

U.S. Agency for International Development
ANNUAL PERFORMANCE PLAN
for
FY 2000

**Bureau for Policy and Program Coordination
February 28, 1999**

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Chapter I Introduction

Section I.A Introduction

The Agency's second Annual Performance Plan (APP) differs from its first Plan submitted in February of 1998. As a direct result of feedback on the first Plan by Congress and others, as well as USAID's internal reviews, the Plan contains a number of major and minor changes. Many of these changes reflect consideration of the same key issues facing other U.S. Government entities implementing GPRA (or the "Results Act"). Key among them are:

- > how to select performance benchmarks that represent "impact" not "outputs," but that also permit attribution back to the agency?,
- > how to meaningfully report on inherently complex social change within the annual reporting time frame (e.g., timeliness of information)?
- > how to set agency-wide targets that balance the need to be responsive to local needs, which increase local-level "buy-in" and responsibility, with the need to advance Washington priorities? and
- > how to balance the ever-present desire for more and better data with the need to ensure that the cost of any data collection effort is balanced against the uses of that data and the alternative uses of those funds?

In addition, USAID faces a special challenge in developing and implementing a management-for-results system that can work with thousands of governmental and non-governmental institutions in over 120 countries world-wide, each having differing fiscal and regulatory environments.

The Agency's work on addressing these issues continues, as reflected in a discussion paper provided to Congressman Gilman.¹ In addition, new issues continue to emerge. For example, in FY 2000, USAID expects to put in place a revised Agency Strategic Plan. The Plan will result, we expect, in revisions to the performance goals that will be submitted next year in the FY 2001 Annual Performance Plan (APP). The Annual Performance Report for FY 2001, however, would normally report on the performance goals outlined in the FY 1999 APP. Against which set of performance goals should USAID report? Which would be most useful for Congress, OMB, and USAID?

Clear improvements in performance reporting have been achieved over this past year. Reporting of performance data by missions on their specific objectives increased nearly two-thirds, from nearly 40% to 64%. Guidance on selecting performance indicators and data, and on conducting internal control assessments for performance monitoring was sharpened refined and issued. Agency work processes relating to performance monitoring, reporting, and reviewing were substantially streamlined, and work has begun to refine guidance for preparing strategic plans.

Most importantly, over the past two years, when performance data are combined with other information on a USAID objective in a country, USAID field staff and Washington technical reviewers agreed roughly 80% of the time on what performance had been toward achieving the objective. This suggests two points: that field staff report their performance with candor and balance, and that the data, despite limitations, serve as a useful complementary input into performance-informed decision-making.

¹USAID, "USAID Discussion Paper: Implementing the Results Act: Approaches and Continuing Challenges," July 31, 1998.

The changes made and in progress do not “resolve” all the issues. They are, we believe, another step towards the Agency's objective of achieving the intent envisaged by the Results Act. After briefly highlighting the changes and reviewing the Agency's strategic mission, strategic goals, and performance goals, in this chapter, the next APP chapter presents the linkages between these goals and resources. Thereafter, the benchmarks for each Agency goal area follow.

Section I.B USAID's Mission Strategic Goals and Approach

The mission of the United States Agency for International Development (USAID) remains the same. It is to contribute to U.S. national interests by supporting the people of developing and transitional countries in their efforts to achieve enduring economic and social progress and to participate more fully in resolving the problems of their countries and the world, including efforts to save lives and reduce suffering.

USAID pursues its mission through six strategic development goals and one management goal. The Agency's goals are identified in the Agency Strategic Plan and are summarized graphically in Annex 1 of that Strategic Plan. All of these goals are included in the International Affairs Strategic Plan (IASP). The IASP outlines the linkages between USAID, other agencies' goals, and U.S. national interests. The Agency's approach for making progress toward reaching these goals over the next decade is described more fully in the Strategic Plan. The relationship between the Agency's Strategic Plan, this Annual Performance Plan, the Agency's Annual Performance Report, and the activities and plans of specific operating units is detailed below.

USAID's Strategic Plan selected a limited number of performance goals for each of the seven Agency goal areas. Performance Goals translate the Agency's goals into specific targets and trends to be achieved by the end of the decade. Where possible, the performance goals are explicit targets -- planned levels of results to be achieved by the end of the ten-year time frame. Where this was not feasible, performance goals were couched in terms of trends - desired directional changes sought.

The Annual Performance Plan (APP) identifies annual performance benchmarks. The APP for FY 1999 presents the benchmarks to be met by the end of 1999. Meeting benchmarks, or the planned levels of achievement for a given year, are considered important steps towards ultimately achieving the ten-year performance goals identified in the Strategic Plan. The annual benchmarks are derived from trends, where possible, and are based on expert technical judgements. The APP discusses why and how the different magnitudes of achievement (or impact) were selected, and what the quantitative and qualitative indicators associated with each benchmark are intending to measure. It also estimates the resources needed to reach the performance targets for FY 1999. The Agency's Annual Performance Report (APR) for FY 2000, to be submitted in FY 2001, will report on whether the benchmarks in this APP were reached. In doing so, the APR will seek to identify and analyze key factors associated directly with the Agency's performance.

Section I.C Performance Goals, Benchmarks and Indicators

The Government Performance and Results Act (GPRA) of 1993 requires U.S. government agencies to establish performance goals. These goals define the level of performance to be achieved by programs. They are to be expressed in objective, measurable forms; and identify indicators that can be used to assess the results of programs.

Subsection I.C.1 Performance Goals

The Agency has identified 25 long-term performance goals. Table 1 arrays these performance goals against the seven Agency goals. Each performance goal spans a ten-year time horizon; a time frame which USAID believes to be sufficient to observe meaningful change.

Subsection I.C.2 Performance Indicators and Data

The APP describes the indicators that the Agency will use to measure and assess progress against each performance goal. The present context, significance and importance of each indicator are discussed below. USAID is fully aware of data quality and independent verification issues. USAID believes that drawing upon existing sources of information still constitutes the most cost-effective, objective, and externally verifiable approach to collecting performance data, particularly when it is combined with efforts to understand the data's limitations and appropriate uses. The data sources for each performance indicator, and, where appropriate, what USAID will do to improve the quality of indicators are noted. In cases where the selected indicators together do not provide sufficient information to adequately assess performance on a goal, USAID supplements them with specific additional analyses and research. USAID's evaluation plans for FY 1999, cited throughout the APP, provide an indication of the planned supplementary work.

Experience with Data and its Application to Management Decision-making to Date

As noted last year, improving the timeliness and quality of data for the indicators will remain a challenge. USAID does not have anywhere near full control over achievement of the results it seeks. Rather, all USAID results are dependent on the performance and actions of thousands of partner institutions, of which only some receive USAID funds. Performance data on program impact is also heavily dependent on what these partner institutions can provide.

A second methodological problem stems from the nature of USAID's work. Unlike service delivery organizations whose impact is directly and immediately linked to resource expenditures, USAID programs are aimed at creating new capacity which will result in a stream of benefits or results across many years. This means that for most USAID programs, the impact or results observed and measured in a given year are the gradual and cumulative effect of several years of investment. Thus, efforts to attribute these results back to the planned investment of a single year tend to be arbitrary and not give the full cost.

With unavoidable lags in data collection, many data sources simply do not report results promptly at the end of a reporting period. Likewise, the quality of data collection and reporting systems vary. The result is that data are often not available for a year or more afterwards and, at times, are adjusted significantly after publication. Thus, any report on performance for a year just ending will contain information drawn from one or more prior years. USAID will continue to note the years for which the data are available and any concerns on data quality. Given that there are costs and errors associated with converting data collected on calendar year or other cycles to an U.S. Government fiscal year time frame, USAID has opted for a more cautionary approach. As part of its managerial cost accounting (MCA) system, USAID will be reporting its MCA output data on an U.S. fiscal year basis. However, the decision on whether to convert "outcome" performance data to the U.S. fiscal year has been delegated to lower levels in USAID. Missions, for example, are expected to weigh the relative costs and benefits.

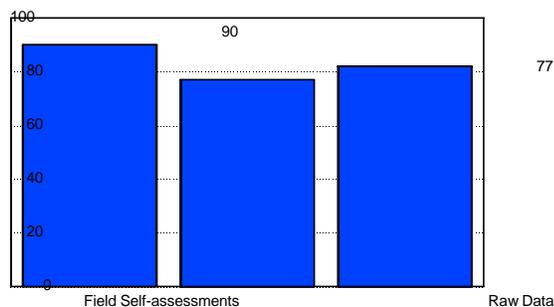
Existing data quality cannot meet the standards of data used for cost-benefit calculations on the value of assistance expenditures, as pointed out by the USAID Inspector General (IG). The cost versus benefit of increased investments in data quality and quantity, however, is a major issue. To date USAID has relied heavily on existing secondary data routinely collected by host countries or other international organizations. The advantages of this system are that performance data can be viewed as more objective (as it is commissioned by others, not by USAID) and that the data is made available at a low cost to USAID, conserving scarce development resources for actual development assistance delivery. In view of the consistency in evaluation results, as reported below, increased USAID expenditure on customized more in-depth data systems does not seem justified at this time.

USAID encourages the use indicators, data, and other performance information managers find useful for management decision-making. If information is collected by other organizations, USAID has the requirement for staff to periodically to confirm its usefulness for USAID's purposes. In addition, USAID's system of intra-organizational checks and balances in reviewing data and its interpretation has been functioning, as suggested in the charts below.

An analysis of USAID experience over the past several years indicates considerable consistency and objectivity in the use and interpretation of performance data, and in increasing data coverage of its programs, as shown in the four charts below. First, there is a high level of consistency, despite data unevenness, in evaluations of the Agency's performance information. This is illustrated by the chart on findings from evaluation of FY 1997 USAID performance data entitled "Field Self-Assessments, Raw Data and Washington Review Performance Scores." Field Missions and other units managing programs concluded that 90% of the strategic objectives they were managing exceeded or met targets or expectations. Mechanical reviews of the only the raw data supported these scores 77% of the time. The third forum for evaluation of the same data plus related performance information (i.e., "R4s," evaluations, field visits) by Washington-based technical staff in concluded that 82% of the objectives met or exceeded targets and expectations. These results reveal a high degree of consistency between independent checks on field self-assessments. Performance information is used first in the field in adjusting implementation and informing resource allocations and requests. USAID's regional and central bureaus use it to inform their requests and allocations of both program funds and staff.

Field Self-Assessments, Raw Data, Washington Review Performance Scores

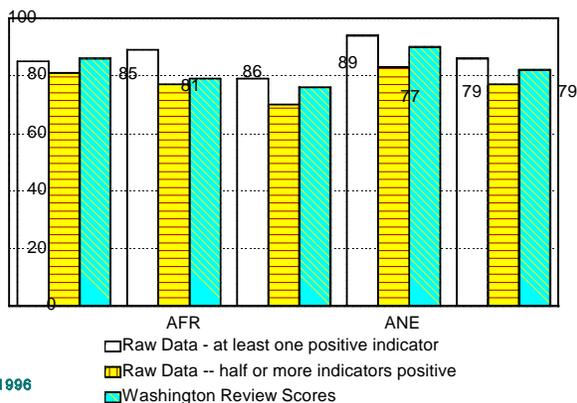
Percentage of strategic objectives that exceeded or met targets/expectations



FY 1997

Comparison of Washington Review and Raw Data Across Regions

Percentage of exceeded/met versus unmet targets for strategic objectives

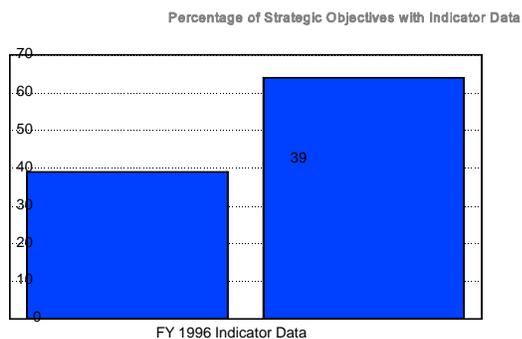


FY 1996

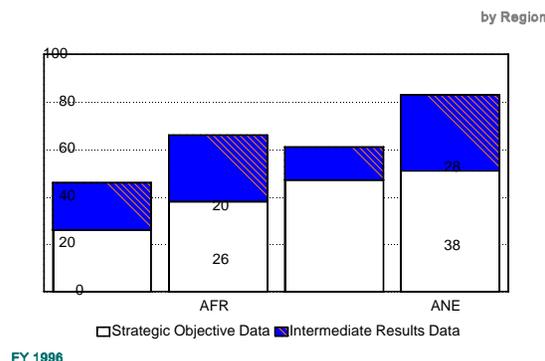
The second chart based on FY 1996 data entitled "Comparison of Washington Review and Raw Data Scores Across Regions" shows that performance scores varied little. The chart shows that the difference in results between scoring only raw data versus the Washington review process scores was at most 12% in any region of the world, and much less in several regions.

Third, data coverage for USAID strategic objectives increased from 39% of FY 1996 strategic objectives to 64% of strategic objectives in FY 1997, as illustrated in the "Reporting Data" chart below. When data coverage was broken out at the geographic regional level, using FY 1996 data, it was clear that the Africa region was the major shortfall in data coverage. Concerted efforts by the Bureau to improve data coverage in FY 1997 resulted in the much-improved Agency wide data coverage figure of 64%.

Reporting Data



Combined Strategic Objective and Intermediate Result Reporting



In summary, USAID believes that performance data currently collected and analyzed is proving useful for management purposes. Further improvements can and will be made. However, it will be quite some time (and at a much greater cost) before USAID's data will be of a high enough and uniform quality to permit robust calculations of costs versus benefits of USAID's overall development assistance program.

Standards for Performance Indicators and Data

USAID has standards for performance indicators and data. Whether they are the right or the best ones will be a subject of constant analysis, as it should be. Given the complexities and pitfalls in setting standards, USAID's approach to improving performance information is to incrementally realign and refine guidance and standards. Revisions are based on reviews of experience and on balancing the desire for better performance information with the demand for implementing programs. USAID remains reluctant to define a stringent set of standards for all countries and all activities before the institutional and financial cost of achieving them everywhere has been evaluated relative to the likely benefits from having met them. There will be countries and activities for which lesser standards (at lower costs) will still provide adequate information upon which better management decisions can be made.

USAID's Uniform Treatment of Reporting by Fiscal Year

As stated above, USAID increases the cost effectiveness and objectivity of its performance measurement data by relying as much as possible on secondary data routinely collected by other organizations such as host countries, international organizations, other donors, and the private sector. Inevitably, the cycles on which these many data sources are calculated vary widely. Much of the data is based on calendar years, but some is calculated to match fiscal year start and end dates that differ from those of USAID. USAID adopts the year that identifies the data, according to its source, and does not attempt to convert the data to USAID fiscal year time frames. The cost, staff burden, and other methodological uncertainties of such an effort, relative to the likely benefits, lead USAID to defer requiring massive conversions at this time.

Accountability Issues

There are three aspects to the issue of accountability. First, USAID is clearly responding to the GPRA intent that performance information be used for better management decision-making. Improving accountability will take longer to achieve. Second, USAID is moving towards full cost accounting for its outputs as defined in its managerial cost accounting system. When managerial cost accounting is fully realized, USAID will document the full cost of outputs, and will do so on an U.S. fiscal year basis. Third, USAID will continue to try to reasonably (or plausibly) demonstrate linkages between investment outputs and higher level developmental outcomes in a variety of levels -- in the APP, the

APR, and the Congressional Presentation (CP). Making direct and precise linkages (that would permit the precision implied by "accountability") between outputs and higher level outcomes, such as policies changed and institutions improved, will remain beyond the reach of USAID for some time. This state stems from the many external factors that intervene between the assistance output level and the higher development outcome level, such as the contributions of other donors, host countries, and effects of climate, etc. Although focusing primarily on domestic agencies, various GAO reports highlight these significant challenges.

Subsection I.C.3 Annual Performance Benchmarks

Setting annual benchmarks remains as challenging as selecting performance indicators. To examine differences that are masked by a single aggregate for the world and to facilitate understanding, the Agency has subdivided its performance benchmarks by geographic regions. And, within these regions, USAID has based its expectations primarily on the performance in those countries directly assisted by USAID.

USAID will continue to conduct evaluations and analyses using non-geographically-based, thematic groupings of countries if this would provide more substantial insight into results and program effectiveness. There will be cases where USAID will examine all developing and transitional countries, regardless of whether they have relevant USAID-assisted programs or not. Benefits from certain USAID investments will cross country borders.

Section I.D Changes Made and In Progress

Six major changes and the issues associated with each are discussed. They are:

- > improving USAID's performance goals, benchmarks and strategic plan,
- > better linkages with the International Affairs Strategic Plan (IASP),
- > improvements in human capacity development goal and infectious diseases objective,
- > the "measurement challenge" and how it relates to the democracy and governance and humanitarian assistance goal areas,
- > changing the treatment of the Agency's present process goal, and
- > incorporation of changes unforeseen in last year's APP.

In addition, a number of other improvements are noted in the later chapters. Structural changes within USAID include operational changes that will lead eventually towards implementation of managerial cost accounting, which will allow the full cost of outputs at the intermediate results level to be calculated. Also, there are now revised personnel promotion precepts, now in draft, which include management of program performance as a value that has to be reported upon. If these precepts are approved, and if programs under a manager's care encounter problems, the manager's response to these problems would be reported.

Subsection I.D.1 Improving USAID's GPRA Performance Goals, Benchmarks and Strategic Plan

The Agency consciously established challenging GPRA performance goals and benchmarks in the Agency Strategic Plan. While they clearly require USAID to use program funds effectively, they also aggressively challenge USAID to work collaboratively with other partners so that the "impact" achieved is greater than what could have been accomplished by USAID alone. Indeed, the identified goals could "not be achieved by USAID alone" (USAID, FY 99 APP, p. 2). Cognizant of the risks involved, this approach for setting performance goals was to be monitored to see if it proved to be "*motivating or distorting*" (USAID, FY 99 APP, p. 4). Experience to date indicates that the performance goals and benchmarks selected both help and hinder. Specifically, they hinder efforts to attribute observed progress directly to USAID's actions. Indeed, the Agency's own analytical work this year for the Annual Performance Report (APR) reveals the difficulty of annually demonstrating linear accountability between funds and USAID's "valued added" against these benchmarks. USAID firmly believes, however, that they remain useful as discussed below.

Current Performance Goals as a Framework

The current goals and benchmarks can be viewed as a comprehensive framework of milestones necessary for development that focuses the collective aim of the development assistance community. USAID has expended considerable effort to achieve wide consensus on this framework. To date, major elements of the framework have been largely adopted by the Development Assistance Committee of the Organization for Economic Cooperation and Development (DAC/OECD) and have been the focus on G-8 discussions, most recently at the Birmingham G-8 Summit. The framework increasingly represents group agreement. It also highlights the necessity of working *collaboratively*, with other donors, partners in implementation, recipient governments, and the ultimate "customers" themselves.

The Framework also motivates USAID to make a difference. It is not immodest to state that the current world-wide emphasis in the development community on "results," "partnerships," "democracy/governance," and "crisis prevention" -- all embedded in the framework -- is due in important part to the Agency's early and persistent efforts to advance, refine and demonstrate how these strategic concepts make assistance more effective. Indeed, during this past year's DAC/OECD review of USAID by the other major bilateral donor countries, they reiterated their view of USAID's leadership role and impact in shaping the donor community's view of what is necessary for development.

The Framework also informs strategic choices. Evaluating how countries or regions compare to the framework suggests where and on which specific sectors the Agency might focus efforts. From this starting point, strategic options can be narrowed to reflect where USAID has a comparative advantage, the level and composition of appropriated funds, and the priorities of the Administration and Congress.

Finally, the Framework constitutes a tool to evaluate how countries or regions are progressing and where there may be cause to take pause and focus attention. This collective framework is good for development and for making aid more effective.

In sum, the Agency will continue to use the current GPRA performance goals, but as a Framework, or a reference point. It also will continue to try to plausibly associate the impact of USAID efforts on the framework. Special evaluations, analyses, and reviews that cover periods of time longer than a year will be conducted. For example, the Agency may examine the impact of USAID's family planning efforts on fertility or maternal health by comparing countries where USAID has had sustained programs over a number of years against those countries where USAID has had no or very limited programs. Such work advances understandings on how best to encourage development and set priorities.

In this light, the Framework probably should no longer be characterized as USAID's "annual performance goals and benchmarks" in the narrow sense intended by the Results Act. If there is agreement that the Framework should not be the primary focus of what the Agency projects in an APP and reports in an APR, then an alternative is necessary. Any alternative must do better at directly attributing what is happening in the reporting time frames identified by the Results Act and related legislation to USAID. The Agency now is examining alternatives and will present them for discussion as part of the Agency's effort to revise its Strategic Plan, which will take place over the coming year.

Revising the Strategic Plan and Interim Reporting Approach

Revisions to the Strategic Plan will necessarily require revising the APP's performance goals and benchmarks. The approach USAID is currently pursuing to find what will work best consists of four tracks. First, already underway is an assessment of Agency strategic planning, performance monitoring and reporting tools. The assessment focuses on streamlining work processes to enable concise and comparable reporting on the short-to-medium term impact of USAID activities. A part of this effort centers on sharpening reporting by those who implement USAID's programs.

One announced revision restructures reporting guidance to spotlight more narrowly on what change is (or is not) taking place relative to what was projected, and regardless of where implementation is in a program's life-cycle. Thus, in a number of cases, only outputs can reasonably be reported. In others, "outcomes" would be reported. Finally, in others cases, reports would describe progress in terms of the objective they and other partners are collaboratively working to achieve. Key performance indicators in any program would continue to be agreed upon in advance between USAID/Washington and the responsible organizational unit, and be modified as proven necessary.

The continuing and more challenging part of the effort must determine how best to capture the diversity of USAID's performance for Agency-wide management and external reporting purposes. One option is to decide upon a common set of results indicators for each goal area and require all country Missions to report on them, regardless of the stage of implementation of the country program in this theme area, or the nature of the specific country-level activity. The use of common indicators appears more feasible and useful where there is a great degree of commonality in the activities (i.e., certain family planning activities) and at similar stages of their implementation. However, when there is a wide range of diversity among activities and implementation tactics, common indicators capture little that is useful either for either the field's or Washington's management purposes. It risks creating a tight reporting system that is not used to manage better. Another option is to require uniform reporting of output indicators. However, twice within recent memory USAID has sought to organize the reporting of "outputs" to Washington. And twice, USAID concluded that data and information provided were of limited "decisional" use to Washington. Rather, the experience was that level and volume of detail overwhelmed Washington-based staff, encouraged Washington micro-management and second-guessing from a far, and blurred management responsibility (sic accountability) between Washington and missions.

Second, Agency efforts to measure performance better continue. For example, the Global Bureau's Center for Population Health and Nutrition has a number of activities focusing on how to measure and capture change, such as measuring "sustainability". Recently, the Center for Democracy and Governance issued a handbook, developed with implementing partners, to help people think through how best to assess and monitor program performance. The Policy and Program Coordination Bureau (PPC) continues its efforts to assess what agency-wide uses the performance data serves, to work with Global Centers in identifying useful indicators, and to develop operational standards and guidance for deciding the balance between the cost obtaining "better" information and the benefits from having the information. The Agency believes that it is approaching a reasonable balance between efforts to measure better versus efforts to achieve results.

Third, the Agency will continue to share reporting from the field as it has done for the last five years in its Annual Performance Reports. It will also continue efforts to better synthesize the volume of information and data. One possible revision is to better share reporting on performance in a revised format for the Congressional Presentation. With such a revision, the Agency would include reports on all objectives, not just objectives for which funds are being requested. Thus Congress would receive more complete descriptions of USAID's programs. This would simply reporting by field missions. The change also would draw reporting for Congress more directly from USAID's internal management systems, thus simplifying Washington work processes. We will continue to work with Congress and OMB on these ideas. One outcome of this effort could be that a revised Congressional Presentation could met part of GPRA's APR and APP requirements, thus helping streamlining part of the required reporting to Congress.

Fourth, the Agency will continue conducting special in-depth analyses to examine the plausible (or reasonable) associations between USAID's efforts over a period of time and a part of the development framework.

On each of these tracks, the Agency has and will continue to consult with those outside of USAID. It welcomes opportunities to discuss and obtain feedback on the status of efforts to identify an alternative that more efficiently attributes observed progress to USAID's actions and investments.

Subsection I.D.2 Better Linkages with the International Affairs Strategic Plan (IASP).

Challenges of Reviewing the USAID APP and the IASP

This APP also reflects USAID's planned contributions to the Department of State's second International Affairs Strategic Plan (IASP). While the Agency will assess results against USAID objectives in the Annual Performance Report, the Department of State will assess how well USAID programs further the IASP's objectives. There are substantial challenges involved in coordinating and evaluating USAID and State Department results because there will be cases where the two agencies report on the impact of the same programs against two different sets of targets. In cases where USAID is a means to an IASP objective other than one of IASP's developmental objectives, then the specific program chosen by USAID might not have been the same had been the IASP objective been developmental. Circumstances can thus arise where an examination of only USAID's performance report might suggest that USAID's actions could have been better directed. However, before any such conclusions are drawn, State should assess how the USAID assistance contributes to foreign policy objectives. For example, USAID's (and the Department of State's) response to relatively poorer performing programs may differ depending on the associated IASP objective (i.e., development versus regional stability). The practical implication is that one agency's report can no longer be evaluated in isolation from other "linked" agencies. This fact does complicate assessments of USAID's overall performance and contribution to larger U.S. Government objectives more difficult.

Coordination between USAID and State

The annual process of coordination begins with the guidance on planning and budgeting that is provided to Embassies and USAID missions. State planning guidance is provided for Mission Performance Plans (MPPs). USAID planning guidance is provided for annual Results Reports and Budget resource Requests (R4s) and Country Strategic Plans (CSPs). The guidance is prepared under the leadership of the respective central bureaus/offices and is shared with one another for review of budget and foreign policy consistency prior to being issued.

Annual planning and budget guidance is derived, in part, from the larger goals and objectives articulated by State and USAID in their respective organization-wide planning documents. The State Department coordinates the preparation of the IASP, to which USAID contributes, and the State Strategic Plan. USAID's central bureaus coordinate the preparation of its Agency Strategic Plan, to which State contributes. In reality, USAID's strategy elaborates those foreign policy objectives that are primarily developmental in nature. The level of coordination to date has ensured consistency between the IASP and the USAID Strategic Plan. The other two organization-wide documents – the APP and APR are also shared.

In the field, Ambassadors and USAID Mission Directors lead their staffs in the preparation of the CSP, MPP, and R4 documents. Ambassadors concur in CSPs and R4s submitted by Mission Directors. USAID assists in preparing Embassy MPPs. Experience to date suggests that where there is a strong resident USAID presence, the MPP usually benefits from USAID's strategic thinking. Major parts of R4s or CSPs are woven into MPPs. This level of coordination ensures that USAID and Embassy programmatic and budgetary proposals are consistent with likely future programmatic and resource expectations – when viewed from the perspective of the inter-agency Country Team.

Headquarter reviews of the CSP, MPP, and R4 documents by regional, central, and global bureaus serve three purposes in both State and USAID. First, they provide feedback to Embassies and USAID Missions on their proposed program and resource requests. Second, they provide input into the preparation of legislatively required reports on the organizations' recent performance (i.e. APR) and near term plans (i.e. APP). Third, they serve as input to the annual efforts to prepare regional or global programming and resource request documents: State's new Bureau Performance Plans (BPPs) and USAID's Bureau Budget Submissions (BBSs). USAID contributes to State chaired and/or managed reviews of MPPs and to their counterpart bureau's preparation of its BPP. Likewise, State contributes to USAID chaired and/or managed reviews of CSPs and R4s. Similarly, State contributes to the preparation of USAID regional and global bureau BBSs. Coordination at this level ensures consistency between foreign policy and development programs from the regional perspective.

The described level of coordination continues once the respective organization requests are forwarded to OMB and the finally to Congress as the Congressional Presentation.

Subsection I.D.3 Improvements in Human Capacity Development Goal and Infectious Diseases Objective

The APP presents USAID's newly revised Human Capacity Development goal, and clarifies USAID's new infectious diseases objective within the Population, Health and Nutrition goal. Both were developed using a very collaborative process that included many partners from both the private and public sectors. In important ways, the revisions represent a broad consensus and buy-in on how to best proceed in each of these of these important areas. Indeed, the Agency views these "design" efforts as the first step in increasing the likelihood that others beside USAID are working towards the same ambitious outcomes.

Subsection I.D.4 The "Measurement Challenge" and how it relates to the Democracy and Governance and Humanitarian Assistance Goal Areas.

Over the past year, USAID used the performance indicators and targets presented in last year's APP to review Agency performance. While generally difficult, as noted above, it proved to be particularly difficult for the Democracy/Governance (D/G) and for the Humanitarian Assistance (HA) goal areas. Further analysis indicates that these two areas will be, in the near term, less able to meet the ideal reporting expectations in the Results Act.

The difficulty lays in the limited state of knowledge on how best to achieve meaningful and significant results in these areas. Wide acceptance of the benefits of good governance, fair rule of law, and strong civil society exists. However, neither wide agreement nor many broadly applicable, successful experiences on how best to achieve those ends exist. Efforts since the 1950s (then termed "community development") have long demonstrated the pitfalls, failures, and problems in programs designed to encourage participatory, democratic development. These same problems confront the HA goal area. Similarly, in both goal areas, little agreement exists on how best to measure the impact or progress in this area, particularly when one strives to satisfy the Results Act bias toward quantitative measurement of meaningful "impact" results rather than outputs. USAID's effort in the D/G area over the past year constitutes the most intensive effort (outside of the population, health and nutrition goal area which expends three times more resources than D/G) to improve understanding on what to do and how to measure progress. And yet, measurement and reporting of significant results that show the aggregate impact of USAID's efforts remain very difficult.

USAID certainly will continue efforts to find ways to reflect performance and capture impact in the D/G and HA areas. The bias is likely to be on consistent qualitative reporting. It is also likely that reporting will still focus more on outputs more than might be desired. A review of the Agency's experience over this past year leads USAID to conclude that demands to intensify efforts for better measurement is likely to further distort of how these programs are designed and implemented. Consequently, USAID requests an acknowledgment by reviewers of the difficulties in these areas. Improvements will come, but will take time.

Subsection I.D.5 Changing the Treatment of the Agency's Present Process Goal

At the present time, USAID's Strategic Plan includes the goal of remaining a premier bilateral development agency. It is one that focuses on "process" rather than the ultimate impact of what USAID is supposed to achieve. Hence, it is fundamentally different from the Agency's other goals and what the Results Act intends agencies to focus upon. As part of its Strategic Plan revision, the Agency will consider placing this process goal in an annex. Nevertheless, the Agency will continue to report on the elements of this goal since it offers insight into how the Agency is managing, and why it needs a certain level of Operating Expense funds.

Subsection I.D.6 Incorporation of Changes Unforeseen in Last Year's Plan

Last year's APP and associated resource request did not foresee the continuing impact of the Asian Financial crisis and the scale of the U.S. Government's (and USAID's) response. As Section II of this APP makes clear, it is accounted for in this APP. (While the crisis will have a global impact, it will be less in many USAID-assisted countries since they are less integrated into the international economy.) Likewise, the potential long-term impact of new Administration priorities in sub-Saharan Africa and on Food Security has also been reflected into this APP. Additional details on these unforeseen initiatives are found in the Congressional Presentation.

Subsection I.D.7 Other Improvements

The Agency has taken steps to clarify its data collection and methodologies for data collection and use. These steps are found in the accompanying annexes. Additional clarifications in the approaches USAID will use to make progress towards achieving its goals are found in the Agency Strategic Plan (9/97). Even more detail is found in USAID's Strategies for Sustainable Development, which details each of the approaches associated with each USAID strategic objective.

Table I.D.1 USAID Strategic and Long-Term GPRA Performance Goals

Agency Goal: Broad-based economic growth and agricultural development encouraged.

Performance Goals:

- Average annual growth in per capita income above 1% achieved.
- Average annual growth in agriculture at least as high as population growth in low income countries achieved.
- Proportion of the population in poverty reduced by 50% by 2015.
- Openness and greater reliance on private markets increased.
- Reliance on foreign aid in relatively advanced (middle income) countries diminished.

Agency Goal: Democracy and good governance strengthened.

Performance Goal:

- Civil liberties and political rights improved.

Agency Goal: Human capacity built through education and training.

Performance Goals:

- National primary enrollment increased to attain full primary enrollment by 2015.
- Difference between girls' and boys' primary enrollment ratios eliminated.
- Higher education inter-institutional partnerships formed to respond to development problems.

Agency Goal: World population stabilized and human health protected.

Performance Goals:

- Total fertility rate reduced 20% by 2007.
- Mortality rate for infants and children under age five reduced by 25%.
- Percentage of births attended by medically-trained personnel increased 15% by 2007.
- Condom use in casual relations increased to 65% for males and 80% for females by 2007.
- Deaths from infectious disease of major health importance reduced 10% by 2007.

Agency Goal: The world's environment protected for long-term sustainability.

Performance Goals:

- Host governments committed to sound national and international environmental programs.
- Conservation of biologically significant habitats improved.
- Threat of climate change reduced.
- Urban population's access to adequate environmental services improved.
- Energy conserved through increased efficiency and reliance on renewal sources.
- Deforestation rate in tropical forests reduced and management of natural forests and tree systems improved.

Agency Goal: Lives saved, suffering reduced, and conditions for political and/or economic development re-established.

