checkbox"/> CONTINUING				Initial Obligation	Estimated Final Obligation
						FY 1985	FY 1987
							Estimated Completion Date of Project FY 1993

Purpose: To upgrade and expand the capacity of southern African management training institutions.

Project Description: An unquestioned constraint on development, particularly in Africa, is a lack of sufficient numbers of trained and experienced technical and professional manpower. Despite large expenditures of funds by both governments and donors over the past two to three decades, the gap between need and availability of manpower resources in Africa remains large.

One aspect of this manpower gap is particularly critical: the short supply of personnel with management skills. Often, little or no training in management or the administration of carrying out tasks like accounting, budgeting, etc. has been provided. The effect of this management constraint is that development investments are not being realized to their full potential.

Southern Africa has numerous national and regional training centers which offer management training. Their productivity varies both in terms of quantity and quality. Individually or altogether they are not providing the numbers and variety of skilled manpower to meet the demand. This project will address simultaneously the needs of a number of management training institutions. This project will provide a grant to one management training institution in the region to be identified in the course of a study. This institution will contract with one or more U.S. institutions or firms with management training expertise and, using these resources, provide to the other institutions in the region assistance for development of staff resources, curriculum and course offerings, and limited inputs of training equipment. While maximum use will be made of existing institutional infrastructure, the project will also provide on the job training. Efforts will be made to assist in designing tailor-made training packages for particular organizations. The project will encompass management needs for both the public and the private sectors. Indigenous training expertise will be built by utilizing extant managerial

consultants in the region as well as those provided through the U.S. contractors. The only long term participant training being proposed for this project will be to provide MBA fellowships for individuals working in the private sector. In addition, there will be a limited number of staff personnel from the management training institutions who will be sent for graduate level long term training. Other staff personnel will receive shorter term training both in the U.S. and within the region.

Relationship of Project to A.I.D. Regional Strategy:

Manpower development is one of the Southern Africa Regional Program's primary objectives. The development of management capabilities within the region across sectors will support development efforts being initiated on both bilateral and regional levels and complement the strategies of each type of program.

Host Country and Other Donors:

This will be a multi-donor effort and the host countries will be expected to provide some of the participant support costs.

Beneficiaries:

The primary beneficiaries of the project will be those receiving the training. An estimated five persons per country will receive long term participant training fellowships, totaling 45. It is estimated that an additional fifteen persons from management training institutions will be sent for graduate level long term training. The secondary beneficiaries of this project will be the management training institutions within the region themselves. These institutions will receive assistance for development of staff resources, curriculum and course offerings and limited inputs of training equipment.

PROGRAM: SOUTHERN AFRICA REGIONAL

PLANNED PROGRAM SUMMARY SHEET

Title Regional Legume Research		Funding Source ESF	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
					FY 1985	5,000	Life of Project Funding 5,000
Number 690-0229	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation FY 1985	Estimated Final Obligation FY 1985	Estimated Completion Date of Project FY 1990
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING							

Purpose:

The purpose of this project is to assist in the development of a regional research program for grain legumes which will develop and introduce new varieties of these crops and improved cultural techniques.

Project Description:

Southern Africa Development Coordination Conference (SADCC) countries place a high priority on enhancing agricultural research as a means for achieving improved food security. Agricultural productivity in Southern Africa as in the rest of the continent has been stagnating rather than increasing. With rising populations in all of the SADCC countries, it is recognized that food production must be increased.

The legumes grown by small farmers throughout Southern Africa which include common peas, soybeans, pigeon peas, and groundnuts are important in meeting the protein requirements of the human population. Legume productivity is constrained however by the lack of new disease resistant and higher production strains.

In a feasibility study conducted in late 1983, it was found that there were adequate basic laboratory facilities and land for experimentation for legumes research. However, the feasibility teams found transportation and operational funding to be lacking. Also in most countries there were insufficient numbers of adequately trained and experienced personnel for implementing agricultural research projects or for providing continuity and consistence in research. These inadequacies will be addressed in this project.

It is envisaged that the SADCC regional grain legume program would extend over a period of 25 years. This project will support the first five-year phase: the establishment of the research headquarters, initiation of short and long term training, grain plasm collection and evaluation, initiation of crossing of some species and seed multiplication. No

major breakthrough in this phase is expected in terms of new varieties being developed and released which will increase yields in the region. Five years is too short for such an accomplishment in agricultural research. The first phase is to initiate the regional grain legume project.

Relationship of Project to AID Regional Strategy: The improvement of Southern Africa's national and regional agricultural research systems is a major component of AID's assistance strategy under the Southern Africa Regional Program. Agriculture remains the main area of economic endeavor in the region and the source of livelihood for the vast majority of the population. In particular emphasis is being given by SADCC and A.I.D. to agricultural research, recognizing that food productivity cannot increase unless improved crop varieties more resistant to disease and dry weather conditions are developed. The Regional Grain Legume project supports improving the region's agricultural productivity.

Host Country Donors: This will be a multi-donor effort. A feasibility study was conducted in late 1983 with French, Italian and U.S. assistance, organized under the CDA agricultural research initiative. The SADCC Council of Ministers will review the feasibility study and decide which other donors they will approach to fund the remaining portion of the projected cost of \$18.8 million (the preliminary estimate) for the first phase of this project.

Beneficiaries: The primary beneficiaries of this phase I project will be agricultural researchers throughout SADCC countries. Small farmers are the ultimate beneficiaries. However, since agricultural research requires a long-term effort (i.e., 5 years or more) to develop proven improved varieties farmers are unlikely to benefit greatly from the first 5-year phase. AID and other donors supporting the SADCC 25-year grain legume program recognize the importance of this effort and would plan to support onward phases which would directly benefit cultivators and consumers of grain legumes.

## PROGRAM: SOUTHERN AFRICA REGIONAL

## PLANNED PROGRAM SUMMARY SHEET

Title Regional Transport Development		Funding Source ESF	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 690-0231		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	FY 1985 8,000	Life of Project Funding 20,000	
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING				Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
					FY 1985	FY 1987	FY 1988

**Purpose:** To improve the efficiency of intra-regional transport routes.

**Project Description:** The economies of southern Africa, particularly those of landlocked countries, expend unnecessary costs in their development and in their commercial transactions with external markets because of the poor condition of the region's transportation infrastructure. Major road, rail and port systems are experiencing serious disrepair as a result of inadequate maintenance and rehabilitation practices. This situation has been brought about by the inability of the various governments to invest the capital to carry out necessary repair and maintenance programs and in an absence of sufficient numbers of skilled personnel to operate such programs. National economies earn less for their exports and must pay more for their imports because of the additional time and expense required to move goods. The Regional Transport Development project is intended to respond to these problems through discrete sub-projects of which one as described here will begin in FY 1985.

SADCC has given the rehabilitation and expansion of the region's transportation system its highest priority attention in recognition of the burden it now places on development and economic enterprise. The project will address regional transport by assisting in road rehabilitation, the establishment of a system of weighing stations and in the improvement of procedures for handling cargo carriers to reduce the time, and thus cost, now required by such carriers. Training within the regional and abroad will also be provided when appropriate.

**Relationship of Project to A.I.D. Regional Strategy:** The improvement of southern Africa's transportation infrastructure has been a major component of A.I.D.'s assistance strategy under the Southern Africa Regional Program. Development is tied directly to the efficient movement of goods. Unlike much of Africa, southern Africa possesses a considerable network of roads, railways and ports. Most of

these, however, have suffered serious deterioration during the years of turmoil related to the struggles revolving around Angolan, Mozambiquan, Namibian and Zimbabwean independence and post-independence internal conflicts. Management capabilities also have declined. A.I.D.'s strategy has been to provide assistance for discrete elements of the transportation network which are clearly high priority.

**Host Country and Other Donors Contribution:** Host countries will be expected to contribute 25% of capital project costs when appropriate. Support from other donors will also be sought.

**Beneficiaries:** The primary beneficiaries of the project will be those who use the improved road network as they are the initial receivers of any cost reductions in vehicle maintenance, fuel costs and marketing travel time. The project is, however, intended to provide wider benefits as a result of the economic generative effect whereby consumers pay lower costs and businesses and governments save on the costs of imports and earn more on exports.

PROGRAM: SOUTHERN AFRICA REGIONAL

## PLANNED PROGRAM SUMMARY SHEET

Title Agricultural Training		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 690-0232		ESF			FY 1985 5,400	Life of Project Funding 30,000	
<input checked="" type="checkbox"/> GRANT	<input type="checkbox"/> LOAN	<input type="checkbox"/> NEW	Population	ED. & HR	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input type="checkbox"/> CONTINUING				Sel. Act.	FY 1985	FY 1988	FY 1990

**Purpose:** To provide increased numbers of professional agriculturists in response to the requirements of the southern African region.

**Project Description:** The outlook for southern African food production is bleak as efforts by the region's governments and donors to increase agricultural productivity continue to fall short of objectives. Only two countries in the region have consistently produced surpluses, South Africa and Zimbabwe. Malawi has been an occasional surplus producer. There exist many constraints to increasing food output. Policies, technology, market systems, and farmer support systems such as credit, extension, and input systems for fertilizer, seed, and tools and machinery are all in need of improvement. Affecting all of these is the paucity of agriculture professionals and technicians. The capacity of training institutions in the region is inadequate in both the quality of instruction and the numbers being trained. U.S. and European training programs are becoming expensive, so much so that it is time to begin re-examining whether more effort should not be given to improving the in-region infrastructure for training agriculturists. A regional approach would take advantage of existing capacities and provide training support to the region's training infrastructure as well as to supplement other project training opportunities.

This project will contribute to the establishment of an independent fund to provide scholarship and placement services for southern African students wishing to study agriculture. All undergraduate level training opportunities will be at institutions within the region or, if a particular field of study or opening were not available in the region, at schools in other African countries.

Fellowships for graduate level study will be given for training both within the region and in schools elsewhere in Africa, other parts of the developing world, and in North America and Europe. The fund will make such fellowships available through a competitive exam system. It will also operate a placement service to identify positions in the

region's training institutions and to assist in arranging for the admission of scholarship or fellowship winners. The fund will also have an institutional grant program separate from scholarship and fellowship payments which will be used to create 'centers of excellence' in various disciplines throughout the region. The fund to be created is intended to be free standing from any government or governmental organization and multi-donor assisted. The A.I.D. project will include the provision of technical assistance to organize and operate the fund in its initial years.

**Relationship of Project to A.I.D. Regional Strategy:** The development of manpower and agriculture productivity are primary objectives of the Southern Africa Regional Program Strategy. In both areas, it has been determined that there are efficiencies in costs and management which accrue from a regional approach to the constraints in both of these sectors. This project is intended to take advantage of those efficiencies. This project is not intended to replace bilateral or national solutions to the same problems but adds an important supplementary dimension which can be of benefit to such solutions.

**Host Country and Other Donors:** The project concept is unfeasible without the involvement of other donors. Both the financial requirements and the need to address all countries in the region and to send students to all parts of the world require that the fund be flexible. It is also hoped that the creation of an independent fund also will facilitate contributions from non-governmental organizations. Other donor contributions will match or exceed A.I.D.'s input.

**Beneficiaries:** Without doubt the primary persons to benefit from this project will be those who qualify for the scholarship or fellowships or from the improved education evolving from the receipts and grants of the region's training institutions. The numbers of these beneficiaries will evolve from the amount of contributions to the fund and the costs of education. The secondary or eventual beneficiaries of this activity will be the food consumers of southern Africa in future decades.

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PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	Other Programs	
							ESF	Other
1983								
Loans	-	-	-	-	-	-	-	-
Grants	58,612	11,769	5,164	15,079	14,868	10,798	-	934 <u>a/</u>
Total	58,612	11,769	5,164	15,079	14,868	10,798	-	934
1984								
Loans	-	-	-	-	-	-	-	-
Grants	79,783	10,179	4,250	14,200	13,513	10,125	-	27,516 <u>b/</u>
<u>c/</u> Total	79,783	10,179	4,250	14,200	13,513	10,125	-	27,516
1985								
Loans	-	-	-	-	-	-	-	-
Grants	126,499	12,471	5,750	13,200	12,150	7,928	-	75,000 <u>d/</u>
Total	126,499	12,471	5,750	13,200	12,150	7,928	-	75,000

a/ Includes \$934 for Migration and Refugee Assistance for Africa P.L. 97-121.

b/ Includes \$12,516 for Migration and Refugee Assistance for Africa P.L. 97-121 and \$15,000 for International Disaster Assistance Transfer from Migration and Refugee Assistance as directed per P.L. 98-63.

c/ The total excludes \$568.3 which has already been notified for deobligation and has not yet been identified for reobligation by project.

d/ Includes \$75,000 for Economic Policy Initiative.

FY 1985 PROGRAM HIGHLIGHTS	
--	Strengthen Agricultural Research to Increase Food Production.
--	Expand Population and Family Planning Efforts.
--	Continue Program to Combat Childhood Communicable and Diarrheal Diseases.
--	Foster Improvements in Energy, Policy, Planning and Implementation.
--	Enhance the Capability of Africa Regional Institutions to Assist Regional and Country Development Efforts.

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RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
Aid*			
Loans	1,523	2,650	2,222
Grants	44,354	68,867	51,606
Total AID	45,877	71,517	53,828
P.L. 480**			
Title I	5,000	3,000	-
(of which Title III is)	( - )	( - )	( - )
Title II	15,801	18,679	7,209
Total P.L. 480	20,801	21,679	7,209
Total AID and P.L. 480	66,678	93,196	61,037

\*AID levels represent actual and estimated expenditures.  
\*\*P.L. 480 levels represent actual and estimated value of shipments.

PERSONNEL/PARTICIPANTS DATA			
Category	FY 1983 (Actual)	FY 1984 (Estimated)	FY 1985 (Proposed)
AID Personnel <sup>a</sup>			
Direct Hire <sup>b</sup>	-	-	-
PASA <sup>c</sup>	20	8	7
Contract	51	88	92
Total	71	96	99
Participants <sup>d</sup>			
Noncontract	638	625	538
Contract	126	260	270
Total	764	885	808

<sup>a</sup>U.S. nationals on duty at the end of the fiscal year.  
<sup>b</sup>FY 1984 and 1985 position levels.  
<sup>c</sup>Participating agency technicians.  
<sup>d</sup>Programmed during the fiscal year.

