

United States

Agency for International Development

2003

Agency Performance Plan

Note: This APP will also be applied to FY 2002

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I. Mission Statement

The U.S. Agency for International Development (USAID) contributes 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.

II. Program Overview

In the aftermath of September 11, 2001, the goal of a peaceful, stable world order has assumed even greater importance to U.S. foreign policy. With the heightened threat of terrorism comes the necessity to move states toward more effective, accountable, legitimate and democratic governance. The global focus on terrorism brings opportunities to advance the rule of law and economic prosperity, and to help countries develop a stake in global integration and stability.

Even before September 11, 2001, the United States' interests in the developing world had changed, becoming more pressing and significant to American economic and security interests. We had moved from an era dominated by Cold War politics and issues of containment to one where globalization and the challenges of terrorism and world economic growth increasingly occupy our agenda. The challenges of this new era center on promoting good governance and managing conflict across the globe, as well as erasing illiteracy and stemming the spread of infectious disease. At this time in history, U.S. foreign policy interests are predicated not only on traditional security concerns, but also on maintaining a liberalized international economic system and democratic capitalism as the preferred model of governance.

For the past 54 years, the United States has sought—with substantial success—to better the lives of the world's poorest citizens. Yet as the forces of globalization bring the world closer together, the problems of the developing world from a national and economic security perspective become more acute. In an address to the World Bank last summer, President Bush laid out three national security goals for the United States:

- Pursue policies with allies to keep the peace and promote prosperity
- Ignite a new era of global economic growth through a world trading system that is dramatically more free and open
- Work in partnership with developing countries to remove obstacles to economic growth, helping them fight illiteracy, disease, and unsustainable debt

At a time when a large measure of public resources must necessarily be directed toward immediate security concerns, a well-focused and economical foreign assistance program will help anchor the longer term future that our diplomacy and military action have delivered but not yet secured.

Working in developing and transition countries, USAID programs and staff contribute directly to the President's goals by:

- Promoting economic development and trade, and fighting hunger and poverty, to achieve greater prosperity and sustainable management of the world's natural resources
- Improving health, especially by addressing the devastating effects of HIV/AIDS and other infectious diseases
- Strengthening the quality of democratic governance and reducing the sources of conflict
- Responding to international disasters and delivering humanitarian assistance to countries facing crisis

The ultimate success of these efforts depends on connecting developing countries to the global economy, where they can benefit from market-driven capital flows far in excess of those the donor community can provide. Private capital flows to the developing world have reached a point where they total nearly six times the amount of all official assistance.

In response, USAID is increasing efforts to promote good governance, fight corruption, and prevent conflict. We are increasing funding to fight HIV/AIDS, a disease that attacks the most productive segments of society, the nascent middle class, and particularly the teachers, health care workers, and public servants of developing countries. We are launching an initiative in Africa to cut hunger through agricultural development. We are increasing our funding of educational programs by 65 percent over 2001 and 2002. We are building our trade and investment programs, such as those pursuant to the Africa Growth and Opportunities Act, that focus on building policy environments and institutional capacity to allow African nations to enter the global economy. We also plan to increase our efforts in Central and South Asia to enhance the peace and stability of this region as a critical component in the war against terrorism.

To meet the challenges of the new decade, the Agency and its programs have been reorganized along four pillars—the Global Development Alliance and three technical pillars: Economic Growth, Agriculture, and Trade; Global Health; and Democracy, Conflict, and Humanitarian Assistance.

Management Reforms

Reform of USAID's business systems is key to improving the Agency's performance and will require sustained, disciplined, well-coordinated, Agency-wide action. To strengthen leadership and management capacity Agency-wide, we have established a Business Transformation Executive Committee, based on commercial management best practices, to oversee management improvement initiatives and investments. It will set an aggressive pace in developing and implementing new business systems, processes, and structures, and eliminating outdated or redundant ones.

During FY 2001, we began a series to plan reforms, and while we achieved results, much work remains:

- In the area of **Financial Management**, the Agency plans to enhance the core accounting system, installed last year, to provide more accurate and timely financial information and improve accountability and regulatory compliance.

- In **Human Resources Management**, we will expand the Agency’s talent pool by recruiting junior-level Foreign Service professionals and focusing on key skill areas in the Civil Service such as procurement and information technology.
- In **Information Technology**, having ensured last year that all overseas posts have reliable access to Agency systems and to e-mail, we will initiate actions to improve our systems’ security in order to reduce the possibility of unauthorized access.
- In the **Procurement** field, in addition to the new, automated contract-writing system implemented last year, we are preparing a competition plan to facilitate outsourcing of selected functions currently performed out by USAID staff.
- In the area of **Strategic Budgeting**, we have consolidated the budgeting function into the Policy and Program Coordination Bureau to more closely link resources with policy priorities.
- In the area of **Performance Measurement and Reporting**, we are streamlining, simplifying, and improving our annual performance reporting process, beginning with our field missions and operating units and continuing with to our Agency-level reporting. The result will be an improved ability to collect and report on performance and to relate performance to budget requests and allocations.

Indicators for each of these are provided below.

Although the September 2000 Agency Strategic Plan is still the basic framework under which we operate, it does not completely reflect changes in Administration priorities, particularly in the aftermath of September 11, 2001. As a result, this annual performance plan has been adjusted to better reflect emerging new directions and changes in practices.