Performance Goals:

- Crude mortality rate for vulnerable populations returned to normal range within six months after onset of complex emergency situations.
- Nutritional status of children age five and under made vulnerable by emergencies maintained or improved.
- Conditions for social and economic development in conflict-prone situations improved.
- Freedom of movement, expression, assembly, and economy in conflict-prone situations increased.

Agency Goal: USAID remains a premier bilateral development agency.

Performance Goals:

- Leadership and learning capacity to achieve results enhanced.
- Management and delivery of development assistance resources improved.

Section I.E Summary of USAID Goals

While the Agency appreciated the generally favorable reception to its first APP, as indicated by the Congressional review (ranked sixth best out of 24, the fully recognized and accepted that major improvements were still necessary. The Agency anticipates that the series changes introduced in this second APP and those still being worked on in this second APP will move the document closer to where both Congress and the Administration want it to be.

After discussing the resources associated with this Plan in the next chapter, the following chapters present each goal area's targets based on last year's APP and identifies what specific work continues and/or where untested assumptions and issues remain.

Chapter II Resource Overview

Section II.A Summary Budget Tables

Over the past several years, USAID has relied increasingly upon a system for allocating appropriated funds based on the performance of its country, regional or global programs, foreign policy priorities, the need and commitment of those countries being assisted, and lastly, but just as important, the priorities both the Administration and Congress. The following tables summarize the overall resources associated with this APP. Appendix A presents a break-out by region and bureau.

Table II.A.1 USAID Support of the International Affairs Strategic Plan for FY 2000 (in \$ millions)

Goal	DA/DFA/ CSD/OE	SEED/ FSA	PL 480 Title II	ESF	Total
1. Regional Stability				2,389	2,389
2. Eliminate Threat of Weapons of Mass Destruction	6				6
3. Open Markets					
4. Expand US Exports					
5. Increase Global Economic Growth					
6. Promote Growth in Developing and Transition Countries	607	1,228	337		2,165
7. Enhance Security and Safety of Americans Abroad					
8. Control the Flow of Immigrants and Non-Immigrants					
9. Minimize the Impact of International Crime					
10. Reduce the Levels of Entry of Illegal Drugs					
11. Reduce International Terrorist Attacks in the US					
12. Increase Adherence to Democratic Principles	149	149			298
13. Humanitarian Response	184		450		634
14. Secure a Sustainable Global Environment	292	14			306
15. Early Stabilization of World Population	355				355
16. Protect Human Health and Reduce Spread of Diseases	473	35			508
17. Public Diplomacy					
19. Diplomatic Activities and Readiness	522				522
Total	2,588	1,426	787	2,389	9,187

Table II.A.2 USAID'S FY 2000 REQUEST BY STRATEGIC GOALS* (\$000,000)

				PL 480					
GOALS	DA & DFA	NIS	SAI	TITLE II	CSD	IDA	CREDIT	OE	TOTAL
1. Achieving Broad-Based Economic Growth	456.313	922.733 *1	296.705	337.000	0.000	0.000	1.500	0.000	2,014.251
2. Human Capacity Development	37.680	0.000	8.000	0.000	109.497	0.000	0.000	0.000	155.177
3. Stabilizing World Population & Protecting Human Health	354.708	28.945	6.300	0.000	0.000	30.000	0.000	0.000	862.817
4. Protecting the Environment	289.015	10.555 *2	3.400	0.000	0.000	0.000	3.000	0.000	305.970
5. Building Democracy and Governance	149.165	69.767	78.595	0.000	0.000	0.000	0.000	0.000	297.527
6. Providing Humanitarian Assistance	0.000	0.000	0.000	450.000	0.000	190.000	0.000	0.000	640.000
7. USAID Management*3	6.119	0.000	0.000	0.000	2.639	0.000	5.500	507.739	521.997
TOTAL	1293.000	1,032.000	393.000	787.000	555.000	220.000	10.000	507.739	4,797.739
<p>*1 Includes the "Threat Reduction" initiative and all transfers and allocations to other agencies.</p> <p>*2 Excludes nuclear programs included in energy under Economic Growth.</p> <p>*3 USAID Management goal under DA/DFA/CSD includes: \$7,258 million for PPC and \$1.5 million for Central IT Support.</p> <p>This table excludes ESF.</p>									

Section II.B Summary of USAID Goals

The following relates USAID's FY 2000 resource request to its seven strategic goals.

Subsection II.B.1 Strategic Goal 1: Broad Based Economic Growth and Agriculture Encouraged

Encouraging broad-based economic growth and agricultural development is a primary strategic goal for USAID. Strategic objectives include: expanding and strengthening critical private markets; encouraging more rapid and enhanced agricultural development; and expanding access and economic opportunity for the poor. Within each of these objectives, there is emphasis on supporting policy and institutional reforms, which we consider the key determinants of progress and success.

Last year's annual performance plan projected significant improvements in economic performance in all regions compared with the base lines. Based on the most recent data, fairly clear and consistent patterns emerge across regions and performance goals. USAID recipients in **ANE** continue to perform very well relative to the benchmarks, to the projections, and to other regions. **Africa** -- where performance had been weakest -- has achieved striking improvements, even better than expected. USAID and IMF analyses indicate this is mainly due to improved policies, rather than to weather, terms of trade, or other exogenous factors. In **ENI**, performance has been improving in line with projections, assuming a continued general pattern of strengthening recovery in most countries making the transition from Communism. Setbacks in Russia, however, may impair recovery in other ENI countries. Performance has improved in **LAC** for the most part, and should improve more.

Overall, the development community is enjoying considerable success in meeting the major challenges in economic development. In particular, economic performance in poor countries that have made steady progress (mainly South Asia and a few countries in Africa such as Uganda and Ghana) continues to be good. And, economic performance in other poor countries (mainly in Africa), where progress has been unsteady, has improved dramatically.

If this performance can be maintained, the ambitious DAC poverty target of a 50% reduction in the proportion of populations in poverty will likely be achieved for most of the developing world. Trends in terms of increased openness and reliance on private markets bode well. Among middle-income developing countries and many of the countries in transition from Communism, aid dependency is low and/or falling steadily.

The main cloud on the horizon is fallout from the economic troubles in Asia, and international financial instability more generally. However, these have smaller impacts on most low-income countries, which are less integrated into the international economy. Further, the development record makes clear that development progress is primarily a function of domestic efforts (supported by foreign aid), rather than international conditions and fluctuations.

Subsection II.B.2 USAID Goal 2: Democracy and Good Governance Strengthened

USAID has placed considerable emphasis on political development within its sustainable development focus, as well as meeting pressing U.S. foreign policy imperatives for promotion of democracy. In sustainable development countries, USAID pursues all four of its strategic objectives in democracy and governance (DG) -- rule of law/human rights, competitive political processes, civil society, and improved governance -- both through explicit democracy programs and in the context of other programs. In transition countries, where there is an urgent need for U.S. intervention to take advantage of democratic openings or to help promote and consolidate democratic transitions, USAID's DG programs, while sometimes relatively small, provide both a compelling U.S. presence and leverage resources from other donors to reinforce the global trend toward democracy.

In last year's APP, USAID outlined performance criteria based on country rankings by Freedom House (FH). The Agency was striving to play an important catalytic role in each region to improve overall FH scores in Africa, Asia and the Near East and the former Soviet Union by the end of FY 1999. A baseline year of 1993 was identified. In fact, the democratic improvement in USAID assisted countries has already, in 1998, far exceeded the expectations outlined in last year's APP. But while country FH scores capture overall democratic status in a country, USAID's programs obviously are only one of many factors that contribute to these changes. USAID works in conjunction with other donors, and more importantly local activists, all of whom also help bring about democratic change. USAID does not want to attribute all of the change in FH scores for a country to USAID programming, although USAID does believe that its programs have contributed to some degree in helping bring about this change.

Overall in the world, from 1997 to 1998, there has been an unprecedented increase from 26 to 28 "free" countries and a decrease from 30 to 28 in the number of "not free" countries. This change over a single year is significant and meaningful. In Africa, while the number of "free" countries remained unchanged from 1997 to 1998, there was a net improvement in democratic status. One more country became "partly free" in 1998 compared to 1997 (an increase from 10 to 11 in "partly free" countries and a decrease from 14 to 13 in "not free" countries). In the former Soviet Union, the target was met, with a net one country shift from "not free" to "partly free" (with the number of "partly free" countries increasing from 11 to 12 and the number of "not free" countries decreasing from 6 to 5). In Latin America and the Caribbean, USAID had not projected net improvements in a one-year period because of the already superior ratings in the region. Nonetheless, there was a net improvement in FH rankings with a net increase of two countries in LAC in the "free" category (an increase from 8 to 10 in 'free' countries and a decrease from 12 to 10 in "partly free" countries, with no countries in the region classified as "not free").

In the Asia/Near East region, no overall changes were noted in the FH scores from 1997 to 1998. While the Asian economic crisis threatens some of the gains made on the economic front, we are encouraged with the political openings which have accompanied the economic turmoil. We look forward to improvements in the region as a result of new activity by civil society and new calls for accountability in government. We expect that these difficult changes will provide windows of opportunity for competitive political processes which will permit real debate on economic issues leading to definitions of political parties and a true choice for the electorate in countries such as Indonesia.

The U.S. plays a leadership role in the international community in terms of promoting democracy and good governance. Our resources in this critical goal area are relatively limited in comparison to other goal areas. Nevertheless, we believe that the results we have seen to date -- not just in terms of our contribution to changes in FH scores but in terms of laying a foundation for self-determination, protection of human rights, and transparent and accountable government in all sectors -- are extremely encouraging. The introduction of traditional development concerns into political debates -- e.g. on such subjects as the financing and access to social services, privatization and economic reform, and the foundations for local government decentralization -- is already part of mainstream USAID development tactics, and is one of the ways we influence the work of other donors. Likewise, USAID's cutting-edge democracy and governance interventions in difficult political situations reinforce U.S. diplomatic efforts in foreign policy, and help to maintain the U.S.'s leadership role, both in development, and as a major world power.

Subsection II.B.3 Strategic Goal 3: Human Capacity Built Through Education and Training

USAID's newest Agency goal encompasses two objectives: expanding access to quality basic education for underserved population, especially girls and women; and increasing the developmental contribution of host-country institutions of higher education. Basic education absorbs most USAID spending toward this goal, with basic education for children the subject of a Congressional directive. USAID seeks to advance its basic education objective through efforts to improve host-country policies and institutions affecting basic education, to support the adoption of improved educational practices, and to increase community participation in educational decision-making. USAID provides some support to help strengthen host-country higher education, along with a much higher level of support for linkages between U.S. and host-country institutions to further all USAID programs.

Performance goals within basic education derive from USG commitment to the DAC targets of (1) full primary enrollment by 2015, and (2) the "virtual elimination" of existing gender gaps in primary school enrollment. The data point to a recent increase in the share of USAID-assisted countries in each region that are increasing primary enrollments at a rate sufficient to reach full enrollment by 2015, if that rate is maintained. Improvement has been most marked in Sub-Saharan Africa. However, several countries in each region will still fall short of the DAC target unless they boost enrollment growth soon. USAID expects the Asian financial crisis to slow progress toward full enrollment in Asia over the near term. Analysis is complicated by the failure of many countries to report net enrollment rates at all, including some of the largest in AFR and ANE. With the Congressional basic education directive in place, the availability of USAID funds for basic education is probably not as binding a constraint on progress in this area as is the willingness of host country governments to undertake the budgetary re-allocations necessary to provide adequate funding for basic education, together with other systemic reforms needed to improve their management of the education sector.

As measured by the ratio of girls' to boys' gross primary enrollment ratios, average gender gaps have been gradually narrowing in all USAID-assisted regions except ENI, where most countries were close to gender equality at the beginning of the base period. Nevertheless, gender gaps remain large in much of AFR, South Asia, and the Middle and Near East. In contrast, most countries in LAC exhibit quite small gender gaps in primary enrollment, with Guatemala a conspicuous exception. USAID expects continuing progress toward gender equality in AFR and LAC, with some regression in ANE likely in the wake of the Asian financial crisis. USAID does not have firm expectations about future developments on this measure in ENI, where it does not pursue basic education programs.

Performance measures in higher education are currently under development, following review of the Human Capacity Development goal during FY 1998. Pending the identification of measures of the contribution of host-country institutions of higher education, USAID is measuring the number of partnerships formed each year involving institutions of higher education. This measure, which strongly reflects USAID budget allocations toward this objective, is expected to increase substantially in AFR through FY 2000, while dropping off sharply in ANE as a major collaborative research grant program in Egypt is completed.

Subsection II.B.4 Strategic Goal 4: World Population Stabilized and Human Health Protected

To achieve this goal, USAID focuses on interventions that contribute directly and in an integrated fashion to achieving both stabilization of the world's population and protection of human health. To this end, USAID's program focuses on 1) reduction in unintended and mistimed pregnancies; 2) reductions in child mortality; 3) increases in percent of births attended by medically-trained personnel; 4) reductions in rate of increase of new HIV/AIDS infections; and 5) reductions in the threat of infectious diseases of major public health importance. USAID expects to achieve results towards these objectives both in countries and through global strategies. These are captured as 87 strategic objectives in 58 countries and 5 global strategic objectives.

During the last two decades, tremendous progress has been made in reducing the high rates of population growth and improving health in USAID-assisted countries. In just the last decade, fertility rates in USAID assisted countries decreased by over 25%; from 5.2 in 1987 to 3.8 in 1997. Dramatic increases in the use of modern contraception have contributed to the reduced fertility rates and improved child and maternal health.

Over the last 10 years, death rates for children under five have declined by 13 percent in Africa and more than 20 percent in Asia and the Near East as well as Latin America. As the major bilateral donor in child survival, and a major supporter of critical research that has identified new tools for reducing child mortality, USAID's programs have provided key leadership and commitment contributing to this decline.

High rates of death related to pregnancy and childbirth continue to be a devastating problem in many countries. Increased attention to maternal mortality has begun to identify effective interventions. When a mother dies, her children are 5 times as likely to die as well. USAID's relatively modest investment in research and pilot efforts has positioned USAID to assume a global technical leadership role.

HIV infections continue to rise world wide. In 1997, an estimated 5.8 million adults and children were newly infected with HIV. Most of these new infections were in sub-Saharan Africa (4 million), with an increasing proportion in South and South-east Asia (1.3 million) impacting economic stability and social systems.

Emerging and re-emerging infectious diseases have become an increasing concern to developing and developed countries alike. The need to address systematically the threats of increased prevalence of antimicrobial resistance, resurgence of tuberculosis, spread of malaria, and the fragility of surveillance and response systems have now been added to USAID's strategic framework. These public health concerns threaten the progress of economic and social development.

Subsection II.B.5 Strategic Goal 5: The World's Environment Protected for Long-term Sustainability

Protecting the environment is a fundamental component of sustainable development and USAID is the world leader in this regard. The Agency accomplishes environmental goals through programs carried out in partnership with non-governmental organizations, the private sector, universities, other U.S. government agencies and donors, and client countries. The six main program elements include increasing government commitment to the environment, conserving biological diversity, reducing the threat of global climate change, promoting sustainable urbanization, increasing energy efficiency and the use of renewable energy, and sustainably managing natural resources.

It is important to note that the environmental goal's indicators reflect a limited, though quite bold set of short and medium-term achievements for what is a complex and evolving set of long-term and cross-sectoral problems and solutions. Indicators include adoption of national environmental strategies, protected area coverage, carbon emissions per capita, sanitation and freshwater services, energy efficiency and renewable energy services, and forest cover. In FY 2000, about 65 percent of all USAID operating units will have environmental strategic objectives.

Biodiversity is being lost at unprecedented rates, with an estimated 1,000 species per year becoming extinct. USAID works with host countries and partners to improve the management of biologically significant areas both within and outside of officially protected areas. For example, the LAC region helped conserve 22 million hectares in FY 1998 through its "Parks in Peril," "Meso-American Biological Corridor" and other programs. FY 2000 plans include an additional 28 million hectares.

USAID recently completed its **Climate Change Initiative** (1998-2002) which will ensure a substantial financial commitment to climate change-related programs in developing and transition nations. The Initiative focuses on reducing greenhouse gas (GHG) emissions, protecting natural habitats that sequester carbon, and encouraging developing country policies that support the Framework Climate Change Convention (FCCC). Seventy-five percent of USAID natural resource management activities are considered part of the Initiative because of their role in carbon sequestration, absorbing carbon dioxide, a major GHG. In Asia and the Near East, for example, USAID targets restructuring the power sector, improving electricity generation efficiency, and expanding renewable energy commercialization.

USAID's **sustainable urbanization** programs address urban growth and associated environmental problems -- the world's urban population is currently growing at four times the rate of the rural population. Currently, 17 of the world's 21 "mega-cities" with more than 10 million people are in developing countries. Recognizing the importance of well-functioning cities in achieving sustainable development, USAID initiated "Making Cities Work" in 1998 to build on lessons learned from ongoing urban programs. For example in Egypt, USAID-funded sewage and waste water treatment facilities will serve 5.49 million urban dwellers, and it is predicted that over 1 billion liters of water per day will be treated to design standards in FY 2000.

Energy is a critical factor of production as well as a major source of pressure on the environment. **Energy efficiency and renewable energy sources** are therefore critical for achieving environmentally sustainable development. For example, USAID's FY 2000 plans in Europe and the New Independent States emphasize energy sector market reform, privatization, rational pricing, and appropriate legal regulatory frameworks.

Sustainable natural resource management (NRM) is integral to economic sustainability. Among the problems that USAID's programs address are artisanal fisheries competition with commercial trawlers; loss of forests affecting watersheds, biodiversity and climate change; water consumption and management difficulties; and wildlife utilization and wildlife population declines. For example, USAID's Central African Regional Program for the Environment addresses deforestation and loss of biodiversity in the world's second largest tropical rain forest located in the Congo Basin. The first phase of this five-year, \$14-million initiative is scheduled to end in FY 2000. Its goal is to reduce the rate of deforestation, conserve the region's biological diversity, and in the long-run, to avert potentially negative change in the global and regional climate. In another example, USAID is achieving impressive results in sound coastal resource management in the Philippines through partnerships between local governments, communities and the private sector. An estimated 5,000 km of coastline is expected to be under effective CRM in FY 2000, involving 1585 communities.

Subsection II.B.6 Strategic Goal 6: Lives Saved, Suffering Associated with Actual or Man-made Disasters Reduced, and Conditions for Political and /or Economic Development Reestablished

This humanitarian assistance goal includes relief, and transition objectives through the provisions of humanitarian and development assistance to (a) reduce the potential impact of humanitarian crises, (b) meet urgent needs in crisis situations, and (c) re-establish security and basic institutions to meet critical needs and basic rights. The goal is unique in that it is crosscutting; that is, it integrates resources and results from other goal areas. The exception is the relief objective which has its own resources and its own results. USAID is working to design better integrated program, analytic and results measurement approaches that take into account the full array of social, political, military and economic considerations as well as USAID and broader U.S. foreign policy objectives.

The number of complex emergencies increased dramatically from 1989 to 1994, from 17 percent to 41 percent of all emergencies worldwide, including political conflict. In 1997, there were 25 major armed conflicts. In addition to the continued challenge of responding to the growing needs of complex and natural disasters, USAID has a new responsibility for responding to terrorism, and nuclear, biological and chemical disasters in developing countries. More than 40 percent of USAID-assisted countries have humanitarian assistance strategic objectives, mostly related to relief objectives. The number of country or regional programs with HA objectives increased from around 30 in 1996 to 37 in 1997.

Most emergencies are complex, lasting several years, characterized by disruption of traditional food supply networks, and failing economic, political and social institutions. Improving U.S. assistance to transition countries has required USAID to link emergency relief to longer term development activities. Relief programs are increasingly incorporating the development principles of capacity building, participation, and sustainability to accelerate re-establishment of people's livelihood and self-sufficiency. For example, in fiscal year 1997, 73 percent of responding food for peace PVO grantees reported developing and implementing resettlement or rehabilitation plans compared to 63 percent in the previous fiscal year. Sixty-five percent of responding OFDA grantees reported providing relief to development components in their FY 97 activities.

The Agency reviews performance on the "relief objective" against existing indicators ,i.e., crude mortality rates returned to an agreed standard within a 6 months of an emergency and improvement in the nutritional status of children under 5 years old. It is important to note that both performance goals and indicators are experimental and will be pilot tested in selected countries and for selected emergencies in FY 1999 and FY 2000.

Under the "Post-conflict Transition" objective, the indicators political rights, civil liberties and economic freedom, will remain the same. Using a proposed "Country Transition List" as the baseline, the USAID will monitor performance based on changes in the indices. These will overlap and be subsets of performance under the Economic Growth and Democracy/Governance Goals. In order to more closely link the Agency Strategic Plan with country-based operations, USAID will begin to review program performance at the country level in the designated post-conflict transition countries as a separate grouping and provide analysis of strategic objectives and overall country strategic plan performance.

Subsection II.B.7 Strategic Goal 7: USAID Remains a Premier Bilateral Development Agency

USAID believes that an efficiently and effectively managed international development program is critically important to the achievement of the U.S. International Affairs and USAID strategic objectives. These efficiency and effectiveness factors guide the Agency's seventh goal, namely, that USAID remains a premier bilateral development agency.

USAID's influence on the development community far exceeds the scale of its development funding. Certainly, this disproportionate influence reflects, in part, the undeniable pre-eminence of U.S. military, diplomatic, and economic power in the post-cold war era, but it derives substantially from USAID's continued efforts to improve quality and relevance of programs, enhance achievement of performance goals and improve the quality of delivery of assistance. This not only encompasses USAID's continued leadership in research and technology development, policy, partnerships, performance measurement and evaluation, but also our ability to manage and deliver the development resources with which the Agency has been entrusted. Achieving these performance objectives not only maintains USAID's status as a "premier bilateral development agency" but also contributes to the achievement of USAID's substantive development objectives and the success of overall U.S. foreign policy.

This goal focuses on the systems and planned innovations that support USAID performance as an Agency. This goal is currently under review and modification to ensure that it best captures plans and facilitates clear articulation of a results framework. Likewise, appropriate performance measures for this goal are under development.

The following chapters outline USAID's specific benchmarks by goal area.

Chapter III USAID Goal 1: Economic Growth and Agricultural Development

Section III.A Summary of Performance Goals

Performance goals in the Strategic Plan include:

- average annual growth in per capita income above 1 percent
- average annual growth in agriculture at least as high as population growth in low-income countries
- reductions in the share of country populations in poverty in line with the DAC target of 50% reduction by 2015.
- increased openness and greater reliance on private markets, as indicated improved scores for economic freedom, and by expanded direct foreign investment and trade.
- diminished reliance on foreign aid in relatively advanced (middle-income) countries.

Goals in last year's Annual Performance Plan (APP) were for the most part couched in terms of improvements in the proportion of USAID recipient countries meeting the performance goals and benchmarks, compared with the baseline. We report here on some seventy-two countries for which the FY 99 CP shows USAID programs (DA, ESF, SAI/NIS, in combination in some cases with PL 480 and/or IDA) for FY 99 and where country conditions were such that aid programs could reasonably aim at supporting economic growth and agricultural development. This latter criterion excludes five countries in crisis or stalemate (Somalia, Rwanda, Liberia, Congo/Zaire, Nigeria) where USAID operations have necessarily been limited to essentially stopgap measures, humanitarian aid, global issues, etc., and could not reasonably be expected to affect economic performance in the near term. Data are not generally available for West Bank/Gaza, Bosnia, and the former Yugoslavia. USAID reports on countries, whether or not their programs include a direct focus on economic growth, because activities in other goal areas (e.g. population, education, governance, environment) can and should contribute to the performance goals listed above.

Section III.B Overview

The FY 1999 APP projected significant improvements in economic performance in all regions. Based on the most recent annual data, fairly clear and consistent patterns emerge across regions and indicators. The countries in **ANE** continue to perform very well relative to the benchmarks, to the FY 99 targets, and to other regions. Whether the impacts of the Asian financial crisis on USAID recipient countries (other than Indonesia), will still be significant in FY 2000 remains to be seen. **Africa** -- where performance had been weakest -- has achieved striking improvements, even better than projected. USAID and IMF analyses indicate this is mainly due to improved policies, rather than to weather, terms of trade, and other such exogenous factors. In **ENI**, performance is improving in line with FY 1999 APP projections, assuming a continued general pattern of strengthening recovery in countries making the transition from Communism. (To some extent this improvement is masked by graduation, as five relatively successful countries will no longer receive aid in FY 99, and hence are not counted here). Performance has improved in **LAC** for the most part, but in some cases not yet by as much as foreseen last year in the FY 1999 APP.

Overall, the development community is enjoying considerable success in meeting the major challenges in economic development. In particular, economic performance in poor countries that have made steady progress (mainly, South Asia and countries in Africa such as Mozambique, Uganda and Ghana) continues to be good. And, economic performance in other poor countries (mainly in Africa), where progress has been unsteady, has improved dramatically, especially for agriculture. If this performance can be maintained, the ambitious DAC poverty target of a 50% reduction in the proportion of populations in poverty by 2015 will likely be achieved for most of the developing world. In ENI economic performance in most countries is continuing to improve, along patterns consistent with successful transition to market economies. Among middle-income developing countries and many of the countries in transition from Communism, aid dependency is low and/or falling steadily.

For the FY 2000 Annual Performance Plan, we believe the targets in the FY 1999 Annual Performance Plan remain appropriate. While the international economic outlook has become precarious, the developing countries most directly concerned (Korea, Thailand, Indonesia, Malaysia, Brazil, Argentina) tend to be middle-income rather than low-income countries, and include only a few USAID recipients. Apart from Indonesia and Russia, the gravity of the situation is uncertain (particularly in view of Mexico's earlier experience), and the potential impacts on other developing countries are even more unclear. At the same time, we are seeing widespread improvements (supported by foreign aid) in recipient policies and institutions, which historically have been the main determinant of development progress and prospects. Further, the most recent data reported here indicate some "overshooting" of targets and benchmarks, particularly in ANE and Africa, so that there is some room for performance to weaken without falling short. Finally, we see value to "keeping the goal posts in place", and tracking progress relative to a stable set of benchmarks and targets, unless and until there are clear and specific indications of widespread deterioration in performance and prospects.

Subsection III.B.1 Annual growth in per capita income above 1%

Compared with the baselines, recent growth performance (1994-97) improved substantially in all regions. Overall, forty-three out of sixty-nine recipients (62%) surpassed the 1% benchmark compared with around 44% in the baseline.

Table III.B.1 Annual growth in per capita income above 1%

Agency Performance Goal: Average annual growth in real per capita income above 1 percent.				
Agency Indicator: Percentage of USAID-assisted countries meeting the performance goal				
Source: IMF and World Bank				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1992-96)	36	80	30	43
Most Recent Data (1994-97)	67	100	43	53
Fiscal Year 2000 Benchmark (1996-99)	66	90	66	90
Fiscal Year 1999 Benchmark (1995-98)	66	90	66	90
Comments: Data are for per capita GDP growth, measured in constant, domestic prices.				
Notes: See methodology section.				

In **Africa** growth performance is much improved. Twelve out of eighteen USAID recipients (67%) surpassed the 1% threshold, compared with 36% in the base period and 66% targeted in last year's APP. Further, Mozambique missed the benchmark only because of abnormally rapid population growth [4.3%] over the 1994-97 period; and South Africa's growth rate was **at** 1%, hence just short of the performance goal. Growth was 2% or greater in Angola, Benin, Eritrea, Ethiopia, Guinea, Malawi, Namibia, Uganda, and Zimbabwe. Four countries clearly fell short of the benchmark (Kenya, Madagascar, Tanzania, and Zambia).

In **ANE**, ALL thirteen countries (with data) were above the 1% threshold, most by substantial margins, compared with 80% in the base period and 90% targeted for last year's APP. Six countries grew at 3.5% or better (Bangladesh, Cambodia, India, Indonesia, Lebanon, and Sri Lanka) and three more (Israel, Jordan, and Philippines) were around 2.5%. Only Morocco (1.1%) was a close call.

In **LAC** eight out of fifteen countries surpassed the threshold (53%), compared with 43% in the baseline, and 90% targeted in last year's APP. Growth was above 4% in the Dominican Republic, Guyana, and Peru, and above 2% in Brazil and El Salvador. Guatemala and Nicaragua barely surpassed the 1% benchmark, and Panama and Ecuador fell just short. Haiti, Honduras, Jamaica, and Paraguay fell well short. Mexico will likely surpass the benchmark next year.

In **ENI** ten out of twenty-three countries (with data) surpassed the threshold (43%), compared with 30% in the baseline and 66% targeted for last year's APP. Growth rates for all of these ten countries were at or above 2%, in most cases by substantial margins. In addition, in keeping with the "U-shaped" pattern of decline and recovery typical of transition from Communism, eleven of the thirteen countries that did **not** surpass the threshold showed **improvements** in growth performance over the course of the 1994-97 period. More generally, the number of countries in the ENI region achieving positive growth has steadily increased over time.

Subsection III.B.2. Growth in agriculture at least as rapid as population growth for low-income countries

Most low-income countries surpassed the benchmark, including striking improvements in Sub-Saharan Africa. Overall twenty-two out of twenty-six countries achieved the performance goal (85%), compared with about 35% in the base period. (Data were missing for an additional nine low-income countries).

Table III.B.2 Growth in agriculture at least as rapid as population growth for low-income countries

Agency Performance Goal: Average annual growth in agriculture at least as high as population growth for low-income countries.				
Agency Indicator: Percentage of low-income countries meeting performance goal				
Source: World Bank				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1990-95)	33	43	14	33
Most Recent Data (1994-96)	86	67	100	100
Fiscal Year 2000 Benchmark (1996-98)	50	70	70	50
Fiscal Year 1999 Benchmark (1995-97)	50	70	70	50
Comments: Of thirty-five low-income countries, data are not available for nine low-income countries, including six (out of nine) low-income countries in ENI.				
Notes: See methodology section.				

For **Africa**, of the fourteen low-income countries with data, twelve (86%) clearly surpassed the benchmark, compared with 33% in the baseline, and 50% targeted for the last year's APP. Only Madagascar and Zambia fell short. For the two low-income countries without data, Eritrea (3.7% per capita GDP growth) likely had rapid agricultural growth, and Tanzania (0.1% per capita GDP growth) probably did not. Agricultural growth exceeded population growth by at least **two** percentage points in Angola, Benin, Guinea, Malawi, Mali, Senegal, and Zimbabwe.

For **ANE**, of six low-income countries, Cambodia barely met the performance benchmark, and India, Mongolia, and Nepal exceeded it. Bangladesh and Sri Lanka fell short, but still enjoyed very rapid overall growth in per capita income (over 3.5%). The 66% success rate compares with 43% for the benchmark, and 70% in the FY 1999 APP.

For **LAC**, of four low-income countries, Nicaragua, Honduras, and Guyana clearly surpassed the benchmark. For Haiti, data are not available, but performance likely fell short. The 100% success rate (for the three countries with data) compares with 33% in the baseline, and 50% in the FY 1999 APP.

For **ENI**, of nine low-income countries, Albania, Armenia, and Kyrgyzstan clearly surpassed the benchmark. Data are not available for Azerbaijan, Bosnia, Georgia, Moldova, Tajikistan, and Turkmenistan. For most of these latter countries, overall GDP growth was negative. In any case, the links between agricultural performance and overall growth have tended to be weak in countries making the transition from Communism than among other developing countries. The agricultural sectors tend to be smaller as a proportion of GDP in the transition countries. More generally, there are likely other more fundamental dynamics driving economic output as the region restructures. The 100% success rate **for countries with data** compares with 14% in the baseline, and 70% targeted in the FY 1999 APP.

Subsection III.B.3 Proportion of the population in poverty reduced in line with the DAC target of 50% reduction by 2015 (compared with 1995).

Data on poverty appear only sporadically. Nonetheless, this goal is included in the USAID Strategic Plan because it is among the DAC goals, to which the U.S. subscribes. Baseline and planned performance in last year's APP were based on estimates by USAID staff that growth in per capita income in the 1-2% range would be required to achieve the poverty target for developing countries. Subsequently, in World Development Indicators 1998, the IBRD estimated the required growth rates at 1.9% for Sub-Saharan Africa; 1.8% for LAC; 1.3% for South Asia; 1.2% for East Asia; 0.3% (sic) for the Middle East and North Africa; and 0.8% for Europe and Central Asia. (These are growth rates for per capita consumption, for which growth rates in per capita income are a reasonable proxy). In the Africa and ANE regions, that account for ninety percent of global poverty (outside China), roughly three-quarters of USAID recipients (23 out of 31) are growing at rates consistent with the DAC target.

Table III.B.3 Proportion of the population in poverty reduced

Agency Performance Goal: Reductions in the share of country populations in poverty in line with the DAC target of a 50% reduction by 2015 (compared with 1995)				
Agency Indicator: Percentage of countries with average annual per capita growth at rates required to achieve the DAC Poverty Target.				
Source: IMF and World Bank				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1992-96 growth)	33	43	na	33
Most Recent Data (1994-97)	56	100	43	33
Fiscal Year 2000 Benchmark (1995-99)	50	80	70	60
Fiscal Year 1999 Benchmark (1995-98)	50	80	70	60
Comments: Most recent results are based on a comparison of 1994-97 average growth rates with 1998 IBRD estimates (by region) of per capita growth rates required to achieve the DAC Poverty Target: Sub-Saharan Africa -- 1.9%; South Asia -- 1.3%; East Asia -- 1.2%; Middle East and North Africa -- 0.3%; and Latin America/Caribbean -- 1.8%. Most (90%) of global poverty is in Asia (65%) and secondarily in Africa (25%).				
Notes:				

For **Africa**, ten out of eighteen USAID recipients (56%) grew at the required rate of 1.9% or better, compared with 33% in the baseline, and 50% targeted in the FY 1999 APP. However, with the important exception of Ethiopia, growth in the more populous countries in Africa (Nigeria, Congo/Kinshasa, South Africa, Kenya, and Tanzania) fell short of the benchmark, primarily because of instability and/or weak policy performance. This poses a considerable drag on overall progress in reducing poverty in Africa, which accounts for about one-quarter of global poverty outside China.