P.L. 480 PROGRAM SUMMARY  
(In 000 MT/\$000)

Program	FY 1983 (Actual)		FY 1984 (Estimated)		FY 1985 (Proposed)	
	MT	\$	MT	\$	MT	\$
Title I						
Wheat	-	-	-	-	-	-
Rice	15.3	5,000	4.0	1,500	-	-
Feedgrains	-	-	11.0	1,500	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)		5,000		3,000		-
Title II <sup>a/</sup>						
Voluntary Agencies		4,360		7,244		5,559
World Food Programs		878		4,657		1,650
Gov't-to-Gov't		10,563		6,778		-
Title II Total		15,801		18,679		7,209
Total P.L. 480		20,801		21,679		7,209

<sup>a/</sup> Includes P.L. 480 Title II Programs in Angola, Benin, Ethiopia, Mozambique, Tanzania and Sao Tome.

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### Development Overview

The Africa Bureau's regional program is active in nearly all sub-Saharan countries in direct support of bilateral programs and regional institutions. In these countries the regional program operates within the framework of the Africa Bureau's priorities, the U.S. missions' economic and political goals as expressed in the USAIDs' Country Development Strategy Statement (CDSS), and African country and regional development plans.

The functions of the regional program are:

- to assist African regional institutions develop their capability to promote the economic and social cooperation needed for regional development and stability;
- to address problems such as river blindness which cross national boundaries and can only be dealt with regionally, and common national problems such as childhood communicable diseases which can be resolved in a more cost-effective and consistent manner on a regional basis;
- to encourage the adoption of new policy initiatives by the provision of limited support for country-specific activities.

The Africa regional program also serves as a major channel for the coordination of A.I.D. programs with other donors. Working, for example, through the Cooperation for Development in Africa (CDA), a grouping of seven western donors, A.I.D. is supporting multilateral, Africa-wide programs in agricultural research, health and other areas of common concern. This combination of regional and bilateral responsibilities creates a range of program opportunities that differ from those available to bilateral A.I.D. missions. The resulting regional program, described below, operates in each of A.I.D.'s major areas of concern and in projects that are broader in scope than bilateral efforts, and sufficiently flexible to meet varying country requirements.

Also, included in this section of the Africa Bureau's Congressional Presentation are activities which support overall program development and design; the Self-Help Fund whose purpose is to demonstrate U.S. interest in the welfare and Self-Help efforts of local communities; the Peace Corps Small Project Assistance Program which finances small Self-Help activities for immediate impact at the community level; and the Human Rights Fund which seeks to expand the political, economic and social rights of the urban and rural poor.

### U.S. Interests and Objectives

It is in the United States' interest to promote cooperation for development among African states. Assistance to regional institutions and programs helps solve pressing, continent-wide problems such as inadequate food

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production, lack of skilled manpower, high mortality and morbidity rates, and environmental degradation. Strengthened regional institutions also serve to promote inter-African trade, exchange of ideas and information, mutual assistance and regional stability.

Regional cooperation facilitates progress in a climate of political moderation favorable to the United States which looks to Africa for support in international affairs and for access to vital mineral resources. Moreover, unless Africa's declining economic indicators are reversed, in part through regional cooperation, major food deficits will occur requiring enormous humanitarian assistance to avert hunger and starvation.

### A.I.D. Development Strategy

The regional program strategy operates within the framework of the Africa Bureau strategy, as follows:

In Agriculture, the Africa Bureau has identified an increase in agricultural productivity of smallholders as critical to the success of African development. The means to help achieve such an increase include policy reform, research, extension and related activities. Because most of the constraints to smallholder production are best addressed at the bilateral level, the principal thrust of A.I.D.'s bilateral programs in Africa is agriculture. The regional program provides essential support through its focus on strengthening of national and regional research institutions which have the potential to help increase smallholder productivity. The regional CDA agricultural research effort is based on the following principles:

- long-term program of 20-25 years, research focus on small-farmer problems,
- strengthening of research linkages to extension,
- promoting collaboration among African agricultural researchers and with international agricultural research centers,
- alleviation of manpower constraints to research programs in the administrative, technical and support areas, and
- effective use of limited African and donor resources available for agricultural research.

In addition, support will continue for regional remote sensing capability which offers to the agricultural sector, as well as other sectors dependent upon the natural resource base, a source of timely and accurate information analysis. Agricultural production also will be supported through preinvestment study grants to the African Development Bank.

The Bureau's Population strategy is to assist in developing, in close collaboration with host governments and private organizations,

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country-specific programs for the phased introduction of voluntary family planning services and education programs. The regional program has projected an increase in population activities to reflect both an expected rise in acceptance and awareness by African governments of the need for family planning programs and an increase in the number of direct interventions which are appropriate for a regional project. A major portion of regional population funds will be channeled through PVOs because of their competence and the preference of many host governments to work with PVOs in the population field.

The Africa Bureau Health strategy seeks to remove poor health as a barrier to socio-economic development and to reduce mortality and morbidity by helping African nations (a) increase their ability to provide preventive and curative services for selected communicable and debilitating diseases, (b) address health manpower constraints, and (c) seek solutions to unanswered questions through biomedical and health services research. The regional supporting strategy encompasses the above approaches, seeking to strengthen national primary health care programs through cost-effective efforts which deal with problems common to more than one country and introduce the skills required to assure continuation by the host countries. Replicability, absorptive capacity and national budget constraints are prime considerations in undertaking country-specific programs.

In the Education and Human Resource Development sector the Africa Bureau's strategy identifies four areas of emphasis for A.I.D. projects: primary education, non-formal education, manpower development, and the development of indigenous training institutions. A.I.D.'s assistance to primary and non-formal education programs is provided through bilateral projects, with the exception of some centrally managed research and support activities. The regional program concentrates on manpower development and the development of training institutions. Regional projects in these two areas complement bilateral assistance and provide the means for more efficient management of A.I.D.'s resources. Regional projects also coordinate A.I.D.'s assistance to African training institutions that serve more than one country.

Selected Development Activities - In the natural resource management energy sector, Africa Bureau policy is to assist countries to devise policies and programs for more efficient use and management of renewable and conventional energy resources, and to strengthen the private and public African institutions involved. The focus is on problems of energy inefficiencies in the agricultural sector, high oil import dependencies, increasing biomass depletion, and energy factors in a deteriorating quality of life. The regional program will assess structural issues of energy relationships in the agricultural sector and human resource needs in the energy sector, foster improvements in energy policy and planning by African governments, increase development and management of fuelwood resources, and support the dissemination of technological improvements.

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In the related environmental area the Africa Bureau seeks to improve planning and foster integrated management of threatened forest, soil and water resources. Supporting regional efforts will continue to strengthen institutional capacity for natural resource assessment and management in selected countries and promote cooperation among countries in coping with regional environmental problems.

The Bureau strategy with respect to economic growth and private enterprise is to expand the dialogue with African states on macro-economic policy, and encourage and assist them to augment the role of the free market within their economies and to consider alternatives to policies that are failing. The regional program supports this strategy through projects that promote regional economic cooperation and integration.

### A.I.D. Program (FY 1983 - 1984)

#### Agriculture, Rural Development and Nutrition

In the Agricultural sector, the West Africa Rice Research Development Association II (WARDA) project (698-0429 - \$4.120 million in FY 1983) strengthens a regional research institution to conduct research on rice, disseminate research results, and produce "packages" of rice production technology. This project benefits 15 West African countries. As a result of previous evaluations the project now emphasizes extension of research results. WARDA has several accomplishments: (1) developing improved varieties of rice and production techniques in conjunction with strong national research programs; (2) assisting member countries to identify rice production problems and projects for local or donor financing; and (3) training member country research and extension staff in research methods, production and technology transfer. The Semi-Arid Food Grains Research and Development (SAFGRAD) project (698-0393 - \$3.044 million in FY 1983) improves varieties and farming practices for the principal food grains consumed by people in 24 African countries. Crops include sorghum, millet, cowpeas, maize and groundnuts. A 1981 evaluation team identified this project as an "extremely promising prospect for the future years of African food production." Among the project elements cited as well-functioning were training and research on maize and cowpeas. The evaluation also made a number of recommendations for improving coordination and program emphasis. A.I.D. will conduct another evaluation in FY 1984. The Organization of African Unity and A.I.D. have improved financial management of the project based on a FY 1983 audit. Phase II of the SAFGRAD project will be designed in FY 1984 in conjunction with the Strengthening African Agricultural Research (SAAR) project (698-0435 - \$1.0 million in FY 1983, \$2.7 million in FY 1984). This project strengthens national and regional agricultural research systems to address priority problems that have regional impact. It is the major U.S. contribution to the multi-donor Cooperation for Development in Africa (CDA) agricultural research initiative. SAAR, in collaboration with African regional research organizations and other CDA members, will design long-term zonal research programs in the Southern Africa and Sahelian zones. This process

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will provide opportunities for policy dialogue among donors and recipient countries.

The Regional Remote Sensing (West Africa) project (698-0420 - \$1.2 million in FY 1984) has trained over 120 Africans from 20 countries and produced over 75 reports in response to requests by African governments and development organizations. An evaluation conducted during FY 1983 recommended a change in direction of the project to increase its financial feasibility, and a continuation of A.I.D. support. FY 1984 funds will be used to maintain the project facilities and to continue its training program.

Through centrally funded programs A.I.D. provides support to the International Laboratory for Research on Animal Diseases (ILRAD), located in Naoribi, Kenya. ILRAD is making considerable progress in developing ways to immunize animals against East Coast fever (bovine theileriosis). Three (3) million cattle die each year from East Coast fever and animal trypanosomiasis, a parasitic disease transmitted by the Tsetse fly. Seventy thousand (70,000) cattle die of East Coast fever each year in Kenya alone. This parasite appears susceptible to control by vaccines which are being developed by ILRAD. The work is still in the experimental stage but a breakthrough appears near.

A.I.D. will continue to support the Peace Corps Small Project Assistance Program (698-0506, \$.440 million in FY 1983 and \$.520 million in FY 1984). Up to \$40,000 will be provided for each recipient country where the Peace Corps has a program. The projects will be in such areas as food production, small-scale enterprises, and education and health activities. Projects will be identified and implemented by Peace Corps volunteers who are knowledgeable about local conditions and have established working relationships at the community level.

### Population Planning

Under the Family Health Initiatives project (698-0662 - \$4.980 million in FY 1983 and \$3.0 million in FY 1984) funding for population and family planning activities was tripled over the FY 1982 level. In FY 1983, the Bureau purchased \$2.090 million worth of contraceptives for distribution in Africa. Activities to assist in collecting base-line data in Botswana and Zimbabwe and a family planning activity in Sierra Leone were funded. Educational activities to increase awareness of the health and economic consequences of rapid population growth received support. Training of medical and paramedical personnel to improve their service delivery skills is planned for Kenya, Nigeria and Uganda.

### Health

The Combating Childhood Communicable Disease (CCCD) project (698-0421 - \$8.060 million in FY 1983 and \$6.0 million in FY 1984) is the U.S. contribution to a major CDA multi-donor effort to strengthen the capacity of African

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governments to implement the health care technologies of (1) immunization against diphtheria, whooping cough, tetanus, measles, polio and tuberculosis, (2) oral rehydration therapy for dehydrating diarrhea, and (3) presumptive treatment of fever for malaria. The A.I.D.-funded CCCD project and the support to be provided by other CDA members is expected to cover most of sub-Saharan Africa. Country-specific support to Liberia and Togo was initiated in FY 1983 and is planned for six additional countries in FY 1984. Regional support to training, operations research, information systems and health education began in late FY 1982-early FY 1983. That support will continue and be expanded in FY 1984 and FY 1985.

The Strengthening Health Delivery Systems (SHDS) project (698-0398 - \$2.5 million in FY 1983 and \$2.5 million in FY 1984) continues to build regional institutional capacity. Greater emphasis is placed on improved utilization of trained manpower for low-cost primary health care systems at the national level. Boston University is the A.I.D. contractor. The SHDS project has trained a large number of persons who are now able to train others in primary health care within the 20-country area. Through the revision of curricula and the development of training materials, the project has strengthened regional training institutions in Cameroon, Liberia, Nigeria, Senegal and Togo.

Onchocerciasis Control II (698-0399 - \$2.536 million in FY 1983 and \$2.2 million in FY 1984) is a multi-donor project to prevent the transmission of river blindness in the Volta River Basin (portions of Ghana, Togo, Benin, Upper Volta, Niger, Ivory Coast and Mali) where ten million people reside. Control of the disease permits fertile river valleys to be inhabited, making more land available for food production. Epidemiological surveys show that as a result of black-fly control measures, nearly all children in the area under five years of age are free of the disease and children in the five-to-nine year age group are 80% free. Control has been achieved in approximately 85% of the 764,000-square-kilometer area (larger than Texas). Vector control will continue to be the principal activity during Phase II (1980-1985), but increased efforts will be made to develop additional larvicides and a safe, effective drug for human use.

Under the Health Constraints to Rural Production project (698-0408 - \$1.5 million in FY 1983 and \$1.0 million in FY 1984) an activity in Cameroon designed to test schistosomiasis control methods was authorized in FY 1983. This complements an ongoing project activity funded in prior years to develop a surveillance method for schistosomiasis control in the Gezira region of Sudan. The research results of the two activities will be applicable to many parts of Africa, particularly where irrigation is used.

### Education and Human Resources Development

The emphasis of the regional program in this sector is on manpower and institutional development. The African Manpower Development II (AMDP) project (698-0433 - \$5.650 million in FY 1983 and \$7.0 million in FY 1984)

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supports training in the United States and Africa for about 300 new students each year. Trainees are selected from public or private institutions that are closely related to A.I.D. and host country priority development programs. The trainees acquire technical and managerial skills that facilitate technological transfer, and many of the returned participants assume policy making positions in their respective institutions. AMDP includes funding for the African Graduate Fellowship Program and the Development Education for Portuguese-Speaking Africa Program. The latter continues training begun under the Development Training for Portuguese-Speaking Africa project (698-0418) which terminates in FY 1984.

Assistance to lower-level, in-country training for the development of technical skills is also provided by the regional program. The Opportunities Industrialization Centers, International project (698-0453 - \$5.0 million in FY 1983 and \$1.638 million in FY 1984) develops vocational training programs designed to generate employment and productivity in African countries. (This inter-regional project is being transferred in FY 1984 to A.I.D.'s Bureau for Food for Peace and Voluntary Assistance.) The African Labor Development project (698-0363 - \$3.0 million in FY 1983 and \$3.0 million in FY 1984) supports training programs and related activities sponsored by the African-American Labor Center to promote a free labor movement in Africa. Assistance is given to the Pan-African Institute for Development (PAID) under the Regional Rural Development Training project (698-0405 - \$1.0 million in FY 1983 and .3 million in FY 1984). In addition to training activities, PAID provides technical assistance, research and other support services that help improve the policies and performance of public and private institutions in African countries.