For **ANE**, ALL of the thirteen countries (with data) grew faster than the required rates for their region, typically by substantial margins, compared with 43% in the baseline, and 80% targeted in the FY 1999 APP. This is most encouraging insofar as the ANE region accounts for about two-thirds of global poverty outside China.

For **LAC**, five out of fifteen countries grew at 1.8% or better, equal to the 33% in the baseline, and well short of the 60% target in the FY 1999 APP. The five are Brazil, Dominican Republic, El Salvador, Guyana, and Peru.

For **ENI**, the same ten (out of twenty-three) countries that achieved the 1% growth target readily surpassed the 0.8% rate required for the poverty target. This success rate of 43% compares with a target of 50% in the FY 1999 APP.

Subsection III.B.4 Increased openness and greater reliance on private markets

We look first at scores for **Economic Freedom**, as compiled by the Heritage Foundation for most but not all of the countries reviewed. The scores reflect Heritage Foundation staff appraisals of some ten aspects of economic freedom such as tax policy, protection of property rights, and prevalence of black markets. The comparison is between the most recent ("1998") scores [which reflect conditions in 1997 and earlier] and the average scores for 1995 and 1996. (In a few cases, scores for these latter years are not available, and we compare 1998 with 1997). In each region economic freedom is improving in about two-thirds or more of countries.

Table III.B.4 Increased openness and greater reliance on private markets

Agency Performance Goal: Increased Openness and Greater Reliance on Private Markets.				
Agency Indicator: Economic Freedom Index, percentage of countries with improved scores compared to the baseline				
Source: Heritage Foundation				
<i>(year of data) refers to the calendar year of the data. In most cases the data lag the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1997 compared with 1995)	47	80	45	64
Most Recent Data (1998 compared with 1995/6)	65	85	65	67
Fiscal Year 2000 Benchmark (2000 compared with 1997/8)	50	80	50	75
Fiscal Year 1999 Benchmark (1999 compared with 1996/7)	50	80	50	75
Comments: "1997" scores are scores that appear in early 1997 based on information pertaining to 1996 and earlier.				
Notes: See methodology section.				

For **Africa**, economic freedom improved in eleven out of seventeen countries (65%), compared with a baseline of 47% and a target of 50% in the last year's APP. Tanzania, Ghana, and Mali showed the greatest improvements. Three countries showed no change, and in three (Zimbabwe, Zambia, and Malawi) economic freedom scores worsened.

For **ANE**, economic freedom increased in eleven out of thirteen countries (85%), compared with 80% for both the baseline and the target in the FY 1999 APP. The greatest improvements were in Philippines, Mongolia, Sri Lanka, and Indonesia. Economic freedom declined in Lebanon and Morocco.

For **LAC**, economic freedom increased in ten out of fifteen countries (67%), compared with 64% for a baseline and 75% for a target. Peru, Bolivia, Nicaragua, Ecuador, and Haiti achieved the largest gains. Economic freedom declined (slightly) in Guyana, Paraguay, Mexico, and Dominican Republic, and was stable in Honduras.

For **ENI**, eleven out of seventeen countries (65%) showed improvements, compared with 45% for the baseline, and 50% targeted in the FY 1999 APP. The largest improvements were in Armenia, Azerbaijan, Lithuania, Moldova, and Romania. Five countries (Albania, Belarus, Bulgaria, Croatia, and Slovakia) showed declines. For six countries scores were reported only for 1998.

The second indicator of increased openness and greater reliance of private markets is **net direct foreign investment (DFI)**. Here we look at average annual net DFI for 1995/6 compared with 1992/3. The predominant trend in each region is one of significantly increasing DFI. For the three developing regions, DFI rose from \$13 billion to over \$35 billion. This investment was heavily concentrated in relatively few of the forty-three developing countries - three countries (Brazil, Mexico, and Indonesia) accounted for nearly two-thirds of the total. In the next tier, adding Peru, India, Israel, and Philippines brings the cumulative share to around 87%.

Table III.B.5 Net direct foreign investment (DFI)

Agency Performance Goal: Increased Openness and Greater Reliance on Private Markets				
Agency Indicator: Percentage of countries in which direct foreign investment clearly increases compared with the base period.				
Source: World Bank				
<i>(year of data) refers to the calendar year of the data. In most cases the data lag the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1995 compared with 1990)	62	92	na	92
Most Recent Data (1995/6 average compared with 1992/3 average)	67	77	87*	87
Fiscal Year 2000 Benchmark (1997/98 average compared with 1994/5)	75	90	75	95
Fiscal Year 1999 Year Benchmark (1996/7 compared with 1993/4)	75	90	75	95
Comments: DFI is volatile, so we use two-year averages. For ENI data are often not available for 1992/3, so the score is based on monitoring more recent trends. See narrative.				
Notes: See methodology section.				

For **Africa**, DFI clearly increased in ten out of fifteen (67%) countries (with data), was fairly stable in two others, and clearly declined in only three countries (Angola, Madagascar and Benin). This compares with 62% in the baseline, and 75% projected in last year's APP. The largest increases were in South Africa, Tanzania, Uganda, Ghana, and Mali. (Data for Eritrea, Namibia, and Malawi were incomplete). Overall, DFI more than doubled, from over \$500 million to more than \$1.1 billion.

For **ANE**, DFI clearly increased in ten out of thirteen USAID recipients (77%), compared with 92% in the baseline and 90% targeted in the FY 1999 APP. DFI showed no discernible trend in Jordan and declined in Sri Lanka and Morocco. The largest increases were in Indonesia, India, Israel, and Philippines. Overall, DFI nearly trebled, increasing from \$4.7 billion to over \$13 billion.

For **LAC**, DFI clearly increased in thirteen out of fifteen USAID recipients (87%) compared with 92% in the baseline, and 95% targeted in the FY 1999 APP. DFI fell in Guatemala and Guyana. Overall DFI nearly trebled, rising from \$7.8 billion to almost \$21 billion. The largest increases were in Brazil, Mexico, and Peru, which together account for almost 90% of total investment in USAID LAC recipients.

For **ENI**, data for DFI for many countries only start to appear in 1993 or 1994. Therefore, systematic comparisons based on 1991/2 are not possible in many cases. From review of the available data for the 1990's, there is a fairly clear rising trend (from a very low base) in 20 out of 23 countries (87%), compared with 75% targeted in the FY 1999 APP. There is a clear declining trend only in Macedonia (over 1994-96). Data for Cyprus and Turkey show no clear trend.

The third indicator of increased openness and greater reliance on foreign markets is **increased trade**. Here, we look at data for imports and exports of goods and services in constant prices, comparing 1996 and 1992. In last year's APP, performance goals were couched in terms of percentages of countries with increased trade for AFR and ENI; and in terms of rates of increase of imports and exports for ANE and LAC, where growth in trade was more uniformly positive across countries. We report on both types of indicators, for AFR, LAC, and ANE. For the most part, performance was better than expected, and better than the baseline. In particular, a significant number of poor countries in Africa and Asia are enjoying considerable success in raising exports. For ENI, data on trade, both "merchandise" and "goods and services" are too sparse and incomplete to allow systematic reporting. What trends are evident tend to be positive, starting from a very low base.

Table III.B.6 Increased trade

Agency Performance Goal: Increased Openness and Greater Reliance on Private Markets				
Agency Indicators: Percentage of countries in which trade (exports plus imports) has increased and average growth rates for exports and imports (respectively)				
Source: World Bank				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1990-95)	36/na/na	na/11/8	na/na/na	na/4/10
Most Recent Data (1996 compared with 1992)	88/7.3/3.6	100/10.6/10.4	na/na/na	93/7.5/8.4
Fiscal Year 2000 Benchmark (1998 compared with 1994)	80/6/4	90/9/8	75/na/na	90/5/8
Fiscal Year 1999 Benchmark (1997 compared with 1993)	75/na/na	na/9/8	75/na/na	na/5/8
Comments: For each cell, the figures are (respectively); the percentage of countries with expanded total trade (exports plus imports); the unweighted average annual export growth rate for USAID recipients in the region; and the unweighted average annual import growth rate for USAID recipients in the region. See the narrative for additional results. Exports and imports cover goods and services, in constant prices.				
Notes: See methodology section.				

For **AFR**, of sixteen countries with data, exports increased in fifteen (94%). Ethiopia, Uganda, Zimbabwe, Mozambique, Ghana, and Kenya achieved the most rapid export growth rates, ranging from 9.5% per year for Kenya to nearly 26% for Ethiopia. Imports increased in nine countries (56%). Total trade, the sum of exports and imports increased in fourteen countries (88%) of the countries, compared with 36% in the baseline and 75% projected in the FY 1999 APP. Using **weighted** averages for the group, exports grew at 6% and imports grew at 9%, reflecting mainly South Africa, which accounted for 60% of the total and where import growth was twice as fast as export growth. On an unweighted basis, exports grew by over 7 per cent on average and imports grew by less than 4%. Only in Zambia did both exports and imports decline. (Data not available for Eritrea and Tanzania).

For **ANE**, exports and imports increased in all ten countries with data. For the group as a whole, average annual **export** growth was about 10.6% on an unweighted basis, compared with 11% in the baseline (based on merchandise exports) and 9% projected in the FY 1999 APP. Import growth was about 10.4% on an unweighted basis, compared with 8% in both the baseline and in the FY 1999 APP. (Remarkably, the figures for weighted averages were almost identical to the unweighted averages). Bangladesh, Nepal, India, Philippines, and Jordan achieved the most rapid growth in exports, ranging from over 15% for Bangladesh and Nepal to over 11% for Jordan. (Data were not available for Mongolia, Lebanon, and Cambodia).

For **LAC**, out of fourteen USAID recipients exports of goods and services increased in all but Panama, and imports increased in all but Panama and Mexico. Overall trade increased in fourteen countries (93%). For the region, exports grew at 7.5% on an unweighted average basis, and 6.4% overall, exceeding by a significant margin the 4% growth rate (for merchandise exports) in the baseline, and 5% projected in the FY 1999 APP. Export growth was above 13% for Haiti (from a low base), El Salvador, and Nicaragua; and was above 9% for Bolivia, Peru, and Paraguay. On the import side, growth was at 8.4% on an unweighted average basis, and 6.2% on a weighted average basis (reflecting Mexico). This compares with 10% in the baseline, and 8% targeted in the FY 1999 APP. (Data for Guyana were incomplete.)

For **ENI**, trade data are available only for six countries (Bulgaria, Cyprus, Ireland, Poland, Slovakia, and Turkey) and in some of these cases data are incomplete. Exports increased in all six countries, and imports increased in all but Cyprus, where total trade fell.

Subsection III.B.5 Diminished Reliance on Foreign Aid in Advanced Countries

The development paradigm calls for diminished reliance on foreign aid as countries reach middle-income and advanced status (typically signaled by economic and social indicators), and then eventually graduate. The applicability of this paradigm to ENI countries is not straightforward, insofar as: transition is a different problem than development; "advanced" in a transition context has a different meaning with different indicators; and programs are of more recent vintage. Here, we look at levels and trends in the ratio of aid to GNP for developing countries with per capita incomes above \$1000, comparing 1995/6 with 1991/2. For ENI, we look at more recent trends and levels. It is helpful to keep in mind that small countries tend to have relatively high ratios of aid to GNP, and large countries tend to have relatively low ratios, independent of development status and need for assistance.

Table III.B.7 Diminished Reliance on Foreign Aid in Advanced Countries

Agency Performance Goal: Diminished Reliance on Foreign Aid in Relatively Advanced (Middle-Income) Countries				
Agency Indicator: Percentage of advanced (middle-income) countries demonstrating diminished reliance on concessional foreign aid as indicated by the ratio of ODA to GNP.				
Source: World Bank				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1994 compared with 1990)	50	100	N/A	100
Most Recent Data (1995/6 compared with 1991/2)	0	100	N/A	70
Fiscal Year 2000 Benchmark (1997/8 compared with 1993/4)	50	80	N/A	100
Fiscal Year 1999 Benchmark (1996/7 compared with 1992/3)	50	80	N/A	100
Comments: For a significant number of advanced countries, aid dependency is near zero, so that trends are not at issue. For ENI there are both conceptual and empirical problems associated with this performance goal (in contrast to traditional developing regions). On these points, see the narrative.				
Notes				

For **Africa**, two countries have relatively high per capita incomes, Namibia (population of 1.6 million) and South Africa (Population of 38 million). For Namibia, the aid/GNP ratio has remained on the order of 5.5% over the 1990's, with no discernible trend. In South Africa the ratio has remained low and steady at less than 0.3% over the past four years. Since programs in both countries have to do with relatively recent transition from apartheid, the lack of a downward trend is not particularly surprising or disappointing. The FY 1999 APP anticipated some decline in aid dependence for Namibia, and a possible rise in South Africa.

For **ANE**, seven countries have relatively high per capita incomes. The data indicate **clear and substantial declines in aid dependency in all cases**. Aid dependency is relatively high in Egypt (3.3%) and Jordan (7.7%); is relatively low in Israel (0.4%) and Indonesia (0.6%); and is about 1.7% for Morocco and Lebanon, and 1% for Philippines.

For **LAC**, ten countries have relatively high per capita incomes. For Brazil and Mexico, aid dependency is very low, on the order of 0.1%, with no clear trend. In the Dominican Republic, aid dependency is moderate (1%) with no clear trend since 1991. In the other countries, **aid dependency has clearly declined**. It is still significant in El Salvador and Jamaica (2-3%). For Ecuador, Guatemala, Panama, Paraguay, and Peru the range is 0.7 to 1.5%

For **ENI**, we look at Belarus, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Russia, Slovakia, Slovenia, Turkey, and Ukraine. (Data are incomplete for Cyprus, and unavailable for Ireland). For Latvia, Lithuania, and Estonia, aid dependency falls in the 1.4-1.8% range. For the others, aid dependency is below 1%, in many cases well below. In most cases it is **hard to discern meaningful trends**. (Among these countries, Czech Republic, Estonia, Hungary, Latvia, and Slovenia show no USAID commitments for FY 99, and hence are not otherwise included in this APP).

Section III.C Goal-Focused Performance Tables:

The following tables focus on countries with programs linked to USAID Goal 1: Economic Growth and Agricultural Development

Table III.C.1 Annual growth in per capita income above 1%

Agency Goal: Broad-based economic growth and agricultural development encouraged				
Agency Indicator: Percentage of countries meeting performance goal of average annual growth rates in real per capita income greater than 1%				
Source: IMF and World Bank				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1992-96)	N/A	N/A	N/A	N/A
Most Recent Data (1994-97)	65	100	35	64
Fiscal Year 2000 Benchmark (1996-99)	66	90	66	90
Strategic Plan Benchmark for Fiscal Year 1999 (1995-98)	66	90	66	90
Comments Data are for per capita GDP growth, measured in constant domestic prices.				
Notes: Number of countries with data: Sub-Saharan Africa 17; Asia, Near East & North Africa 12; Europe & former Soviet Union 20; Latin America & the Caribbean 11				

Table III.C.2 Agriculture and Population Growth

Agency Goal: Broad-based economic growth and agricultural development encouraged				
Agency Indicator: Percentage of low-income countries meeting performance goal of average annual growth in agriculture at least as high as population growth.				
Source: World Bank				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1990-95)	N/A	N/A	N/A	N/A
Most Recent Data (1994-96)	85	66	100	100
Fiscal Year 2000 Benchmark (1996-98)	50	70	70	50
Benchmark for Fiscal Year 1999 (1995-97)	50	70	70	50
Comments:				
Notes: Number of countries with data: Sub-Saharan Africa 13; Asia, Near East & North Africa 6; Europe & former Soviet Union 3; Latin America & the Caribbean 3.				
"Low income countries" was defined as those countries classified by the World Bank as in the low income category.				

Table III.C.3 Poverty reduced

Agency Goal: Broad-based economic growth and agricultural development encouraged				
Agency Indicator: Percentage of countries with of average annual growth in real per capita income at rates required to reach the DAC poverty target.				
Source: IMF and World Bank				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1992-96)	N/A	N/A	N/A	N/A
Most Recent Data (1997)	53	100	35	36
Fiscal Year 2000 Benchmark (1999)	50	80	50	60
Strategic Plan Benchmark for Fiscal Year 2007 (2006)	50	80	50	60
Comments: Replaces Proportion of the population in poverty indicator.				
Notes: Sub-Saharan Africa (rate 1.9%); Asia, Near East & North Africa (rate 1.3% for South Asia, 1.2% for East Asia, 0.3% for Middle East and North Africa; Europe & former Soviet Union (rate 0.8%); Latin America & the Caribbean (rate 1.8%).				
Notes: Number of countries with data: Sub-Saharan Africa 17; Asia, Near East & North Africa 12; Europe & former Soviet Union 20; Latin America & the Caribbean 11				

Table III.C.4 Economic Freedom

Agency Goal: Broad-based economic growth and agricultural development encouraged				
Agency Indicator: Economic Freedom Index, percentage of countries with improved scores compared to earlier years.				
Source: Heritage Foundation				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1997 compared with 1995)	N/A	N/A	N/A	N/A
Most Recent Data (1998 compared with 1995/6)	69	83	64	82
Fiscal Year 2000 Benchmark (2000 compared with 1997/8)	50	80	50	75
Benchmark for Fiscal Year 1999 (1999 compared with 1996/7) (year of 2006)	50	80	50	75
Comments "1997" scores are those that appear in early 1997 based on information from 1996 and earlier.				
Notes: Number of countries with data: Sub-Saharan Africa 6; Asia, Near East & North Africa 12; Europe & former Soviet Union 14; Latin America & the Caribbean 11				

Table III.C.5 Direct foreign investment

Agency Goal: Broad-based economic growth and agricultural development encouraged				
Agency Indicator: Percentage of countries in which direct foreign investment clearly increases compared with earlier years.				
Source: World Bank				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1995 compared with 1990)	N/A	N/A	N/A	N/A
Most Recent Data (1995/6 compared with 1992/3)	71	75	100	82
Fiscal Year 2000 Benchmark (1997/8 compared with 1994/5)	75	90	75	95
Benchmark for Fiscal Year 1999 (1996/7 compared with 1993/4)	75	90	75	95
Comments For Europe and former Soviet Union, data are often not available for 1992/3, so the score is based on more recent trends.				
Notes: Number of countries with data: Sub-Saharan Africa 14; Asia, Near East & North Africa 12; Europe & former Soviet Union 17; Latin America & the Caribbean 11				

Table III.C.6 Increased trade

Agency Goal: Broad-based economic growth and agricultural development encouraged				
Agency Indicator: Trade in goods and services (see comments)				
Source: World Bank				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa (percent of countries)	Asia, Near East & North Africa (growth rate)	Europe & former Soviet Union (percent of countries)	Latin America & the Caribbean (growth rate)
	Exports/Imports		Exports/Imports	
Baseline (1990-95)	N/A	N/A	N/A	N/A
Most Recent Data (1996 compared with 1992)	87/7.3/4.0	100/10.7/10.5	100/NA/NA	100/8.5/9.8
Fiscal Year 2000 Benchmark (1998 compared with 1994)	80/6/4	90/9/8	75/NA/NA	90/5/8
Strategic Plan Benchmark for Fiscal Year 1999 (1997 compared with 1993) (2005)	75/NA/NA	NA/9/8	75/NA/NA	NA/5/8
Comments: Same comments as in Table III.B.6				
Notes: Number of countries with data: Sub-Saharan Africa 15; Asia, Near East & North Africa 9; Europe & former Soviet Union 3; Latin America & the Caribbean 10				

Table III.C.7 Foreign Aid

Agency Goal: Broad-based economic growth and agricultural development encouraged				
Agency Indicator: Percentage of countries achieving performance goal or reliance on concessional foreign aid decreased in advanced countries				
Source: World Bank				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1994 compared to 1990)	N/A	N/A	N/A	N/A
Most Recent Data (1995/6 compared with 1991/2)	0	100	N/A	86
Fiscal Year 2000 Benchmark (1997/8 compared with 1993/4)	50	80	N/A	100
Benchmark for Fiscal Year 1999 (1996/7 compared with 1992/3)	50	80	N/A	100
Comments For a significant number of advanced countries, aid dependency is near zero, so that trends are not at issue. For ENI there are both conceptual and empirical problems associated with this performance goal (in contrast to traditional developing regions). On these points, see the narrative.				
Notes: Number of countries with non missing data for most recent data year: Sub-Saharan Africa 2; Asia, Near East & North Africa 6; Latin America & the Caribbean 7. "Advanced countries" was defined as those countries classified by the World Bank above their low income category.				

Chapter IV USAID Goal 2: Democracy and Good Governance Strengthened

Section IV.A Indicators

USAID's goal of strengthening democracy and good governance supports the transition to and consolidation of democratic regimes. The agency has established four strategic objectives to further this goal: strengthening the rule of law and human rights; encouraging competitive political processes; promoting civil society; and encouraging transparent and accountable government institutions. In FY 1999, USAID is contributing to strengthening democracy through 167 strategic objectives in 59 countries. In terms of USAID allocations for FY 1999, 20% of the funding tracked through the NMS supported law and human rights, 8% competitive processes, 39% civil society and 25% governance.

Indicators

- ! Freedom House overall rankings
- ! Freedom House Political Rights rankings
- ! Freedom House Civil Liberties rankings

The only consistent and reliable indicators in the democracy and governance sector have been those produced by the annual Freedom House survey; in the absence of better measures they have in effect become the "industry standard" among donors and in the academic literature in assessing democratic performance across countries and regions of the world. Freedom House indicators have some significant advantages. The institution has compiled these indicators for more than a quarter-century, it has used essentially the same methodology every year, and it covers all countries (and territories like West Bank/Gaza) every year. The overall Freedom House ranking constitutes a summary measure, putting all countries into a tripartite division of "free/partly free/not free," thus offering a crude diagnostic index of the global or regional state of democratic health, though it is not very suitable for gauging democratic progress with any degree of specificity.

The other two indicators used for the APP are Political Rights, which measures the ability to participate freely in democratic political processes, and Civil Liberties, which assesses freedom to pursue and develop views and institutions apart from the state. Both measures provide ordinal-level scores from 1 to 7, thereby offering a reasonable discrimination among countries more democratic (lower scores on the rankings) and less so (higher scores). The baseline year for all data used in this chapter is 1995-96, with 1997-98 serving as the most recent data point. Projections are set for FY 2000 and FY 2007.

The analysis in this chapter will include only those countries receiving USAID democracy assistance in FY 1999. The list of countries, compiled by the International Science and Technology Institute and approved by PPC, is presented in Table IV.B.1.

In addition, as shown in Table IV.B.1, countries will be divided into "post-conflict" and "sustainable development" countries. Post-conflict countries can be defined as moving into or (more promisingly) out of a period of instability, generally due to conflict. Sustainable development countries are those perceived to be stable for the foreseeable future, where donors can focus on social, political and economic progress rather than dealing with conflict and its effects. As the nomenclature implies, the planning horizon for post-conflict countries is shorter (6 months to 3 years or so), while for the sustainable development countries it can (and should) be longer, in the range of 5 to 7 years and more.

In the broadest and most general terms, as indicated in the overall Freedom House rankings presented in Table IV.B.2, the democratic cause has made some progress in the two-year period since the baseline. In Africa, four countries have moved up one ranking (from "partly free" to "free" for Mali, and from "not free" to "partly free" for Eritrea, Ethiopia, and Tanzania), while in both ANE and ENI one country improved from "partly free" to "free" (the Philippines and Romania). On the other side of the ledger, ANE and ENI each saw two countries retrogress one level (Cambodia and Lebanon, Belarus and Slovakia -- though the latter seems to be improving at the end of 1998 with a new government), and LAC found one country likewise moving back by a rank (Ecuador). Except for Cambodia, all these changes occurred in USAID's Sustainable Development countries.

Table IV.B.3 presents Political Rights data from the Freedom House surveys for the relevant years, while Table IV.B.4 offers analogous data for Civil Liberties. Each of these measures scores individual countries along an ordinal scale from one (the best ranking) to seven (the worst). The most striking aspect in both tables is that for both measures, and for both the baseline and the most-recent-year entries, the four regions can be arrayed on a monotonic scale in every instance but two. That is, for both Political Rights and Civil Liberties, and for 1995-96 and 1997-98, the best-to-worst order is consistently LAC-ENI-ANE-AFR. The only exceptions are that for Political Rights in 1997-98, ANE scores slightly better than ENI (4.00), and for Civil Liberties in 1997-98, AFR scores just a little better (4.38) than ANE (4.44). The range involved for 1995-96 was roughly 1.3 points for both measures. In 1997-98 this range increased very marginally for Political Rights (to about 1.4 points), while it narrowed quite a bit (to about 1 point) for Civil Liberties. The difference here is largely due to the 0.6 point improvement in AFR Civil Liberties — the largest gain for any region on either measure over the two year period.

For the most part, these shifts were relatively small ones in both Political Rights and Civil Liberties. For Political Rights, 23 of the 63 countries moved up or down a single point on the seven-point scale employed by Freedom House, while 3 countries moved 2 points. For Civil Liberties, these numbers were 14 and 7. There were no shifts of 3 or more points. Regionally the largest shifts were in AFR and ENI. In the former, fully 10 of the region's 21 countries receiving USAID democracy assistance in FY 1999 improved their Civil Liberties scores, 9 of them by a single point and one (Mali) by 2 points; there was no backward movement. On the Political Rights index for AFR, four countries improved by one point and one (Ghana) by 2 points, while two countries retrogressed, one of them (Zambia) by 2 points. The ENI region also saw many shifts. On Civil Liberties, four improved while at the same time four declined, and in Political Rights, the numbers were 4 and 3 respectively.

The most volatility occurred in the ENI region, which experienced an almost equal number of improvements and setbacks on the two Freedom House scales; most of this took place in the NIS countries, with Belarus the worst performer, falling back by 2 points on both measures). In the other three regions, advances led declines on both indices. So far as transition category is concerned, there was some difference for Civil Liberties, in that while three-fifths of the Post-conflict states (9 of the 15) saw some change in score, only about one-third (17 of 48) Sustainable Development countries experienced any movement up or down. With Political Rights, exactly one-third of the countries in each category (5/15 and 16/48) underwent a change in their Freedom House scores over the period.

Section IV.B Region-by-Region Analysis

Africa. Many sub-Saharan countries have experienced notable democratic progress over the 1990s, while a smaller number underwent democratic deterioration. In Freedom House terms, most of the improvement came in Political Rights, which moved from an average 5.5 points in 1992 to 4.52 in 1997-98. Malawi was the leader here (a remarkable 5-point gain), followed by South Africa (4 points), Ghana, Liberia, Mozambique, and Mali (3 points each). Offsetting this were countries like Zambia (a 3-point loss) and Nigeria (2 points). Civil Liberties showed similar (though more modest) moves in both directions, with the overall score improving slightly from 4.9 to 4.38. Even in the shorter time frame encompassed by the two-year reporting period employed in Tables 2.3.1 and 2.4.1, AFR made considerable progress, clocking in as the best performer in Civil Liberties (moving from 4.95 to 4.38 -- a 0.57 gain) and second-best to LAC in Political Rights (a 0.24 improvement). This volatility has continued down to the end of 1998, with Nigeria improving rapidly, even as Liberia and Sierra Leone deteriorated.

Yet this general optimism must be tempered by acknowledging the many remaining needs in all four democracy objective areas given the continent's sensitivity to destabilizing factors. Ongoing conflicts within and between African states continue to present enormous obstacles to development and democracy in the region. Legal systems in most states are not independent and tend to be weak or corrupt. Likewise, the press in many countries is vulnerable to government control and interference. Even where representative political systems are functioning, as in Benin, Mali, Namibia and South Africa, governments still face serious tests of whether democracy can deliver on citizen expectations.

Africa's democratic strength and best near-term potential for progress is found in its civil society, and it is this sector that has received the most USAID assistance, about two-fifths of the total support for the Agency's DG goal in Africa in FY 1999. USAID's FY 2000 programming will continue this emphasis, complementing it with support for rule of law, competitive political processes and governance. In the two countries of highest importance to the United States — South Africa and Nigeria — USAID focus will be to support consolidating the impressive levels of democratic progress in the former and move to assist the transition into a democratic era that Nigeria appears to be positioned for in FY 1999.

Asia and the Near East. ANE is the most mixed of all the USAID regions in terms of democratic progress. It contains a number of countries which have been more or less democratic for many years, such as India and Israel, as well as more recent recruits to democratic ranks, like Mongolia and the Philippines. At the other extreme it also includes a number of states which have remained heavily authoritarian into the late 1990s, such as Afghanistan and Egypt. In terms of the Freedom House indices, the region as a whole has made only imperceptible progress in the two-year reporting period shown in Tables 2.3.1 and 2.4.1. Slight improvements in places like the Philippines have been counterbalanced by declines in others like Cambodia.

In the Middle East and North Africa, autocratic monarchies, theocracies and military-backed governments prevail. The two major recipients of USAID democratic assistance in the region — Egypt and West Bank/Gaza — have made virtually no progress in the last several years, but in other countries (e.g., Jordan, Lebanon, Morocco) a modest protection of political and civil liberties has developed. The major challenges in this area will continue to be assisting civil society to find and build a pro-democracy voice and to strengthen local governance institutions.

In East/Southeast Asia democracy seems to be taking hold in Mongolia and consolidating in the Philippines. As 1998 draws to a close, one country of high importance to the United States — Indonesia — appears poised for major positive change, while another — Cambodia — seems to have stumbled and fallen, with the hope for democracy in considerable peril.

In South Asia democratic modes of governance prevail despite low per-capita income levels. Citizens in the subcontinent vote in high numbers, and robust, grassroots non-governmental organizations have become a major force for leveraging reforms and providing services. The main challenges here will be the proliferation of violent conflict, uneven development, and corruption.

Europe and the New Independent States. At the outset of the 1990s as Communist rule in the ENI disintegrated and the successor states turned to democracy, the assumption in the donor community was that a three-to-five-year transition was the basic requirement. These countries needed mainly to get the operating "rules" of democracy right, it was thought; then the democratization process would become one essentially of consolidation, and donors could begin to phase out their operations. This has indeed happened in a few cases, but for most of the region it is clear that the transition process is not so easy. Many countries remain very much still in transition, while others have turned into states that are basically autocracies.

These differences show up on the Freedom House indices, with first of the three types mentioned just above at the advanced end of the Political Rights and Civil Liberties scales, while the transition states are in the middle, and the autocracies scoring worst (6's and 7's). When the region is divided into sustainable development and post-conflict transition countries, some differences have emerged over the current decade. The sustainable development group stayed in the groove where they settled in the early 1990s and have changed little with respect to these general democracy estimators. The post-conflict states, though, as a group took a turn for the worse in mid-decade and since then have improved somewhat, though they are still far behind the sustainable development group (1.2 points worse on the Political Rights rankings and 1.5 points on Civil Liberties).

ENI has been USAID's most important region in terms of DG sector investment. In FY 1999, the agency invested some 45% of its total DG funding in ENI (next was AFR with 23%). It is anticipated that ENI will continue as the largest recipient of DG funding in FY 2000. Among USAID's four basic democracy approaches, the major emphasis will remain on civil society, which received somewhat more than two-fifths of Agency allocations in FY 1999. This reflects the reality that civil society and its main constituent, social capital, continue to represent the best investment as the region continues to emerge from its Communist past.

Latin America and the Caribbean. In LAC there is in general a high level of political will to consolidate the democratic gains made over the last decade. Except for Cuba, open free and fair elections at both the national and local level have become the norm. Alternation of political parties in power has become commonplace, and massive electoral fraud has largely disappeared. Latin American leaders publicly committed themselves to further democratic reforms at the 1998 Summit of the Americas and in the Inter-American Anti-Corruption Treaty.

In justice and rule of law, however, political leaders are not universally as committed to reform. Justice institutions remain weak and often politicized. In some countries, reforms continue; in others, reform processes seem to be reversing. Crime and personal security now head the list of citizen political concerns, as the crime rate soars, and human rights abuses remain a serious issue. Civil society finds few formal obstacles to organizing, and continues to grow, but most political parties have not yet been able to reform themselves to become attractive mechanisms for citizen action and policy reform.

The region as a whole has made only slight progress in the Freedom House rankings on Political Rights and Civil Liberties over the 1992-98 period, as indicated in Figures 1-4, but remains the AID region with the highest overall scores. Democratic gains have not decreased inequalities, and the region continues to be the least equitable in the world. Poverty and inequality may well increase as a result of natural disasters and by the financial crisis now threatening the region. They will present a serious challenge to democratic institutions that do not yet incorporate the voices of the poor majority. USAID's task will be to continue its work in justice and human rights, while expanding access of the poor majority into electoral politics and the justice system.

Section IV.C Performance Goals and Regional Expectations

USAID anticipates that each region will see significant improvement in each region over the next one and seven years as represented by the next two rows in Table IV.B.2. In LAC as the most advanced region, the emphasis will be on moving from the "partly free" category into the "free" level, while in the considerably less advanced AFR and ANE regions, the focus will be on moving from "not free" to "partly free" status. The picture in ENI has been more mixed in terms of distribution between categories, and accordingly so will be anticipated progress with two countries moving up from the lowest "not free" to the "partly free" level, while two more shift from "partly free" to "free."

In terms of Political Rights and Civil Liberties, USAID expects that while there will be some inevitable retrogression over the next one and seven years, the net change will be positive in all four regions, as shown in Tables 2.3.1 and 2.4.1. The Political Rights data in Table IV.B.3 indicate that over the next one year in AFR a net of three countries will improve their ratings by one point each, while in ANE, ENI and LAC the respective anticipations are for one country improving by one point in each region. For the seven year period ending in FY 2007, the expectations across the four regions are for nine AFR countries to improve their indices by one point each, and the other three regions following with six, six and seven points respectively. These attainments will lead to the regional averages shown in Table IV.B.3 (e.g., a regional ranking of 4.38 for AFR in FY 2000, 4.10 in FY 2007, etc.).

The Civil Liberties data in Table IV.B.4 indicate that over the next one year in AFR a net of three countries will improve their ratings by one point each, while in ANE, ENI and LAC the respective anticipations are one, one and two. For the seven year period ending in FY 2007, the expectations across the four regions are for nine AFR countries to improve their indices by one point each, and the other three regions following with six, seven and seven points respectively. These attainments will lead to the regional averages shown in Table IV.B.4 (e.g., a regional ranking of 4.24 for AFR in FY 2000, 4.00 in FY 2007, etc.).

Section IV.D Plans for the DG section of the APP for FY 2001

The three Freedom House democracy measures do have a number of virtues, as noted at the outset of this section. They incorporate a similar methodology across all countries (189 of them in 1997-98) and across time (over the past 25 years). In addition, the Freedom House measures are relatively more up-to-date than those used in other USAID sectors. Those used in this report represent Freedom House findings for 1997-98 and were published in early 1998. By contrast, the most recent indices used in other sectors are generally two or more years older. Accordingly, the Freedom House indicators do give a more current picture and relate temporally more closely with what the agency is presently engaged in doing.

But while the Freedom House indices do give a reasonably accurate picture of the general state of democratic health of a country (and this is why they were employed in the analysis above), unfortunately they do not link very well to USAID objectives. The Civil Liberties indicator is composed of 13 separate measures, 5 of which correspond fairly closely to the Agency's ROL program, but the other 8 measures do not (7 relate more to civil society and one to the DG governance theme area). Political Rights is comprised of 8 measures, of which 6 relate to competitive political processes and 2 to civil society. And the overall free/party free/not free ranking in effect sums up the scores for Political Rights and Civil Liberties and then establishes a threefold taxonomy, in which states scoring in the 1-2 range on both measures are generally ranked "free," those scoring somewhat higher (e.g., 3-5 on the 7-point scale) are ranked "partly free," and so on. In other words, the Freedom House rankings do not and cannot capture the results that USAID is endeavoring to achieve with its four agency strategic objectives.²

But if USAID is to be accountable for the results of its efforts, then the things being measured as results must have some reasonably direct connection to what the agency is undertaking to do. The Freedom House indicators do not constitute such a set of results. So we must find some other way.

It has proven possible to measure results for most USAID programming activity in the democracy sector at the country level, as exemplified in the R4 series of annual reports issued by each USAID mission. To facilitate this process, G/DG has recently issued a handbook of more than 300 DG program indicators to serve as examples in the four USAID agency objective sectors. But while this kind of measure can be employed in a framework based on managing for results at the mission level, the indicators used relate to individual country programs, each of which necessarily has its own unique features. Accordingly, the indicators cannot be aggregated or "rolled up" up to the regional level, much less the global level. We are left, then, with a global strategy (as embodied in USAID Goal 2 and the four objectives in the democracy sector) and individual country democracy programs that can in many (if not all) respects can be managed for results, but at the regional level we have neither strategy nor indicators; this is the "missing middle." If USAID is to make itself understandable in terms of what it is doing and to make itself accountable in terms of what it has done, the four regions (as opposed to the 63 countries with democracy programs) should be the unit of analysis.

USAID proposes to begin filling in this missing middle during FY 1999 as it prepares its APP for FY 2001 by analyzing what it is doing, what it aims to accomplish and how to assess its results for each of its four strategic objectives in each of its four regions. The objective of this exercise will be to craft a set of quantitative/qualitative measures that will connect with and capture the agency's strategic objectives over a 5-10 year time frame. The results of the effort will constitute the framework for writing the democracy section of FY 2001's APP.

² ENI has taken steps to address this problem in commissioning Freedom House to provide a disaggregation of and additions to the political rights and civil liberties indicators. The result (produced for 1995, 1997 and shortly for 1998 as well) has provided some five democracy indicators, of which three provide a partial match to USAID strategic objectives. Freedom House might be induced to undertake a similar effort for USAID's other regions. But even these improved indices do not align in a real way with the program approaches USAID includes in its strategic framework, for the elements Freedom House uses in each one are not the same as the activities USAID is supporting. So while the elaborated Freedom House indicators may be good for ENI's purposes, they do not suit the Agency's APP needs very well.

As USAID pursues this plan in drawing up the FY 2001 APP, it will endeavor to work closely with the State Department's DRL Bureau, which has been following a country-level rather than a regional approach in its own planning. It may be necessary to reconcile these two perspectives as the Agency puts together its APP.

Table IV.B.1 APP countries by region and transition category, 1998

	AFR	ANE	ENI	LAC	Total
Post-conflict countries	Angola Liberia Mozambique Rwanda Somalia n = 5	Cambodia Indonesia West Bank/Gaza n = 3	Azerbaijan Croatia Georgia Tajikistan n = 4	El Salvador Guatemala Haiti Nicaragua n = 4	n = 16
Sustainable Development countries	Benin Eritrea Ethiopia Ghana Guinea Kenya Malawi Mali Namibia Nigeria Senegal South Africa Tanzania Uganda Zambia Zimbabwe n = 16	Bangladesh Egypt India Lebanon Mongolia Nepal Philippines n = 7	Albania Armenia Belarus Bulgaria Kazakhstan Kyrgyzstan Lithuania Macedonia Moldova Poland Romania Russia Slovakia Turkmenistan Ukraine Uzbekistan n = 16	Bolivia Brazil Dominican Rep Ecuador Guyana Honduras Mexico Paraguay Peru n = 9	n = 48
Total	n = 21	n = 10	n = 20	n = 13	n = 64

Section IV.E Goal Focused Performance Tables:

The following tables focus on countries with programs linked to USAID Goal 2: Democracy and Good Governance Strengthened

Table IV.B.2 Overall freedom

Agency Goal and Objective: Democracy and good governance strengthened				
Agency Indicator: Number of countries classified as free/partly free/not free				
Source: Freedom House				
<i>(year of data) reflect the situation at the end of the first year (e.g., 1995-96 means end of calendar 1995)</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1995-96)	4/7/10	1/6/3	4/11/5	3/10/0
Most Recent Data (1997-98)	5/9/7	2/3/5	4/10/6	2/11/0
Fiscal Year 2000 Benchmark (1998-99)	5/10/6	2/4/4	5/10/5	3/10/0
Strategic Plan Benchmark for Fiscal Year 2007 <i>(year of 2006-07)</i>	6/11/4	3/4/3	7/10/3	6/7/0
Comments				
Notes: Number of countries with non-missing data for most recent data year: Sub-Saharan Africa 21; Asia, Near East & North Africa 10; Europe & former Soviet Union 20; Latin America & the Caribbean 13				

Table IV.B.3 Political rights

Agency Goal and Objective: Democracy and good governance strengthened -- Credible and competitive political processes encouraged				
Agency Indicator: Political rights index (scale 1-7, where 1 is best score, 7 is worst)				
Source: Freedom House				
<i>(year of data) reflect the situation at the end of the first year (e.g., 1995-96 means end of calendar 1995)</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1995-96)	4.76	4.20	4.05	3.38
Most Recent Data (1997-98)	4.52	4.10	4.05	3.00
Fiscal Year 2000 Benchmark (1998-99)	4.38	4.10	4.00	2.92
Strategic Plan Benchmark for Fiscal Year 2007 <i>(year of 2006-07)</i>	4.10	3.50	3.75	2.54
Comments				
Notes: Number of countries with non missing data for most recent data year: Sub-Saharan Africa 21; Asia, Near East & North Africa 10; Europe & former Soviet Union 20; Latin America & the Caribbean 13				

Table IV.B.4 Civil liberties

Agency Goal and Objective: Democracy and good governance strengthened -- Rule of law and respect for human rights of women as well as men strengthened; and The development of politically active civil society promoted				
Agency Indicator: Civil liberties index (scale 1-7, where 1 is best score, 7 is worst)				
Source: Freedom House				
<i>(year of data) reflect the situation at the end of the first year (e.g., 1995-96 means end of calendar 1995)</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1995-96)	4.95	4.70	4.20	3.62
Most Recent Data (1997-98)	4.38	4.60	4.10	3.38
Fiscal Year 2000 Benchmark (1998-99)	4.29	4.60	4.15	3.15
Strategic Plan Benchmark for Fiscal Year 2007 <i>(year of 2006-07)</i>	4.00	3.90	3.90	2.77
Comments				
Notes: Number of countries with non missing data for most recent data year: Sub-Saharan Africa 21; Asia, Near East & North Africa 10; Europe & former Soviet Union 20; Latin America & the Caribbean 13				

Chapter V USAID GOAL 3: Human Capacity Built through Education and Training

Section V.A Changes in Approach

The performance framework for human capacity development in this Annual Performance Plan differs slightly from that in the previous Plan, reflecting the outcome of a recent in-depth review of this newest Agency goal. USAID works to expand access to quality basic education for under-served populations, especially for girls and women. These efforts focus upon improving host-country policies and institutions affecting basic education, supporting the adoption of improved educational practices, and increasing community participation in educational decision-making. A second important but more modest objective is a commitment to fostering innovative partnerships which enhance the ability of host-country colleges and universities to serve local and national development needs.

The review of the Goal also led to an enhanced recognition of the increasingly important role that information and appropriate information technologies play in contributing to both objectives, and all other Agency goals as well. Similarly, the review highlighted the contribution of training to capacity development in all sectors, and noted USAID's role in sharing innovative training approaches and in building local training capacity. The use of information technologies and training as development tools is reflected in plans within each of the goal areas.

Subsection V.A.1 Resources

USAID obligated \$128.7 million for basic education in FY 1998, including \$125.4 million for basic education for children and \$3.3 million for adult literacy programs. For FY 1999, USAID plans to obligate \$128.9 million for all basic education, including \$115.4 million in basic education for children and \$13.5 million for adult literacy. Meanwhile, under its higher education objective USAID obligated \$13 million in FY 1998 in direct support of faculty development and other measures to strengthen host-country institutions of higher education. USAID expects to obligate \$4 million for host-country institutions in FY 1999. In addition, USAID obligated \$138 million to U.S. institutions of higher education in FY 1998 (\$79 million in FY 1999) to support USAID's efforts in all goal areas, often in partnership with host-country institutions of higher education. USAID's budget coding system reports these latter obligations according to the respective goal area they support.

Subsection V.A.2 Indicators

- Net primary enrollment ratio;
- Gender equity ratio, defined as the ratio of girls' gross enrollment ratio to boys' gross enrollment ratio; and
- Number of inter-institutional partnerships formed to increase the contribution of host-country institutions of higher education to the resolution of development problems.

Section V.B Performance Goals and Regional Expectations

Subsection V.B.1 National primary enrollment ratios increase to attain full primary enrollment by 2015.

This performance goal reflects USG commitment to the DAC target of full primary enrollment by 2015. Regional performance is assessed on the basis of the proportion of countries currently increasing primary enrollment ratios fast enough to meet this goal, if growth in enrollments continues at the current rate through 2015. Analysis points to a recent acceleration in enrollment growth in each region, most markedly in Sub-Saharan Africa. However, several countries in each region will still fall short of the DAC target unless they boost the growth of primary enrollments in the near future. Regional analysis is complicated by the failure of many countries to report net enrollment rates at all: a third of USAID-assisted countries in Latin America and the Caribbean and roughly half of the countries in each of the other three regions fall into this category. Recent net enrollment rate figures are unavailable for some of the largest countries, including Nigeria, Kenya, India, and Bangladesh. In contrast, gross enrollment ratios, though more widely reported, are inflated by the inclusion of under- and over-age children in the numerator, limiting their suitability for tracking progress toward full enrollment. Table V.1.1A summarizes progress toward full primary enrollment among all USAID-assisted countries, reflecting the fact that educational progress is influenced by many aspects of development in addition to USAID's direct interventions in education, including economic growth and improvements in democracy and governance. Table V.1.1B is similar, but includes only those countries where USAID pursued a strategic objective in basic education in FY 1997. Comparison of trends in these two sets of countries is intended to identify the impact of USAID programs in basic education. However, the comparison is obscured by the fact that two major factors influence USAID's selection of countries for basic education programs: the severity of countries'

educational problems on the one hand, and the degree of government commitment to reform on the other. These two selection factors often tend to work in opposite directions.

Sub-Saharan Africa: Among the 23 USAID-assisted countries in Sub-Saharan Africa, recent (1993 or later) net enrollment rates are available for 14 countries. Among the latter countries, roughly 54% of primary school-aged children are enrolled in school. Net enrollment rates range from under 30% in Mali and Ethiopia to over 90% in Namibia and South Africa. As seen in Table V.1.1A, the share of USAID-assisted countries in Africa that are increasing enrollment rates fast enough to reach the DAC target of full enrollment by 2015 has increased markedly in recent years. On the other hand, a substantial minority of the countries that report net enrollment data are increasing enrollments too slowly to meet the target, while many others do not report net enrollment rates at all. The projections for FY 2000 and FY 2007 are based on the assumptions that several countries that are succeeding in raising primary enrollment ratios in line with the target, and others with high enrollment ratios already, will begin reporting net enrollment rate data; while certain others that have recently reported very rapid enrollment gains from a low base will not be able to maintain this growth rate over the longer term.

USAID focuses its basic education investments in Sub-Saharan Africa on nine countries where the need for assistance is great and where governments demonstrate a commitment to necessary economic and educational reforms. The countries are: Benin, Ethiopia, Ghana, Guinea, Malawi, Mali, Namibia, South Africa, and Uganda. USAID devotes about 60% of its basic education budget to Africa.

Comparison of Table V.1.1B (covering the nine USAID basic education countries in Africa) to Table V.1.1A (covering all USAID-assisted countries in the region) shows a larger proportion of the USAID basic education countries on track toward full primary enrollment by 2015. The difference between the two sets of countries reflects both the direct impact of USAID efforts in basic education, as well as USAID's decision to focus its basic education efforts in Africa on countries that are supporting improvements in basic education through significant self-help measures.

Asia, Near East, and North Africa: USAID-assisted countries in Asia and the Near East offer a mixed picture in primary school enrollments. The Philippines has achieved universal primary enrollment, while Indonesia is very close to this goal. Recent growth in net enrollments in Morocco and Mongolia put these countries on track for full enrollment by 2015; in contrast, net enrollment rates in Egypt and Jordan appear to have declined. Finally, several of the countries of the region either fail to report net enrollment rates at all (India, West Bank/Gaza), or have not published rates recently enough to provide a clear picture of current conditions and trends (Bangladesh, Nepal, Sri Lanka.) USAID expects that the Asian financial crisis will temporarily reduce primary school enrollments in one or more high-enrollment countries in the region, both by reducing the availability of public funds for basic education and by reducing the number of households that can afford to keep their children in school rather than sending them to work.

USAID funded basic education activities in Cambodia, Egypt, India, Morocco, and Nepal in FY 1997, focusing on addressing educational constraints affecting girls and women. Comparison of Tables V.1.1A and V.1.1B shows that a slightly smaller share of the USAID basic education countries in Asia-Near East were on track toward full enrollment by 2015, compared with all USAID-assisted countries in the region. The significance of this difference is not clear: each group contains a small number of countries that report net primary enrollment data. USAID's decision to focus its basic education efforts on those countries with more serious educational constraints to girls and women also tends to make enrollment statistics for those countries look worse than for all USAID-assisted countries.

Europe and the former Soviet Union: Many countries in Eastern Europe and the former Soviet Union have only recently begun to report net enrollment rates, while others still do not provide the necessary figures. It is important to note that USAID does not provide direct support for basic education in this region, and thus does not identify specific benchmarks for basic education indicators. However, USAID supports the process of political and economic transformation, which is expected to contribute indirectly to improvements in basic education.

Latin American and the Caribbean: Latin America has made substantial strides in educational access over several decades. Primary enrollment for the region as a whole exceeds 90%. These high enrollment figures mask problems of quality and repetition, major reasons why only 21 percent of school children in the region complete sixth grade. In contrast to the overall pattern for the region, Guatemala and Haiti suffer low primary enrollment rates, although neither has published net enrollment rates in recent years. Among all USAID-assisted countries in the region, USAID expects a modest increase in the share of countries in the region on track toward full primary enrollment by 2015, along with wider reporting of net enrollment rates (Table V.1.1A.)

USAID programs in basic education operated in Bolivia, Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Nicaragua, and Peru in FY 1997. Comparing the trends shown for these countries in Table V.1.1B to those for all USAID-assisted countries in the region (Table 3.1.1A) shows a larger share of the USAID basic education countries on track toward full enrollment on the basis of 1996 data and in the FY 2000 benchmark. The apparent drop in the share of countries projected to be on track toward full enrollment on the basis of data for 2007 should not be understood as a forecast of a deterioration in country performance, but rather the expectation that additional countries, with weaker-than-average enrollment growth, will begin reporting net enrollment rates, pulling down the regional average. As among the countries of the Asia-Near East region, the differences between the trends shown in the two tables are largely explained by USAID's decision to concentrate its basic education programs in countries with more serious educational problems.

A note on performance indicators. Although USAID strongly supports the goal of full primary enrollment for all countries, it should be noted that the particular format of the DAC target presents significant problems when used to assess current country performance. Because the target year of 2015 lies nearly two decades from the most recent available data, the question of whether or not particular countries will reach full enrollment by that target date requires long-term projection of growth rates observed over short periods, making these projections highly vulnerable to a wide variety of political and economic shocks, and thus quite speculative. USAID believes that more informative measures of country progress toward full primary enrollment could be designed to reflect performance in the short- to medium-term, and would welcome the opportunity to discuss such alternatives with other members of the GPRA process.

Subsection V.B.2 The difference between girls' and boys' primary enrollment ratio is virtually eliminated

The second performance goal also flows from the USG commitment to the DAC targets. Regional performance is assessed on the basis of changes in the gender equity ratio -- the ratio of girls' to boys' gross primary enrollment ratios (GPERs) -- among countries in each region. Tables V.1.2A and V.1.2B provide more details: the former for all USAID-assisted countries in each region, the latter for those countries with strategic objectives in basic education. Although the regional averages conceal much detail at the country level, the results suggest that gender gaps are gradually narrowing in all USAID-assisted regions except Europe and the former Soviet Union, where most countries were close to gender equality at the beginning of the base period. Despite this progress, average gender gaps remain large in much of Sub-Saharan Africa and in many countries in Asia and the Near East.

Sub-Saharan Africa: Of the 23 USAID-assisted countries in Africa, 7 had gender gaps in gross primary enrollment ratios of less than 5% in 1996. Of these, 3 have lost ground in recent years in terms of GPERs for both sexes: Kenya, Madagascar, and Tanzania. In two others -- Zimbabwe and Namibia -- GPERs for both sexes have declined but remain above 100%. South Africa enjoys near-universal primary enrollment for boys and girls, while Rwanda reported rapid growth in both boys' and girls' enrollment through 1991. For much of the rest of the region, gender

gaps tend to be much larger, playing a large role in overall shortfalls from universal primary enrollment. Although the regional average has improved, progress has been mixed, with improvement in some countries and deterioration in others. USAID expects the average gender gap in the region to decline as several countries move toward full primary enrollment.

As in the case of progress toward full enrollment, the more rapid progress toward gender equality seen in the USAID basic education countries in Africa (Table V.1.2B) than in all USAID-assisted countries in the region (Table V.1.2A) reflects USAID's decision to concentrate its basic education programs in those countries demonstrating greater commitment toward basic education reform, as well as the direct impact of USAID assistance efforts.

Asia, the Near East, and North Africa: As in Africa, countries of the Asia-Near East region vary widely in terms of gender equity in primary schooling. The gender gap measure is below 5% in a number of countries (Jordan, Indonesia, Lebanon, Philippines, and Sri Lanka), with Mongolia on the borderline. The remaining countries suffer gender gaps of 12% or more. Among these high-gap countries, rapid progress toward gender equity has been achieved since 1998 in India (27.3% to 17.8%), Morocco (33.8% to 23.7%), and Nepal (49.2% to 32.6%). Each of these countries clearly has a long way to go. Progress has been slower in Bangladesh, Cambodia, and Egypt. USAID expects that the Asia financial crisis will slow regional progress toward gender equality throughout the region over the next few years, with the likelihood of widening gaps in the countries most directly affected by the crisis. The larger average gender gap among countries with USAID basic education programs (Table V.1.2B) reflects the focus of USAID's basic education efforts in the region on countries with more serious constraints to girls' education.

Europe and the former Soviet Union: Gender gaps at the primary level are small in almost all countries in the region, and are expected to remain so. Out of the two countries with gender gaps of more than 5% in 1996, the GPER for girls exceeded that of boys by 6% in one (Armenia), while falling short of boys by 5.6% in the other (Turkey). As noted above, USAID is not involved with basic education in this region, and so does not offer targets for this indicator.

Latin America and the Caribbean: With the exception of Guatemala, educational gender gaps tend to be quite small in the region. Interpretation of the "gender gap" measure is complicated by the fact that, in many countries in the region, gross primary enrollment rates for both boys and girls are at or above 100 percent. For example, the gender gap measure of 4.6% for 1996 was up from 4.0% in 1995, mainly due to a large increase in the GPER for boys in Ecuador. However, closer examination -- based on net enrollment rates -- reveals that the "real" gap between boys and girls in Ecuador narrowed between the two years (from 0.7% to 0.6%), while the combined NPER for both sexes rose from 93.7% to 96.9%. Girls' NPER slightly exceeded that of boys in both years. Meanwhile, gross primary enrollment ratios for both boys and girls in Ecuador substantially exceeded 100% in both years; the higher rate for boys pointing to the problem of grade repetition among boys, rather than to a gap in their favor. USAID expects continued reduction in the average gender gap for the region, which could be similarly obscured by exclusive reliance on gross enrollment ratios.

Subsection V.B.3 Number of inter-institutional partnerships formed to increase the contribution of host-country institutions of higher education to the resolution of development problems

While the challenges are immense, many colleges and universities in USAID host countries are starting to play a more active role in addressing local and national development problems. USAID contributes to an increased role for host-country institutions of higher education in the resolution of key development problems, especially through sponsorship of partnerships between institutions of higher education in USAID host countries and in the U.S. Many of the benefits of these arrangements, which support training and research for all of the Agency's goal areas, are reflected elsewhere in this document as contributions to the attainment of other USAID goals. In contrast, the partnerships highlighted in this section have a broader mandate to foster problem-solving collaborations in addition to their sectoral contributions. Increasingly, these activities are responding to the interest of host-country institutions in improving their own administration.

USAID is learning that involving the local communities, local and national governments, labor, and the business sector in such partnerships further assures quality and relevance of campus-based instruction, research, and outreach.

Over the next year, USAID will host conferences in Honduras, Ghana, and Jordan that feature best practices and innovations in higher education partnerships. Just as important, with support from USAID, an easily accessible inventory of international activities at U.S. institutions of higher education will be brought on line in FY 1999. This will greatly assist in matching interests abroad with U.S. experience. In FY 1999, USAID also will select the first Senior Level Fellow in Higher Education to assist the Agency in brokering partnerships and measuring the impacts of them.

USAID's American Schools and Hospitals Abroad program, a uniquely focused effort, provides grants to overseas secondary and higher education institutions that are sponsored by U.S. citizen partners. Through ASHA's work, U.S. ideas and practices are promoted on campuses around the world. ASHA helps provide a learning environment and offers the latest American technologies to faculty and students overseas as they work to address the development challenges in their country.

Sub-Saharan Africa: A planned USAID-sponsored partnership between Howard University and the University of Transkei in South Africa will serve to establish an emergency medicine internet teaching tool. The Africa Bureau expects that electronic links between campuses will significantly affect the number and kinds of higher education collaborations in FY 2000 and beyond. Through USAID's Advance Training for Leadership and Advanced Skills (ATLAS) program, leaders from the region will continue to receive academic training at U.S. colleges and universities. Experience has shown that this type of training sets the stage for future higher educational partnerships in health, environment, economic growth and democracy and governance. An ATLAS-type, worldwide "Partnership for Advanced Leadership Skills" activity is being considered for support in FY 99.

Asia and the Near East: Within its Special Objective titled, "Increased Use of Egyptian Universities in Quality, Demand-Driven Applied Research," USAID/Cairo is providing support through several small linkage grants for applied research to Egyptian universities in partnerships with U.S. universities, including Historically Black Colleges and Universities. The Special Objective is scheduled to end on 12/31/99. Thus far, these grants have demonstrated that research that is closely aligned with development priorities can elicit sustained support from the private sector, while also bolstering the research and instructional awareness of many students and faculty (close to 600 researchers at 13 Egyptian universities).

Europe and the former Soviet Union: Universities and colleges play an important part in USAID's strategy in this region, with many U.S. institutions participating in linkage programs in support of objectives in all sectors. For example, in the coming year, Novogorod State University in Russia will be collaborating with Purdue University and the University of Maryland to develop curricula in environmental sciences and policy, which will help build local capacity to respond to environmental concerns. In Central and Eastern Europe, a cooperative agreement with the American Health Alliance has helped expand and improve the education of health management professionals since 1995; the cooperative agreement is being extended through FY 1999. During FY 1999-2000, a series of grants for research, development, and short-term travel will support linkages between universities, policymakers, professional and civic associations, and corporate and media groups in the U.S. and the region.

Latin America and the Caribbean: USAID, through the Association Liaison Office for University Cooperation in Development, will support a collaborative effort between the universities of Georgia and Veracruz, Mexico, which will more effectively mobilize campus-based teaching, research, and public service for social development in both countries.

Table V.1.1A: All USAID-assisted countries: Enrollment Rates

Agency Performance Goal: National primary enrollment ratios increase to attain full primary enrollment by 2015.				
Agency Indicator: Percentage of countries in each region whose growth in net primary enrollment ratio is sufficient to reach full enrollment if sustained through 2015.				
Source: UNESCO.				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1988-96*)	31% (4 of 13)	60% (3 of 5)	44% (4 of 9)	56% (5 of 9)
Most Recent Data (1993-96*)	67% (8 of 12)	71% (5 of 7)	55% (6 of 11)	70% (7 of 10)
Fiscal Year 2000 Benchmark	64% (9 of 14)	57% (4 of 7)	Not applicable	73% (8 of 11)
Fiscal Year 2007 Benchmark	64% (9 of 14)	71% (5 of 7)	Not applicable	73% (11 of 15)
<p>*Comments: Both the baseline and recent data periods vary by country, according to data availability. The baseline figures are based on growth rates in net primary enrollment ratios over a six-to-eight year period ending in the latest year reported, generally 1994-96 but in a few cases going back as far as 1992. The "most recent data" figures are based on growth over the most recent three-year period for which data were reported, with the same final year as the baseline period. Where data gaps existed, growth rates were instead based on a four-year period, or a two-year period if this was the only available. The accuracy of the data also varies across countries, making the calculations shown indicative.</p>				
<p>Notes: To assess whether the recent growth in net primary enrollment rates (NPER) has been rapid enough to reach full enrollment (100%) by 2015, the average growth rate of NPER between the endpoints of the "most recent data" period was calculated for each country reporting the necessary data. Growth in enrollment at this rate was then projected through 2015, starting from the NPER value for the most recent year reported, and the adequacy of recent enrollment growth to reach full enrollment by 2015 assessed on this basis. Growth in the NPER over the baseline period was calculated similarly, using the endpoint data for the baseline period. In addition, all countries in which the NPER was 95% or greater during at least one year during the period 1994-96 were counted as on track toward full enrollment in both the baseline and "most recent data" periods.</p> <p>The figures shown indicate the percentage of countries in each region with relevant data whose growth in NPER over the baseline and recent periods were sufficient to reach 100% by 2015, based on projection of the observed growth rates as described above. The figures in parentheses show the number of countries in each region that met the growth criterion and the total number of countries in that region included in the calculation.</p>				

Table V.1.1B: Countries with USAID basic education programs in FY 1997

Agency Performance Goal: National primary enrollment ratios increase to attain full primary enrollment by 2015.

Agency Indicator: Percentage of countries in each region whose growth in net primary enrollment ratio is sufficient to reach full enrollment if sustained through 2015.

Source: UNESCO.

<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1988-96*)	57% (4 of 7)	100% (1 of 1)	44% (4 of 9)	50% (3 of 6)
Most Recent Data (1993-96*)	86% (6 of 7)	67% (2 of 3)	55% (6 of 11)	80% (4 of 5)
Fiscal Year 2000 Benchmark	75% (6 of 8)	67% (2 of 3)	Not applicable	83% (5 of 6)
Fiscal Year 2007 Benchmark	75% (6 of 8)	67% (2 of 3)	Not applicable	56% (5 of 9)

*Comments: See comments for Table V.1.1.A.

Notes: See notes for Table V.1.1.A.

Table V.1.2A: All USAID-assisted countries

Agency Performance Goal: The difference between girl's and boys' primary enrollment ratio virtually eliminated.				
Agency Indicator: Average gap between national primary school gender equity ratio and 1, expressed in percent. The gender equity ratio is defined as the ratio of girls' gross enrollment ratio to boys' gross enrollment ratio, where 1 represents full equality in enrollment rates.				
Source: UNESCO.				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1988)	21.6%	14.7%	1.3%	4.9%
Most Recent Data (1996)	18.8%	11.2%	2.1%	4.6%
Fiscal Year 2000 Benchmark	16.4%	12.0%	Not applicable	4.0%
Fiscal Year 2007 Benchmark	11.1%	8.0%	Not applicable	3.3%
Comments: In contrast to net enrollment rates used in the previous table, gross primary enrollment rates (GPERs) are available for almost all USAID-assisted countries. However, interpretation is complicated by the inclusion of over- and under-age children in the numerator. As a result, the GPER exceeds 100% in many countries, usually indicating inefficiency resulting from grade repetition.				
Notes: For a country with a gross primary enrollment ratio of 75 percent for girls and 90 percent for boys, the gender gap measure is calculated as $(75/90) - 1 = .833 - 1 = -0.167$, or 16.7 percent. The gender gap measure is calculated as an absolute value -- that is, as a positive value regardless of whether the enrollment ratio for boys exceeds that of girls, or vice versa -- and converted to percentage terms by multiplying by 100. Regional gender gaps are calculated as unweighted averages of the gaps for the individual countries in each region.				

Table V.1.2B: Countries with USAID basic education programs in FY 1997

Agency Performance Goal: The difference between girl's and boys' primary enrollment ratio virtually eliminated.				
Agency Indicator: Average gap between national primary school gender equity ratio and 1, expressed in percent. The gender equity ratio is defined as the ratio of girls' gross enrollment ratio to boys' gross enrollment ratio, where 1 represents full equality in enrollment rates.				
Source: UNESCO.				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1988)	27.2%	29%	1.3%	5.9%
Most Recent Data (1996)	23.5%	20.8%	2.1%	4.1%
Fiscal Year 2000 Benchmark	15.9%	17.4%	Not applicable	4.0%
Fiscal Year 2007 Benchmark	4.8%	10.7%	Not applicable	3.3%
Comments: See comments for Table V.1.2.A.				
Notes: See notes for Table V.1.2.A.				

Table V.2.1A

<p>Agency Performance Goal: Number of host country higher education institutions with teaching, research, and community outreach and service programs that respond to national or local service, educational, or economic development needs increased.</p>				
<p>Agency Indicator: Number of inter-institutional partnerships formed to increase the contribution of host-country institutions of higher education to the resolution of development problems.</p>				
<p>Source: USAID.</p>				
<p><i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i></p>	<p>Sub-Saharan Africa</p>	<p>Asia, Near East & North Africa</p>	<p>Europe & former Soviet Union</p>	<p>Latin America & the Caribbean</p>
<p>Baseline (1997-98)</p>	<p>1</p>	<p>59</p>	<p>6</p>	<p>0</p>
<p>Most Recent Data (1993-96*)</p>	<p>-</p>	<p>-</p>	<p>-</p>	<p>na</p>
<p>Fiscal Year 2000 Benchmark</p>	<p>34</p>	<p>3</p>	<p>3</p>	<p>3</p>
<p>Fiscal Year 2007 Benchmark</p>	<p>-</p>	<p>-</p>	<p>-</p>	<p>na</p>
<p>Comments This indicator measures the number of partnerships formed during the year that are designed to facilitate the responsiveness of in-country colleges and universities to local and national development needs. Source is USAID R4s. Figures include partnerships facilitated through the International Development Partnership activity, the Historically Black Colleges and University initiative; the University Development Linkages Project; a cooperative agreement with the Association Liaison Office for University cooperation in Development; and, programs sponsored by the AFR Bureau (distance education linkages) and the ENI Bureau. The figures indicate new starts in 1997-98 (base) and in 2000; the decrease in partnerships in ANE is due to the anticipated completion of a collaborative research grants program in Egypt.</p>				

Chapter VI USAID GOAL 4: World Population Stabilized and Human Health Protected.