### Selected Development Activities

A major theme of A.I.D.'s regional program in Africa is to strengthen the capacity of African governments to deal with natural resource issues as part of the development process. The Energy Initiatives for Africa project (698-0424 - \$2.420 million in FY 1983 and \$1.5 million in FY 1984) will reinforce the capacity of African governments to establish energy policy and undertake planning. In FY 1983 the project contractor established two field offices in Africa and completed energy inventories for all A.I.D.-assisted countries in the region. Major assessments of Africa-wide energy conservation options and of the use of intermediate financial institutions for technology dissemination have been completed. Energy policy advisors have been approved for Somalia and Liberia and a sub-project for afforestation has begun in Rwanda. In FY 1984 additional Africa-wide assessments will be undertaken and design will continue on sub-project activities.

In FY 1983 the Environmental Training and Management in Africa project (698-0427 - \$.810 million in FY 1983 and \$.720 million in FY 1984) carried out seminars and workshops on various aspects of environmental management. Resource management programs went forward in Sudan (desertification) and Kenya (soil degradation). In FY 1984, seven seminars will be carried out and the resource management program will continue.

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The Support to Regional Organizations project (698-0413 - \$2.749 million in FY 83 and \$2.280 million in FY 84) provides assistance to Africa-wide and sub-regional organizations engaged in such fields as river basin planning and water use, credit union development, training in planning and management of development programs, and regional and sub-regional economic integration.

The African Development Bank II project (698-0434 - \$1.950 million in FY 1984) will assist the Bank to strengthen its institutional capability by providing (a) management and technical training for Bank staff, (b) technical advisors including, among others, a macro-economist and a private enterprise advisor, and (c) grants for the preparation of pre-investment studies by U.S. firms.

### Requested Year Program (FY 1985)

\$12.471 million is requested for the Agriculture, Rural Development and Nutrition sector. The Semi-Arid Food Grains Research and Development project (698-0393) will terminate in mid-FY 1985. A Phase II of that project (698-0452) will begin at that time. During FY 1984 the Strengthening African Agricultural Research (SAAR) project (698-0435) will identify activities to be undertaken by A.I.D. and other CDA members in FY 1985. A.I.D. will continue to support the West Africa Rice Development Association (WARDA) project (698-0429). The FY 1984 evaluations of WARDA by A.I.D. and by the Consultative Group for International Agricultural Research will guide project implementation. Under the African Development Bank II project (698-0434) at least two pre-investment studies in support of rural development should be put out for bid. Support to the Peace Corps Small Project Assistance Activity (698-0506) will be continued.

\$5.750 million is requested for the Population sector. The Family Health Initiatives project (698-0662) is scheduled to make its final obligations in FY 1985. The new Population Planning project (698-0437) will continue to assist both African private and public agencies working in population and family planning programs. Attention will focus on the provision of services, demographic studies, information dissemination, applied research and other activities that support country needs. U.S. contractors will work closely with African institutions, both national and regional, and with A.I.D. missions in Africa to plan and implement activities.

\$13.200 million is requested for projects in the Health sector. The Combating Childhood Communicable Diseases project (698-0421) will provide support to 10 countries as well as regional support for training, operations research, data systems and health education in another 10-15 countries, some of which will also receive in-country support from other CDA governments. The Strengthening Health Delivery Systems (SHDS) project (698-0398) will continue training activities in FY 1985. Africans who received Master-level academic training in the United States and Canada under this project will replace U.S. contract technicians at three nursing schools in Africa. By the end of FY 1984 each of the 20 participating countries in West and Central Africa is expected to have health personnel trained through the SHDS

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project. The Onchocerciasis Control project (698-0399) will continue. Experts estimate that the transmission cycle will have to be interrupted for approximately 11 more years in the current control area (for a total of 20 years) to ensure complete control. Under the Health Constraints to Rural Production project (698-0408) considerable data analysis will have been completed in Sudan. In Cameroon, the U.S. technical assistance will be in place, Cameroonian counterparts will be in training, and renovation of the project's laboratory and headquarters should be completed.

\$12.150 million is requested for projects in the Education and Human Resources sector. The African Manpower Development II project (698-0433) will fund about 300 new and 300 continuing participants whose training programs will support institutional development, technological transfer and improved policy formulation. The Regional Rural Development Training project (698-0405) supports activities of the Pan African Institute for Development whose primary purposes are to train Africans to plan, manage and evaluate rural development programs. The African Labor Development II project (698-0442) will continue to maintain the Agency's responsiveness to Section 601 of the FAA by supporting the development of free trade unions in Africa.

\$7.928 million is requested for Selected Development Activities. The Energy Initiatives for Africa project (698-0424) will continue to institute sub-projects and the contractor will conduct assessments of African manpower needs in energy and energy relationships in the agricultural sector. In the Environmental Training and Management project (698-0427), assistance to resource management institutions in Kenya and Sudan will be completed. The Support to Regional Organizations project (698-0413) will continue its assistance to regional and sub-regional organizations engaged in various specialized development sectors. Under the African Development Bank II project (698-0434) professional personnel and training needs assessments should be underway and the full component of technical assistance advisors should be at the Bank.

Other Program Areas: Beyond sectoral project activities the regional program also provides funding for the following activities: The Program Development and Support project (698-0510) provides support for program development. The Special Self-Help Development project (698-9901) assists activities which demonstrate U.S. support for small-scale local initiatives to carry out development activities. Finally, the regional program includes a Human Rights Fund (698-9801) to assist in promoting and protecting the rights of individuals under the Law.

AFRICA BUREAU OFFICE DIRECTOR,  
REGIONAL AFFAIRS: WILLIAM H. NAYLOR, JR.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: AFRICA REGIONAL

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
AGRICULTURE, RURAL DEV. AND NUTRITION										
EMTENTE FOOD PRODUCTION	G 626-0203	76	81	8,180	8,180	8,180	7,458	---	722	---
EMTENTE FOOD PRODUCTION	L 626-0203	76	79	10,000	10,000	10,000	7,350	---	1,650	1,000
ENTENTE LIVESTOCK PRODUCTION II	G 626-0204	76	81	4,810	4,810	4,810	4,520	---	71	---
ENTENTE LIVESTOCK PRODUCTION II	L 626-0204	76	79	4,500	4,500	4,500	2,278	---	1,000	1,222
AFRICAN DEVELOPMENT BANK	G 698-0127	68	81	4,785	4,785	4,785	3,847	---	938	---
PROGRAM DEVELOPMENT AND SUPPORT	G 698-0135	75	83	27,110	27,110	27,110	24,485	---	2,400	225
PRIVATE VOL OPPOR PROGRAM GRANT (PVO)	G 698-0386	75	C	---	---	---	---	1,836	1,836	---
SEMI-ARID FOOD GRAIN RESEARCH AND DEV	G 698-0393	77	83	19,169	19,169	19,169	13,901	---	3,300	1,968
IMPROVED RURAL TECHNOLOGY	G 698-0407	78	82	6,100	2,819	2,819	2,451	---	368	---
ACCELERATED IMPACT PROGRAM	G 698-0410	77	82	4,935	4,935	4,935	3,237	---	1,000	698
REGIONAL REMOTE SENSING(EASTERN AFRICA)	G 698-0414	77	82	3,772	3,772	3,772	2,712	---	847	---
REG ONCHOCERCIASIS-FREE AREA PLANNING	G 698-0416	78	80	4,362	3,312	3,312	3,233	---	79	---
REGIONAL REMOTE SENSING(WESTERN AFRICA)	G 698-0420	77	84	2,525	3,725	2,525	2,424	1,200	1,000	301
WEST AFRICA RICE DEVELOPMENT	G 698-0429	81	86	12,000	12,000	8,720	3,596	---	3,100	2,000 3,500
AFRICAN MANPOWER DEVELOPMENT II	G 698-0433	82	86	1,000	1,000	1,000	77	---	700	223
AFRICAN DEVELOPMENT BANK II	G 698-0434	84	88	---	7,300	---	---	---	---	1,000 500
STRENGTHENING AFRICAN AG RESEARCH PRGM	G 698-0435	82	88	4,850	45,000	2,502	1,155	2,700	2,000	2,921 2,000

\* Refers to the planned project summary sheet  
C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned data.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
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PROGRAM: AFRICA REGIONAL

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES
FARMING SYSTEMS RESEARCH (CIMMYT)	G 698-0444	82	82	1,213	1,213	1,213	154	---	1,059	---	---
STRENGTHENING MGMT OF AGRICULTURE RESEARCH	G 698-0445	82	82	500	495	495	184	---	311	---	---
SEMI-ARID GRAIN RESEARCH DEVELOPMENT II	* G 698-0452	85	89	---	15,000	---	---	---	---	1,500	750
WEST AFRICAN FISHERIES INITIATIVE	* G 698-0454	85	90	---	15,000	---	---	---	---	500	---
SMALL PROJECT ASSISTANCE/PEACE CORPS	G 698-0506	83	C	---	---	440	16	520	250	550	250
AFRICAN STRATEGIC STUDIES	G 698-0507	84	87	---	2,000	---	---	350	150	500	300
PROGRAM DEVELOPMENT SUPPORT II	G 698-0510	84	C	---	---	---	---	3,573	1,500	3,500	2,000
TOTAL FOR ACCOUNT GRANTS LOANS				119,811	196,125	110,287	83,078	10,179	24,281	12,471	14,937
				105,311	181,625	95,787	73,450	10,179	21,631	12,471	12,715
				14,500	14,500	14,500	9,628	---	2,650	---	2,222
POPULATION PLANNING											
PROGRAM DEVELOPMENT AND SUPPORT	G 698-0135	73	83	555	555	555	379	---	176	---	---
PRIVATE VOL OPPOR PROGRAM GRANT (PVO)	G 698-0386	75	C	---	---	---	---	500	500	---	---
POPULATION PLANNING DEVELOPMENT	* G 698-0437	85	89	---	20,000	---	---	---	---	3,000	750
PROGRAM DEVELOPMENT SUPPORT II	G 698-0510	84	C	---	---	---	---	600	190	600	200
FAMILY HEALTH INITIATIVE	G 698-0662	80	85	15,000	15,000	9,061	3,357	3,000	3,000	2,000	2,000
SPECIAL SELF-HELP POPULATION ACTIVITIES	G 698-9701	79	C	---	---	---	---	150	50	150	100

\* Refers to the planned project summary sheet

C Level of effort activity

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES	
TOTAL FOR ACCOUNT GRANTS				15,555	35,555	9,616	3,736	4,250	3,826	5,750	3,050
LOANS				15,555	35,555	9,616	3,736	4,250	3,826	5,750	3,050
				---	---	---	---	---	---	---	
HEALTH											
PROGRAM DEVELOPMENT AND SUPPORT	G 698-0135	75	83	6,175	6,175	4,291	3,833	---	521	---	---
PRIVATE VOL OPPOR PROGRAM GRANT (PVO)	G 698-0386	75	C	---	---	---	---	1,000	1,000	---	---
STRENGTHENING HEALTH DELIVERY SYSTEMS II	G 698-0398	77	85	26,754	26,754	21,084	19,000	2,500	2,084	3,100	2,500
ONCHOCERCIASIS CONTROL PHASE II	G 698-0399	74	85	23,100	23,100	18,918	13,382	2,200	2,700	1,900	2,700
HEALTH CONSTRAINTS TO RURAL PRODUCTION	G 698-0408	81	87	9,522	9,522	3,622	568	1,000	1,500	1,000	2,000
ACCELERATED IMPACT PROGRAM	G 698-0410	77	82	3,444	3,444	3,444	2,638	---	500	---	306
HEALTH INSTITUTIONS IMPROVEMENT 122(D)	G 698-0412	78	83	5,100	4,746	4,746	4,223	---	523	---	---
COMBATING CHILDHOOD COMMUN. DISEASES (CC)	G 698-0421	79	86	47,000	47,000	15,600	5,347	6,000	4,000	6,000	4,500
PROGRAM DEVELOPMENT SUPPORT II	G 698-0510	84	C	---	---	---	---	1,500	500	1,200	500
TOTAL FOR ACCOUNT GRANTS				121,095	120,741	71,705	48,991	14,200	13,328	13,200	12,506
LOANS				121,095	120,741	71,705	48,991	14,200	13,328	13,200	12,506
				---	---	---	---	---	---	---	
EDUCATION AND HUMAN RESOURCES											
PROGRAM DEVELOPMENT AND SUPPORT	G 698-0135	75	83	5,531	5,531	5,531	5,272	---	289	---	---
AFRICAN LABOR DEVELOPMENT	G 698-0363	71	84	30,270	33,270	30,270	28,749	3,000	4,021	---	500
AFRICAN MANPOWER DEVELOPMENT	G 698-0384	76	81	23,397	22,421	22,421	21,514	---	907	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: AFRICA REGIONAL

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES	
PRIVATE VOL OPPOR PROGRAM GRANT (PVO)	G 698-0386	75	C	---	---	---	500	500	---	---	
AFRICAN WOMEN IH DEVELOPMENT (WID)	G 698-0388	76	82	7,116	2,487	2,487	---	196	---	---	
REGIONAL RJRAL DEVELOPMENT TRAINING	G 698-0405	78	86	5,700	7,700	5,700	5,597	300	103	750	
DEVELOPMENT TRAINING FOR PSA	G 698-0418	77	82	10,200	8,625	8,625	8,327	---	298	---	
AFRICAN MANPOWER DEVELOPMENT II	G 698-0433	82	86	28,675	28,675	13,097	6,061	7,000	6,000	7,300	
AFRICAN LABOR DEVELOPMENT II	* G 698-0442	85	89	---	18,000	---	---	---	---	3,000	
OPPORTUNITIIES INDUSTRIAL CENTERS INTERN	G 698-0453	83	86	13,500	5,000	5,000	---	1,638	2,000	---	
PROGRAM DEVELOPMENT SUPPORT II	G 698-0510	84	C	---	---	---	---	1,075	500	1,100	
TOTAL FOR ACCOUNT GRANTS				124,389	131,709	93,131	77,811	13,513	14,814	12,150	12,500
LOANS				124,389	131,709	93,131	77,811	13,513	14,814	12,150	12,500
SELECTED DEVELOPMENT ACTIVITIES				---	---	---	---	---	---	---	
AFRICAN DEVELOPMENT BANK	G 698-0127	68	83	8,680	8,680	8,680	4,995	---	2,000	---	
PROGRAM DEVELOPMENT AND SUPPORT	G 698-0135	75	83	6,757	6,757	6,757	5,875	---	1,870	---	
ECONOMIC COMMISSION FOR AFRICA	G 698-0340	72	81	2,962	2,962	2,962	2,820	---	142	---	
PRIVATE VOL OPPOR PROGRAM GRANT (PVO)	G 698-0386	75	C	---	---	---	---	750	750	---	
ACCELERATED IMPACT PROGRAM	G 698-0410	77	82	4,263	4,263	4,263	4,014	---	249	---	
SUPPORT TO REGIONAL ORGANIZATIIONS	G 698-0413	79	85	8,000	15,000	7,057	3,143	2,280	2,500	728	
ENERGY INITIATIVE FOR AFRICA	G 698-0424	82	86	13,500	13,500	2,888	585	1,500	2,500	1,500	