Section VI.A Introduction

To achieve this goal, USAID focuses on interventions that contribute directly and in an integrated fashion to achieving both stabilization of the world's population and protection of human health. To this end, USAID's population, health and nutrition program has the following five objectives: (1) unintended and mistimed pregnancies reduced; (2) infant and child health and nutrition improved and infant and child mortality reduced; (3) death and adverse health outcomes to women as a result of pregnancy and child birth reduced; (4) HIV transmission and the impact of the HIV/AIDS pandemic reduced, and (5) the threat of infectious diseases of major public health importance reduced. USAID in collaboration with other donors and host countries expects to contribute to the stabilization of world population and protection of human health through 82 strategic objectives in 58 countries and through 5 global strategic objectives.

Indicators

- Total fertility rate (TFR)
- Mortality rate for infants and children under age 5
- Percent of births attended by medically trained personnel (as a proxy for maternal mortality)
- Condom use in casual relations (as a proxy for new annual HIV/AIDS infections)
- Deaths from infectious diseases of major public health importance

Two of the indicators above are unchanged from the 1999 APP. These are "total fertility rate" and "under age 5 mortality rate." Country-level data for these indicators are collected every 3-5 years through USAID-funded Demographic and Health Surveys (DHS). Country level data for interim years is based on projections by the U.S. Bureau of the Census, which uses a fully transparent methodology for its estimates and combines DHS data with data from other international organizations.

One indicator in the 1999 APP, "prevalence of underweight children under 5," was dropped because these data are not available for all USAID-assisted countries. For many countries which have data, it is outdated or exists for only a single year, making trends impossible to calculate. Credible estimates of average performance for a region were, therefore, not possible. USAID is working with other international organizations to improve consistency and timeliness of data collection relative to this important indicator of child health.

Another 1999 APP indicator -- "early neonatal mortality rate (as a proxy for maternal mortality)" has been replaced by "percent of births attended by medically-trained personnel (as an indicator of maternal mortality)." There is a statistically validated negative correlation between births attended by medically trained personnel and maternal mortality. Early neonatal mortality is unreliable because the definition of "early neonatal" is quite variable across USAID-assisted countries. The "births attended" indicator is less ambiguous and readily observable. Calculations of regional averages are based on the UNICEF data from countries reporting this measure.

"HIV seroprevalence rate in 15-49 year olds," another 1999 APP indicator, has been replaced with "condom use in casual relations," as a proxy for HIV/AIDS transmissions. At the present time, changes in "seroprevalence rate" cannot be measured reliably on an annual basis. The rate currently reflects the number of infected people who undergo testing each year, rather than the number of new infections transmitted annually. Infections could have been transmitted many years prior to testing. On the other hand, "condom use" can be measured through periodic surveys and reported more reliably on an annual basis. While country-level data on condom use in casual relations are not yet available for all USAID-assisted countries, it has been recognized by many international organizations as an important indicator. In the next year, USAID intends to assure collection of this data element in all sites where USAID is supporting HIV/AIDS prevention programs. By 2001, reliable surveillance systems will be in place in USAID HIV/AIDS emphasis countries which will allow measurement of actual incidence of new HIV infections.

A new indicator, "deaths from infectious disease of major health importance," has been added. In March 1998, USAID adopted an Infectious Disease Strategy. At the present time, WHO is the only source for information on the global burden of disease, including incidence of infectious diseases. This information is not available on a country-specific basis. Over the next year, USAID will work with WHO and other partners to define an indicator, measurable at a country level, that is reflective of USAID's efforts in this area. This means that the 2002 APP is likely to be the first APP in which a country level baseline will be available for this indicator.

Section VI.B Performance Goals and Regional Expectations

Subsection VI.B.1 Total fertility rate reduced by 20 percent by 2007

Global Initiatives: By applying research results related to new and improved contraceptive methods and innovative programmatic approaches, USAID's in-country programs to reduce fertility will contribute to reductions in fertility rates worldwide. In FY 2000, promising contraceptive leads, such as a new female condom and a new spermicide/microbicide, will move to the next stage of development; FEMCAP will be approved by the FDA; novel hormonal subdermal implants will undergo clinical evaluation; and a hormone releasing IUD will undergo preliminary clinical evaluation. A new worldwide initiative in operations research will implement and coordinate programmatic research on key topics such as integration of family planning with other reproductive health services, improving quality and access, and improving sustainability of service delivery programs. Extensive technical support to field missions through nearly 30 family planning technical programs will result in the "scale up" of the research findings in many countries.

USAID's technical leadership will be critical in the following areas: development of new data-gathering modules on girls education, domestic violence, women's empowerment; the development of a computer model to raise awareness of the need for adolescent services; a new initiative which will broaden efforts to increase private sector FP/RH activities; and a new initiative which will expand and strengthen the role of PVOs/NGOs in providing family planning services.

Sub-Saharan Africa: Africa's population is growing faster than any other region in the world. On average, Sub-Saharan Africa has the world's highest fertility rates. However, over the past decade, East and Southern Africa entered a period where birth rates and death rates declined simultaneously. Between 1997 and 1999, total fertility rates in these regions can be expected to continue the decline. In West Africa, however, rates of decline will be lower due to constraints in program implementation and persistent social traditions that support higher fertility.

Asia and the Near East: Asia has 60% of the world's population. Therefore, changes in average fertility rates have a tremendous impact on the size of the world's population. The average total fertility rate for regional countries (excluding China) in 1996 was 3.34 representing a 22% reduction from the average TFR of 4.3 in 1990. Over this period, contraceptive prevalence has increased sharply, and now averages 45% across the region. In countries that still have relatively high fertility rates, USAID will continue to make investments. Regional contraceptive prevalence is expected to increase by at least another 10% between 1997 and 2000, leading to a decline in TFR from 3.27 to 3.17 by the end of FY 2000.

Latin America and the Caribbean: On average over the last 10 years, the region's total fertility rate declined by 32% between 1987 and 1997, to 2.87 births per woman. The most notable declines have been in El Salvador, from 4.3 to 3.13, in Haiti, from 6.22 to 4.76, and in Nicaragua, from 5.41 to 4.42. Further reductions in fertility in the region by at least another 2.5% are anticipated by the end of FY 2000.

Europe and the New Independent States: With the exception of several of the Central Asian Republics, high fertility rates are not a regional problem. However, there is considerable variation in total fertility rates. The diverse nature of the problem is reflected by situations in Russia and the Central Asia Republics. The level of fertility for Russian women is related to the prevalence of abortion; increased access to and quality of family planning and reproductive health services has had a significant impact in addressing issues of fertility as well as prevalence of abortion. By 2000, an increase in access to family planning and reproductive health services is expected to result in maintenance of already low fertility rates and an increase in modern contraceptive use which will lead to reductions in the use of abortion. In the Central Asian Republics, reduction of high fertility rates is the focus of programs seeking to decrease total fertility rates; it is anticipated that in 2000 fertility rates in this region will be decreased.

Table VI.B.1 Total fertility rate

Agency Goal : World Population Stabilized and Human Health Protected				
Agency Objective: Unintended and mistimed pregnancies reduced				
Agency Indicator: Total Fertility Rate (TFR) . Averages of all USAID-assisted countries weighted by the total number of women of reproductive age(15-49 years) in the country.				
Source: US Bureau of the Census				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1996)	5.86	3.34	1.79	2.93
Most Recent Data (1997)	5.78	3.27	1.74	2.87
Fiscal Year 2000 Benchmark (1998)	5.56	3.17	N/A	2.79
Strategic Plan Benchmark for Fiscal Year 2007 (2006)	4.68	2.67	N/A	2.35
Comments: Measurement is the Total Fertility Rate (TFR).				
Notes: TFR measures only one aspect of the goals of this program. In addition to reducing overall fertility rates, reductions in unintended pregnancies through increased access, use and quality of family planning and reproductive health programs contribute to improved maternal and child health. In the ENI region, average fertility is below the replacement level of 2 children per family. Programs target reduced incidence of abortion and reduced maternal mortality, therefore performance goals for TFR do not include ENI countries. With a 10 year benchmark for fertility reduction of 20% from baseline levels, we expect to see a 5% reduction by 2000 compared to 1998 levels. USAID is the leading donor in supporting family planning and reproductive health programs worldwide. However, it is impossible to isolate the quantitative impact of USAID's contribution to the achievement of this goal. In addition, other factors besides family planning programs influence total fertility rates, such as economic growth and girls' education.				

Subsection VI.B.2 Mortality rate for infants and children under age 5 reduced by 25 percent

Global Initiatives: USAID will provide technical leadership in child survival through collaborative relationships with key partners such as WHO and UNICEF. In its leadership role within the Global Alliance for Vitamin A, USAID will facilitate the coordination of donors such as UNICEF, WHO, CIDA, and the government of Japan and leverage support from new donors such as the government of the United Kingdom and the European Union. By 2000 USAID will be assisting at least seven priority countries in developing vitamin A policies, with a goal of implementing vitamin A delivery in 8-12 countries by 2005. In addition to the expansion of vitamin A programs, the USAID nutrition program will promote a shift in policy/program orientations in two areas; 1) from an exclusive focus on the treatment of severe malnutrition toward the emphasis on the prevention of mild to moderate malnutrition, including micronutrient deficiencies and 2) from an exclusive emphasis on promoting infant and child nutrition to one emphasizing adolescent girls' and women's nutrition in recognition of the importance of inter-generational nutritional impact.

USAID will expand its role in integrated management of childhood illness (IMCI) by designing and evaluating tools to assist in the analysis of cost effectiveness and by extending the use of a drug assessment tool to several countries in Africa. Polio eradication efforts will result in the interruption of transmission, the identification of polio-free regions in Asia and Africa, and a global surveillance network. Analysis of factors facilitating the incorporation of new vaccines into immunization programs will result in the introduction of new vaccines in at least 12 countries.

Research results during the reporting period will be limited due to substantial budget cuts in health research since 1993. Potential interventions to improve zinc nutrition of children will be identified and evaluated in several developing countries. Indicators for assessing health research capacity strengthening will be identified and evaluated; a core set of indicators will be agreed upon by multiple key donors. Communications among health researchers and between health researchers and policy makers will be improved through increased access to and wider application of information technology. Interventions to better address the disproportionate mortality in the very young infant will be identified and evaluated. Interventions aimed at behavior change will be identified and applied to improve the effectiveness of child survival programs, such as IMCI. The effectiveness of IMCI will be assessed in one country. A malaria diagnostic will be developed and produced in one developing country; a diagnostic for vitamin A deficiency will be used in 5 countries to monitor program effectiveness.

Sub-Saharan Africa: In the last ten years, under five mortality rates in Africa have declined by about 20% to 157 deaths per 1,000 live births in 1997. Continued investments in health systems and key interventions to address infant and child mortality are expected to result in continued declines in infant and under five mortality. In countries with severe levels of HIV infection, however, the levels of decreasing child mortality has been slowed as a result of HIV infection associated with vertical transmission between mother and child. Of special concern are increases in malnutrition in several countries in the region. USAID will support analytical work in these countries to determine why malnutrition is increasing, and work with in-country partners to implement appropriate responses. It is expected that interventions in 5 countries will result in a 5% reduction in malnourished children in these countries. In East Africa, a salt-iodization program supported by USAID will contribute to a 10% reduction in iodine deficiency in countries in the Horn of Africa.

Asia and the Near East: On average, regional under five mortality was 95 deaths per 1000 live births in 1997. Although impressive improvements have been made in reducing infant and child mortality in some countries such as Nepal, Morocco and the Philippines, infant and child mortality rates in many other countries in the region are still disturbingly high. Primary killers of children are diarrheal disease, acute respiratory infections, and vaccine preventable disease such as measles. Nutrition interventions delivered through health programs will expand resulting in reduction of micro-nutrient deficiencies and declines in the proportion of children undernourished. The average proportion of underweight children is expected to continue to decline. This region also has a high prevalence of vitamin A deficiency, making vitamin A and other nutrition interventions key to achieving further reductions in child mortality.

Latin America and the Caribbean: Average infant mortality and under five mortality rates in Latin America have also continued to decline; between 1992 and 1997 under-five child mortality declined dramatically to 51 deaths per 1000 births. Infant mortality has also declined significantly; in 1996, the infant mortality rate was 40 deaths per 1000 live births. This decline is due to sustained progress in building effective health systems that can deliver appropriate services on a routine basis. Vaccination coverage will improve to 90% for BCG and third doses of DPT and OPV among children under one year, and second doses of tetanus toxoid among women of fertile age, and 95% for measles among children under age one in 8 child survival countries in 2000, compared to 3 in 1997. IMCI will be implemented in 8 countries in 2000 compared to none in 1998. Good progress, especially in Central America, in food-fortification with vitamin A, will contribute to reductions in child mortality. Infant and child mortality in Latin America is expected to decline to roughly 50 by 2000.

Europe and the New Independent States: Key problems within the region related to child health and mortality have to do with breakdowns in the health care system, resulting in poor access to and availability of appropriate basic health care services. Infant and under-five mortality rates vary widely across the region. In 1997, under-five mortality rates were 91/1000 in Turkmenistan, 129/1000 in Tajikistan, but 57 in Georgia and 26 in Ukraine. Strengthening of basic health care systems is expected to result in decreases of infant and child mortality rates of 5-10% at localities in the Central Asian Republics where USAID is supporting health reform programs.

Table VI.B.2 Mortality rate for infants and children under age 5

Agency Goal: World population stabilized and human health protected				
Agency Objective: Infant and child mortality reduced				
Agency Indicator: Mortality rate for infants and children under age 5. Averages weighted by the total number of children 0 through 4 years old.				
Source: US Bureau of the Census				
(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1996)	159.55	98.27	46.58	52.85
Most Recent Data (1997)	157.31	94.87	46.06	51.05
Fiscal Year 2000 Benchmark (1999)	151.57	93.36	44.25	50.21
Strategic Plan Benchmark for Fiscal Year 2007 (2006)	119.66	73.70	34.93	39.64
Comments: Year 2007 benchmark: under five mortality reduced by 25%. Average of the mortality rates for all USAID countries included. Mortality rates per 1000 live births.				
Notes:				

Subsection VI.B.3 Percent of births attended by medically-trained personnel (as a proxy for maternal mortality) increased by 15 percent by 2007

High maternal and neonatal mortality are devastating problems in the developing world. Through a combination of global initiatives and targeted regional efforts USAID will contribute substantially to a reduction in maternal mortality of 10%.

Global Initiatives: Over the next 10 years, global initiatives will reach approximately 19 countries, and serve over 50 million women, newborns and families. In FY 2000, USAID's global leadership and support to country programs in reducing maternal and neonatal mortality and morbidity will continue through technical assistance and project activities to (1) improve the nutritional status of mothers and newborns; (2) help families prepare for a healthy birth and increase access to quality maternity and newborn care; (3) ensure safe delivery and adequate postpartum and newborn care; and (4) improve the management of life-threatening complications of childbirth. USAID will continue collaboration with the World Health Organization and the United Nations Children's Fund to reduce maternal and newborn mortality and morbidity, and will intensify efforts to foster global consensus on intervention priorities.

USAID will support research efforts to improve service delivery and the cost-effectiveness of maternal health programs and will field-test new potentially life-saving medical technologies. For example, in 2000, USAID will evaluate the effectiveness of Uniject (registered trademark) oxytocin for post-partum hemorrhage and the cost-effectiveness of essential obstetrical care.

Sub-Saharan Africa: The estimated proportion of maternal deaths due to pregnancy and child birth complications is the highest in the world, averaging 980 deaths per 100,000 live births. However, as data on maternal mortality is notoriously poor; changes in maternal mortality itself cannot be measured during the performance period but the proxy can be measured.

Asia and the Near East: Many countries have very high maternal mortality ratios, due to the low status of women, lack of medically trained personnel, poor nutrition, and mistimed and unwanted pregnancies. In recent years, expanded attention to maternal health has resulted in an increase in the proportion of births attended by medically trained personnel which are expected to increase by 1.5% between 1998 and 2000. This will lead to a reduction in maternal mortality of 10% by 2007.

Latin America and the Caribbean: Reduction in maternal mortality continues to be a priority in the region as a whole, as estimated maternal mortality ratios on average are 140/100,000 live births, but range from 27 in some countries in the Caribbean to 650 in Bolivia and 1,000 in Haiti. However, targeted program interventions have demonstrated that considerable progress is possible in reducing maternal mortality, and during this reporting period, results from community-level actions throughout the region will contribute to a decline in

Table VI.B.3 Percent of births attended

Agency Goal: World Population Stabilized and Human Health Protected				
Agency Objective: Death and adverse health outcomes to women as a result of pregnancy and child birth reduced				
Agency Indicator: Percent of births attended by medically-trained personnel. Weighted by the total number of births. Calculation based on USAID assisted countries reporting this measure.				
Source: UNICEF				
(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1990-96)	36.66	34.72	89.42	75.57
Most Recent Data (NA)	NA	NA	NA	NA
Fiscal Year 2000 Benchmark (will vary)	37.76	35.75	90.66	77.84
Strategic Plan Benchmark for Fiscal Year 2007 (will vary)	42.16	39.80	94.58	86.18
Comments Year 2000 benchmark; Proportion of births with a skilled medical attendant will increase by 15%. Measures of maternal mortality per se are unreliable. Maternal mortality is negatively correlated (-0.6) with the proportion of births attended by medically-trained personnel (physicians, nurses and midwives); therefore, USAID will use increases in this measure (i.e., increases in the proportion of births attended by medically-trained personnel), to gauge reductions in maternal mortality. As shown in this table, this proportion is expected to increase by 1.5 percentage points per year, contributing to the planned 10% reduction in maternal mortality by 2007.				
Notes In the 1999 APP, neo-natal mortality rates were used as a proxy for maternal mortality, however, testing of this measure as a proxy for maternal mortality revealed an unreliable correlation.				

maternal mortality over the next ten years. In at least 11 countries, there will be at least a 1% annual increase in the proportion of births attended by medically trained personnel. This key intervention will directly contribute to overall reductions in maternal mortality. Another key factor in reducing maternal mortality is political commitment to recognizing and addressing the problem at the community as well as the national level. By the year 2000, at least 9 countries will have annual increases of at least 5% in districts that have made a clear commitment and taken action to address maternal mortality. At the regional and the national levels, there is growing political interest in maternal health programs in the region, especially by the First Ladies.

Europe and the New Independent States: While data is not very reliable and the year in which available data varies, estimated maternal mortality ratios range from 180 maternal deaths per 100,000 live births in Turkey, to 74 in Tajikistan to 41 in Romania, and 30 in Ukraine for the period between 1990 and 1996. However, adequate access to appropriate family planning and reproductive health services is a problem, and has resulted in poor reproductive health and high rates of abortion and maternal mortality in many countries. Continued increase in access to family planning and reproductive health services is expected to result in reductions in maternal mortality rates by 10% over the strategic plan period.

Subsection VI.B.4 Percentage reported condom use in casual relations increased to 65% for males and 80% for females by 2007 (as a proxy for rate of increase of new annual HIV/AIDS infections)

USAID has identified three prevention strategies that are key to success in HIV/AIDS prevention: behavior change communication, condom social marketing, and control of sexually transmitted infections (STIs). These prevention strategies, integrated into comprehensive country-level programs, promote changes in high risk behaviors which in turn slow the number of new HIV infections each year. Increasing condom use with non-regular partners is an effective strategy to both reduce the transmission of HIV and other STIs.

Global Initiatives: Through its collaboration and support to indigenous public and private sector institutions USAID intends, over the next 5 years, to work in approximately 40 countries and reach over 50 million vulnerable persons with comprehensive HIV/AIDS prevention and mitigation interventions. In FY 2000, USAID's global leadership and field support in HIV/STI prevention will be continued through technical collaboration and financial support to the United Nations Program on HIV/AIDS (UNAIDS). Key research efforts will be funded to improve the efficacy of HIV/AIDS programs, including further development of vaginal microbicides, female condoms, STD diagnostics and methods to reduce mother to infant HIV transmission. Contraceptive social marketing projects and public sector distribution will continue to increase demand for and use of male condoms, with projected annual distribution reaching 65 million by 2000. In addition to the anticipated achievements noted above, USAID will intensify global efforts to encourage greater participation of people living with HIV/AIDS in the design, implementation, and evaluation of prevention activities as well as continuing to foster a global consensus on the other intervention priorities, especially the role of selected care interventions which would serve to enhance our comprehensive prevention and mitigation programs.

Sub-Saharan Africa: By 2000, HIV/AIDS is projected to be responsible for a significant increase in crude death rates and child mortality rates in Africa. However, recent data indicate that there is some progress in slowing the spread of HIV/AIDS on a limited basis in countries such as Uganda where population surveys reveal increased monogamy, fewer sexual partners, increased condom use and reductions in other high-risk behaviors. USAID is supporting the expansion and replication of these successful approaches in other countries in the region.

Asia and the Near East: The epicenter of the global HIV/AIDS pandemic has shifted from Africa to Asia where the number of HIV infections is increasing dramatically, particularly in south and south east Asia. In 1996, Asia surpassed Africa as the region with the greatest number of new HIV/infections, particularly in countries with high risk factors (Cambodia, India and Vietnam). However, there are encouraging trends where HIV prevalence continues to be low in some countries that have mounted aggressive HIV/AIDS prevention programs early on such as Thailand. Over the performance period, the numbers of both men and women having casual protected sex is expected to increase.

Latin America and the Caribbean: There are striking differences in levels of HIV/AIDS prevalence across Latin America and the Caribbean. HIV rates in the general population range from less than 1 percent in Ecuador to 9 and 10 percent in Haiti. In 1996, Brazil had the second highest number of reported AIDS cases in the world, with an estimated 500,000 Brazilians infected with HIV. The HIV/AIDS epidemic is spreading rapidly in Central America and the Caribbean where UNAIDS estimates that 310,000 are infected with HIV/AIDS (UNAIDS; June, 1998). However, HIV/AIDS prevention programs in Central America and the Caribbean, Brazil, and Mexico are expected to result in an increase in protected casual sex in those countries between 1998 and 2000.

Table VI.B.4 Percentage reported condom use in casual relations

Agency Goal: World Population Stabilized and Human Health Protected				
Agency Objective: HIV transmission and the impact of the HIV/AIDS pandemic reduced				
Agency Indicator: Percentage reported condom use in casual relations disaggregated by gender.				
Source: USAID/DHS, IMPACT Behavioral Surveillance Surveys				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1998)	M=35% F=77%	M=65% F=90%	M=24% F=35%	M=53% F=60%
Most Recent Data (year of data)	N/A	N/A	N/A	N/A
Fiscal Year 2000 Benchmark (1999)	M=45% F=80%	M=70% F=90%	M=30% F=40%	M=60% F=70%
Strategic Plan Benchmark for Fiscal Year 2007 (2006)	M=60% F=90%	M=85% F=90%	M=50% F=60%	M=70% F=80%
<p>Comments: The performance goal is a reduction in new HIV infections by 10% by the year 2007. The indicator "Percentage reported condom use in casual relations increased" represents a proxy for HIV incidence because this behavior change results in a reduction of the risk of HIV transmission (GAO Report July, 1998). USAID projects a 2-4 percentage points per year increase in condom use with casual partners for both male and female populations. By 2001, surveillance systems will be in place in USAID HIV/AIDS emphasis countries which will allow measurement of actual incidence of new annual HIV infections.</p>				
Notes: Information available in USAID pilot sites only.				

Europe and the New Independent States: While data are very poor, numbers of HIV infections have rapidly increased in several of the countries in the region, most notably Ukraine and Russia. With the increase in drug abuse and commercial sex after the fall of the Soviet Union, there was a dramatic increase in new HIV infections. Presently there are an estimated 40,000 (ages 15-49) HIV-infected persons in Russia with between 800,000 to 1,000,000 infections projected by the year 2000. The potential exists for the epidemic to grow rapidly in other countries in the region given the low levels of knowledge of HIV/AIDS and use of appropriate safe sex practices as well as a need for greater access to condoms. In response USAID began an HIV/AIDS prevention program in Russia in 1998; in the Ukraine, an HIV/AIDS strategy is under development and will be initiated in 1999.

Subsection VI.B.5 Deaths from infectious disease of major public health importance reduced by 10% by 2007

In March 1998, USAID approved a new strategic objective designed to reduce the threat of infectious diseases of major public health importance. This effort expands and is complementary to USAID's activities in HIV/AIDS and child survival. The strategic objective will be achieved through: development and implementation of strategies and interventions to understand, contain and respond to antimicrobial resistance; sustainable reduction in the incidence of tuberculosis among key populations in selected countries; sustainable reduction of deaths due to malaria and incidence of other infectious diseases among key populations in selected countries, and; improvement in the capacity of selected countries to obtain and use good quality data for the surveillance and effective response to infectious diseases.

By the end of FY 98, USAID developed implementation plans for initiating activities in each of the four components. Regional and country-specific activities were partially developed in late 1998. It is anticipated that they will be more fully defined in 1999. In FY 99, USAID will begin collecting information against key performance targets and global, regional and country-specific activities will be underway. By the end of FY 2000, it is anticipated that progress will be achieved in all four areas and that data will be available on deaths due to infectious disease as well as disease burden.

Activities will be carried out in consultation and collaboration with other partners including bilateral aid agencies, foundations, multilateral agencies, national governments as well as universities, and NGOs both those based in LDCs and elsewhere. It is anticipated that information technology will play an important role in surveillance and in the effective translation of research results into action by FY 2000.

As stated in the introduction to this chapter, the new indicator below has been added in this APP, though the data for this indicator is not yet available on a country-specific basis. Over the next year, USAID will work with WHO and other partners to define an indicator, measurable at a country level, that is reflective of USAID's efforts in this area, which will be presented in the FY 2001 APP, but for which data will likely not be available till the 2002 APP.

Table VI.B.5 Deaths from infectious disease

Agency Goal: World Population Stabilized and Human Health Protected				
Agency Objective: The threat of infectious diseases of major public health importance reduced				
Agency Indicator: Deaths from infectious diseases of major public health importance reduced by 10% by 2007				
Source: World Health reports, WHO Global Burden of Disease Unit				
<i>(Year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>				
Baseline (2000)				
Most Recent Data (2000)				
Fiscal Year 2000 Benchmark (year of data)				
Strategic Plan Benchmark for Fiscal Year 2007 (year of data)				
Comments: Excludes deaths due to HIV/AIDS. Number in 000s. 8% decrease instead of 10% over the first 3 years reflects the anticipated rise in reported deaths due to improved reporting.				
Notes Causes of death included in calculations are those listed by WHO as the top 20 disease burdens and they include those targeted in the USAID Infectious Disease Strategy (excluding HIV/AIDS), March 1998 and are as follows: acute respiratory infections, tuberculosis, diarrhea (including dysentery), malaria, Hepatitis B, measles, whooping cough (pertussis), neonatal tetanus, trypanosomiasis (African sleeping sickness), dengue fever, leishmaniasis(esp. kala-azar), amoebiasis, hookworm diseases, rabies, ascariasis(roundworm), onchocerciasis (river blindness), trypanosomiasis (American chagas disease), and meningococcal meningitis. Country/regional specific data are not available from WHO at this time. However, improved data for decision-making is a priority of the newly re-organized WHO and it is anticipated that country-specific data will be available by 2000.				

Global Initiatives: Global activities will focus on research and technical leadership. In 1998 USAID approved a strategy entitled "Reducing the Threat of Infectious Diseases of Major Public Health Importance: USAID's Initiative to Prevent and Control Infectious Diseases." The strategy, developed with our partners, focuses USAID's efforts four major areas: containing antimicrobial resistance, reducing the incidence of tuberculosis, reducing deaths due to malaria and improving the surveillance capacity of countries. The anti-microbial resistance component of the strategy will include analyses of the relative importance of a spectrum of contributing factors to the emergence and spread of resistance; these factors include economic/commercial factors, therapeutic factors, non-human use factors (veterinary and agriculture practices), and behavioral factors. Global strategies and implementation plans for tuberculosis and antimicrobial resistance will be developed and endorsed by multiple partners including national governments, bilateral aid agencies, and multilateral agencies. New tools and approaches to better understand and contain antimicrobial resistance will be developed and disseminated leading to policy changes at global, national and sub-national levels. Packages of known interventions to combat resistance will be piloted in at least 3-5 countries and their effectiveness monitored. Awareness of the problem of resistance will be increased resulting in improved use of medicines in selected countries and greater political commitment to containing resistance. Model centers of excellence for tuberculosis will be developed and piloted in two countries. New therapies and regimens which slow the development of resistance to malaria and pneumonia will be identified and incorporated into global policies. Obstacles in the effective implementation of bed nets for malaria will be identified and interventions to address these obstacles demonstrated. Strategies addressing multi-drug resistant tuberculosis in 2-3 "hot spots" will be implemented and their effectiveness assessed for application globally. With USAID support the Global Disease Burden Unit of WHO and other partners will collect and analyze country data over the next year to prepare for the year 2000. As part of this process, the capacity of developing countries to collect and analyze data will be improved so that future updates will be made available every 5 years. Disaggregated year 2000 data from USAID-assisted countries are expected to be available in the 2002 APP.

Sub-Saharan Africa: This region, where the largest infectious disease mortality is due to malaria and pneumonia, received the largest proportion of infectious diseases funding in FY 98. Activities in 18 countries initially will focus on malaria, antimicrobial resistance and surveillance; capacity strengthening in these three areas is critical in terms of sustainability.

Asia and Near East: In the Asia/Near East region, efforts will initially be focused in Nepal, Bangladesh and India with the establishment of sub-regional disease and antimicrobial resistance surveillance networks. Tuberculosis will receive special attention in India due to the magnitude of the problem. Surveillance strengthening will be a priority in Bangladesh and India where data generated will fulfill conditions precedent for a World Bank loan in 2000. USAID supported research will also complement World Bank investments in program implementation as part of health sector reform in these two countries.

Latin America and the Caribbean: Activities addressing all four components of the USAID strategy will be implemented in the Latin America region; countries identified to date include El Salvador, Nicaragua, Honduras, Bolivia, and Peru. Because of cross-border issues and the magnitude of infectious disease problems in Mexico, activities in tuberculosis and antimicrobial resistance are being assessed for potential initiation in FY 99. In addition, regional activities to address anti-microbial resistance, especially with reference to remaining child survival problems, will be started in early FY 99, in partnership with PAHO.

Europe and the New Independent States: The threat of tuberculosis and anti-microbial resistance present a potentially catastrophic public health threat in the region. The ENI region will expand activities in anti-microbial resistance and tuberculosis and this will contribute to progress in these areas globally.

Chapter VII USAID Goal 5: The World's Environment Protected for Long-Term Sustainability

Section VII.A Summary of Indicators

Protecting the environment is a fundamental component of sustainable development and USAID is the world leader. The Agency accomplishes this through activities carried out in partnership with non-governmental organizations, the private sector, universities, other U.S. government agencies and donors, and our client countries. The six main program elements of this work are increasing government commitment to the environment, conserving biological diversity, reducing the threat of global climate change, promoting sustainable urbanization, increasing energy efficiency and the use of renewable energy, and sustainably managing natural resources.

It is important to note that the environmental indicators and targets set out below reflect only a limited, though thoughtful and quite bold, set of short and medium-term goals for what is a complex and evolving set of long-term and cross-sectoral problems and solutions. These indicators are not comprehensive; state of the art and the scarcity of data prohibits it.

INDICATORS:

- National environmental management strategies, participation in international environment treaties (government commitment to environmental sustainability);
- Nationally protected areas (in hectares and as percent of total land area)
- Carbon dioxide emissions per capita (climate change)
- Percent of urban population with access to safe drinking water.
- Percent of urban population with access to sanitation services.
- GDP per unit of energy use (energy efficiency).
- Percent change in forested land area (in hectares)

Section VII.B Performance Goals and Regional Expectations

Subsection VII.B.1 Overall environment: Host governments committed to sound national and international environmental programs

This goal is an expression of overall government commitment to national environmental programs addressing biodiversity conservation, climate change, urbanization, natural resource management, and sustainable development in general. USAID's approach in a region often initially focuses on environmental policy reform and strategy development to set the stage for later interventions. Affects of policy reform, though critical, may only be felt in the long term. USAID fully supports the OECD/DAC "Shaping the 21st Century" document, which includes the goal of completing national strategies for sustainable development by the year 2005.

The indicator for this goal is a 19-point index which includes national environmental plans and participation in international environmental treaties (see Appendix X). The first part of the index includes national environmental action plans (NEAPs) or similar strategies. The second part includes the Biodiversity Convention, Framework Convention on Climate Change, Convention on International Trade in Endangered Species (CITES), and three other environmental treaties. This index is a proxy -- the existence of a NEAP or ratification of a treaty does not necessarily mean that a country is willing or able to carry it out.

Table VII.B.1 Overall environment

Agency Goal and Objective: The World's Environment Protected for Long-Term Sustainability				
Agency Indicator: National environmental strategies and international environmental treaties (a 19-point index)				
Source: World Development Indicators 1998 (Table 3.13); USAID calculations				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1995-1997)	11.9	13.6	8.0	14.4
Most Recent Data (1995-1997)	11.9	13.6	8.0	14.4
FY 2000 Benchmark	12.7	14.0	10.0	14.9
Strategic Plan Benchmark for Fiscal Year 2007	14.5	15.0	14.5	16.0
Comments: Data sources include World Development Indicators 1998 (Table 3.13); and The Consortium for International Earth Science Information Network (CIESIN, March 1997) <i>Environmental Treaties and Resource Indicators (ENTRI)</i> on line service was also consulted.				
Notes: The 2007 benchmark is at least 14.5 points on this index, the level necessary to have a high government commitment to the environment. Also see note in Appendix X.				