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\* Refers to the planned project summary sheet

C Level of effort activity

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: AFRICA REGIONAL

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PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT AUTHD COST PLANNED	-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES	
ENVIRONMENTAL TRAINING FOR AFRICANS	G 698-0427	80	84	7,625	6,732	4,682	3,869	720	1,300	1,000	1,300
AFRICAN DEVELOPMENT BANK II	G 698-0434	84	88	---	7,700	---	---	1,950	750	1,000	1,000
AFRICARE GENERAL SUPPORT GRANT (PVO)	G 698-0443	82	82	1,032	1,032	1,032	470	---	562	---	---
AFRICAN STRATEGIC STUDIES	G 698-0507	84	87	---	1,000	---	---	150	200	500	200
PROGRAM DEVELOPMENT SUPPORT II	G 698-0510	84	C	---	---	---	---	875	500	1,100	500
HUMAN RIGHTS FUND FOR AFRICA	G 698-9801	79	C	---	---	1,558	1,213	200	345	300	300
SPECIAL SELF-HELP DEVELOPMENT ACTIVITIES	G 698-9901	80	C	---	---	6,586	5,773	1,700	1,600	1,800	1,600
TOTAL FOR ACCOUNT GRANTS				52,819	67,626	46,465	32,757	10,125	15,268	7,928	10,835
LOANS				52,819	67,626	46,465	32,757	10,125	15,268	7,928	10,835
				---	---	---	---	---	---	---	
ECONOMIC POLICY INITIATIVE FOR AFRICA											
ECONOMIC POLICY INITIATIVES	G 698-XXXX	85	C	---	500,000	---	---	---	---	75,000	---
TOTAL FOR ACCOUNT GRANTS				---	500,000	---	---	---	---	75,000	---
LOANS				---	500,000	---	---	---	---	75,000	---
				---	---	---	---	---	---	---	
TOTAL FOR COUNTRY GRANTS				433,669	1,051,756	331,204	246,373	52,267 <sup>1/</sup>	71,517	126,499	53,828
LOANS				419,169	1,037,256	316,704	236,745	52,267	68,867	126,499	51,606
				14,500	14,500	14,500	9,628	---	2,650	---	2,222

<sup>1/</sup> The FY 1984 total excludes \$568.3 thousand which has already been notified for deobligation and has not yet been identified for reobligation by project.

\* Refers to the planned project summary sheet

C Level of effort activity

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PLANNED PROGRAM SUMMARY SHEET

PROGRAM: AFRICA REGIONAL

Title Semi-Arid Food Grains Research and Development, Phase II		Funding Source	AG, RD & N 1,500	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 698-0452		<input checked="" type="checkbox"/> NEW	ED. & HR	Sel. Act.	FY 85 1,500	Life of Project Funding 15,000	
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING		Population			Initial Obligation FY 85	Estimated Final Obligation FY 89	Estimated Completion Date of Project FY 90

Purpose: To develop improved crop cereal varieties and field cultivation practices compatible with small-farm semi-arid conditions, and to promote adoption of these varieties and improved practices on farmers' fields.

Description: Millet, sorghum and maize provide most of the calories for human consumption in the semi-arid tropics of Africa. Combined with higher-protein cowpeas and groundnuts, these cereal crops make up the meager day-to-day diet for millions of people in this zone.

In late 1970s serious efforts were launched to increase the production of these vital food crops. A major part of this effort was the "Semi-Arid Food Grains Research and Development" (SAFGRAD) Phase I which combined the resources of (a) the International Agricultural Research Centers with predominant expertise and a mandate to work on the SAFGRAD-assisted crops and (b) 25 African national agricultural research systems to conduct coordinated agricultural research and development efforts. It is planned to expand this effort through the Cooperation for Development in Africa (CDA) mechanism and build upon the accomplishments achieved under SAFGRAD Phase I. Adjustments will be made during the project planning process to take account of recommendations made in a 1981 evaluation, an evaluation to be conducted in early FY 84 and zonal agricultural research programs developed under the CDA initiative. The project will function as did SAFGRAD I under the auspices of the Scientific and Technical Research Commission of the Organization of African Unity (OAU/STRC), and will maintain headquarters at the Kamboinse Research Station in Upper Volta. Proposals for project assistance will be reviewed as to their potential regional and national impact, and their priority in providing African food requirements.

Plans call for the continued use of the International Institute for Tropical Agriculture (IITA) to undertake regional research and training activities for maize and cowpeas. A similar arrangement will be carried out for sorghum, millet and groundnuts by the International Center

for Research in the Semi-Arid Tropics (ICRISAT).

A second research element will continue Farming Systems Research (FSR) to identify constraints to production, evaluate the acceptance of research results and recommend areas of research to better serve small farmers.

Another element to be expanded under SAFGRAD II is that of Accelerated Crops Production Officers (ACPOs). Stationed in individual countries, they will serve (a) as a liaison between the regional research activities of SAFGRAD and the national agricultural research systems and (b) as a liaison between the national agricultural research system and the national extension service.

Host Country and Other Donors: Each African country member contributes personnel, research sites, support staff and other costs. The International Fund for Agricultural Development has committed funds for FSR under SAFGRAD II. France is expected to continue limited financial and technical support. Canada and UNDP are expected to continue support for regional agricultural research complementary to SAFGRAD.

Relationship of the Project to A.I.D. Strategy: This project supports the priority that A.I.D. places on agricultural research as a means of increasing food production in Africa. The project emphasizes the strengthening of national and regional African institutions, transfer of appropriate technology, regional coordination and donor collaboration, particularly through CDA.

Beneficiaries: Expanded food crops production is the priority development objective of most semi-arid countries in Africa. The improved technology and its utilization proposed under this project are expected to benefit all Africans in the participating countries through a more reliable food supply, improved nutrition, and reduced dependence upon imported basic foods.

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
West African Fisheries Initiatives			500		FY 85	Life of Project Funding	
Number	698-0454	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	500	15,000	
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING				Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
					FY 85	FY 90	FY 92

**Purpose:** To assist the countries of Coastal and West Africa to utilize more effectively coastal fisheries through strengthening their national institutions and sub-regional technical and economic organizations to provide developmental assistance to the fisheries sector in both the public and private sector.

**Project Description:** The objective of this project is to introduce skills and capital in support of the development of expanded exploitation of coastal fisheries by strengthening or introducing fisheries management programs as well as identifying opportunities to modernize the artisanal fisheries, expanding the private sector, strengthening existing regional training and research facilities in support of this effort and developing new ones as may be necessary.

The countries of Coastal and West Africa have long recognized that their coastal fisheries constitute an important and renewable resource. However, given the lack of experience, capital and technical skills, the exploitation of these rich resources has been limited almost exclusively to foreign fishing fleets, operating under bilateral agreements. In many instances the agreements are reasonable. However, unable to enforce them, the African countries have been unable to collect agreed-upon royalties and their share of the catch for sale domestically.

Possibly as a result of over-fishing, it would appear that the higher-valued fish such as sardines (Sardinella) are being replaced with fish of lower commercial value like the trigger fish (Balliste) which are not traditionally caught due largely to difficulty of processing.

The fishing fleets of the coastal countries are, for the most part, artisanal. A substantial portion of the fish which these fleets harvest is lost because they cannot be processed or delivered to market rapidly enough or are discarded at sea due to lower value. The small commercial operations are under-capitalized in terms of equipment and credit, and therefore cannot modernize or expand to serve more effectively

the domestic market or to process fish for consumption within the sub-region or for export to hard currency markets.

**Relationship of Project to A.I.D. Strategy:** This project relates directly to A.I.D. strategy to strengthen national and regional institutions in support of economic development. The project will focus on transfer of U. S. technical assistance from A.I.D. and the private sector for the transfer of technology and to improve the administrative and management capabilities of institutions and organizations to meet the project goals of increasing and processing catch for domestic consumption and export. A major emphasis will be the mobilization of domestic and foreign private resources to serve both the artisanal and commercial operations.

**Host Country and other Donors:** A.I.D. has had expressions of interest from host countries, and direct requests from sub-regional organizations, for assistance in developing the coastal fisheries. The Peace Corps may participate in selected country program on a bilateral basis. Other donors (Scandinavians) have supported directly limited oceanographic research by providing vessels and crews to the FAO Regional Fisheries Commission in Dakar (CECAF). The Canadians are involved in bilateral activities. The Executive Secretariat of the Economic Community of West African States (ECOWAS) has offered to provide a venue for regional coordination meetings; the Economic Community of West Africa (CEAO) is creating a coastal fisheries training school and a fish production company in Mauritania.

**Beneficiaries:** Beneficiaries of this project will include the population of Coastal and West Africa as increased supplies of fish are made available in the market, with a resulting improvement in protein nutrition levels and as a substitute for imports of smoked and dried fish from hard-currency areas. Many new jobs will be created for both men and women as improvements are made in harvesting and processing. A secondary benefit will be increased earnings of hard currencies necessary to meet recurrent costs of overall development efforts.

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)			
Population Planning Development					FY 85	Life of Project Funding		
					3,000	20,000		
Number	598 0437	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
		<input type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING	3,000			FY 85	FY 89	FY 94

Purpose: To increase the consideration of demographic variables in social and economic development planning in Sub-Saharan African countries as well as the adoption of appropriate and acceptable fertility regulation methodologies that will enhance development gains in other sectors such as agriculture, health, nutrition, education and rural development.

Project Description: Africa as a whole has a higher overall population growth rate than any other major area of the world. Other development activities in the health and agriculture sectors designed to improve productivity, well-being and the standard of living will, if successful, lower mortality, especially among infants and children. A concomitant effort to lower population growth rates must be undertaken in order to maintain gains made in economic development. The proposed project builds on the experience of the more narrowly conceived Family Health Initiatives (FHI) project.

The new project will be designed in 1983 to respond rapidly to identified needs in the form of (1) initial or single-purpose activities such as specialized training in the provision of services; long or short-term training in such areas as demography, management, operations research; observation tours by African leaders to observe and discuss successful activities in other countries; and (2) support to locally approved private or governmental organizations to initiate activities while longterm bilateral projects are developed. These activities could include all or any combination of the following: (1) policy development; (2) demographic measurements; (3) information, education, communication; (4) social science research; (5) provision of services and (6) training. A methodology will be developed and used for submission and review of project proposals by host country private and public organizations. The active participation of appropriate U.S. private and public organizations will be encouraged.

Relationship of Project to A.I.D. Regional Strategy: This project is consistent with A.I.D.'s regional strategy. The reduction of population growth rates is a necessary adjunct to achievement of the health and agricultural sector priorities which are prominent objectives in the regional strategy.

Host Country and Other Donors: Many organizations concerned with population growth are working in sub-Sahara Africa. A.I.D. provides partial support to most of these organizations on a regional or centrally funded basis and bilaterally to a number of African countries. This project will provide a coordination mechanism to expedite and expand activity funding and implementation.

Beneficiaries: Immediate beneficiaries will be those women and children who, due to birth spacing, will lead healthier lives. In addition to improved health, the longer interbirth period should allow those women more opportunity to become actively involved in the social and economic development of their communities.

This project also includes the potential for establishing commercial retail sales of contraceptives. Where that activity takes place, there may be more economic benefit to individual entrepreneurs.

PROGRAM: AFRICA REGIONAL

PLANNED PROGRAM SUMMARY SHEET

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
African Labor Development, II					FY 85	3,000	Life of Project Funding 18,000
Number 698-442	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Del. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING			3,000		FY 85	FY 89	FY 90

Purpose: To develop democratic, effective, self-managed and financially self-sufficient trade unions in African countries capable of representing the interest of workers with their employers and government organizations.

Project Description: Pursuant to Section 601 of the Foreign Assistance Act A.I.D. has been supporting the development of the labor union movement in Africa since 1962. Through the African-American Labor Center (AALC), A.I.D. has provided technical assistance and financing to African labor unions with an emphasis on education and the training of union personnel. The new project will continue this assistance. Examples of the progress AALC has made in accomplishing the goal of strengthening free labor unions by providing technical and financial assistance are: development of 70 credit unions in Zambia with deposits in excess of \$2.5 million; and creation of a Regional Institute for Higher Trade Union Studies in Senegal and a workers' training institute and labor college in Kenya. Similar efforts with varying degrees of success have been made in developing strengthened labor organizations in other African nations.

The new project will continue to stress the training of union leadership to serve the workers they represent. The project will also continue efforts to develop the regional and national institutions serving the union movement and increase intra-regional communications.

Relationship to A.I.D. Regional Strategy: The project supports the A.I.D. strategy of strengthening African regional institutions. It also addresses the special sector concerns in education and human resources, health and nutrition and agriculture and rural development through its special emphasis programs.

Host Country and Other Donors: Cooperating trade unions provide personnel, facilities and funds. The American Federation of Labor/Congress of Industrial Organizations (AFL/CIO) provides \$260,000 annually.

Beneficiaries: The direct beneficiaries of these programs are the roughly 4,000 union members who attend workshops, seminars and long-term training each year. The indirect beneficiaries are all of the union members and their families in the countries in which AALC operates, as well as non-union workers in the industrial sector whose conditions are improved as unions become more effective.

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**AFRICA**

**SUMMARY OF ECONOMIC SUPPORT FUND PROGRAM**

## AFRICA BUREAU

ECONOMIC SUPPORT FUND PROGRAM SUMMARY			
<i>(In millions of dollars)</i>			
	FY 1983	FY 1984	FY 1985
	Actual	Estimated	Request
Botswana	10.0	-	10.0
Chad	-	3.0	10.0
Djibouti	2.0	3.0	3.5
Kenya	30.0	40.0	55.0
Liberia	32.0	34.2	45.0
Mauritius	2.0	2.0	2.0
Niger	5.0	5.0	7.0
Senegal	5.0	10.0	15.0
Seychelles	2.0	2.0	2.0
Somalia	21.0	35.0	35.0
Southern Africa Regional	14.4	16.0	37.0
Sudan	82.3	120.0	120.0
Zaire	5.0	8.0	15.0
Zambia	15.5	20.0	20.0
Zimbabwe	<u>60.0</u>	<u>40.0</u>	<u>15.0</u>
TOTALS	286.1	338.2	391.5

Overview of Economic Support Fund Program

The Economic Support Fund activities in Africa are directed toward countries with which the United States shares vital security interests, both of a political and economic nature. In FY 1985, we are requesting \$391.5 million in support to deter potential economic setbacks in fourteen African nations and the Southern African Region. The support is necessitated by one or more of the following conditions: rising inflation, high interest rates, deteriorating terms of trade, and/or an unfavorable balance of trade.

Southern Africa

In Southern Africa, \$82 million is requested to support three nations and the Southern African Regional assistance effort. The three nations, Botswana, Zambia and Zimbabwe, are all suffering political and economic turmoil. In addition, all three nations have rich natural resource endowments, relatively poor rural populations, and pro-western governments. The U.S.'s concern is primarily motivated by our interest in supporting economic growth and political stability for the area. Specific detail on ESF support in the area is:

Botswana: \$10 million will be used to support education and human resource development - the primary focus of the program in Botswana - as well as agricultural and rural development activities.

Zambia: \$20 million is requested to support the country's economic recovery and policy reform efforts through a commodity import program. In addition, we will support development objectives in agricultural training, planning, and institutional development as well as training for development.

Zimbabwe: \$15 million is requested to support ongoing sector programs such as the basic education and skills training effort and the agricultural sector assistance programs. In addition, we will support a commodity import program.

Southern African Regional: \$37 million is requested to support new and ongoing activities in the areas of agriculture for regional sorghum and millet research; manpower development and training for disadvantaged South Africans; regional transportation support; private and voluntary organizations; and, self-help and human rights fund activities.

#### East Africa and Indian Ocean States

In East Africa and the Indian Ocean States, we are seeking \$217.5 million for six countries. The funds will be used for a wide range of economic and political interests.

Djibouti: \$3.5 million is requested to fund activities in fisheries, skills training, health and nutrition, and housing.

Kenya: \$55 million is requested to provide critical balance of payments and budget support, to further the economic structural adjustment process, and finance commodity imports.

Mauritius: \$2 million is requested for continued balance of payments support through a commodity import program for food imports such as vegetable oil.

Seychelles: \$2 million is requested to finance essential petroleum commodities.

Somalia: \$35 million is requested to finance essential commodity imports and complete financing of the rehabilitation of the port of Kismayo.

Sudan: \$120 million is requested to purchase essential commodity inputs to help Sudan overcome its foreign exchange crisis, support economic reform, and acquire scarce inputs for production-oriented activities.

### Other Countries

Economic Support Funds are also sought for five additional countries totalling \$92 million. These five nations cover a broad range of U.S. economic and political interests in Africa.

Chad: \$10 million is requested to provide financial support for several selected rehabilitation and development-oriented activities, and to initiate a development project to conduct food crop research.

Liberia: \$45 million is requested to support the government's economic stabilization efforts, and to assist in meeting the targets of the IMF stand-by agreement.

Niger: \$7 million is requested to finance a commodity import program, technical assistance, and several studies supporting policy reforms.

Senegal: \$15 million is requested to finance a commodity import program in support of an IMF stand-by agreement and a rural roads maintenance program essential to farm marketing.

Zaire: \$15 million is requested to support stabilization efforts by enhancing domestic foodcrop production. The funds will provide equipment, spare parts and raw materials to selected agricultural, general, and transport firms producing for or servicing the domestic market.



SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: BOTSWANA

PROJECT TITLE	* I PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHED	TOTAL PROJECT COST PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
ECONOMIC SUPPORT FUND											
AGRICULTURAL PLANNING	G 633-0067	78	82	2,661	2,661	2,661	2,269	---	592	---	---
BOTSWANA-ZAMBIA ROAD	G 633-0072	77	82	508	508	508	139	---	369	---	---
TRANSPORT SECTOR	G 633-0073	79	79	6,000	5,900	5,900	5,740	---	160	---	---
AGRICULTURE COLLEGE EXPANSION	G 633-0074	78	84	7,930	7,930	7,930	6,262	---	1,102	---	568
RURAL SECTOR GRANT	G 633-0077	80	86	6,876	6,876	5,349	2,296	---	1,600	605	1,451
HEALTH SERVICES DEVELOPMENT	G 633-0078	76	80	4,785	4,305	4,305	1,774	---	750	---	1,400
RENEWABLE ENERGY TECHNOLOGY	G 633-0209	80	82	3,304	3,304	3,304	1,302	---	1,020	---	1,020
AGRICULTURAL TECHNOLOGY IMPROVEMENT	G 633-0221	81	85	6,539	6,539	5,128	722	---	1,900	1,731	2,486
PRIMARY EDUCATION IMPROVEMENT	G 633-0222	81	85	5,643	5,643	4,483	1,470	---	1,720	1,162	1,313
SMALL ENTERPRISE DEVELOPMENT (PVO)	G 633-0228	82	82	452	452	452	104	---	180	---	168
SECONDARY EDUCATION IMPROVEMENT	* G 633-0229	85	89	---	15,000	---	---	---	---	3,020	1,000
BOTSWANA WORKFORCE AND SKILLS TRAINING	G 633-0231	82	86	11,741	11,741	4,572	305	---	3,200	3,504	1,067
GABORONE WEST HOUSING AND FACILITIES	G 633-0238	83	83	650	650	650	---	---	350	---	300
TOTAL FOR ACCOUNT GRANTS				57,389	71,809	45,222	22,185	---	12,901	10,000	10,755
LOANS				57,389	71,809	45,222	22,185	---	12,901	10,000	10,755
TOTAL FOR COUNTRY GRANTS				57,389	71,809	45,222	22,185	---	12,901	10,000	10,755
LOANS				57,389	71,809	45,222	22,185	---	12,901	10,000	10,755

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
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PROGRAM: CHAD

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	EXPENDI TURES
ECONOMIC SUPPORT FUND										
RELIEF & REHABILITATION ACTIVITIES I	G 677-0041	82	82	2,822	2,822	---	---	1,296	---	470
STRENGTHENING DEVELOPMENT MINISTRIES	G 677-0047	84	85	---	6,000	---	---	3,000	3,000	5,000
STRENGTHENING RESEARCH CAPABILITY	* G 677-0048	85	85	---	5,000	---	---	---	5,000	2,500
TOTAL FOR ACCOUNT GRANTS LOANS				2,822	15,822	2,822	---	3,000	4,296	10,000
				2,822	15,822	2,822	---	3,000	4,296	10,000
TOTAL FOR COUNTRY GRANTS LOANS				2,822	15,822	2,822	---	3,000	4,296	10,000
				2,822	15,822	2,822	---	3,000	4,296	10,000

\* Refers to the planned project summary sheet

C Level of effort activity

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
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PROGRAM: DJIBOUTI

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY63- OBLIG ACTIONS	FY63- EXPENDITURES	-ESTIMATED FY84- OBLIG ACTIONS	FY84- EXPENDITURES	-PROPOSED FY85- OBLIG ACTIONS	FY85- EXPENDITURES	
ECONOMIC SUPPORT FUND											
FISHERIES DEVELOPMENT I	G 603-0003	83	83	1,000	1,000	1,000	262	---	400	---	---
HUMAN RESOURCES DEVELOPMENT-PHASE I (PVO)	G 603-0006	84	86	---	2,000	---	---	500	---	1,000	800
ENERGY INITIATIVES	G 603-0013	81	82	4,000	4,000	4,000	649	---	1,500	---	1,000
NUTRITION OUTREACH (PVO)	G 603-0014	83	86	1,000	2,500	986	---	---	350	500	400
FISHERIES DEVELOPMENT PHASE II	G 603-0015	84	87	2,998	3,000	---	---	1,000	200	1,000	800
LOW INCOME HOUSING	G 603-0020	84	87	---	5,700	---	---	1,500	---	1,000	1,000
TOTAL FOR ACCOUNT GRANTS				8,998	16,200	5,986	911	3,000	2,450	3,500	4,000
LOANS				8,998	16,200	5,986	911	3,000	2,450	3,500	4,000
TOTAL FOR COUNTRY GRANTS				8,998	16,200	5,986	911	3,000	2,450	3,500	4,000
LOANS				8,998	16,200	5,986	911	3,000	2,450	3,500	4,000

\* Refers to the planned project summary sheet

C Level of effort activity

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: KENYA

PROJECT TITLE	* I PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG EXPENDI ATIONS TURES	-ESTIMATED FY84- OBLIG EXPENDI ATIONS TURES	-PROPOSED FY85- OBLIG EXPENDI ATIONS TURES
ECONOMIC SUPPORT FUND							
COMMODITY IMPORT PROGRAM	G 615-0200	80	80	20,000	20,000	19,827	---
STRUCTURAL ADJUSTMENT PROGRAM GRANT	G 615-0213	83	85	30,000	125,000	32,000	28,200
						40,000	43,900
						55,200	45,000
TOTAL FOR ACCOUNT GRANTS LOANS				50,000	145,000	50,000	47,827
				50,000	145,000	50,000	47,827
						40,000	43,900
						55,200	45,000
TOTAL FOR COUNTRY GRANTS LOANS				50,000	145,000	50,000	47,827
				50,000	145,000	50,000	47,827
						40,000	43,900
						55,000	45,000

\* Refers to the planned project summary sheet

C Level of effort activity

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: LIBERIA

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTH'D	PLANNED	-THROUGH FY83- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	EXPENDI TURES
ECONOMIC SUPPORT FUND											
LOW INCOME HOUSING PHASE II	G 669-0167	79	80	5,000	5,000	5,000	2,368	---	2,095	---	537
PROGRAM GRANT VI	G 669-0189	84	84	35,000	34,150	---	---	34,150	34,150	---	---
PROGRAM GRANT VII	* G 669-0202	85	85	---	45,000	---	---	---	---	45,000	45,000
TOTAL FOR ACCOUNT GRANTS				40,000	84,150	5,000	2,368	34,150	36,245	45,000	45,537
LOANS				40,000	84,150	5,000	2,368	34,150	36,245	45,000	45,537
TOTAL FOR COUNTRY GRANTS				40,000	84,150	5,000	2,368	34,150	36,245	45,000	45,537
LOANS				40,000	84,150	5,000	2,368	34,150	36,245	45,000	45,537

\* Refers to the planned project summary sheet

C Level of effort activity

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
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PROGRAM: MAURITIUS

PROJECT TITLE	* L PROJECT / NUMBER	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
ECONOMIC SUPPORT FUND										
COMMODITY IMPORT PROGRAM	G 642-0003	82	82	2,000	2,000	1,882	---	---	---	---
COMMODITY INPUT PROGRAM II	G 642-0004	83	83	2,000	2,000	---	---	1,900	---	100
COMMODITY INPUT PROGRAM III	G 642-0005	84	84	---	2,000	---	---	2,000	---	1,900
COMMODITY IMPORT PROGRAM IV	* G 642-0006	85	85	---	2,000	---	---	---	2,000	---
TOTAL FOR ACCOUNT GRANTS				4,000	6,000	4,000	1,882	2,000	2,000	2,000
LOANS				4,000	8,000	4,000	1,882	2,000	2,000	2,000
TOTAL FOR COUNTRY GRANTS				4,000	6,000	4,000	1,882	2,000	2,000	2,000
LOANS				4,000	8,000	4,000	1,882	2,000	2,000	2,000

\* Refers to the planned project summary sheet

C Level of effort activity

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
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PROGRAM: NIGER

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES	
ECONOMIC SUPPORT FUND											
RURAL SECTOR DEV. GRANT-CIP	G 663-0247	83	85	5,000 17,000	5,000	---	5,000	10,000	7,000	7,000	
TOTAL FOR ACCOUNT GRANTS				5,000 17,000	5,000	---	5,000	10,000	7,000	7,000	
LOANS				---	---	---	---	---	---	---	
TOTAL FOR COUNTRY GRANTS				5,000 17,000	5,000	---	5,000	10,000	7,000	7,000	
LOANS				---	---	---	---	---	---	---	

\* Refers to the planned project summary sheet

C Level of effort activity

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
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PROGRAM: SENEGAL

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
ECONOMIC SUPPORT FUND										
COMMODITY IMPORT PROGRAM	G 685-0262	83	86	5,000 30,000	5,000	---	---	5,000	15,000	10,000
RURAL SECTOR DEVELOPMENT GRANT	G 685-0278	84	84	10,000 10,000	---	---	10,000	10,000	---	---
TOTAL FOR ACCOUNT GRANTS				15,000 40,000	5,000	---	10,000	15,000	15,000	10,000
LOANS				15,000 40,000	5,000	---	10,000	15,000	15,000	10,000
TOTAL FOR COUNTRY GRANTS				15,000 40,000	5,000	---	10,000	15,000	15,000	10,000
LOANS				15,000 40,000	5,000	---	10,000	15,000	15,000	10,000

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C Level of effort activity

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SEYCHELLES

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTED	PLANNED	-TROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
ECONOMIC SUPPORT FUND											
AGRICULTURE SECTOR DEVELOPMENT	G 662-0023	82	82	2,220	2,220	2,220	1,912	---	88	---	---
COMMODITY IMPORT PROGRAM II	G 662-0004	83	83	2,000	2,000	2,000	---	---	1,920	---	100
COMMODITY IMPORT PROGRAM III	G 662-0005	84	84	---	2,000	---	---	2,020	1,900	---	100
COMMODITY IMPORT PROGRAM IV	* G 662-0026	85	85	---	2,000	---	---	---	---	2,020	1,900
TOTAL FOR ACCOUNT GRANTS				4,000	8,000	4,000	1,912	2,020	3,888	2,000	2,100
LOANS				4,000	8,000	4,000	1,912	2,020	3,888	2,020	2,100
TOTAL FOR COUNTRY GRANTS				4,000	8,000	4,000	1,912	2,020	3,888	2,000	2,100
LOANS				4,000	8,000	4,000	1,912	2,020	3,888	2,020	2,100