According to this indicator the Sub-Saharan Africa region has a moderate level of commitment to the environment; Asia and the Near East has a high moderate level; Europe and the New Independent States a medium to low; Latin America and the Caribbean has moderately high level. USAID is working hardest in Eastern Europe and NIS where several countries will complete NEAPs before FY 2000. USAID supports Regional Environmental Action Plans rather than NEAPs in Russia.

Subsection VII.B.2 Biodiversity: Conservation of biologically significant habitats improved

Biodiversity is essential to environmental and economic sustainability and is a measure of the earth's health. For example, it provides a foundation to health care systems as 25 percent of drugs prescribed in the U.S. include chemical compounds derived from wild species. Wild species are the gene bank used to maintain the vigor of our crops and livestock. The net economic benefits of biodiversity are estimated to be at least \$3 trillion per year, or 11 percent of the annual world economic output.

Biodiversity is being lost at unprecedented rates, with an estimated 1,000 species per year becoming extinct. USAID works with host countries and partners to improve the management of biologically significant areas both within and outside of officially protected areas. Over the past few years, USAID has improved conservation of biodiversity in over 40 million hectares. USAID's overall biodiversity conservation goal is to increase this area to 75 million hectares over a ten-year period in USAID assisted countries. This means that an additional 3.5 million hectares per year will be added to the Agency's biodiversity portfolio, especially in Africa and Latin America.

A proxy indicator for this performance goal is nationally protected areas. This indicator is being reviewed to try to encompass the complexity of biodiversity conservation. Possible changes might include species counts, country's compliance with the Convention on International Trade of Endangered Species (CITES), and individual protected area sizes.

Table VII.B.2 Biodiversity

Agency Goal and Objective: Conservation of biologically significant habitat improved.				
Agency Indicator: Nationally protected area (in thousands of hectares and as percent of total land area)				
Source: World Development Indicators and World Resources Institute based on data from the World Conservation Monitoring Center				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1994)	78,200 ha (6.77%)	46,400 ha (6.11%)	82,800 ha (3.97%)	73,500 ha (9.12%)
Most Recent Data (1994)	SAME	SAME	SAME	SAME
Fiscal Year 2000 Benchmark	79,800 ha (6.91%)	47,300 ha (6.23%)	84,500 ha (4.05%)	75,000 ha (9.30%)
Strategic Plan Benchmark for Fiscal Year 2007	87,300 ha (7.55%)	51,800 ha (6.81%)	92,400 ha (4.43%)	82,000 ha (10.17%)
Comments: Since the most recently available information is from 1994, projecting this to 2000 is difficult at best. A nominal one percent per year increase in area is given for benchmarks. If current data reporting remains the same, actual 2000 figures would not be available until 2005.				
Notes: See appendix.				

Sub-Saharan Africa: USAID biodiversity conservation activities are located in Namibia and the East Africa and Central Africa Regions. For example, USAID is supporting Madagascar's efforts in conserving its globally recognized biodiversity. By 2000, the number of hectares in protected status is expected to increase by approximately 700,000 ha, to 1.75 million hectares, or 10 percent of all forests in Madagascar. This is a significant increase from 1.08 million ha when the USAID program started. By the year 2000, protected land areas are expected to include 100 percent of the country's ecosystem types; currently just 70 percent are represented.

Asia and the Near East: There are several natural resource management activities that have direct implications to biodiversity conservation. These include activities in the Philippines, Indonesia and Egypt. As USAID reduces missions in the region, lack of staff to manage biodiversity programs will have a direct impact on contributions to this objective. In addition, programs in Cambodia and Indonesia have been either suspended or disrupted due to political issues. The extensive but fragile coral reef system of the Red Sea and Gulf of Aqaba is one of the most diverse in the world. New protected areas will be established and the Red Sea Islands National Park Management Plan will be implemented with the participation of relevant stake holders.

Latin America and the Caribbean: The LAC region helped conserve 22 million hectares in FY 1998. For example, USAID will continue to support improved park management at Jau National Park (about 2 million hectares) in Brazil, Serro do Divisor along the Peruvian border in Acre, and three parks in the Atlantic Coast Rain forest. USAID-supported activities led to the passage of the Galapagos Special Law in 1998. A set of regulations will be issued by FY 2000 to implement this landmark legislation to protecting the Galapagos environment.

Europe and the New Independent States: ENI countries contain rare species, such as the Siberian Tiger, and unique ecosystems, such as Russia's Lake Baikal. In FY 2000, activities in Bulgaria and Russia will continue to support biodiversity conservation.

Subsection VII.B.3 Global Climate Change: Threat of climate change reduced

The Agency's five-year Climate Change Initiative focuses on reducing greenhouse gas (GHG) emissions, protecting natural habitats that sequester carbon, and encouraging developing country policies that support the Framework Climate Change Convention (FCCC). Activities focus on energy, industry, forestry, natural resources, and agriculture. Seventy-five percent of USAID natural resource management activities are considered part of the Climate Change Initiative because of their role in carbon sequestration, absorbing carbon from carbon dioxide (CO₂) a major GHG. Any energy activity that does not contribute to reduction of GHG emissions is reported elsewhere (VI.B.5 below).

Table VII.B.3 Global Climate Change

Agency Goal and Objective: The World's Environment Protected for Long-term Sustainability				
Agency Indicator: Carbon dioxide (CO ₂) per capita industrial emissions in metric tons				
Source: World Development Indicators (Table 3.5) based on Oak Ridge National Laboratory CDIAC database; USAID calculations				
<i>(year) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1995)	0.81	1.31	4.70	1.21
Most Recent Data (1995)	0.81	1.31	4.70	1.21
FY 2000 Benchmark	0.80	1.28	4.60	1.19
Strategic Plan Benchmark for Fiscal Year 2007	0.73	1.17	4.21	1.09
Comments: Actual 2000 figures will not be available until 2003.				
Notes: CO ₂ emissions are those stemming from the burning of fossil fuels and the manufacture of cement, including those produced during consumption of solid fuels, liquid fuels, gas fuels, and gas flaring. Also, see note in Appendix X.				

Sub-Saharan Africa: The six-country Congo Basin region is one of three priority regions in USAID's Climate Change Initiative. This Basin is important in carbon sequestration because of its extensive forests. USAID supports improvement of forest cover data, coordination in developing carbon inventories for various forest types, testing predictive models of forest deforestation, and identifying policies that improve forest management. The Republic of South Africa was also identified as a priority country in the Climate Change Initiative. USAID is identifying opportunities to engage South African partners in reducing GHG emissions, especially those related to coal for power generation.

Asia and the Near East: India, Indonesia, and the Philippines are priority countries in USAID's Climate Change Initiative. Since energy consumption in all three of these countries is growing rapidly, the thrust of USAID's approach to reducing GHG emissions is continues to be in the energy sector. USAID targets restructuring the power sector, improving electricity generation efficiency, and expanding renewable energy commercialization. These efforts reduce CO₂ emissions as well as local pollutants, and increase energy sector efficiency. For example in Indonesia, USAID activities in energy efficiency are expected to save 280,000 MWH in FY 2000. Although India is a key climate change country, its funding is uncertain in light of sanctions. The Agency is reducing its staff in Indonesia and the Philippines as these missions prepare for close-out in 2005, making it increasingly difficult to reach Agency goals for reducing GHG emissions in these countries.

Europe and the New Independent States: USAID's Climate Change Initiative focuses on Poland, Russia, Ukraine and Central Asian Republics. The Initiative uses a variety of tools, including policy reform, institution capacity building, education, information collection and dissemination, technology cooperation, private sector partnerships, donor coordination, and credit instruments to achieve these objectives. USAID is exploring possible application of its new Development Credit Authority to guarantee commercially-financed activities aimed at reducing CO₂ emissions in Poland and the Russian Far East. Energy sector improvements will lead to greater efficiencies in energy supply systems and will have a positive impact on GHG emissions.

Latin America and the Caribbean: USAID's environmental programs in Brazil, Mexico, and the Central American region are designed to reduce the growth rate of CO₂ emissions by reducing tropical deforestation and promoting the use of "clean" energy technologies. For example, our Brazil program will protect forests covering an area larger than Israel, and replicate "reduced impact" sustainable logging measures on 500,000 ha of private lands. With an increased commitment to clean energy programming, USAID will strengthen the capacity of key Brazilian government and private institutions. Fire management is an important new USAID climate change activity in Brazil and Mexico. In Mexico, our programs will reduce deforestation rates by 33 to 50 percent on lands equivalent in size to the Carolinas, and will have prevented over 300,000 metric tons of CO₂ emissions through clean energy.

Subsection VII.B.4 Sustainable Urbanization: Urban population's access to adequate environmental services improved

With current rapid migration to cities, the world's urban population is currently growing at four times the rate of the rural population. By the year 2000, more than half of the world's population will live in urban areas. Currently, 17 of the world's 21 cities with more than 10 million people are in developing countries. Urbanization is rapid in the Asian-Pacific region where the annual urban growth rate is more than 4 percent, but Africa has the highest urban growth rate of all regions at 5 percent per year. Unless cities are able to properly manage their environmental problems, opportunities for sustainable development, economic growth, and social equity will be lost. The Agency's goal is to improve and increase services in the area of water and sanitation. The indicators for sustainable urbanization are: 1) percent of urban population with access to safe drinking water and 2) percent of urban population with access to sanitation services.

Recognizing the importance of well-functioning cities in achieving sustainable development, USAID initiated "Making Cities Work" in 1998 to build on lessons learned from ongoing urban programs. This strategy is designed to enable cities to support environmentally sustainable economic and social development. It will enhance all Agency goals and work through existing USAID Mission objectives. In another example, industrial pollution prevention and improving energy efficiency effectively engage the U.S. private sector in partnership with developing country counterparts. Experience gained under the US-Asia Environmental Partnership over the past few years has proven the approach, so the Administrator directed the program to be expanded to the other three regions.

Sub-Saharan Africa: USAID's strategy in the region has been to focus its support on biodiversity and natural resource management (NRM) issues rather than sustainable urbanization. However, USAID is currently reassessing its strategy in Africa through a study on water, sanitation and urban issues in the region. This reassessment will identify urban-rural linkages important to the African natural resource base; leading to the development a USAID action plan for the region's urbanization.

Asia and the Near East: The Agency has significant water resource management programs in India, Indonesia, and the Middle East where the degradation and depletion of water resources pose the most critical challenges to sustainable development. USAID activities in the water sector focus on improving the management of fresh water supplies, and improving the quantity and quality waste water treatment. For example in Egypt, 5.49 million people will be served by USAID-funded sewage and waste water treatment facilities in urban centers, and that over 1 billion liters of water per day will be treated to design standards in FY 2000.

Europe and the New Independent States: USAID's FY 2000 programs focus on the municipal-level services throughout the region. The region reports that 80 to 95 percent of its urban population had access to sanitation services. While access to sanitation services appears to be adequate, a number of issues remain problematic, including the quality of sewage treatment, processing of solid waste, mixing of domestic and industrial wastes, and insufficient fee collection systems. The Agency considers improvements in the reliability, quality and quantity of potable water to be of paramount importance to those affected by the Aral Sea disaster. Central Asia focuses on regional cooperation in regulation and use of Aral Sea Basin resources. While data indicate 90-100 percent of the urban population have access to drinking water, the availability of safe drinking water is an issue. In many areas drinking water is available for only a few hours a day and often in insufficient volumes. Pockets of unsafe drinking water exist around industrial, agricultural and urban areas.

Latin America and the Caribbean: An example of a USAID urbanization program in Jamaica involves tourism and environment. Wastes from tourism, the most important economic sector in the country, is currently polluting local water resources and harming coral reefs upon which the tourism itself depends. A USAID-supported audit team found that several hotels lost 40 percent of daily water through leakage. Following audit recommendations, hotels will start using environmental management systems that comply with certifiable international standards. By FY 2000, 14 hotels will receive certification based on the "Greenglobe" standard.

Table VII.B.4 Urbanization

Agency Goal and Objective: Urban population's access to adequate environmental services increased.				
Agency Indicator: (a) Percent of urban population with access to safe drinking water; (b) Percent of urban population with access to sanitation services				
Source: World Development Indicators (Table 3.6); USAID calculations				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1995)	62.5% water 59.5% sanitation	67.2% water 60.0% sanitation	98.7% water 86.3% sanitation	79.3% water 70.6% sanitation
Most Recent Data (1995)				
Fiscal Year 2000 Benchmark	63.7% 60.7%	68.6% 61.2%	99.9% 87.2%	80.6% 71.97%
Strategic Plan Benchmark for Fiscal Year 2007	69.2% 65.4%	73.5% 66.9%	100.0% 90.9%	88.1% 78.7%
Comments: Since the rate for 1995 is the most recent value between 1991 and 1995, projecting this to 2000 and beyond is difficult at best. A nominal one percent per year increase over five years of the growth rate is given for 2000. If current data reporting remains the same, actual 2000 figures would not be available until 2005.				
Notes: See Appendix.				

Subsection VII.B.5 Environmentally sound energy services: Energy conserved through increased efficiency and reliance on renewable sources

Energy is a critical factor of production as well as a major source of pressure on the environment. Efficiency of energy use and reliance on renewable sources are therefore critical for achieving environmentally sustainable development.

Europe and the New Independent States: USAID supports energy programs in most countries in the region. End-use energy efficiency in municipal, industrial, and housing sectors has been promoted through development of private sector and utility capabilities in most ENI countries. USAID emphasizes energy sector market reform, with programs supporting competitive markets, privatization, rational pricing, and appropriate legal regulatory frameworks. FY 2000 plans include further development of independent regulatory bodies; support for power restructuring in Lithuania, Bulgaria and Romania, and gas reform in Ukraine; and initiation of energy sector privatization in Moldova, Ukraine, Georgia, Armenia and Kyrgyzstan.

Table VII.B.5 Environmentally sound energy services

Agency Goal and Objective: The World's Environment Protected for Long-term Sustainability				
Agency Indicator: GDP per unit of energy use (energy efficiency)				
Source: World Development Indicators (Table 3.8) (1998); USAID calculations				
<i>1998 refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1994)	6.27	2.82	1.02	3.33
Most Recent Data (1995)	6.61	2.67	0.94	2.54
FY 2000 Benchmark	6.39	2.87	1.04	3.39
Strategic Plan Benchmark for Fiscal Year 2007	6.99	3.14	1.14	3.71
Comments: The energy efficiency indicator is the measure of GDP per unit of energy use, defined as the U.S.dollar estimate of the real GDP (at 1987) prices per kilogram of oil equivalent of commercial energy use. The larger the ratio, the greater the energy efficiency. The most recent data are from 1995.				
Notes: See Appendix.				

Subsection VII.B.6 Natural resource management: Deforestation rate in tropical forests reduced and management of natural forests and tree systems improved

Sustainable natural resource management (NRM) is integral to economic sustainability. Among the problems that USAID's programs address are artisanal fisheries competition with commercial trawlers; loss of forests affecting watersheds, biodiversity and climate change; water consumption and management difficulties; and wildlife utilization and wildlife population declines. The Agency's strategy includes addressing sustainable management in four critical areas: 1) forests, 2) water resources, 3) coastal zones, and 4) agriculture. Programs focus on working at both the national and local level to devolve ownership and control of natural resources to local communities -- promoting better management.

The Agency currently uses annual change in total forest area as a proxy indicator for all NRM. This indicator provides only a hint of the global forest situation and little about fresh water or coastal resources, sustainable agriculture or wildlife. These data are used widely, however, they are published many years after collection, and do not reflect pressures and threats to forests. The data relies on self-reporting by governments, many of which do not have the capacity to carry out systematic forest assessments. USAID uses forest cover, with all its shortcomings, as an indicator because there is little else available. USAID will review this indicator with the expectation of developing new NRM indicators.

Sub-Saharan Africa: USAID supports community-based NRM in the Central, East and West Africa regions to build basic capacity. For example, USAID's Central African Regional Program for the Environment (CARPE) addresses deforestation and loss of biodiversity in the world's second largest tropical rain forest located in the Congo Basin. The first phase of this five-year, \$14-million initiative is scheduled to end in FY 2000. Its goal is to reduce the rate of deforestation, conserve the region's biological diversity, and in the long-run, to avert potentially negative change in the global and regional climate. CARPE is designed to identify and help establish selected conditions and practices required to reduce deforestation and biodiversity loss. There is substantial coordination with donors such as the World Bank, UNDP and European Community, and with NGOs and other US government agencies.

Over the last several years USAID has supported forest policies changes in a number of countries including Mali, Guinea, Madagascar and Senegal. Results from these investments include increased NRM-based enterprises which increase incomes and diversity of household economy, and decrease degradation rates. Finally, we also note that women play disproportionately large roles in these enterprises relative to their normal status in the community. They are proving to be competent managers, and in some countries (Senegal), this has lead to greater roles in community life.

Asia and the Near East: USAID has significant NRM programs in Indonesia, Nepal, the Philippines, and Sri Lanka. In Indonesia, USAID is working towards stabilizing and improving NRM through community-based efforts. In FY 2000, over 13 million hectares are expected to be improved or stabilized, a huge improvement over a confirmed 17,484 ha in FY 1997. In Nepal, USAID has developed a market-led approach to encourage farmers to switch from traditional grain to sustainable production of the forests. Annual sales from forests and high-value agricultural commodities are predicted to be \$30 million in FY 2000. USAID is achieving impressive results in creating incentives for sound coastal resource management (CRM) in the Philippines. The CRM process involves partnerships between local governments, communities and the private sector, which are steadily spreading to other areas. An estimated 5,000 km of coastline is expected to be under effective CRM in FY 2000, involving 1585 communities.

Latin America and the Caribbean: USAID concentrates on sustainable forestry management efforts in Bolivia and Honduras because they have the largest forested areas found outside of parks. For example, Bolivian pilot projects in reduced impact management and certified community forestry will become economically self-sustaining, and USAID will enable over 100,000 hectares of Honduran pine forests to be managed in a sustainable manner in FY 2000. USAID NRM efforts also emphasize sustainable agriculture and coastal zone management (CZM). Key examples include: (a) in Haiti, FY 2000 funds will be used to promote sustainable small-farmer agriculture increasing the total area under sustainable, agro-forestry systems to 150,000 hectares; (b) in Jamaica, USAID anticipates improved coastal water quality for around 400,000 tourists in key coastal areas.

Europe and the New Independent States: USAID supports NRM efforts in Albania and the Russian Far East. The Albanian Private Forestry Development Project provides policy advice and demonstration projects to introduce sustainable forestry management practices at the local and national levels. In the Russian Far East, USAID supports sustainable forestry to promote alternatives to unfinished wood exports. The area of managed land will increase and forestry practices improve.

Table VII.B.6 Natural resource management

Agency Goal and Objective: The World's Environment Protected for Long-Term Sustainability				
Agency Indicator: *Average annual change in total forest area (percent change and in thousands of hectares not weighted);				
Source: World Development Indicators 1998 (Table 3.1); USAID calculations				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1990-1995)	-0.75% -1,894 _{ha x 1000}	-1.58% -1,605 _{ha x 1000}	0.48% 540 _{ha x 1000}	-2.23% -4,822 _{ha x 1000}
Most Recent Data (1990-1995)	-0.75% -1,894	-1.58% -1,605	0.48% 540	-2.23% -4822
Fiscal Year 2000 Benchmark (year of data)	-0.74% -1,855	-1.55% -1,573	0.49% 551	-2.29% -4,736
Strategic Plan Benchmark for Fiscal Year 2007	-0.67% -1,695	-1.41% -1,436	0.54% 603	-2.09% -4,317
Comments : Total forest area includes both natural forest and plantation area. Annual deforestation refers to the permanent conversion of natural forest area to other uses, including shifting cultivation, permanent agriculture, ranching, settlements, or infrastructure. Deforested areas do not include areas logged but intended for regeneration or areas degraded by fuel wood gathering, acid precipitation, or forest fires. These data, therefore, do not reflect the full extent of forest and biodiversity losses through degradation.				
Notes: Since the most recently available information is from 1995, projecting this to 2000 is difficult at best. A nominal one percent per year decrease over of the rate is given for FY 2000 and 2007 benchmarks. Also see note in Appendix X.				

Subsection VII.B.6 Notes

Note from Table VII.B.1

A 19-point scale was developed to assess a government's commitment to the environment. A low level of commitment was considered to be 0-7, a medium level of commitment 8-14, and a high level 15-19. The information was compiled and averaged for USAID-assisted countries in four regions. The scale was based on whether a country had prepared any of four types of national environmental management strategies or whether it had participated in any of five major international environmental treaties. This scale does not indicate the degree to which an environmental strategy has been carried out or an international treaty was followed. Averaging this scale across regions serves only to give a general idea of political commitment to environmental issues there.

The strategies and treaties include (with the number of points awarded for each item and for total):

- 2 National Environmental Action Plans or Conservation Strategies (2 points or 1 if in preparation)
- 2 Country Environmental Profiles
- 2 Biological Diversity strategies or action plans
- 2 Convention on Biological Diversity (2 points if ratified, 1 if signed)
- 2 Convention on International Trade of Endangered Species (CITES)
- 1 Frequency of reporting on trade in endangered species (CITES up to 1 point if 100% reported)
- 2 Framework Convention on Climate Change
- 2 Vienna Convention on the Protection of the Ozone Layer
- 2 Montreal Protocol for CFC Control
- 2 Law of the Sea
- 19 Total

Note from Table VII.B.3

Although estimates of global CO₂ emissions are probably within 10% of actual emissions, country estimates may have larger error bounds. Since the most recent data is from 1995, projecting emissions to 2000 is difficult. A nominal one percent per year increase over the ten years is given for the years 2000 and 2007.

Notes from Table VII.B.5

Energy efficiency data are not reliable in the Central Asia-Eastern Europe region, but energy efficiency is relatively low, so there is room for improvement. The economies of Armenia and the Russian Federation had decreasing energy efficiency during the 1980-94 period. There is decreased energy use due to economic decline, but not necessarily greater efficiency in what is consumed. Increasing efficiency trends are noted in Bulgaria, Hungary, Poland, and Romania. A nominal one percent per year over ten years of the energy efficiency ratio is given for 2007. If current data reporting remains the same, actual 1999 figures will not be available until 2004.

Notes from Table VII.B.6

FAO data may be unreliable due to differing national definitions and reporting systems. Data on total forest area change is based on 1990 and 1995 figures, and is expressed in square kilometers lost or gained. Since updated data were not available, the above figures are based on much the same data as the FY 1999 APP. Changes between FY 1999 and 2000 are mostly due to the difference in countries used to produce regional averages. Negative numbers indicate deforestation, positive numbers expanding forest area.

Section VII.C Goal-Focused Performance Tables:

The following tables focus on countries with programs linked to USAID Goal 5.

Table VII.C.1 Overall Environment

Agency Goal and Objective: The World's Environment Protected for Long-Term Sustainability				
Agency Indicator: National environmental strategies and international environmental treaties (a 19-point index)				
Source: World Development Indicators 1998 (Table 3.13); USAID calculations				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1995-1997)				
Most Recent Data (1995-1997)				
FY 2000 Benchmark				
Strategic Plan Benchmark for Fiscal Year 2007				
Comments: Data sources include World Development Indicators 1998 (Table 3.13); and The Consortium for International Earth Science Information Network (CIESIN, March 1997) <i>Environmental Treaties and Resource Indicators (ENTRI)</i> on line service was also consulted.				
Notes: Also see note in Appendix X.				

Table VII.C.2 Protected Areas

Agency Goal and Objective: Conservation of biologically significant habitat improved.				
Agency Indicator: Nationally protected area (in thousands of sq. km and as percent of total land area)				
Source: World Development Indicators and World Resources Institute based on data from the World Conservation Monitoring Center				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1994)	605 (7.18%)	391 (5.27%)	755 (5.46%)	736 (9.12%)
Most Recent Data (1994)	SAME	SAME	SAME	SAME
Fiscal Year 2000 Benchmark	617 (7.32%)	399 (5.38%)	770 (5.57%)	750 (9.30%)
Strategic Plan Benchmark for Fiscal Year 2007	675 (8.01%)	436 (5.88%)	842 (6.09%)	821 (10.17%)
Comments: Since the most recently available information is from 1994, projecting this to 2000 is difficult at best. A nominal one percent per year increase in area is given for benchmarks. If current data reporting remains the same, actual 2000 figures would not be available until 2005.				
Notes: Number of countries with non missing data for most recent data year: Sub-Saharan Africa 14; Asia, Near East & North Africa 9; Europe & former Soviet Union 10; Latin America & the Caribbean 14				

Table VII.C.3 Global Climate Change

Agency Goal and Objective: The World's Environment Protected for Long-term Sustainability				
Agency Indicator: Carbon dioxide (CO ₂) per capita industrial emissions in metric tons				
Source: World Development Indicators (Table 3.5) based on Oak Ridge National Laboratory CDIAC database; USAID calculations				
<i>(year) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1995)	0.76	1.41	6.22	1.54
Most Recent Data (1995)	0.83	1.37	6.09	1.41
FY 2000 Benchmark	0.73	1.35	5.98	1.48
Strategic Plan Benchmark for Fiscal Year 2007	0.68	1.26	5.57	1.38
Comments: Actual 2000 figures will not be available until 2003.				
Notes: CO ₂ emissions are those stemming from the burning of fossil fuels and the manufacture of cement, including those produced during consumption of solid fuels, liquid fuels, gas fuels, and gas flaring. Also, see note in Appendix X. Notes: Number of countries with non missing data for most recent data year: Sub-Saharan Africa 14; Asia, Near East & North Africa 9; Europe & former Soviet Union 10; Latin America & the Caribbean 14				

Table VII.C.4 Urbanization

Agency Goal and Objective: Urban population's access to adequate environmental services increased.				
Agency Indicator: (a) Percent of urban population with access to safe drinking water; (b) Percent of urban population with access to sanitation services				
Source: World Development Indicators (Table 3.6); USAID calculations				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1995)	65% water 68% sanitation	74% water 62% sanitation	na water 88% sanitation	78% water 70% sanitation
Most Recent Data (1995)				
Fiscal Year 2000 Benchmark	68% water 70% sanitation	77% water 64% sanitation	na water 90% sanitation	82% water 72% sanitation
Strategic Plan Benchmark for Fiscal Year 2007	72% water 74% sanitation	81% water 69% sanitation	na water 93% sanitation	87% water 78% sanitation
Comments: Since the rate for 1995 is the most recent value between 1991 and 1995, projecting this to 2000 and beyond is difficult at best. A nominal one percent per year increase over five years of the growth rate is given for 2000. If current data reporting remains the same, actual 2000 figures would not be available until 2005.				
Notes: Number of countries with non missing water data for most recent data year: Sub-Saharan Africa 13; Asia, Near East & North Africa 7; Europe & former Soviet Union 0; Latin America & the Caribbean 12 Notes: Number of countries with non missing sanitation data for most recent data year: Sub-Saharan Africa 12; Asia, Near East & North Africa 6; Europe & former Soviet Union 4; Latin America & the Caribbean 12				

Table VII.C.5 Environmentally Sound Energy Services

Agency Goal and Objective: The World's Environment Protected for Long-term Sustainability				
Agency Indicator: GDP per unit of energy use (energy efficiency)				
Source: World Development Indicators (Table 3.8) (1998); USAID calculations				
<i>1998 refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1994)	6.22	2.54	0.66	3.46
Most Recent Data (1995)	6.48	2.42	0.63	2.61
FY 2000 Benchmark	6.47	2.64	0.69	3.60
Strategic Plan Benchmark for Fiscal Year 2007	6.94	2.83	0.73	3.86
Comments: The energy efficiency indicator is the measure of GDP per unit of energy use, defined as the U.S.dollar estimate of the real GDP (at 1987) prices per kilogram of oil equivalent of commercial energy use. The larger the ratio, the greater the energy efficiency. The most recent data are from 1995.				
Notes: Number of countries with non missing data for most recent data year: Sub-Saharan Africa 12; Asia, Near East & North Africa 9; Europe & former Soviet Union 8; Latin America & the Caribbean 14				

Table VII.C.6 Forest Area

Agency Goal and Objective: The World's Environment Protected for Long-Term Sustainability				
Agency Indicator: *Average annual change in total forest area (percent change and in thousands of sq. km.				
Source: World Development Indicators 1998 (Table 3.1); USAID calculations				
<i>(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.</i>	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1990-1995)	-0.75% -13,580 _{area}	-2.06% -15,764 _{area}	0.53% 2,196 _{area}	-2.33% -48,220 _{area}
Most Recent Data (1990-1995)				
Fiscal Year 2000 Benchmark (year of data)	-72% -13,310 _{area}	-1.98% -15,137 _{area}	0.55% 2,286 _{area}	-2.24% -46,320 _{area}
Strategic Plan Benchmark for Fiscal Year 2007	-0.67% -12,159 _{area}	-1.85% -14,098 _{area}	0.59% 2,453 _{area}	-2.09% -43,173 _{area}
Comments : Total forest area includes both natural forest and plantation area. Annual deforestation refers to the permanent conversion of natural forest area to other uses, including shifting cultivation, permanent agriculture, ranching, settlements, or infrastructure. Deforested areas do not include areas logged but intended for regeneration or areas degraded by fuel wood gathering, acid precipitation, or forest fires. These data, therefore, do not reflect the full extent of forest and biodiversity losses through degradation.				
Notes: Since the most recently available information is from 1995, projecting this to 2000 is difficult at best. A nominal one percent per year decrease over of the rate is given for FY 2000 and 2007 benchmarks. Also see note in Appendix E.				
Notes: Number of countries with non missing sanitation data for most recent data year: Sub-Saharan Africa 14; Asia, Near East & North Africa 9; Europe & former Soviet Union 10; Latin America & the Caribbean 14				

Chapter VIII USAID Goal 6: Lives Saved, Suffering Reduced, and Conditions for Political and/or Economic Development Re-established

Section VIII.A Changes in Approach

The Humanitarian Assistance (HA) Goal is a crosscutting one in which the Agency is using a combination of central and regional bureau resources and programs to save lives, alleviate suffering and support economic and political transitions. There are two objectives under the Agency HA Goal; they are to: (1) meet urgent needs in times of crisis; and (2) contribute to the re-establishment of personal security and basic institutions which meet critical intermediate needs and protect human rights following emergency situations. The Agency, under the Bureau for Humanitarian Response for FY 2000, is specifically requesting approximately \$1.1 billion dollars to meet emergency and humanitarian needs under this goal as follows: OFDA \$ 165 million; Food for Peace Title II \$ 859 million (includes development assistance) and Office of Transition Initiatives \$ 55 million. It is important to note that several regional bureaus are integrating development assistance (DA) and other resources with Agency humanitarian assistance to prevent and/or mitigate crisis and support economic and political transitions. The integration of these with other Agency resources and programs in prevention and transition efforts and programs will be captured in a qualitative analysis under the HA Goal is using the conflict-prone transition categorization, improvements in Agency efforts on prevention, and in other goal areas. This is a change from last year under the HA strategic framework.

As anticipated in the 1998 Annual Performance Plan (APP), USAID has experienced difficulty in measuring performance in the Humanitarian Assistance Goal Area against selected indicators and targets. As a result of an on-going series of consultations over the past year, a consensus has been reached on several refinements and adjustments to the HA framework and indicators in which the Agency will report on trends to capture results. On saving lives and reduced suffering, the Agency consulted widely and refined its indicators and agreed on a methodology and process for collecting data on crude mortality rates and nutritional status for under 5 years of age for complex emergency situations. On transitions, there is now agreement on a definition related to conflict-prone settings. Results will be based on changes in political rights and economic freedoms of an agreed list of conflict-prone countries and reported for this year separately as a subset of the DG Goal area. Rather than have a separate prevention objective, the Agency will integrate its prevention efforts through the strategic planning and R4 process across the board and utilize the Annual Performance Report to highlight progress on prevention in selected countries.

Crisis Prevention as a Separate HA Objective

There was concern that addressing crisis prevention and/or mitigation as a separate objective under (6.1), particularly for man-made, complex crises, did not fit well under the HA framework. As crisis tends to be cyclical and it is difficult to demonstrate the direct impact of USAID programs in conflict prevention (i.e. prove a negative) having a separate prevention objective as part of the framework was confusing in terms of reporting separately on results. After a series of consultations within the Agency and the USG, the Administrator decided on a modest proposal to improve USAID internal prevention performance in relation to deadly conflict, economic crises, political chaos, and complex emergencies (C4P) by taking four steps.

Five Steps to Improve USAID's Internal Performance

The Agency will take the following steps to improve its prevention performance:

- (1)** develop a set of conflict prevention frameworks, applications and tools, and distribute them to the field ;
- (2)** restate Agency conflict prevention policy and reissue policy guidance on conflict as part of the Mission Performance Plan (MPP) guidance ;
- (3)** require more objective analysis of root causes of and vulnerability to conflict as part of the country strategic planning process and country teams' preparation of MPPs;

(4) review country strategic plans in USAID/Washington more critically to ensure that strategies help to prevent conflict; and

(5) ensure that appropriate development assistance and tools are applied during strategy implementation.

Definition of Conflict-Prone Transition Countries

It is important to note that the Agency views transitions as part of a continuum of stages and phases from war to peace and relief, followed by support for the economic and political transformations required to continue sustainable development. While all the countries in which the Agency operates can be considered to be in transition as thus broadly defined, our experience suggests that many of the acute problems facing the Agency in the post-cold war era are occurring in conflict-prone countries. Agency reporting will use this definition for this APP and general reporting purposes.

There is broad agreement on the need for greater precision in defining the term "transition" for both analytic and reporting purposes. Careful delineation of the various rubrics within the transition continuum is essential to identifying effective performance measures for humanitarian assistance transitions in the conflict-prone countries -- measures that do not duplicate results achieved under other goals such as democracy, economic growth, or health and nutrition. The following is a definition of transitions in conflict-prone countries for policy, results reporting and program application.