\* Refers to the planned project summary sheet

C Level of effort activity

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
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PROGRAM: SOMALIA

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES	
ECONOMIC SUPPORT FUND											
KISMAYO PORT REHABILITATION	G 649-0114	82	85	4,000	39,000	4,000	1,113	17,500	6,500	17,500	4,000
COMMODITY IMPORT PROGRAM I	G 649-0118	82	82	16,500	18,500	18,500	8,688	---	---	---	---
COMMODITY IMPORT PROGRAM II	G 649-0120	83	83	21,000	16,000	16,000	---	---	5,000	---	11,000
COMMODITY IMPORT PROGRAM III	G 649-0125	84	84	---	17,500	---	---	17,500	2,000	---	15,000
COMMODITY IMPORT PROGRAM IV	* G 649-0130	85	85	---	17,500	---	---	---	---	17,500	3,000
POLICY INITIAT. & PRIVITIZATION STUDIES	G 649-0132	83	83	2,500	2,500	2,500	---	---	1,500	---	1,000
TOTAL FOR ACCOUNT GRANTS				46,000	111,200	41,000	9,801	35,000	17,000	35,000	34,000
LOANS				---	---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				46,000	111,000	41,000	9,801	35,000	17,000	35,000	34,000
LOANS				---	---	---	---	---	---	---	---

\* Refers to the planned project summary sheet  
G Level of effort activity

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SUDAN

PROJECT TITLE	* L PROJECT / NUMBER	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTH'D	PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
ECONOMIC SUPPORT FUND											
COMMODITY IMPORT PROGRAM II	G 650-K602	81	81	50,000	50,000	50,000	45,316	---	4,958	---	---
COMMODITY IMPORT PROGRAM III	G 650-K603	82	82	100,000	100,000	100,000	78,806	---	22,600	---	---
COMMODITY IMPORT PROGRAM IV	G 650-K604	83	83	60,250	48,000	60,250	21,223	---	37,250	---	---
COMMODITY IMPORT PROGRAM V	G 650-K605	84	84	---	57,000	---	---	57,000	30,000	---	27,000
SUDAN PROGRAM GRANT	G 652-K607	84	84	---	60,000	---	---	60,000	60,000	---	---
COMMODITY IMPORT PROGRAM VI	* G 650-K606	85	85	---	120,000	---	---	---	---	120,000	120,000
POLICY ANALYSIS AND IMPLEMENTATION	G 650-0071	83	84	5,000	5,000	2,000	---	3,000	1,800	---	1,500
TOTAL FOR ACCOUNT GRANTS				215,250	440,000	212,250	145,345	120,000	156,608	120,000	148,500
LOANS				215,250	440,000	212,250	145,345	120,000	156,608	120,000	148,500
TOTAL FOR COUNTRY GRANTS				215,250	440,000	212,250	145,345	120,000	156,608	120,000	148,500
LOANS				215,250	440,000	212,250	145,345	120,000	156,608	120,000	148,500

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: ZAIRE

PROJECT TITLE	* L PROJECT / NUMBER / G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHED	PLANNED	-THROUGH FY83- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	EXPENDI TURES
ECONOMIC SUPPORT FUND											
AGRICULTURAL MARKET SUPPORT	I 660-K225	76	76	5,400	5,400	5,400	2,470	---	1,287	---	---
AGRICULTURE ECONOMIC DEVELOPMENT	G 660-0052	77	77	1,561	1,561	1,561	1,510	---	544	---	---
INERA SUPPORT	G 660-0064	77	78	900	900	900	857	---	537	---	---
CASSAVA OUTREACH	G 660-0077	78	78	1,473	1,473	1,473	1,300	---	1,262	---	841
FISH CULTURE EXPANSION	G 660-0080	78	78	464	464	464	395	---	304	---	---
ECONOMIC SUPPORT-(PVO)	G 660-0097	83	83	5,000	5,000	5,000	---	---	1,200	---	3,800
AGRICULTURAL INPUTS SUPPORT	G 660-0100	84	84	---	8,000	---	---	8,000	6,000	---	2,000
AGRICULTURAL INPUTS SUPPORT II	* G 660-0103	85	85	---	15,000	---	---	---	---	15,000	6,000
TOTAL FOR ACCOUNT				14,798	37,798	14,798	6,532	8,000	11,132	15,000	12,641
GRANTS				9,398	32,398	9,398	4,262	8,000	9,845	15,000	12,641
LOANS				5,400	5,400	5,400	2,470	---	1,287	---	---
TOTAL FOR COUNTRY				14,798	37,798	14,798	6,532	8,000	11,132	15,000	12,641
GRANTS				9,398	32,398	9,398	4,262	8,000	9,845	15,000	12,641
LOANS				5,400	5,400	5,400	2,470	---	1,287	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: ZAMBIA

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD	PLANNED	-THROUGH FY83- OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	FY85- EXPENDI TURES
ECONOMIC SUPPORT FUND											
COMMODITY IMPORT PROGRAM	G 611-0070	77	85	---	30,000	---	---	15,000	10,000	15,000	15,000
COMMODITY IMPORT PROGRAM	L 611-0070	77	85	135,000	134,940	134,975	114,756	---	20,220	---	---
AG TRAINING/PLANNIN/INSTITUTION DEV	G 611-0075	80	85	4,785	8,785	4,785	1,458	---	2,000	4,000	3,000
AGRICULTURE DEV RESEARCH AND EXTENSION	G 611-0201	80	84	12,515	12,515	8,583	2,728	3,932	4,000	---	4,000
CHAMA AREA DEVELOPMENT (PVO)	G 611-0204	81	82	1,166	1,166	1,167	534	---	400	---	232
WESTERN PROVINCE SMALL FARMER PROD. (PVO)	G 611-0205	83	83	564	483	483	---	---	300	---	183
HUMAN AND INSTITUTIONAL RESOURCES DEV.	G 611-0206	84	88	---	11,300	---	---	1,068	50	1,000	1,000
TOTAL FOR ACCOUNT GRANTS				154,030	199,189	149,993	119,476	20,000	36,970	20,000	23,415
LOANS				19,030	64,249	15,018	4,720	20,000	16,750	20,000	23,415
				135,000	134,940	134,975	114,756	---	20,220	---	---
TOTAL FOR COUNTRY GRANTS				154,030	199,189	149,993	119,476	20,000	36,970	20,000	23,415
LOANS				19,030	64,249	15,018	4,720	20,000	16,750	20,000	23,415
				135,000	134,940	134,975	114,756	---	20,220	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: ZIMBABWE

PROJECT TITLE	* L / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG EXPENDI ATIONS TURES	-ESTIMATED FY84- OBLIG EXPENDI ATIONS TURES	-PROPOSED FY85- OBLIG EXPENDI ATIONS TURES	-PROPOSED FY85- OBLIG EXPENDI ATIONS TURES			
ECONOMIC SUPPORT FUND											
ZIMBABWE LABOR DEVELOPMENT	G 613-0203	80	81	416	416	416	222	---	196	---	---
SCIENCE AND TECHNOLOGY COOPERATION	G 613-0204	80	80	750	750	750	580	---	170	---	---
LOW COST SHELTER	G 613-0205	82	82	750	750	750	163	---	587	---	---
BASIC EDUCATION & SKILLS TRAINING	G 613-0206	82	86	33,700	33,700	15,000	---	15,000	10,000	3,700	12,000
ZIMBABWE AGRICULTURAL SECTOR ASSISTANCE	G 613-0209	82	85	45,000	45,000	18,700	2,961	15,000	20,719	11,300	10,000
ZIMBABWE MANPOWER DEVELOPMENT	G 613-0215	82	85	8,000	8,000	8,000	453	---	2,000	---	3,000
COMMODITY IMPORT PROGRAM	G 613-0216	82	84	87,000	97,000	87,000	42,268	10,000	36,732	---	20,000
CHILD SPACING AND FERTILITY	G 613-0219	82	85	5,250	5,250	5,250	607	---	2,000	---	2,643
ADULT LIT. & TCHER TRNG TEXTB PROD. (PVO)	G 613-0220	81	81	450	450	450	330	---	120	---	---
BOOKS FOR NEW LITERATES (PVO)	G 613-0224	83	83	300	300	300	220	---	80	---	---
TOTAL FOR ACCOUNT GRANTS				181,616	191,616	136,616	45,822	40,000	72,604	15,000	47,643
LOANS				181,616	191,616	136,616	45,822	40,000	72,604	15,000	47,643
TOTAL FOR COUNTRY GRANTS				181,616	191,616	136,616	45,822	40,000	72,604	15,000	47,643
LOANS				181,616	191,616	136,616	45,822	40,000	72,604	15,000	47,643

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date.  
For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SOUTHERN AFR REG

PROJECT TITLE	* I PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY63- OBLIG ACTIONS	FYE3- EXPENLITURES	-ESTIMATED FY64- OBLIG ACTIONS	FYE4- EXPENLITURES	-PROPOSED FY65- OBLIG ACTIONS	FYE5- EXPENLITURES	
ECONOMIC SUPPORT FUND											
SOUTHERN PERIMETER ROAD	G 690-0076	78	82	8,000	8,000	8,000	2,754	---	1,000	---	2,000
SOUTHERN AFRICA PLNG MANAGEMENT/RESEARCH	G 690-2205	80	C	---	---	3,525	2,697	1,500	1,000	1,256	1,500
AGRICULTURE AND LIVESTOCK DEVELOPMENT	G 690-0207	82	82	675	675	675	22	---	653	---	---
MANAGEMENT MANPOWER DEVELOPMENT	* G 690-2208	85	87	---	12,000	---	---	---	---	5,000	1,500
TRANSPORT AND STORAGE DEVELOPMENT	L 690-0209	81	82	17,300	17,300	17,300	1,777	---	10,000	---	5,523
TRAINING OF DISADVANTAGED SOUTH AFRICANS	G 690-2213	82	88	23,950	22,950	2,047	1,244	1,200	500	4,200	500
PRIVATE ENTERPRISE	G 690-0214	82	82	150	150	150	147	---	3	---	---
SADCC TECHNICAL SUPPORT	G 690-0215	84	85	---	4,300	---	---	2,600	450	1,700	1,200
ENTREPRENEURIAL TRNG/DISADV. SO. AFR.	G 690-0220	83	83	3,000	3,000	3,000	---	---	500	---	750
UNIVERSITY PREPARATION PROGRAM	G 690-0222	83	83	2,000	1,862	1,862	---	---	800	---	800
LABOR UNION TRAINING FOR SOUTH AFRICANS	G 690-0223	83	84	900	900	675	---	225	400	---	500
REGIONAL SORGHUM/MILLET RESEARCH	G 690-2224	83	85	14,800	14,800	6,083	---	4,875	2,000	3,842	3,000
REGIONAL AGRI. RESEARCH COORDINATION	G 690-2225	84	84	---	1,500	---	---	1,500	300	---	500
REGIONAL LEGUME RESEARCH	* G 690-2229	85	85	---	5,000	---	---	---	---	5,000	1,000
SOUTH AFRICA BURSARIES PROGRAM	G 690-2230	84	87	---	15,000	---	---	3,000	1,000	1,000	2,000
REGIONAL TRANSPORT DEVELOPMENT	* G 690-2231	85	87	---	20,000	---	---	---	---	8,000	2,500
AGRICULTURAL TRAINING	* G 690-2232	85	88	---	30,000	---	---	---	---	5,400	1,200

Refers to the planned project summary sheet

C Level of effort activity

620

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SOUTHERN AFR REG

PROJECT TITLE	* L PROJECT / NUMBER	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH OBLIG ATIONS	FY83- EXPENDI TURES	-ESTIMATED OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ATIONS	FY85- EXPENDI TURES
HUMAN RIGHTS FUNI	G 690-9801	79	C	---	---	173	56	600	400	1,100	800
SPECIAL SELF-HELP DEV-ESF	G 690-9901	80	C	---	---	1,928	1,441	702	622	702	702
TOTAL FOR ACCOUNT GRANTS LOANS				70,775	155,437	45,418	9,938	16,000	19,606	37,000	25,973
				53,475	138,137	28,118	8,161	16,000	9,606	37,000	20,450
				17,300	17,300	17,300	1,777	---	10,000	---	5,523
TOTAL FOR COUNTRY GRANTS LOANS				70,775	155,437	45,418	9,938	16,000	19,606	37,000	25,973
				53,475	138,137	28,118	8,161	16,000	9,606	37,000	20,450
				17,300	17,300	17,300	1,777	---	10,000	---	5,523

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column -- All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

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FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (680) BENIN

**\*BASIC DATA\***

TOTAL POPULATION.. (THOUSANDS,MID 1983) 3,792  
 PER CAPITA GNP..... (DOLLARS,1981) 320  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 1.3%  
 ANNUAL RATE OF INFLATION (1970-81) 9.4%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( .) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
 (1982) TOTAL 47.9 MALE 46.3 FEMALE 49.6  
 (1970) TOTAL 42.1 MALE 40.6 FEMALE 43.8  
 ADULT LITERACY RATE (1980) TOTAL 28% MALE 40% FEMALE 17%

**\*AGRICULTURE\***

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
 (1973-1982) -0.7%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1981) 43%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 390  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: CASSAVA ,YAMS ,CORN 22% (1982)  
 CASH: PALM OIL ,PALM KERNELS ,COTTON .% (1982)  
 MAJOR AGRICULTURAL EXPORTS:(1982) COTTON ,PALM OIL ,  
 MAJOR AGRICULTURAL IMPORTS:(1982) WHEAT ,RICE ,TOBACCO  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 46%

**\*CENTRAL GOVERNMENT FINANCES\***

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
 ( .) ( .) ( .)  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
 ( .) ( .) ( .)  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
 ( .) ( .) ( .)  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. ( .) .% ( .) .% ( .) .%  
 AS % OF GNP..... ( .) .% ( .) .% ( .) .%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) (1980) 9 (81) 62 (82) 10  
 EQUIVALENT TO 0.6 MONTHS OF IMPORTS (1978)