"**Transitions** in Conflict-Prone Countries" refer to general periods of change when a country is moving from a period of instability to stability or vice versa. For the purposes of this guidance, the Agency is most interested in those countries in which conflict is a current or relatively recent threat to social and economic progress.

Conflict-Prone Country List and Policy Guidance

A determination of which country programs meet this provisional definition has been made in consultation with regional bureaus. The Agency will be consulting with the Department of State under the IASP processes. These countries are identified in the "**USAID Conflict-Prone Country List**" which follows for purposes of reporting under the revised HA goal.

This unified Agency designation of conflict-prone countries will be used in to develop more focused Mission Performance Plans (MPP's) and better targeting and more effective programming of resources, including more collaborative programming of ESF at the country and regional levels. Designated transition countries will be required to undertake a shorter-term country strategic planning process and report, either a formal R4 or informal stocktaking, on anticipated results. The appropriate regional bureau and BHR will be responsible for undertaking a joint review process.

Attribution of Resources under the HA Goal

As HA is a crosscutting goal, operating units are free to attribute their strategic objectives to the HA Goal under relief or conflict-prone transition objective. They are encouraged, however, to make the primary attribution and coding of programs/activities of strategic objectives for conflict-prone transitions against the other Agency goals, e.g. D/G, PHN, EG, ENV and use the secondary code designation for those Strategic objectives, program, activities that contribute to the HA goal. The Agency is concerned with an integrated program assessment at the country level for internal and external purposes rather than by strategic objective.

Humanitarian Assistance Goal: The International Affairs Strategic Plan (IASP) and Link to U.S. National Interests

There has been a significant debate about the manageable interest of the Agency and the attribution of performance with respect to relief and transition assistance, given at times the magnitude and intractability of the problems on the one hand, and level of resources and policy decisions required to achieve performance in affected countries, on the other. The IASP makes the programmatic and policy link explicit between USAID, its resources and programs, and those of other foreign affairs agencies, in terms of U.S. national interests and in providing humanitarian assistance to victims of crisis and disaster and also other USG interest such as promoting regional stability.

In the short-term, the assumption has been that USAID's humanitarian assistance is or should be targeted to minimize the human costs of conflict and disaster (i.e. lives saved and suffering reduced as part of the USAID goal). Over the medium-term in prolonged complex emergencies however, there is a realization that USAID's humanitarian resources and programs can be shifted to support increasingly institutional and human capacity building in developing countries. This is necessary to prevent and mitigate conflict and disaster, which serves U.S. national interests in support of democracy, economic prosperity, and national security through regional security institutions and approaches.

The Department of State Guidance Cable for Mission Performance Plans (MPP) under its Humanitarian Assistance goal, specifies the need for coordinated US inter-agency and donor conflict prevention strategies as "essential elements of the MPP submission for any country that has been affected by regional conflict or is likely in the future to require humanitarian aid." The MPP guidance cable also states that the presentation of the HA goal in country plans should be based on close coordination between State and USAID in the context of the country team with inputs from the other foreign affairs agencies.

Section VIII .B Performance Goals and Regional Expectations

Indicators:

- Crude mortality in emergency situations.
- Proportion of children under 59 months in emergency situations who are wasted.
- Number of people displaced by open conflict (for monitoring and tracking purposes only).
- Changes in the classification of designated post-conflict transition countries classified by Freedom House as free/partly free/not free.

Subsection VIII.B.1 Crude mortality rate for vulnerable populations returned to normal range within six months after onset of complex emergency situations

Table VIII.B.1 Crude mortality rate for vulnerable populations

Agency Goal: Lives Saved, Suffering associated with natural or man-made disasters reduced, and conditions necessary for political and/or economic development re-established				
Agency Indicator: Crude mortality rate (CMR) in emergency situations (Performance Goal 1: Crude mortality rate of vulnerable populations, in specific emergency situations, improved over a period of time*. The following will be monitored: (a) Number and percent of emergencies which exceed a certain threshold; (b) Percent of emergencies which exceed a certain threshold and then decline; (c) Percent of emergencies in which the indicator declines, regardless of the initial value. *Efforts will be made to monitor CMR within the first six-month period of an emergency.				
Source: HINAP (compiled data from WHO, ACC/SCN, U.S. Census Bureau, CDC, UNHCR, MSF)				
(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1999)	TBD	TBD	TBD	TBD
Most Recent Data (year of data)	N/A	N/A	N/A	N/A
Fiscal Year 2000 Benchmark (1999)	4/5 pilot sites selected & baseline established from published data. Data collection & operational issues coordinated with other agencies. CMR in 4/5 sites monitored. (no targets)**			
Strategic Plan Benchmark for Fiscal Year 2007 (2006)	CMR in 5 emergency sites monitored. (no targets) **			
Comments: **CMR is an important indicator but there are challenges in measuring it as sampling methods and other technology issues need to be considered; interpretation of data need to consider the reality that individual emergencies are not the same. Given this, CMR will be used to track and monitor overall progress of relief programs over time using trend data from selected emergency sites.				
Notes: Indicator definition: During the acute phase of an emergency, the crude mortality rate (CMR) or crude death rate (CDR) for the whole population is an important indicator of the overall status of the affected population. A CMR not only indicates the current health status of a population but also provides a baseline against which the effectiveness of relief programs can be followed. Death rates are expressed as deaths/10,000/day to allow for detection of sudden changes. In many African countries, the daily CMR (extrapolated from published annual rates) is approximately 0.5/10,000/day during non-emergency conditions.				
CMRs exceeding 1/10,000/day signifies a very serious emergency situation. UNHCR, EpiCentre, CDC (1993) proposed the following classification: 0.3 - 1.0/10,000/day = normal or mildly elevated; 1 - 2/10,000/day = severe; > 2.0/10,000/day = critical. Another suggestion is to use a "doubling of the baseline CMR" (or "tripling" or "quadrupling" for areas of particularly low baseline mortality, e.g., Balkans) (Ref: Noji, Burkholder, Waldman)				

Crude Mortality Rate (CMR)

CMR is collected mostly by European NGOS and is not now generally collected by U.S. PVOs undertaking USAID-funded activities in humanitarian assistance. The number of deaths are collected in health facilities (hospitals, feeding centers, etc), and in the community (grave counting, cemetery register, community workers interview of leaders, etc.). Rates are computed on a weekly basis and plotted on a graph to show trends. 5 to 6 pilot sites will be chosen that are of operational and policy relevance to the Agency. It is anticipated that 2 years will be required to institutionalize a process standardizing the use and collection of data for this performance goal and indicator, including training and technical support as needed. This effort will be coordinated with other NGOs, international agencies and local government. In addition, WHO's new project, "Health Intelligence Network for Advanced Contingency Planning" (HINAP) is a joint undertaking of WHO's Division of Emergency and Humanitarian Action

(EHA) and the International Emergency and Refugee Health Program of CDC, Atlanta. It is conceived as a partnership between all organizations (donor and host governments, UN, international organizations and NGOs) involved in health in complex emergencies. HINAP will provide background, health and nutrition data in advance of sudden population movements for contingency planning purposes. HINAP will compile and analyze existing data, and link with existing information system such as the ACC/SCN's Refugee Nutrition Information System. In addition, HINAP will monitor the early impact of evolving complex emergencies for better response. By the end of 1999, HINAP plans to have regular reporting of health information established for all target countries. Baseline death/mortality rates with causes of deaths by age/sex is included on HINAP's list of health information data types.

Subsection VIII.B.2 Nutritional status of children age 5 and under made vulnerable by emergencies maintained or improved

Table VIII.B.2 Nutritional status of children

Agency Goal: Lives Saved, Suffering associated with natural or man-made disasters reduced, and conditions necessary for political and/or economic development re-established				
Agency Indicator: Levels of acute malnutrition stable at, or declining to, acceptable levels in emergencies (Performance Goal 2: Levels of acute malnutrition stable at, or declining to, acceptable* levels in specific emergency situations. The following will be monitored: (a) Percent of emergency sites with wasting prevalence of less than 10% in children 6-59 months *per WHO classification above)				
Source: ACC/SCN (compiled data from WHO, UNHCR, BUCEN, CDC, PVOs and NGOs)				
(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1999)	TBD	TBD	TBD	TBD
Most Recent Data (year of data)	N/A	N/A	N/A	N/A
Fiscal Year 2000 Benchmark (1999)	4/5 pilot sites selected & baseline established from published data. Data collection & operational issues coordinated with other agencies. Nutrition status in 4/5 sites monitored.			
Strategic Plan Benchmark for Fiscal Year 2007 (2006)	Nutrition status in 4/ 5 sites monitored			
Comments USAID will coordinate with ACC/SCN to analyze this indicator using data already available to ACC/SCN. Nutritional status will be monitored on at least a quarterly basis in selected emergency sites (same sites for CMR monitoring). In addition, using a random sample of available data from ACC/SCN, progress may be tracked independently for additional emergency sites, or as an aggregate for all emergency sites in specific countries, or as a global aggregate (i.e., all emergency countries with data).				
Notes Indicator definition: Weight-for-height reflects acute malnutrition (wasting) in children under five years of age and is closely associated with risk of death. That is, high levels of wasting are a good predictor of elevated mortality, i.e., above 1/10,000/day. Based on 1993/4 data, the most efficient predictor of elevated mortality is a cut-off of 15% wasting (ACC/SCN, 1994). Based on more recent data from 1994 to 1997, levels of wasting above 10% indicate elevated mortality (ref. Third Report on the World Nutrition Situation, 1997).				
Nutritional status will be determined by the percentage of moderate and severe wasting in children 6-59 months who represent the total population. This will be measured by (a) weight-for-height of <-2 Z-scores (b) Edema (pitting edema in both feet). The following classification (WHO) will be used as a general guideline (recognizing that interpretation is specific to each emergency situation): < 5% of population <-2 Z scores = acceptable; 5-9 % = poor; 10 - 14% = serious; > 15% = critical				

Subsection VIII.B.3 Nutrition

The ACC/SCN is the focal point for harmonizing the policies and activities in nutrition of the U.N. system. The role of the ACC/SCN is to serve as a coordinating mechanism for exchange of information and technical guidance, and help the U.N. respond to nutritional problems. The ACC/SCN compiles and disseminates information on nutrition. SCN News is normally published twice yearly and reports on the nutritional status of refugees and displaced persons (RNIS) four times per year.

U.S. PVOs collect information on nutritional status or have access to secondary data. Information being collected varies. As a minimum, most PVOs undertaking food aid collect information on edema. Others collect MUAC or weight-for-height data. In consultation with ACC/SCN and U.S. PVOs, FFP/ER (with technical support from FANTA) developed a nutrition template to facilitate and standardize data collection on nutritional status, with guidance on minimum data to be collected and reported. Early this year, U.S. PVOs implementing Title II food aid were requested to send nutrition information directly to ACC/SCN as part of the efforts for closer coordination. OFDA will work with its PVOs partners to enhance capacity and coverage collect and report on nutrition data to ACC/SCN.

Subsection VIII.B.3 Conditions For Social and Economic Development In Conflict-Prone Situations Improved

Table VIII.B.3 Conditions improved

Agency Goal: Lives Saved, Suffering associated with natural or man-made disasters reduced, and conditions necessary for political and/or economic development re-established				
Agency Indicator: Number of countries in which conditions have improved for social and economic development in conflict-prone situations				
Source: World Refugee Survey; U.S. Committee on Refugees				
(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1998)	TBD	TBD	TBD	TBD
Most Recent Data (year of data)	N/A	N/A	N/A	N/A
Fiscal Year 2000 Benchmark (1999)	10	5	8	1
Strategic Plan Benchmark for Fiscal Year 2007 (2006)	TBD	TBD	TBD	TBD
<p>Comments Refugee and IDPs are direct consequence of crisis and conflict. Increases and decreases in their number are good and direct indication of changing trends of open conflict. For performance goals 3 & 4, the Agency is using the country of origin as the basis for determining the base line for indicators to determine trends. To the extent that the Agency working with the Department of State, other donors and regional institutions and governments and civil society is successful in crisis and conflict prevention, promoting economic and social transitions, there should be a noticeable downward trend in refugees and IDP over the next ten years. To the extent that the Dayton Peace Accords are successful, there should be, for example of significant drop in those refugee and IDP population. West Bank Gaza refugees are included in this total; however, given the political and economic significance of this group, significant repatriation remains in question. Only FY '99 numbers are included, representing millions of persons at this initial stage overall and by region. The lower range of IDPs has been used as a conservative estimate.</p>				
Notes				

Subsection VIII.B.4 Refugees and IDPs

USAID will be working closely with the State Department's Bureau for Population, Refugees and Migration to monitor trends and work collaboratively on developing policies and programs for the voluntary to return and resettlement of refugees and IDPs as well as undertake preventative approaches and actions to forestall mass migratory movements. Regional trends, with selective country breakouts, will be indicated over a three year period with 1996 as a base.

USAID Performance Goal: Freedom of Movement, Expression, Assembly and Economy In Conflict-Prone Situations Increased

Table VIII.B.5 Freedom

Agency Goal: Lives Saved, Suffering associated with natural or man-made disasters reduced, and conditions necessary for political and/or economic development re-established				
Agency Indicator: Number of conflict-prone transition countries classified as free/part-not free. (Performance Goal 4: Level of political freedom and participation improved in conflict-prone transition countries)				
Source: Freedom in the World: The Annual Survey of Political Rights and Civil Liberties, Freedom House				
(year of data) refers to the calendar year of the data. In most cases the data lags the reporting year.	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
Baseline (1995)	F: 0 PF: 0 NF: 7	F: 0 PF: 1 NF: 3	F: 0 PF: 2 NF: 3	F: 0 PF: 4 NF: 0
Most Recent Data (1998)	F: 0 PF: 1 NF: 6	F: 0 PF: 0 NF: 4	F: 0 PF: 4 NF: 1	F: 1 PF: 3 NF: 0
Fiscal Year 2000 Benchmark (1999)	TBD	TBD	TBD	TBD
Strategic Plan Benchmark for Fiscal Year 2007 (2006)	TBD	TBD	TBD	TBD
Comments F = Free; PF = Partly Free; NF = Not Free. During FY 2000 the trends in the Freedom House Index will be monitored for ratings and classification of conflict-prone transition countries reviewed. A further breakdown of political and civil liberties, particularly for conflict-prone countries will be reviewed in light of democracy and governance programming. Projections and ratings for the out years will be made in light of reviews on the applicability of this scale and indicators for transitions country classification.				
Notes				

Section VIII.C "Conflict-Prone Transition" Country List for APP

For reporting purposes of the APP and APR, the following list of countries will be used to categorize conflict-prone transition countries. Improvements in the Heritage Foundation and Freedom House score for these countries will be used as a means of tracking country level performance and assessing USAID programmatic efforts in supporting the transition process.

Africa	LAC	ENI	ANE
Burundi	El Salvador	Azerbaijan	Afghanistan
Liberia	Guatemala	Bosnia	Cambodia
Sierra Leone	Haiti	Croatia	Iraq
Somalia	Nicaragua	Georgia	Indonesia
Sudan		Tajikistan	West Bank/Gaza
Congo (DROC)			
Rwanda			

Chapter IX. Goal 7: USAID Remains a Premier Bilateral Development Agency

Section IX.A Introduction

As a premier bilateral development agency, USAID's influence on the development community far exceeds the scale of its development funding. Certainly, this disproportionate influence reflects, in part, the undeniable pre-eminence of U.S. military, diplomatic, and economic power in the post-cold war era, but it derives substantially from USAID's continued efforts to improve quality and relevance of programs, enhance achievement of performance goals, improve the quality of delivery of assistance. These performance goals described below not only encompass USAID's continued leadership in research and technology development, policy, partnerships, performance measurement and evaluation, but also our strengthened ability to manage and deliver the development resources with which the Agency has been entrusted. Achieving these performance goals not only maintains USAID's status as a "premier bilateral development agency" but also contributes to the achievement of USAID's substantive development objectives and the success of overall U.S. foreign policy.

This goal is focused on the systems and planned innovations that support USAID performance as an Agency. This goal and framework is currently under review and modification to ensure that it best captures plans and facilitates clear articulation of a results framework. The previous submission included distinct performance goals that are now incorporated as sub-goals in a new performance goal described below. Appropriate performance measures are under development.

Section IX.B Performance Goal 1: Leadership and Learning Capacity to Achieve Results Enhanced

USAID has long been a focal point of substantive vision and technical leadership for the development community, playing a central role in identifying emerging problems, developing new interventions and technologies, and mobilizing more effective partnerships. In recent years, USAID has led the development of coordinated strategies to address such critical development challenges as global climate change, infectious diseases, food security, democratization, post-conflict reconciliation, and political and economic transitions. Equally important, USAID has also provided strategic innovation to foreign assistance planning, recognizing that development programs can and must change to capture new information and communication capabilities and new partnerships at the community, national and international levels. USAID has led the development community in performance measurement and results-based management.

Subsection IX.B.1 Strengthened Technical Leadership and Research:

USAID achieves its goals through research, training, innovative approaches and partnerships to address current challenges and prepare for the future. The investments in quality research, technical staff and innovation in development practice maintain USAID leadership as a technical agency and enhance strategic partnerships. Applied research, technology development, field testing contribute to the strategic vision and effectiveness of USAID programs and partnerships and is a strength of the U.S. A key aspect of USAID's applied research and technology programs is its broad-based collaboration with a variety of partners in public international organizations, higher education community, non-governmental organizations and the business sectors of both the U.S. and host-countries.

Special development goals; technical leadership:

While specific planned programs relating to attaining USAID's development goals are discussed in the relevant chapters, key new approaches and special goals that transcend single goals illustrate USAID's commitment to leadership in development.

Food Security: Achieving food security is a critical Agency development goal which many of USAID's activities address. A USAID Food Security Policy Statement will be developed to provide the strategic framework to capture the essential programs including in economic growth, agriculture, nutrition, crisis prevention that will facilitate strategic planning and donor coordination efforts. USAID will continue to support agricultural research, partnerships and technology transfers as central to these efforts. In addition, in light of U.S. commitments made at the World Food Summit, USAID (in cooperation with other USG agencies) is devising a millennium strategy for how best to use

potential additional resources to meet targets. The strategy will outline development tools and resource allocations--both among and within countries--to address food security.

Information Technology: Beginning with the Agency's 1997 Strategic Plan, USAID formally recognized the important role that good information and information technologies and access to them play in achieving its sustainable development and humanitarian assistance goals. USAID's information technology for development work contributes to the U.S. national interest by facilitating better technology-based financial market systems to enhance global economic prosperity; through expanded USAID-funded broadcast and information programming to support democratic transitions; and by promoting international communications through a variety of technologies to fight the spread of infectious diseases. A public-private partnership for telecommunications policy dialogue, which engages the resources of U.S. industry, Federal agencies, the NGO and university community will be launched in FY 99 and continue through FY 2000.

Research and technical leadership:

USAID will continue to fund applied research, technology development, and technology transfer programs to provide the most up-to-date methods and tools to address specific country, regional and global problems. USAID will emphasize the development of the capacity among its development partners and customers to undertake their own research and technology development programs and to disseminate the results of these programs throughout the international assistance community. USAID supports research investments in the development of appropriate tools and technologies from moving technology through clinical trials and FDA approval to agriculture research in the development of new crops, new farming methods and agribusiness. Recognizing the continuing importance of the investments in applied research to enhance the performance of our programs USAID, beginning in FY 99, will review and revise the Agency Strategic Plan and performance monitoring systems to facilitate capturing the planning and reporting of the programs as they contribute to each specific goal. The development of an Agency Research Agenda to enhance cooperation and communication with our partners is planned.

Research capacity development and training is incorporated in development programs, higher education partnerships, and targeted grants programs. Partnerships with universities including the Historically Black Colleges and Universities Research Program, the Collaborative Research Support Programs, and the Child Health Research Program are programs that foster broad-based research investments which include the development of the skills necessary to compete and participate in global and national research endeavors are planned.

Technical leadership also is the synthesis of best practices; disseminating lessons of experience and developing the frameworks for addressing the problems. USAID developed and coordinated a major international conference on girls' education, co-sponsored with ID and UNICEF to develop private-public partnerships and commitments for improving girls' education. The implementation of these partnerships are planned. USAID also invested in a study of advocacy methodologies and an assessment of the impact of democracy training programs for adults and elementary school children to further the understanding of the links between education and civil society. The results of this study will be incorporated into new operating unit strategic plans and disseminated for development partners.

Training: By FY 2000, USAID will be managing its \$200 million training portfolio so as to maximize cost-effectiveness and results. The efforts will focus on making training programming easier, strengthening accountability for training results by sponsoring units, and enhancing monitoring and evaluation capacities for training. By FY 2000, USAID anticipates standardizing the use of Trailnet software for uniform planning, tracking and gauging the effectiveness of training inputs and outcomes. Further, "best practices" models to assist the local capacity-building of in-country training providers will be developed and deployed to most overseas missions, in support of cost-effective and high-quality training for results as practiced by local NGOs and other in-country entities. Finally, we anticipate a significant increase in the use of information technology and Distance Learning interactive techniques to strengthen the focus and impact of Agency-sponsored training in all venues (U.S., third country, and in-country).

Subsection IX.B.2 Strengthened Partnerships

Percentage of USAID-managed development assistance channeled through private voluntary organizations increased.

In FY 2000, USAID will continue to promote increased channeling of development assistance through PVOs by: (a) ongoing efforts to strengthen the USAID/PVO partnership; and (b) by holding bureaus and missions accountable for progress through the annual R4 and Bureau-Based Budget Review processes. At the end of FY 1997, 33.6% of the Agency's Development Assistance was managed by qualified PVOs. Based on past trends, it is expected that this percent will increase by the end of 2000.

Table IX.B.2 Assistance channeled through private voluntary organizations

USAID Management Goal: USAID remains a premier bilateral development agency.			
Indicators: Percent of USAID Development Assistance channeled through private voluntary organizations.			
Source: USAID calculations from procurement and financial information reports.			
Performance Goal 2: Level of USAID Development Assistance funding through PVOs increased.	YEAR	1997	2000
	PLANNED		>33.6%
	ACTUAL	33.6%	
Comment(s): For the purpose of this performance goal, qualified PVOs are defined as: (1) a U.S. PVO organized in the United States, but not necessarily registered with USAID; (2) A local PVO operating in the country under whose laws it is organized; (3) A third country PVO or international PVO not included in one of the two previous categories; and (4) private associations of persons joined together to achieve a common economic objective otherwise known as a cooperative development organization (CDO). This percentage is calculated as total funding for Development Assistance Programs, Child Survival and Disease Programs, International Disaster Assistance and other disaster funding divided into the sum total of USAID funding from these accounts for PVO programs including cooperatives.			

In conjunction with Vice President Gore's 1995 commitment to increase the percentage of funding for PVOs, USAID has increased the level from 30.5 percent in FY 1995 to 33.6 percent in FY 1997, and further intends to honor the commitment to the best of its ability given severe budget constraints.

Based on current performance, USAID's PVO partners have demonstrated excellent capacity to deliver high quality development programs to a large beneficiary base at reasonable costs. The PVOs have been especially effective in two of USAID's priority sectors -- child survival and micro-enterprise development. Current performance data indicates that PVOs have a comparative advantage in a number of development challenges. For example:

- P Providing services to under-served populations:** Health and child survival PVOs operating in areas with initial low immunization coverage, and in areas with low population density (e.g. rural Africa), have been particularly successful at increasing coverage rates. As service delivery coverage improves, and immunization coverage rates increase, programming trends indicate that the PVOs transform their focus and increasingly take on the more complex task of improving the quality of service rather than solely extending coverage. PVOs frequently demonstrate a capacity to transform and expand operational focus within or across sectors.

- P Building capacity of local NGO partners:** The PVOs are ideally positioned to develop and nurture the capacity of local organizations, NGOs and community groups to maintain community-based networks and to sustain the local delivery of services. This is critical for sustainable development. U.S. PVOs are shifting their role from direct delivery of services to building the technical and management capacity of their local partners. As USAID's field presence declines, it is envisioned that U.S. PVOs will play an even more crucial role in strengthening the capacity of local partners to delivery high quality services.
- P Strengthening of civil society:** The PVOs are in the forefront of civil society development because of their long-term commitment to the development of relationships with local counterparts, their strong community development focus, and their comparative advantage in working with local government in multiple sectors.

Inter-Agency Coordination:

Although USAID has the primary responsibility among USG agencies for working with developing countries to achieve sustainable development objectives, USG agencies such as State, USTR, Commerce, HHS, NSF, EPA, and Treasury that also address sustainable development concerns in foreign policy, international economic and trade policy, health and education policy or the environment. . Through various fora such as the NEC/NSC, Trade Promotion Coordinating Committee, the U.S. Trade Representative's Office, OSTP/NSTC, the OECD, the DAC, and the UN, USAID will continue to support domestic and international policies that are complementary and mutually reinforcing.. USAID will continue to focus on how USG foreign policy and international economic policies interrelate with bilateral assistance policies.

Inter-Agency Coordination of Strategy:

The recent adoption of the International Affairs Strategic Plan, and the simultaneous introduction of the Mission Performance Plans now required of all USG country teams, requires a revision of this sub-section of the USAID Annual Performance Plan. The International Affairs Strategic Plan (IASP) articulates the fundamental, overseas, national interests of the U.S. setting long range, five year goals intended to create a more secure, prosperous, and democratic world for the American people. USAID, with the State Department and other foreign affairs and domestic agencies, will continue to improve the management of US international affairs policy and resources, as articulated by the IASP. As efforts to help define country specific goals and objectives and measure performance, USAID will participate in the review and assessment of the submissions to the Mission Performance Plan in terms of policy, program and resource issues as relevant to the choice and conduct of USAID assistance programs, the international programs of other USG agencies and departments, and the assistance programs of other donors. A new performance indicator is under development: USAID performance goals at the Agency level, and USAID strategic objectives at the country level, are consistent with and supportive of the goals and strategies of the U.S. International Affairs Strategic Plan, and with Mission Performance Plans prepared by the USG country team.

Donor Coordination:

Improved donor coordination is essential to achieving U.S. foreign policy objectives in developing countries. With diminishing resources , increasing attention to sustainable results, and a broadening set of demands on assistance resources (including sustainable development, humanitarian assistance, conflict prevention and transition, and combatting global problems), a shared perspective on assistance priorities and a common commitment to program effectiveness among donors and development partners have become strategic necessities. Donors must seek new ways to share program and policy information, to effect a division of labor within common strategic frameworks, and to enter into results-based partnerships with host countries which are disciplined by clear performance standards -- effectively monitored. USAID has identified additional priorities for advancing donor coordination in the FY 2000 time frame and will begin to direct efforts in this direction in FY 99.

Efforts to enhance coordination on environmental programs: water management and enforcement of environmental legislation; improve support for Bosnian refugees and internally displaced persons; increase the donor support for micro-enterprise lending; advance a common framework to support of commercial legal reform; and improve donor policies to enhance civil society capacity are planned for Eastern Europe and the Newly Independent States.

Within the context of the Santiago Summit of the Americas efforts will be to harmonize priorities in the region -- especially education, micro-enterprise, and judicial and legislative reform; and enhance support for civil society. In Sub-Saharan Africa, increased strategic coordination with donors, emphasizing the Sector Investment Program approach, which will be demonstrated by the number of coordinated (or multi-donor/partner) programs in which we participate.

In addition, enhanced coordination with donors to mitigate the social effects of the Asian financial crisis; develop a donor strategy for engagement in "non-presence countries;" and engage donors and host countries on critical health and human rights issues: e.g. HIV/AIDS, child labor, trafficking will be undertaken in the Asian and Near East Asian Region.

Enhanced public-private cooperation under the US-EU New Transatlantic Agenda (NTA) and the US-Japan Common Agenda; and expansion of the International Forum on Capacity Building for Southern NGOs (IFGCB) will be a priority focus initiated in FY 99 and continued through FY 2000. Donor coordination efforts in specific worldwide Administration priorities, Global Climate Change Initiative and Emerging Infectious Disease Strategy will be key components planned for implementation beginning in FY 99. USAID will continue regional experiments in country donor coordination strategies; enhancing the capacity of the donors to respond to post-conflict transitions; engage the OECD/DAC in finding ways to assist emerging donors' programs; work with the OECD/DAC to reduce program rigidities that negatively impact effectiveness; develop a common donor framework on food security; correct defects in USG statistical reporting to the OECD/DAC; advance the OECD/DAC "partnership" strategy with other donors, host country government and civil society at the country level.

Improving Higher Education Partnerships

In recent years, many of the discussions within the Agency about higher education partnerships have focused on collaborative efforts that the Agency supports between U.S. and host-country institutions of higher education. These are important partnerships because through them the Agency is able to promote the increasing relevance of host country colleges and universities to development. By FY 2000, taking a catalytic approach, the Agency will be sharing models of innovative, Agency-sponsored partnerships in hopes that they are picked up and adopted widely. A study of the impacts of Agency-sponsored partnerships will be used to inform ongoing efforts. Just as importantly, by FY 2000 the partnerships between the Agency and the higher education community - especially the U.S. community - will increasingly depend on active ongoing consultation with the full array of community members. Consultation is a key step towards a renewed and evolved partnership. By FY 2000, the Agency should have new and re-activated means in place, at various levels and programming points, to consult and best adapt its planning and programming to the current realities and opportunities.

Subsection IX.B.3 Improved Policies

Policy analysis involves the synthesis of research, evaluation, implementation and other data into a clarification of issues, opportunities, strategies, and policies for future programs. USAID's policy analysis process includes annual reviews for each of the seven Agency goals and an agenda of more specific policy studies.

Policy Agenda:

USAID has, for the first time, developed a formal agenda of policy studies for FY 1999 and FY 2000. These studies will feed directly into the Agency's goal reviews and into related policy determinations and decisions. The policy agenda is a two year rolling agenda that will be updated annually. The current policy agenda includes development of humanitarian assistance/crisis prevention integrated strategic plan guidance to provide a framework for effective programming; development of a basic education policy reflecting recent evaluations and best practices; development of a food security policy statement to support the implementation of the World Food Summit action plan. Key policy studies to inform program performance include an assessment of potential impact of development goals that integrate key Agency goals. These analyses include identification of gender gaps and the impact of policy guidance on women's participation in society and in the economy; role of information technology in development strategies for health programs, natural resource issues as central to democracy and crisis prevention strategies. In addition, analysis of the effectiveness of key development approaches that support the attainment of Agency Goals in providing opportunities for sustainable partnerships and capturing innovation will inform strategic planning.

Goal Reviews

In FY 1998 PPC conducted the Agency's first comprehensive set of goal reviews for each of the seven Agency goals to assess the status of economic and social development worldwide, to review USAID's strategies for addressing the challenge, determine the effectiveness of the performance including systems for measuring and reporting performance. The results of the reviews are captured in this Performance Plan and in the analysis of our FY 1998 Performance Report informing both the Agency's evaluation and policy agendas. USAID plans to continue these annual goal reviews in FY 1999 and FY 2000, and to more closely link them to the Agency's broader programming processes.

As a result of these goal reviews, the Agency Strategic Plan will be revised beginning in FY 99 to capture specific changes including in the framework for Human Capacity Development through Education and Training and inclusion of an Infectious Disease Objective and strategy in Stabilization of World Population and Protection of Human Health. Revisions in other Goals are anticipated during this period. The reviews also concluded that key development goals, such as Food Security, Civil Society, and Gender are not adequately captured in the current Strategic Framework. Further, key development approaches including research, training, partnerships, and information technology that provide the sustained systems for leadership and performance but are not goals need to be effectively captured to ensure visibility, access, and accountability. These development approaches ensure that USAID continues to make the most effective interventions for program performance consistent with current and anticipated development challenges. Revisions to performance monitoring systems will be made to capture the results of these strategic investments.

Subsection IX.B.4 More Effective Performance Measurement & Evaluation

("Although this is USAID's FY 2000 Performance Plan, management improvements in general, and efforts to strengthen Agency learning in particular, have a shorter and more iterative planning horizon. This section therefore encompasses objectives and activities USAID that USAID is implementing in FY 1999 (and how they've evolved from our FY 1999 APP) as well as those planned for FY 2000.")

Over the past three years, USAID has implemented profound management changes aimed at enhancing the Agency's ability to manage for results. One important aspect of these reforms has been efforts to strengthen USAID's culture and capacity to learn from experience. In addition to creating a broader programming and budgeting system that better ties performance to all levels of organizational decision-making (discussed in a subsequent section), this includes a number of closely linked efforts to strengthen Agency-wide performance measurement, evaluation, and policy analysis, and to make this information more easily accessible to those who need it.

Improving the Quality of Performance Indicators and Data:

Efficient and effective performance monitoring is at the heart of the Results Act, and is the foundation upon which a successful system for managing for results must be based. USAID's therefore plans major initiatives aimed at improving the quality of performance indicators and data and increasing the efficiency and cost-effectiveness with which results are monitored. (Related efforts to strengthen and streamline operational decision-making and the R4 process are discussed in a subsequent section.)

In FY 1998, USAID's Inspector General conducted a wide-ranging assessment of the quality of operational-level performance indicators and data. While the IG noted USAID's leadership and substantial progress in collecting performance data and managing for results, the audits also raised important questions about the clarity and specificity of USAID's initial performance measurement guidance. USAID developed a new supplementary guidance on Quality Standards for Performance Measurement. This supplementary guidance will be in effect for FY 1999, and will be assessed, revised as appropriate, and incorporated as formal policy in USAID's Automated Directives System in FY 2000.