**\*FOREIGN TRADE\***

MAJOR EXPORTS... (1981) PALM PRODUCTS ,AGRICULTURAL PRO ,  
 EXPORTS TO U.S.  
 (\$ MILLIONS, US, FOB) (1979) 3 (1981) 0 (1982) 1  
 AS % OF TOTAL EXPORTS (1976) 0% (1977) 0% (1978) 0%  
 MAJOR IMPORTS....(1981) CLOTHING ,MANUFACTURES ,CEMENT  
 IMPORTS FROM U.S.  
 (\$ MILLIONS, US, CIF) (1980) 17 (1981) 21 (1982) 27  
 AS % OF TOTAL IMPORTS (1976) 7% (1977) 6% (1978) 5%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1976) -85(77) -96(78) -109  
 TRADING PARTNERS: , ,  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 71.0%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
 (\$ MILLIONS, U.S.)..... (1981) 22  
 AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1978) 3.1%

**\*SOCIAL DATA\***

POPULATION GROWTH RATE...(1970) 2.6% (1978) 2.9% (1983) 3.1%  
 POPULATION IN URBAN AREAS.....(1970) 13% (1982) 15%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 50 (1983) 47  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 1.0%  
 POPULATION (1980) IN AGE GROUP:  
 (0-14YRS) 46.1% (15-64YRS) 51.2% (65+ YRS) 2.8%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 147  
 PEOPLE PER PHYSICIAN..... (1977) 26,567  
 MAJOR CAUSES OF  
 DISEASE (1981) MALARIA ,MEASLES ,SHIGELLOSIS  
 DEATH.. (1975) INFECTIOUS DIS. ,MALARIA ,TETANUS  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 100%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1979) 21%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1979) TOTAL 60.0% MALE 78.0% FEMALE 42.0%  
 SECONDARY..... (1979) TOTAL 12.0% MALE 18.0% FEMALE 7.0%  
 POST SECONDARY.. (1978) TOTAL 0.9% MALE 1.5% FEMALE 0.3%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) .%

U.S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years - Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)					
COUNTRY BENIN									A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS					
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1984-89		
	1978	1979	1980	1981	1982				TOTAL.....	ISRD	IFC	IDA	IDB	ADB
<b>I. ECONOMIC ASSISTANCE - TOTAL</b>	1.1	1.3	3.7	7.5	2.3	53.1	2.9	55.2	54.7	49.1	20.0	349.2		
Loans	-	-	-	-	-	23.7	2.9	20.8	0.0	0.0	0.0	0.0		
Grants	1.1	1.3	3.7	7.5	2.3	34.4	-	34.4	0.0	0.0	0.0	0.0		
<b>a. A.I.D. and Predecessor Agencies</b>	-	0.2	2.5	4.7	-	33.1	2.9	35.2	43.3	23.8	20.0	173.2		
Loans	-	-	-	-	-	23.7	2.9	20.8	0.0	0.0	0.0	0.0		
Grants	-	0.2	2.5	4.7	-	14.4	-	14.4	0.0	0.0	0.0	0.0		
(Economic Support Fund)	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>b. Food for Peace (PL 480)</b>	0.3	0.9	0.9	1.8	1.0	12.6	-	12.6	0.0	0.0	0.0	0.0		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	0.3	0.9	0.9	1.8	1.0	12.6	-	12.6	0.0	0.0	0.0	0.0		
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Title II - Total Grants	0.3	0.9	0.9	1.8	1.0	12.6	-	12.6	0.0	0.0	0.0	0.0		
Emerg. Relief, Econ. Dev. Jop. & World Food Program	0.6	0.9	0.3	1.1	0.5	8.1	-	8.1	0.0	0.0	0.0	0.0		
Voluntary Relief Agencies	0.2	-	0.1	0.7	0.5	4.5	-	4.5	0.0	0.0	0.0	0.0		
<b>c. Other Economic Assistance</b>	0.3	0.2	0.2	1.0	1.3	7.4	-	7.4	0.0	0.0	0.0	0.0		
Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	0.3	0.2	0.2	1.0	1.3	7.4	-	7.4	0.0	0.0	0.0	0.0		
Peace Corps	0.3	0.2	0.2	1.0	1.3	7.4	-	7.4	0.0	0.0	0.0	0.0		
Narcotics	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Other	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>II. MILITARY ASSISTANCE - TOTAL</b>	-	-	-	-	-	0.1	-	0.1	0.0	0.0	0.0	0.0		
Credits or Loans	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
Grants	-	-	-	-	-	0.1	-	0.1	0.0	0.0	0.0	0.0		
<b>a. MAP Grants</b>	-	-	-	-	-	0.1	-	0.1	0.0	0.0	0.0	0.0		
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	1.1	1.3	3.7	7.5	2.3	53.2	2.9	55.3	54.7	49.1	20.0	349.2		
Loans	-	-	-	-	-	23.7	2.9	20.8	0.0	0.0	0.0	0.0		
Grants	1.1	1.3	3.7	7.5	2.3	34.5	-	34.5	0.0	0.0	0.0	0.0		
<b>Other U.S. Government Loans and Grants</b>	-	-	-	-	-	0.2	0.2	-	0.0	0.0	0.0	0.0		
<b>a. Export-Import Bank Loans</b>	-	-	-	-	-	0.2	0.2	-	0.0	0.0	0.0	0.0		
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0		

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE			
1. D.A.C. COUNTRIES (Gross Disbursements)			
	CY 1981	CY 1982	CY 1978-82
United States	2.0	2.0	11.0
France	23.3	14.3	87.6
Germany, Fed Rep.	11.3	13.7	65.5
Canada	6.1	2.7	30.7
Denmark	0.4	-	15.3
Other	6.7	8.1	31.2
<b>Total</b>	<b>49.8</b>	<b>40.8</b>	<b>241.3</b>
2. O.P.E.C. COUNTRIES (Gross Disbursements)			
	CY 1981	CY 1982	CY 1978-81
	1.3	N.A.	5.2
C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES			
	CY 1981	CY 1982	CY 1954-82
USSR	5	-	10
Eastern Europe	-	-	N.A.
China	-	-	45
<b>Total</b>	<b>5</b>	<b>-</b>	<b>55</b>

\* LESS THAN \$50,000.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

PAGE 1  
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PROGRAM: BENIN

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHO PLANNED	-THROUGH FY53- OBLIG ATIONS	FY53- EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	FY84- EXPENDI TURES	-PROPOSED FY35- OBLIG ATIONS	FY35- EXPENDI TURES	
HEALTH											
BENIN RURAL WATER SUPPLY	G 680-0201	80	81	6,707	6,707	6,707	459	---	---	---	---
TOTAL FOR ACCOUNT GRANTS				6,707	6,707	6,707	459	---	---	---	---
LOANS				---	---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				6,707	6,707	6,707	459	---	---	---	---
LOANS				---	---	---	---	---	---	---	---

Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.



U.S. OVERSEAS LOANS AND GRANTS — OBLIGATIONS AND LOAN AUTHORIZATIONS (U.S. Fiscal Years — Millions of Dollars)									ECONOMIC PROGRAMS OF ALL DONORS (Millions of Dollars)					
COUNTRY NIGERIA									A. ASSISTANCE FROM INTERNATIONAL AGENCIES — COMMITMENTS					
PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82	FY 1981	FY 1982	FY 1983	FY 1946-83		
	1978	1979	1980	1981	1982				TOTAL.....	ISRD	IFC	IDA	IDB	ADB
<b>I. ECONOMIC ASSISTANCE — TOTAL</b>	-	-	-	-	-	406.5	31.3	375.2	363.7	314.1	131.7	2380.2		
Loans	-	-	-	-	-	83.6	31.3	52.3	321.0	314.0	120.0	2131.3		
Grants	-	-	-	-	-	322.9	-	322.9	9.7	0.0	0.0	22.3		
<b>a. A.I.D. and Predecessor Agencies</b>	-	-	-	-	-	310.1	31.1	279.0	0.0	0.0	0.0	35.3		
Loans	-	-	-	-	-	33.4	31.1	52.3	0.0	0.0	0.0	0.0		
Grants	-	-	-	-	-	276.7	-	276.7	0.0	0.0	0.0	9.6		
(Economic Support Fund)	-	-	-	-	-	73.0	-	73.0	2.8	0.1	0.0	83.7		
<b>b. Food for Peace (PL 480)</b>	-	-	-	-	-	57.0	-	57.0	10.2	0.0	11.7	43.0		
Loans	-	-	-	-	-	-	-	-	25.0	0.0	0.0	50.0		
Grants	-	-	-	-	-	57.0	-	57.0	-	-	-	-		
Title I - Total Sales Agreements	-	-	-	-	-	-	-	-	-	-	-	-		
Repayable in U.S. Dollars - Loans	-	-	-	-	-	-	-	-	-	-	-	-		
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-	-	-	-	-		
Title II - Total Grants	-	-	-	-	-	57.0	-	57.0	-	-	-	-		
Emerg. Relief, Econ. Develop. & World Food Program	-	-	-	-	-	52.7	-	52.7	-	-	-	-		
Voluntary Relief Agencies	-	-	-	-	-	14.3	-	14.3	-	-	-	-		
<b>c. Other Economic Assistance</b>	-	-	-	-	-	29.4	0.2	29.2	-	-	-	-		
Loans	-	-	-	-	-	0.2	0.2	-	-	-	-	-		
Grants	-	-	-	-	-	29.2	-	29.2	-	-	-	-		
Peace Corps	-	-	-	-	-	29.2	-	29.2	-	-	-	-		
Narcotics	-	-	-	-	-	-	-	-	-	-	-	-		
Other	-	-	-	-	-	-	-	-	-	-	-	-		
<b>II. MILITARY ASSISTANCE — TOTAL</b>	-	-	-	-	-	1.8	0.4	1.4	-	-	-	-		
Credits or Loans	-	-	-	-	-	0.3	0.4	0.1	-	-	-	-		
Grants	-	-	-	-	-	1.5	-	1.5	-	-	-	-		
<b>a. MAP Grants</b>	-	-	-	-	-	*	-	*	-	-	-	-		
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	0.3	0.4	0.1	-	-	-	-		
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	-	1.5	-	1.5	-	-	-	-		
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-	-	-	-	-		
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	-	-	-	-	-	408.3	31.7	376.6	-	-	-	-		
Loans	-	-	-	-	-	83.9	31.7	52.2	-	-	-	-		
Grants	-	-	-	-	-	324.4	-	324.4	-	-	-	-		
<b>Other U.S. Government Loans and Grants</b>	-	7.3	8.1	312.4	52.1	416.0	43.9	372.1	-	-	-	-		
<b>a. Export-Import Bank Loans</b>	-	7.3	8.1	312.4	52.1	416.0	43.9	372.1	-	-	-	-		
<b>b. All Other Loans</b>	-	-	-	-	-	-	-	-	-	-	-	-		

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE				
1. D.A.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-82	
United States	-	-	2.0	
United Kingdom	8.6	8.6	49.8	
Japan	5.2	8.6	33.0	
Germany, Fed Rep.	6.2	7.0	32.4	
Netherlands	2.0	1.5	14.2	
Other	14.5	7.7	41.1	
Total	36.5	33.4	172.5	
2. Q.P.E.C. COUNTRIES (Gross Disbursements)				
	CY 1981	CY 1982	CY 1978-81	
	-	N.A.	-	

C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES			
	CY 1981	CY 1982	CY 1954-82
USSR	-	-	1,205
Eastern Europe	20	-	450
China	-	-	-
Total	20	-	1,655

\* LESS THAN \$50,000.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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01/19/84

PROGRAM: NIGERIA

CP 85

PROJECT TITLE	* L PROJECT / NUMBER	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	EXPENDI TURES	
EDUCATION AND HUMAN RESOURCES											
PROGRAM GRANT	G 620-0318	73	73	2,510	2,510	1,858	---	652	---	---	
TOTAL FOR ACCOUNT GRANTS				2,510	2,510	1,858	---	652	---	---	
LOANS				---	---	---	---	---	---	---	
TOTAL FOR COUNTRY GRANTS				2,510	2,510	1,858	---	652	---	---	
LOANS				---	---	---	---	---	---	---	

\* Refers to the planned project summary sheet

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C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

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Sao Tome &  
Principe

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: SAO TOME/PRINCIPE

CP 35

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHO PLANNED	-THROUGH FY33- OBLIG ATIONS	FY33- EXPENDI TURES	-ESTIMATED FY34- OBLIG ATIONS	FY34- EXPENDI TURES	-PROPOSED FY35- OBLIG ATIONS	FY35- EXPENDI TURES
AGRICULTURE, RURAL DEV. AND NUTRITION										
CROP PRODUCTION AND DIVERSIFICATION	G 658-0001	77	81	1,580	1,580	1,580	1,196	---	500	---
TOTAL FOR ACCOUNT GRANTS				1,580	1,580	1,580	1,196	---	500	---
LOANS				---	---	---	---	---	---	---
TOTAL FOR COUNTRY GRANTS				1,580	1,580	1,580	1,196	---	500	---
LOANS				---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.



FY 85 CP ECONOMIC AND SOCIAL DATA

COUNTRY: (621) TANZANIA

**\*BASIC DATA\***

TOTAL POPULATION.. (THOUSANDS,MID 1983) 20,524  
 PER CAPITA GNP..... (DOLLARS,1981) 280  
 ANNUAL PER CAPITA REAL GNP GROWTH RATE.. (1970-81) 1.6%  
 ANNUAL RATE OF INFLATION (1970-81) 11.9%  
 NATIONAL INCOME RECEIVED BY LOW 20% OF POPULATION..( . ) . %  
 LIFE EXPECTANCY AT BIRTH, IN YEARS  
     (1982) TOTAL 52.5 MALE 50.8 FEMALE 54.3  
     (1970) TOTAL 46.7 MALE 45.1 FEMALE 48.4  
 ADULT LITERACY RATE (1978) TOTAL 73% MALE 78% FEMALE 70%

**\*AGRICULTURE\***

ANNUAL PER CAPITA AGRICULTURAL PRODUCTION GROWTH RATE  
     (1973-1982) -1.4%  
 AGRICULTURAL PRODUCTION AS % OF GDP.....(1980) 46%  
 POPULATION DENSITY / SQ MI OF AGRICULTURAL LAND (1979) 116  
 MAJOR CROP(S) ARABLE LAND YEAR  
 SUBSISTENCE: CORN ,CATTLE ,CASSAVA 44% (1982)  
 CASH: COFFEE ,BEEF AND VEAL ,COTTON 11% (1982)

MAJOR AGRICULTURAL EXPORTS:(1982) COFFEE ,COTTON ,SISAL  
 MAJOR AGRICULTURAL IMPORTS:(1982) CORN ,RICE ,VEGETABLE OILS  
 PROPORTION OF LABOR FORCE IN AGRICULTURE.....(1980) 83%

**\*CENTRAL GOVERNMENT FINANCES\***

TOTAL REVENUES AND GRANTS (\$ MILLIONS, U.S.)  
     (1977) 714 (78) 884 (79) 946  
 TOTAL EXPENDITURES AND NET LENDING (\$ MILLIONS, U.S.)  
     (1977) 900 (78) 1,192 (79) 1,629  
 DEFICIT(-) OR SURPLUS (\$ MILLIONS, U.S.)  
     (1977) -186 (78) -308 (79) -683  
 DEFENSE EXPENDITURES,  
 AS % OF TOTAL EXPENDITURES.. (1977) 12.2% (78) 14.7% (79) 24.5%  
 AS % OF GNP..... (1977) 3.1% (78) 4.0% (79) 9.0%  
 OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS END OF PERIOD,  
 (\$MILLIONS, U.S.) ( . ) . ( . ) . ( . ) .  
 EQUIVALENT TO . MONTHS OF IMPORTS ( . )

**\*FOREIGN TRADE\***

MAJOR EXPORTS... (1981) COFFEE ,COTTON ,SISAL  
 EXPORTS TO U.S.  
     (\$ MILLIONS, US, FOB) (1980) 21 (1981) 20 (1982) 29  
     AS % OF TOTAL EXPORTS (1978) 11% (1979) 5% (1980) 4%  
 MAJOR IMPORTS....(1981) MANUFACTURES ,MACHIN\*Y/TRANSP ,  
 IMPORTS FROM U.S.  
     (\$ MILLIONS, US, CIF) (1980) 76 (1981) 67 (1982) 41  
     AS % OF TOTAL IMPORTS (1978) 4% (1979) 2% (1980) 7%  
 TRADE BALANCE(\$ MILLIONS, U.S.)(1978) -518(79) -413(80) -561  
 TRADING PARTNERS: UNITED KINGDOM ,WEST GERMANY ,JAPAN  
 EXTERNAL PUBLIC DEBT AS % OF GNP (1981) 40.1%  
 SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT,  
     (\$ MILLIONS, U.S.)..... (1981) 107  
     AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO).... (1980) 10.1%

**\*SOCIAL DATA\***

POPULATION GROWTH RATE...(1970) 3.1% (1978) 3.3% (1983) 3.2%  
 POPULATION IN URBAN AREAS.....(1970) 7% (1982) 13%  
 LIVE BIRTHS PER 1,000 POPULATION.....(1970) 47 (1983) 47  
 MARRIED WOMEN AGED 15-44 YRS. USING CONTRACEPTION. (1977) 0.4%  
 POPULATION (1980) IN AGE GROUP:  
     (0-14YRS) 46.0% (15-64YRS) 50.9% (65+ YRS) 3.0%  
 INFANT DEATHS IN FIRST YR OF LIFE PER 1000 LIVE BIRTHS (1983) 103  
 PEOPLE PER PHYSICIAN..... (1977) 17,553  
 MAJOR CAUSES OF  
 DISEASE (1979) ENTERIC DISEASE ,ACUTE RESP. INFE ,INFECTIOUS DIS.  
 DEATH.. (1979) ENTERIC DISEASE ,ACUTE RESP. INFE ,INFECTIOUS DIS.  
 PER CAPITA CALORIE SUPPLY AS A % OF REQUIREMENTS.. (1977) 87%  
 POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(1975) 39%  
 TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP:  
 PRIMARY..... (1980) TOTAL 104% MALE 113% FEMALE 94.0%  
 SECONDARY..... (1979) TOTAL 4.0% MALE 5.0% FEMALE 2.0%  
 POST SECONDARY.. (1977) TOTAL 0.1% MALE 0.3% FEMALE 0.0%  
 ENERGY PRODUCTION AS % OF CONSUMPTION.....(1981) 7.8%

**U.S. OVERSEAS LOANS AND GRANTS – OBLIGATIONS AND LOAN AUTHORIZATIONS**  
(U.S. Fiscal Years – Millions of Dollars)

**ECONOMIC PROGRAMS OF ALL DONORS**  
(Millions of Dollars)

**COUNTRY TANZANIA**

PROGRAM	FOREIGN ASSISTANCE ACT PERIOD					TOTAL LOANS AND GRANTS 1946-82	REPAY- MENTS AND INTEREST 1946-82	TOTAL LESS REPAY- MENTS AND INTEREST 1946-82
	1978	1979	1980	1981	1982			
<b>I. ECONOMIC ASSISTANCE – TOTAL</b>	25.2	24.0	25.2	37.2	19.6	328.7	21.9	306.8
Loans	5.2	-	7.5	19.3	5.0	88.3	21.9	66.4
Grants	19.0	24.0	17.7	17.9	14.6	240.4	-	240.4
<b>a. A.I.D. and Prodemor Agencies</b>	17.2	21.4	14.9	21.7	10.6	167.0	17.0	150.0
Loans	-	-	-	11.8	-	42.1	17.0	25.1
Grants	17.2	21.4	14.9	9.9	10.6	124.9	-	124.9
(Economic Support Fund)	-	-	-	-	-	-	-	-
<b>b. Food for Peace (PL 480)</b>	9.0	2.4	10.0	14.8	7.6	149.6	4.9	144.7
Loans	5.2	-	7.5	7.5	5.0	46.2	4.9	41.3
Grants	1.8	2.4	2.5	7.3	2.6	103.4	-	103.4
Title I - Total Sales Agreements	5.2	-	7.5	7.5	5.0	46.2	4.9	41.3
Repayable in U.S. Dollars - Loans	5.2	-	7.5	7.5	5.0	46.2	4.9	41.3
Payable in Foreign Currency - Planned for Country Use	-	-	-	-	-	-	-	-
Title II - Total Grants	1.8	2.4	2.5	7.3	2.6	103.4	-	103.4
Er.org. Relief, Econ. Develop. & World Food Program	-	1.2	0.6	4.6	0.9	62.7	-	62.7
Voluntary Relief Agencies	1.8	1.2	1.9	2.7	1.7	40.7	-	40.7
<b>c. Other Economic Assistance</b>	-	0.2	0.3	0.7	1.4	12.1	-	12.1
Loans	-	-	-	-	-	-	-	-
Grants	-	0.2	0.3	0.7	1.4	12.1	-	12.1
Peace Corps	-	0.2	0.3	0.7	1.4	12.1	-	12.1
Narcotics	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>II. MILITARY ASSISTANCE – TOTAL</b>	-	-	-	-	-	-	-	-
Credits or Loans	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
<b>a. MAP Grants</b>	-	-	-	-	-	-	-	-
<b>b. Credit Financing - FMS</b>	-	-	-	-	-	-	-	-
<b>c. Military Assistance Service-Funded (MASF) Grants</b>	-	-	-	-	-	-	-	-
<b>d. Transfers from Excess Stocks</b>	-	-	-	-	-	-	-	-
<b>e. Other Grants</b>	-	-	-	-	-	-	-	-
<b>III. TOTAL ECONOMIC AND MILITARY ASSISTANCE</b>	25.2	24.0	25.2	37.2	19.6	328.7	21.9	306.8
Loans	5.2	-	7.5	19.3	5.0	88.3	21.9	66.4
Grants	19.0	24.0	17.7	17.9	14.6	240.4	-	240.4
<b>Other U.S. Government Loans and Grants</b>	13.8	-	-	1.7	-	16.0	5.0	11.0
<b>a. Export-Import Bank Loans</b>	13.8	-	-	1.7	-	15.7	5.0	10.7
<b>b. All Other Loans</b>	-	-	-	-	-	0.3	-	0.3

\* LESS THAN \$50,000.

**A. ASSISTANCE FROM INTERNATIONAL AGENCIES – COMMITMENTS**

	FY 1981	FY 1982	FY 1983	FY 1946-83
<b>TOTAL</b>	107.2	111.7	69.2	1304.6
IBRD	0.0	0.0	0.0	318.2
IFC	0.0	0.0	0.0	7.2
IDA	92.8	75.0	46.8	764.9
IDB	0.0	0.0	0.0	0.0
ADB	0.0	0.0	0.0	0.0
AFDB	13.8	8.6	22.4	97.9
UNDP	0.6	14.7	0.0	70.4
OTHER-UN	0.0	13.4	0.0	41.0
EEC	0.0	0.0	0.0	5.0

**B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE**

**1. D.A.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-82
United States	33.0	25.0	115.0
Germany Fed. Rep.	54.5	59.0	459.3
Sweden	76.5	73.8	436.2
Netherlands	74.4	57.5	395.6
United Kingdom	56.0	41.2	238.0
Other	199.5	216.6	1,003.0
<b>Total</b>	493.9	473.1	2,647.1

**2. O.P.E.C. COUNTRIES (Gross Disbursements)**

	CY 1981	CY 1982	CY 1978-81
	6.5	N.A.	18.9

**C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES**

	CY 1981	CY 1982	CY 1954-82
USSR	-	5	45
Eastern Europe	-	10	85
China	-	-	370
<b>Total</b>	-	15	500

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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01/19/84

PROGRAM: TANZANIA

CP 35

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH FY83- OBLIG ACTIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ACTIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ACTIONS	EXPENDI TURES
AGRICULTURE, RURAL DEV. AND NUTRITION											
SEED MULTIPLICATION AND DISTRIBUTION	G 621-0092	70	80	6,854	6,854	6,854	6,752	---	---	---	---
AGRICULTURAL RESEARCH	G 621-0107	71	81	8,495	8,495	8,495	8,213	---	232	---	---
FARMER TRAINING AND PRODUCTION	G 621-0119.01			---	---	2,528	1,761	---	567	---	---
LIVESTOCK MARKETING AND DEVELOPMENT	G 621-0122	74	79	4,427	4,427	4,427	4,214	---	---	---	---
AGRICULTURAL EDUCATION AND EXTENSION	G 621-0135	73	78	2,356	2,356	2,356	1,845	---	511	---	---
ARUSHA REGIONAL PLANNING AND VILLAGE DEV	G 621-0143	78	82	14,591	14,591	14,591	13,822	---	769	---	---
RESOURCES FOR VILLAGE PROD AND INCOME	G 621-0155	80	84	15,000	12,157	10,175	4,916	1,782	6,518	---	723
FARMING SYSTEMS RESEARCH	G 621-0156	82	84	8,300	4,445	3,000	57	1,445	2,725	---	1,663
ARUSHA WOMENS PARTICIPATION IN DEV	G 621-0162	79	79	400	400	400	289	---	111	---	---
TOTAL FOR ACCOUNT GRANTS				60,423	53,725	52,826	42,369	3,427	11,483	---	2,386
LOANS				---	---	---	---	---	---	---	---
POPULATION PLANNING											
MANPOWER TRAINING PROGRAM FOR MCH AIDES	G 621-0121	73	80	3,029	3,029	2,304	1,969	---	---	---	---
TOTAL FOR ACCOUNT GRANTS				3,029	3,029	2,304	1,969	---	---	---	---
LOANS				---	---	---	---	---	---	---	---
HEALTH											
MANPOWER TRAINING PROGRAM FOR MCH AIDES	G 621-0121	73	80	7,396	7,917	7,393	6,471	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column — All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized date. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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01/19/84

PROGRAM: TANZANIA

CP 85

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED		-THROUGH FY83- OBLIG ACTIONS	EXPENDI TURES	-ESTIMATED OBLIG ACTIONS	FY84- EXPENDI TURES	-PROPOSED OBLIG ACTIONS	FY85- EXPENDI TURES
SCHOOL HEALTH PROGRAM	G 621-0150	79	80	5,744	5,744	5,744	2,666	---	1,998	---	1,331
CONT ED FOR HEALTH WORKERS (PVO)	G 621-0154	80	80	2,206	2,206	2,206	762	---	789	---	935
ZANZIBAR MALARIA	L 621-0163	81	81	11,771	11,771	11,771	316	---	1,784	---	1,300
TOTAL FOR ACCOUNT				27,117	27,638	27,114	10,215	---	4,571	---	3,566
GRANTS				15,346	15,367	15,343	9,399	---	2,787	---	2,266
LOANS				11,771	11,771	11,771	316	---	1,784	---	1,300
EDUCATION AND HUMAN RESOURCES											
TRAINING FOR RURAL DEVELOPMENT I	G 621-0149	79	80	6,000	6,000	6,000	4,923	---	545	---	577
TRAINING FOR RURAL DEVELOPMENT II	G 621-0161	81	84	18,500	5,865	4,265	1,614	1,600	2,550	---	1,701
TOTAL FOR ACCOUNT				24,500	11,865	10,265	6,542	1,600	3,095	---	2,278
GRANTS				24,500	11,865	10,265	6,542	1,600	3,095	---	2,278
LOANS				---	---	---	---	---	---	---	---
SELECTED DEVELOPMENT ACTIVITIES											
VILLAGE ENVIRONMENTAL IMPROVEMENT (PVO)	G 621-0160	81	81	499	499	499	199	---	150	---	150
TOTAL FOR ACCOUNT				499	499	499	199	---	150	---	150
GRANTS				499	499	499	199	---	150	---	150
LOANS				---	---	---	---	---	---	---	---
DEVELOPMENT LOAN FUND											
MANPOWER TRAINING PROGRAM FOR MCH AIDES	G 621-0121	73	80	725	725	725	361	---	---	---	---
TOTAL FOR ACCOUNT				725	725	725	361	---	---	---	---
GRANTS				725	725	725	361	---	---	---	---
LOANS				---	---	---	---	---	---	---	---

\* Refers to the planned project summary sheet

C Level of effort: activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data.

For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

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PROGRAM: TANZANIA

CP 35

PROJECT TITLE	* L PROJECT / NUMBER G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	TOTAL PROJECT COST AUTHD PLANNED	-THROUGH FY83- OBLIG ATIONS	EXPENDI TURES	-ESTIMATED FY84- OBLIG ATIONS	EXPENDI TURES	-PROPOSED FY85- OBLIG ATIONS	EXPENDI TURES
TOTAL FOR COUNTRY			116,293	97,481	93,733	61,355	5,027 <sup>1/</sup>	19,299	---	8,380
GRANTS			104,522	85,710	81,962	61,039	5,027	17,515	---	7,080
LOANS			11,771	11,771	11,771	316	---	1,784	---	1,300

<sup>1/</sup> FY 1984 total excludes \$ 143.2 thousand which has already been notified for deobligation and has not yet been identified for reobligation by project.

\* Refers to the planned project summary sheet

C Level of effort activity

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1983 are based on the authorized data. For all projects with an initial obligation date after December 31, 1983 the FY of final obligation is based on a planned date.