The IG (and to a lesser extent OMB, the GAO, and Congressional stake holders) have also emphasized the need to continuously improve the quality and consistency of USAID's operational-level performance indicators, to assure that these indicators represent valid and reliable measures of results, to better track the direct outcomes of key Administration and Congressional initiatives, and to enhance USAID's ability to compare results and to link them to larger Agency goals and objectives. In this regard, USAID's Bureau for Policy and Program Coordination and the Global Bureau have and will continue to review and develop appropriate indicators for each of the Agency's goal areas.

At the same time that USAID is striving to improve the quality of our performance measurement, we are clearly cognizant of the risks that performance monitoring can become overly bureaucratic, elaborate, and costly. Many of our missions may already be spending too much time, collecting too much data, on too many indicators, for too little purpose. Our partners in the PVO and NGO community are becoming concerned that, in some cases, too much performance monitoring is undercutting our ability to do development. While good performance monitoring is at the core of managing for results, it cannot provide information on all things for all people. Indicators should be few and well chosen. Their primary purpose is to provide timely and cost-effective signals about whether program are on or off track, so that more in-depth analysis, evaluation, and management attention can be effectively targeted. In FY 1998, USAID provided clear guidance to operating units that performance measurement must reflect common-sense by being as clear, simple, and as parsimonious as possible. The need to increase the efficiency and cost effectiveness of performance monitoring will one of the themes of USAID's World-wide Mission Directors Conference in early FY 1999. This will be reflected in additional guidance, outreach, and training activities in FY 1999 and FY 2000.

Assessing the Status of Operational Evaluations:

USAID's approach to managing for results places great emphasis on evaluation as a basis for understanding performance monitoring data, reaching judgments about what works and what doesn't, and taking action. Evaluation, in other words, provides an essential basis for decision-making both at the operational level and for the Agency as a whole. Under USAID's new operations policies every staff member is responsible for "managing for results" -- for developing explicit objectives and strategies; for selecting appropriate performance indicators and data; and for gaining a thorough understanding, based on evaluations, of why performance is good or bad. However, while the new operations policies strengthened managers' evaluation responsibility, they made requirements far more flexible, emphasizing informal as well as formal evaluations, as needed. As a result, the number of operational level evaluation reports received in Washington has dropped substantially over the past two to three years, and GAO, OMB, and the IG have all asked about the status and quality of evaluations in the field. To address these questions, and our own concerns, in FY 1999 the Bureau for Policy and Program Coordination will conduct an intensive assessment of the status of operational evaluations. This will provide the basis for additional policy, guidance, or training in FY 2000.

Agency Evaluation Agenda:

Each year, USAID updates an agenda of Agency-wide evaluation studies conducted by the Center for Development Information and Evaluation. These central evaluations address performance issues that cut across more than one Agency goal area, are highly visible or controversial, on which there are substantial internal differences of opinion, or for which an independent and disinterested assessment is otherwise desired. The findings and lessons learned from these evaluations are disseminated widely within to USAID staff, partners, and the broader development community, and are often directly translated into new policies and practices.

Central evaluations completed in FY 1998 include studies of Democratic Local Governance, Food Aid, Post Conflict Electoral Assistance, Graduation Strategies, Reengineering Reforms, and Girls' Education. Findings from these evaluations are reflected in USAID's FY 1998 APR and in this APP.

Our current agenda evaluations to be completed in FY 1999 and FY 2000 includes ongoing studies of Emergency Assistance, Post-Conflict Reconciliation, Capital Markets, Enterprise Funds, Cross-sectoral Impacts of Democracy and Governance Programs, and a Poverty Assessment; and new studies of Urban and Industrial Pollution, Maternal Morbidity, Women in Post-Conflict Reconstruction, Durable Partnerships, Financial Services for the Poor, and the Status of Operational Evaluations in USAID. The findings from these evaluations will be reflected in future performance plans and reports.

Creating Performance Information Databases:

In FY 1997, USAID assembled a Performance Monitoring and Analysis database of operational level results from R4s to support analysis in preparing our annual performance report and again in FY 1998. In FY 1998, USAID also created a database of data for USAID's Agency performance goals. In FY 1999 and FY 2000, USAID plans to make these databases directly accessible to staff and to integrate them, as fully as possible, into newly developed corporate information systems (see separate section).

Improving Access to Development Experience Information

For effective learning, lessons from policy analysis and evaluation must be widely available and easily accessible. For the past 20 years, USAID has lead the donor community in disseminating its development experience information throughout the Agency and sharing it with the broader development community.

USAID has long had an extensive program of evaluation publications, newsletters, as well as Research and Reference Services and Economic and Social Data Services that respond directly to user requests. More recently, USAID has also greatly expanded access to this information through direct electronic dissemination and widely acclaimed web pages. In FY 1999 and FY 2000 USAID will substantially expand its capabilities to disseminate policy guidance and analyses as well.

But simply making development information available is not enough; users need to know how to get the information they need and how to use it. Over the past few years, USAID has therefore begun a more pro-active effort to enhance users capabilities to obtain and use development information effectively. This has included numerous workshops on internet access and managing for results and the development of a formal Agency training course, Reaching 4 Results, piloted late in FY 1998. This formal training will be widely implemented in the field during FY 1999 and FY 2000, along with related workshops and an expanded program of technical assistance.

Section IX.C Performance Goal 2: Management and Delivery of Development Assistance Resources Improved

The Agency's management reforms play a critical role in the achievement of its sustainable development goals. The objective of these reforms is to make USAID more responsive, efficient and effective in the delivery of development assistance resources. In FY 1999 and FY 2000, USAID will continue efforts to better manage human resources, expand the use of performance measures in assistance and acquisition instruments, improve financial management

operations, progress toward an integrated management information system and allocate resources informed by performance.

Subsection IX.C.1 More Effective Operational Decision-Making

Operations Governance

In late 1993, USAID undertook to "reengineer" its operating system--the processes for planning, approving, and carrying out its work and for monitoring and evaluating the results--as well as the supporting management and information systems. The new operating system, set forth in three core chapters of streamlined directives (Automated Directives System) that replaced lengthy handbooks, has been official Agency procedure since October 1995. These new core directives were constructed on minimalist principles--that is, that binding directives should be few, and that staff should be given considerable latitude for how to meet requirements. In practice, therefore, innovation has nourished this "reinvention" in the Agency's far-flung overseas missions and its Washington bureaus and offices.

Under the new system, program operations are to be oriented toward **results**, rather than on tracking inputs and outputs, so as to eliminate paperwork and other steps that do not contribute to the achievement of the objectives. The perspectives of the end-users ("**customers**") of USAID's programs and other stake holders are to inform how activities are designed, carried out and evaluated, so as to ensure that the intended results are valued and sustained in the host country. **Teamwork** among USAID staff, partners, and customers is to overcome many of the delays and reversals typical of bureaucratic, sequential decision making. Finally, teams are to have the necessary authority ("**empowerment**") to work for the results for which they are accountable, adjusting the particular activities and approaches as necessary.

In early 1998, USAID conducted a first assessment of progress toward the intended results of the reforms. This "stock-taking" measured staff and partner perceptions of how well Agency operations had actually been reoriented toward the four principles described above. It also gathered useful critiques and recommendations to management for improving the effectiveness of program operations. The assessment, which used an extensive staff survey as well as focus groups, a partner survey, and other tools, found that staff believe that an increased emphasis on results has had a positive influence on how the Agency plans and carries out its program. For example, 87% of survey respondents rated the "results framework" as an effective tool. Responses on a four-point scale to a series of questions about staff and team empowerment and accountability showed only mild agreement that "empowered staff and teams (are) accountable for results"; while on average responses concerning the degree to which development needs are addressed through customers and partners were more strongly positive. The usefulness of various tools and approaches received widely varying scores, with the highest going to electronic communications and the lowest to the Agency's troubled management information system (NMS). All together, the quantitative measures encompassed by the stocktaking survey constitute a useful baseline against which to track future progress toward the intended benefits of the Agency's reformed operating system.

The approximately 600 participants in the stocktaking made clear that strong leadership--whether at the level of a field mission or in USAID/Washington--was the most crucial factor for the success of the reformed operating system. Staff and partners also emphasized the need for clearer, more consistent guidance on matters of operational policy and procedures, and for an organizational focal point in Washington to ensure resolution of issues arising in practice and to enable the Agency to learn from its experience with the program operations. To that end, in April 1998 the Bureaus for Policy and Program Coordination and for Management established a collaborative staff mechanism--the Operation Governance Team--to frame and prioritize such issues and ensure their resolution. Meanwhile, the Management Council, also established in early 1998, facilitates more effective senior decision-making on controversial or complex matters (such as work force allocations and changes in procurement procedures, for which recommendations were developed over the past year by two Agency-wide task forces).

Among the operations-related issues of highest priority for FY 1999 is to streamline the Agency's procedures for performance monitoring and reporting, an area of operations management that has generated excessive time burdens on staff and partners and may be adversely affecting the desired flexibility and responsiveness of Agency programs. In addition, revised personnel promotion precepts that are now in draft include management of program performance as a value that has to be reported upon. If these precepts are approved, and if programs under a manager's care encounter problems, the manager's response to these problems would be reported.

In FY 1999 USAID will be addressing an increasingly complex burden of change processes affecting its operations and the administrative and information systems supporting operations. While some change processes are rooted in the Agency's own "reinvention" efforts, others are driven by external requirements. For the former, demands include finding affordable ways to meet major needs for staff and partner training in areas such as teamwork with partners. Among the externally-driven change processes, particularly demanding are to avoid computer-related disruptions at the year 2000 and to meet the requirements of the Federal Financial Management Improvement Act of 1996. To ensure the timely accomplishment of critical reform objectives and external requirements, while managing the demands that these change processes place on scarce staff time and financial resources, AA/PPC and AA/M will in FY 1999 jointly develop and lead the implementation of an Agency-wide plan for the next two years. The plan will include the objectives, the necessary measures to achieve the objectives, and a realistic time frame, budget and assignments to carry it out.

A two-year USAID Reform Plan is still in the draft stage. This plan itemizes all tangible improvements planned in our operations, and responds to feedback collected from field Mission Directors worldwide. When finalized and approved, this will be a corporate plan endorsed and supported by the heads of all USAID bureaus. The plan provides the structure for consulting with and reporting to the Hill, OMB, and State on USAID reforms.

Subsection IX.C.2 More Effective Human Resources Management

Budget constraints will require that USAID reduce its U.S. direct-hire work force. A dynamic work force planning process will be used to ensure the correct composition of staff to fill critical positions and maintain vital overseas staffing. During FY 1998, a task force formed to look at work force planning issues recommended that the Agency preserve overseas staffing levels, trim USAID/Washington staff through attrition, increase funding for staff training and explore alternative ways for managing overseas missions.

The composition of the Agency's USDH work force will be assessed annually. A combination of normal attrition and selective recruitment will be necessary to ensure that the Foreign Service staffing levels are met. Since normal attrition may not be sufficient to reach the Civil Service targets, hiring will be very constrained.

USAID will implement an enhanced training program focussed on senior leadership and program operations beginning in FY 1999. This initiative will provide USAID staff with the knowledge and skills necessary to manage for results.

Subsection IX.C.3 More Effective Acquisition & Assistance

Contracts, grants and cooperative agreements are the major ways through which USAID translates its development objectives into performance. The Agency has been a part of an overall federal effort to utilize performance-based contracting and other innovative contracting techniques. USAID will further broaden the use of performance-based contracts and results-oriented assistance instruments to enhance the delivery of development assistance and support the accomplishment of measurable program results. By FY 2000, USAID expects that 66% of the major program contracts and grants will be related to performance. Cross-functional training, additional guidance and an exchange of best practices will facilitate the achievement of this target.

Subsection IX.C.4 More Effective Financial Management

The lack of a single-integrated financial management system has been identified as a material weakness for the Agency. The correction of this weakness is dependent on the development and full implementation of a new core accounting system. During FY 1998, an independent review of the Agency's New Management System (NMS) confirmed that significant improvements are needed in the financial module of NMS and recommended that alternatives be considered to meet the financial management needs. The Agency has decided that the least cost, lowest risk approach to fulfill the financial management system requirements is through the use of a commercial off-the-shelf (COTS) core accounting system, possibly combined with cross-servicing and out-sourcing of some operational areas.

The Agency will complete a business process improvement analysis during FY 1998 and define functional requirements for the accounting system early in FY 1999. By FY 2000, USAID expects to implement the new accounting system in USAID/Washington followed by implementation in the field in FY 2001.

The Agency established a credit management improvement action plan which outlines a number of actions to correct problems with the management of credit resources. Agreement was reached with the Office of Management and Budget (OMB) on milestones for completing the actions. A critical element in the action plan is the out-sourcing of loan servicing. Full out-sourcing of the function to a private firm is planned for FY 1999. Once this milestone has been achieved, OMB is expected to certify that the agency has established an effective credit management system, which will then permit the agency to exercise its new authority to transfer appropriated funds to the new Development Credit Authority. This authority will significantly expand USAID's ability to leverage private sector resources in support of its sustainable development objectives. USAID expects to migrate the loan general ledger balances to the new accounting system in FY 2000.

Subsection IX.C.5 More Effective Information Resources Management

The financial management system interfaces with three additional NMS modules--Acquisitions & Assistance, Budget, and Operations. This interface will be reengineered to ensure uninterrupted Year 2000 (Y2K) operations and compliance with applicable statutes, regulations, and guidance. Business process improvements will lead to replacing outdated procedures to enhance the availability and continuity of program and performance data. With the changing technology and increasing availability of out-sourcing to private firms and cross-servicing to other federal agencies, the Agency will choose the most viable alternative for each module. Other COTS-based solutions will be acquired to address outstanding property management and human resources management requirements. Each module will be developed in ways that ensure effective integration of corporate information. The success of these efforts will be measured by their deployment in accordance with the NMS implementation plan and the delivery of the financial management module in USAID headquarters by FY 2000.

By the beginning of FY 2000, USAID will have completed the work to assure that all "Mission Critical" systems and their supporting infrastructure, including desk tops, telecommunications facilities and server platforms will operate in the new millennium. If necessary, the Agency will undertake emergency remediation of those mission critical information resources and be prepared to implement, continuity of operations plans for any essential functions which might otherwise be disrupted. In addition, during FY 2000, USAID will complete remediation of approximately 14 corporate application systems it previously identified as "Not Mission Critical." The Y2K program will continue to receive highest priority for allocation of information management resources; USAID will continue to adjust other resources as needed to support this effort.

While assuring ongoing operations, the information technology (IT) management program will continue to improve IT performance and compliance. Strategic planning, capital budgeting, selection and processes will be expanded to encompass all IT investments used and controlled by USAID. The use of government-wide and performance-based contracting instruments will be expanded to include the acquisition of property management and human resource systems. Electronic data interchange (EDI) technology will be applied to reduce information collection burdens and improve data dissemination. The confidentiality, integrity and availability of data will be improved with enhanced information security management and reporting. Inter-agency participation will be expanded to prevent duplication of efforts and capitalize on government-wide best-practices.

Results to be achieved in FY 2000 in the area of information resources management will include: (a) improving the supervision of the development and delivery of information systems; (b) increasing responsibility and accountability of government employees for systems that work and accomplish the Agency's strategic goals; and (c) ensuring Government investments in IT are wisely selected and managed.

Table IX.C.3 Performance measures

Performance Indicator	FY 1998 Baseline	FY 1999 Target	FY 2000 Projected
Performance-based instruments awarded	165	200	250
Percentage of Targets in Agency Reform Plan Met	0%	50%	80%
Agency's Two Year Reform Plan Finalized and Approved	No	Yes	
Data Sources for Verification and Validation: NMS reports on procurement activity			

APPENDIX A: FY 2000 Bureau DA Sector Breakdown

	AFR	ANE	LAC	GLOBAL	BHR	PPC	OTHER	TOTAL
EG	235,160	61,320	70,708	44,825	41,800	2,507	4,000*	460,320
HCD	101,750	5,500	22,742	15,465	1,720	503		147,680
PHN	237,643	168,926	111,840	256,480	22,683	2,428		800,000
ENV	98,900	66,800	63,388	57,227	2,700	985		290,000
DEM	71,550	20,765	40,600	15,720	530	835		150,000
TOTAL	745,003	323,311	309,278	389,717	69,433	7,258	4,000*	1,848,000

* Other DA includes 2.5m for IFAD and 1.5m for Central IT Support.

FY 2000 ESF, SEED and NIS BY BUREAU

	AFR	ANE	LAC	ENI	OTHER	TOTAL
ESF	73,000	2,069,900	160,500	44,600	41,000*	2,389,000
SEED				393,000		393,000
NIS				1,032,000		1,032,000

* Other ESF includes \$10m for Human Rights and Democracy, \$11m for Holocaust Victims Trust Fund, \$5m for No Sweat Initiative, and \$15m for Environmental Diplomacy.

APPENDIX B Assisted Countries Included in Benchmarks Calculations

COUNTRY	STATUS	TOTAL USAID REQUEST FY 1999	ASSISTANCE IN THOUSANDS PER CAPITA
Chad	Title II Only	538	0.80
Mauritania	Title II Only	713	0.31
Cote d'Ivoire	Title II Only	963	0.07
Sri Lanka	APP Country	1,500	0.08
Gambia	Title II Only	1,978	1.72
Slovak Republic	APP Country	2,000	0.37
Zimbabwe	APP Country	2,050	0.18
Lithuania	APP Country	2,200	0.59
Guyana	APP Country	2,300	2.74
Somalia	APP Country	2,700	0.28
Cape Verde	Title II Only	2,805	7.21
Turkey	APP Country	4,000	0.06
Paraguay	APP Country	4,525	0.91
Panama	APP Country	4,850	1.81
Mongolia	APP Country	6,000	2.38
Mexico	APP Country	6,332	0.07
Nigeria	APP Country	7,000	0.06
Namibia	APP Country	8,650	5.46
Dominican Republic	APP Country	8,824	1.11
Rwanda	APP Country	9,500	1.41
Croatia	APP Country	10,000	2.10
Burkina Faso	Title II Only	10,521	0.99
Brazil	APP Country	10,617	0.07
Jamaica	APP Country	10,896	4.28
Belarus	APP Country	11,300	1.10
Morocco	APP Country	11,781	0.44
Lebanon	APP Country	12,000	2.94

COUNTRY	STATUS	TOTAL USAID REQUEST FY 1999	ASSISTANCE IN THOUSANDS PER CAPITA
Ecuador	APP Country	12,305	1.05
Liberia	APP Country	12,500	4.45
Angola	APP Country	15,000	1.35
Cyprus	APP Country	15,000	20.27
Turkmenistan	APP Country	15,000	3.26
Yugoslavia	APP Country	15,000	1.42
Macedonia FYR	APP Country	16,000	8.08
Eritrea	APP Country	16,956	4.58
Benin	APP Country	17,502	3.11
Guinea	APP Country	17,614	2.61
Tajikistan	APP Country	18,750	3.16
Zambia	APP Country	19,250	2.09
Ireland	APP Country	19,600	5.41
Cambodia	APP Country	20,000	1.95
Poland	APP Country	20,000	0.52
Tanzania	APP Country	21,650	0.71
Madagascar	APP Country	22,441	1.64
Senegal	APP Country	24,526	2.87
Nicaragua	APP Country	24,902	5.53
Nepal	APP Country	26,260	1.19
Honduras	APP Country	26,288	4.31
Kenya	APP Country	27,528	1.01
Congo (Kinshasa)	APP Country	28,000	0.62
Kyrgyzstan	APP Country	29,000	6.34
Bulgaria	APP Country	30,000	3.59
Mali	APP Country	31,009	3.10
El Salvador	APP Country	31,328	5.39
Azerbaijan	APP Country	31,500	4.16
Uzbekistan	APP Country	32,050	1.38

COUNTRY	STATUS	TOTAL USAID REQUEST FY 1999	ASSISTANCE IN THOUSANDS PER CAPITA
Malawi	APP Country	32,461	3.24
Moldova	APP Country	35,500	8.20
Romania	APP Country	36,000	1.59
Indonesia	APP Country	38,369	0.19
Albania	APP Country	45,000	13.69
Kazakhstan	APP Country	46,000	2.79
South Africa	APP Country	50,531	1.34
Ghana	APP Country	51,609	2.95
Philippines	APP Country	52,325	0.73
Uganda	APP Country	53,584	2.71
Bolivia	APP Country	58,140	7.66
Guatemala	APP Country	59,390	5.43
Mozambique	APP Country	66,000	3.66
Ethiopia	APP Country	78,529	1.35
Armenia	APP Country	80,000	21.20
Georgia	APP Country	80,700	14.91
Peru	APP Country	84,054	3.46
Bangladesh	APP Country	84,630	0.70
West Bank/Gaza	APP Country	100,000	43.88
India	APP Country	148,252	0.16
Jordan	APP Country	150,000	34.79
Haiti	APP Country	170,000	23.17
Ukraine	APP Country	223,500	4.41
Bosnia	APP Country	225,000	
Russia	APP Country	225,400	1.53
Egypt	APP Country	815,000	13.75
Israel	APP Country	1,200,000	210.82

APPENDIX C Methodology Notes

Section C.1 General Notes

Subsection C.1.A Selection of countries for APP analysis.

- A.1 Selection starts with all USAID-funded countries listed in the Congressional Presentation table for FY 1999 Request (this includes 83 countries). This initial selection excluded countries listed only under regional or central programs (for example, Cuba receives assistance under the Latin America & the Caribbean regional program and included in the list of countries).
- A.2 The selection process then excluded countries with only PL480 Title II funding (6 countries).
- A.3 Some agency goals excluded additional countries (see individual goal sections below).
- A.4 Some performance goals qualifiers excluded additional countries (for example the use of modifier "advanced countries" excludes all low income countries).
- A.4 On an indicator-by-indicator basis countries with missing data excluded from summary statistics. See indicator tables below.

Subsection C.1.B Terms

Performance Indicator: A particular characteristic or dimension used to measure intended changes defined by an organizational unit's results framework. Performance indicators are used to observe progress and to measure actual results compared to expected results. Performance indicators serve to answer "how" or "whether" a unit is progressing towards its objective, rather than why/why not such progress is being made. Quantitative indicators that are objective and measurable (numeric values, percentages, scores and indices) are preferred in most cases, although in certain circumstances qualitative indicators are appropriate. (ADS)

Baseline: The most recent year for this indicator during USAID strategic planning year, 1997. Most indicators will have a lag. It is expected that any lag will remain constant through the strategic planning period. Therefore, when we report in 2007 the data will lag by the same amount as the baseline, i.e. by 2 years.

Performance Baseline: The value of a performance indicator at the beginning of a planning and/or performance period. A performance baseline is the point used for comparison when measuring progress toward a specific result or objective. Ideally, a performance baseline will be the value of a performance indicator just prior to the implementation of the activity or activities identified as supporting the objective which the indicator is meant to measure, however, because many USAID programs were on-going prior to establishment of the baseline, this is not applicable. (ADS)

Benchmark: The figures published in the previous APP supplied by Agency review processes.

Performance Goal: The figures published in the Agency Strategic Plan. Many of these were taken from the DAC goals. Most performance goals are tied to the Year 2007.

Expected Performance Target: The specific and intended result to be achieved within an explicit time frame and against which actual results are compared and assessed. A performance target is to be defined for each performance indicator. In addition to final targets, interim targets also may be defined. (ADS)

Section C: Goal 1: Economic Growth and Agricultural Development

Subsection C.2.A. Selection of countries for APP analysis.

Individual indicator restrictions are dependent on the language of the performance goal.

Growth of per capita income. **Overall 72 countries:** Sub-Saharan Africa with 18, Asia, Near East & North Africa with 14, Europe & former Soviet Union with 25, and Latin America & the Caribbean with 15. Data unavailable for Bosnia, West Bank/Gaza, and former Yugoslavia.

Agriculture and population. Excludes all non-low income countries. **Overall 35 countries:** Sub-Saharan Africa with 16; Asia, Near East & North Africa with 6; Europe & former Soviet Union with 9; and Latin America & the Caribbean with 4. Low income is defined as having less than \$785 GNP per capita. Data are unavailable for Tanzania, Eritrea, Haiti, and six of the nine ENI countries.

Poverty. **Overall 72 countries:** Sub-Saharan Africa with 18, Asia, Near East & North Africa with 14, Europe & former Soviet Union with 25, and Latin America & the Caribbean with 15. Data unavailable for Bosnia, West Bank/Gaza, and Former Yugoslavia.

Private markets. **Overall 72 countries:** Sub-Saharan Africa with 18, Asia, Near East & North Africa with 14, Europe & former Soviet Union with 25, and Latin America & the Caribbean with 15. By and large these data are available for most but not all of the countries in Africa, ANE, and LAC. Data for ENI are less complete, particularly where trade is concerned.

Foreign aid. Excludes all low-income countries. **Overall 36 countries:** Sub-Saharan Africa with 2, Asia, Near East & North Africa with 8, Europe & former Soviet Union with 16, and Latin America & the Caribbean with 10. Advanced developing countries are defined as having greater than \$1,000 GNP per capita for developing countries. For Europe & former Soviet Union, the issues of "advanced" status and the expected trajectory of aid dependence are not straightforward.

Table C.2.1 Number of countries with data by indicator, Goal 1

	Total	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
1. GDP per capita	69	18	13	23	15
2. Agriculture and population (low-income countries)	26	14	6	3	3
3. Poverty	69	18	13	23	15
4a. Economic freedom	62	17	13	17	15
4b. Direct foreign investment	66	15	13	23*	15
4c. Trade	46	16	10	6	14
5. Reliance on aid (middle-income countries)	33	2	7	10	14

*Data incomplete -- assessments made by the analyst

Subsection C.2.B Summary Statistics Used for Analysis.

- B.1 Number of countries out of a total number of countries for which we have data by region.
- B.2 Percent of countries from the total number of countries for which we have data by region.
- B.3 Names of countries.
- B.4 Additional statistics.
 - A.4.1 Growth of per capita income. Lists countries reaching higher than benchmark levels.
 - A.4.2 Trade/DFI. Weighted and unweighted average growth rates for exports and imports. Regional totals for DFI.
 - A.4.3 Foreign aid. Individual country values given.

Subsection C.2.C Calculations Used for the APP Analysis.

- C.1 Country values were compared against numeric values from the Agency strategic plan. Countries were categorized as (1) meeting or surpassing, (2) falling short of the benchmark, and (3) missing sufficient information to assess.

C.2 Comparisons are made relative to a baseline (except for the few Europe & former Soviet Union cases where no baseline was available) and relative to the targets in the FY 99 APP.

C.3 Individual indicators.

GDP per capita average annual growth rate: GDP (constant prices) growth rates for 1994-1997 was compared with population growth rates for 1994-1997. The geometric mean of the 1994-1997 growth rates was used for GDP growth rates and the population growth rates, which is equivalent to calculating the growth rates based on the end points. Per capita growth rates were calculated by dividing, e.g. for 5 per cent GDP growth and 3 per cent population growth, dividing 1.05 by 1.03.

Difference between average annual growth rate of agriculture and average annual growth rate of population: Growth rates for agriculture and population were calculated for 1994-1996. The rate was the geometric mean, calculated as above.

Percent of the population in poverty: This indicator is not used due to lack of regular updates. Instead, GDP per capita growth rates are presented. This is the same indicator as C.2.1 but with region specific benchmarks based on IBRD estimates of the growth rates required to reach the DAC poverty target. (See table for specific benchmarks, based on World Development Indicators 1998.) The use of growth data as an indicator of success in reducing poverty is justified by reference to World Bank and USAID research and analysis indicating a close relationship between the rate of growth and the rate of poverty reduction.

Economic freedom index: This indicator is based on scores published annually since 1995 by the Heritage Foundation. The baseline is the average score for 1995-1996 (in cases where there was no score for 1995, the baseline is the score for 1996; in cases where neither is available, the baseline is 1997 if available). These are compared with the most recent (1998) score.

Average annual net direct foreign investment: This indicator is measured against baseline values. The baseline is the average value for 1991/92. The most recent value is 1995/1996. This indicator uses two year moving averages because of the volatility of direct foreign investment flows.

Average annual growth rate of imports and exports of goods and services, in constant prices: This indicator is measured against baseline values. The baseline is 1992. The most recent value is 1996. Performance goals in the FY 99 APP were couched in terms of percentages of countries with increased trade for Sub-Saharan Africa and Europe & former Soviet Union; and in terms of rates of increase of imports and exports for Asia, Near East & North Africa and Latin America & the Caribbean (where trade increased for most countries. To achieve more uniform treatment of regions, the FY 2000 APP reports both percentages of countries with increases in total trade (exports plus imports) and average annual rates of increase for both imports and exports. However, data for Europe & former Soviet Union are still too sparse to allow systematic reporting.

Aid as a percent of GNP: The baseline is the average annual figure for 1991-92. The most recent value is the average annual figure for 1995-96.

Section C.3 Goal 2, Democracy and Governance

Subsection C.3.A Selection of countries for APP Analysis.

A.1 Selection restricted to countries with USAID programs related to Agency goal 2.

Table C.3.1 Number of countries with data by indicator, Goal 2

	Total	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
1. Freedom Index	64	21	10	20	13
2. Political Rights	64	21	10	20	13
3. Civil Liberties	64	21	10	20	13

Subsection C.3.B. Summary statistics used for APP analysis.

B.1 Number of countries at each level of freedom.

B.2 Unweighted averages of countries for which we have data by region.

Subsection C.3.C Calculations used for the APP analysis.

C.1 Unweighted arithmetic averages. All countries with data having an equal weight.

Section C.4 Goal 3, Education

Subsection C.4.A Selection of countries for APP Analysis.

A.1 Selection for this goal area followed the general rules.

Table C.4.1 Number of countries with data by indicator, Goal 3

	Total	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
1. Net primary enrollment ratio	41	13	7	11	10
2. Gender equity ratio	28	7	3	11	7
3. Inter-institutional partnerships	na	na	na	na	na

Subsection C.4.B. Summary statistics used for APP analysis.

- B.1 Number of countries out of a total number of countries for which we have data by region.
- B.2 Percent of countries from the total number of countries for which we have data by region.
- B.3 Names of countries.

Subsection C.4.C Calculations used for the APP analysis.

- C.1 Comparisons are made relative to a baseline.

Section C.5 Goal 4, Population and Health

Subsection D.3.A. Selection of countries for APP analysis.

- A.1 Selection for this goal area followed the general rules.

Table C.2.5 Number of countries with data by indicator, Goal 4

	Total	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
1. Total fertility rate	78	24	15	24	15
2. Under 5 mortality rate	79	24	15	25	15
3. Births with a skilled medical attendant	59	22	13	9	15
4. Deaths from infectious diseases	na	na	na	na	na
5. Reported condom use in casual relations	20	8	7	1	4

B. Summary statistics used for APP analysis.

- B.1 Weighted averages of countries for which we have data by region.

- B.2 Total amounts for area indicators of countries for which we have data by region.

C. Calculations used for the APP analysis.

- C.1 Weighted arithmetic averages of all countries with data as noted in each table.

- C.2 Comparisons are made relative to a baseline. Best available data is used.

Section C.6 Goal 5 Environment Methodology Notes

Subsection C.6.A Selection of countries for APP Analysis.

- A.1 Selection for this goal area was restricted to countries in transition. See list in main body of the APP report.

Table C.6.1 Number of countries with data by indicator, Goal 5

	Total	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
1. Host government commitment	na	na	na	na	na
2. Conservation of biologically significant habitat	71	20	13	24	14
3. Carbon dioxide emissions	60	18	12	16	14
4a. Access to safe water	44	19	9	3	13
4b. Access to sanitation services	53	18	8	14	13
5. GDP per unit of energy use	63	18	12	18	15
6. Forests	71	20	13	24	14

Subsection C.6.B. Summary statistics used for APP analysis.

- B.1 Unweighted averages of countries for which we have data by region.
- B.2 Total amounts for area indicators of countries for which we have data by region.

Subsection C.6.C Calculations used for the APP analysis.

- C.1 Unweighted arithmetic averages. All countries with data having an equal weight.
- C.2 Comparisons are made relative to a baseline.
- C.3 Individual indicators.
- C.3.1 Host government commitment uses an index. See main body of the report for the methodology.
- C.3.2 Access to safe water and access to sanitation services were limited to 100% per country in benchmark years.
- C.3.3 Deforestation. Countries with a baseline of zero change were given country benchmarks of zero. Countries with negative values were given benchmark values that approach zero. Countries with positive values were given benchmarks values that increased away from zero.

Section C.7 Goal 6, Humanitarian Assistance

Subsection C.6.A Selection of countries for APP Analysis.

A.1 Selection for this goal area followed the general rules.

Table C.7.1 Number of countries with data by indicator, Goal 6

	Total	Sub-Saharan Africa	Asia, Near East & North Africa	Europe & former Soviet Union	Latin America & the Caribbean
1. Crude mortality rate	N/A	N/A	N/A	N/A	N/A
2. Nutritional status of children	N/A	N/A	N/A	N/A	N/A
3. Conditions improved	N/A	N/A	N/A	N/A	N/A
4. Freedom Index	19	6	4	5	4

Subsection C.7.B. Summary statistics used for APP analysis.

- B.1 Unweighted averages of countries for which we have data by region.
- B.2 Number of countries out of a total number of countries for which we have data by region.
- B.3 Percent of countries from the total number of countries for which we have data by region.

Subsection C.7.C Calculations used for the APP analysis.

- C.1 Unweighted arithmetic averages. All countries with data having an equal weight.
- C.2 Comparisons are made relative to a baseline.