Consolidation of Agency Strategic Goals into Pillars

The four “pillars” represent USAID’s new strategic orientation, refocusing and strengthening capabilities in many program areas and adding some new areas. One of these pillars, the Global Development Alliance, is our new business model and applies to all of USAID’s programs. In addition, USAID programs and activities are being realigned into three program pillars to utilize resources more effectively and to describe our programs more clearly. The four pillars are the following:

- Global Development Alliance (GDA)
- Economic Growth, Agriculture, and Trade (EGAT)
- Global Health (GH)
- Democracy, Conflict, and Humanitarian Assistance (DCHA)

Activities under each pillar are summarized below, with the indicators measuring progress.

The Four Pillars and the six management initiatives constitute the Government Performance and Results Act of 1993 (GPRA, or the Results Act) program areas for reporting purposes. The specific GPRA indicators for these program areas are provided below.

FY 2002 and 2003 Performance Indicators

The indicators below have been changed substantially since the September 2000 version of the Agency Strategic Plan. While that plan remains in force, indicators have focused on strategic planning and management at the individual unit level, which has provided too much information for management purposes—some 2,000 indicators for 500 Agency-wide strategic objectives. Beginning in 2002, the Agency will focus on four types of indicators to better capture and report our accomplishments:

1. Operating Unit¹ (OU) progress toward specific Strategic Objective (SO) targets, rather than against expectations of performance
2. “Significant results” achieved by OUs
3. Required Agency-wide indicators in key sectors: health; and economic growth, agriculture, and trade
4. “Context” indicators that monitor development trends over time

USAID Operating Units establish a performance management plan for each SO, with annual targets that tell whether performance is on track. Often the targets will be outputs or even inputs, but will represent milestones on the road towards one or more significant results. For example, in a democracy SO seeking to achieve passage of a new law or reform (a process that often takes several years), initial annual targets might be drafting and supporting advocacy and public debate on the proposed reform.

Annually, the OU will report on whether its SOs exceeded, met, or failed to meet targets. We anticipate that about 90 percent of SOs will meet or exceed targets. This is a new indicator. In the past, the Agency has asked missions to report on whether programs have met, exceeded or failed to meet *expectations*. The data for FY 2000 in the performance tables reports ‘expectations’ rather than ‘targets,’ and is therefore not strictly comparable.

In addition, each Operating Unit Strategic Objective will report on whether it achieved a “significant result” during the fiscal year. In the narrative, they will describe why the accomplishment is significant. Using the democracy example above, passage of a new reform or law would be a “significant result.” We anticipate that about one-third of OUs will have a significant result, but baselines for this are being set in 2001.

In those sectors where it is feasible, notably Economic Growth and Global Health, the Agency has selected specific indicators on which OUs will be required to report, which will be “rolled up” to provide indicators for Agency accomplishments.

To help understand the overall context in which the Agency is working, ‘Context Indicators’ are presented to show the overall situation and trends over time. In the democracy sector, for example, the context indicator would be the Freedom House score for a given country, as described further below in discussion of democracy and governance programming. Since the

¹ An Operating Unit is a section of USAID that has responsibility for obligating and managing funds. OUs include all country missions and many offices in AID/Washington.

amount of change necessary to affect context indicators is usually beyond USAID's manageable interest, we do not set targets for context indicators.

One of the most significant reporting changes here is that USAID will only *aggregate* context and performance data, that is, the data reported under number 3 above, to the Agency level on programs that total \$1 million or more in FY 2000.² Countries that graduated from USAID assistance during the 1990s are added to this list, notably eight countries in Eastern Europe.³ While we are no longer providing substantial assistance to these countries, the benefits of past work continue to accrue, and are captured in the tables below. Lists of countries used to calculate each indicator are in the technical annex. Limiting reporting in this way captures between 75 and 90 percent of program funding and ensures that the Agency reporting focuses on results in countries where significant resources exist. All programs, regardless of size, are required to report on whether they achieved their targets and whether they had a significant result, and will be included in the 2003 Annual Performance Report (APR).

Reporting on Failure to Meet Targets

All operating units are required to report whether their programs exceeded, met, or failed to meet their targets. Targets are set during the planning or early implementation process in a document called the **Performance Monitoring Plan**. Missions and other OUs are regularly audited to determine whether they have developed and are using these plans. All OUs that report failure to meet targets are required to report why they failed and what they will do to address the issue. These reports will be compiled and excerpted in the Agency's reporting documents, including the annual Agency Performance Report and the Management Discussion and Analysis.

If the Agency as a whole fails to meet targets set in this document, this will be addressed in a similar way. The Policy and Program Coordination Bureau has responsibility for ensuring that balanced reports are prepared, and this is cross-checked by the Office of the Inspector General.

In the past, USAID has been criticized for reporting lags. To address the problem, the Agency will move its internal reporting requirements to December 15. This will ensure that, in most cases, the data in the Annual Performance Report will be from the immediately past fiscal year. Where data does not meet this standard, it will be reported and the reasons for using a different period will be provided.

III. Program Areas and Indicators

Global Development Alliance (GDA) Pillar:

Traditional donors—USAID, other bilateral donors, the World Bank, the United Nations—are no longer the sole sources of development resources, ideas, and efforts. New players, including corporate America and foundations, universities, non-governmental organizations (NGOs), and

² Most recent year where obligations by program area are available.

³ Lithuania, Latvia, Estonia, Poland, Czech Republic, Hungary, Slovak Republic, and Slovenia.

other development partners, make important contributions. Based on long experience with public-private alliances, USAID proposes to be a catalyst to mobilize these resources, and build development alliances to achieve shared objectives. By expanding USAID's range of partners, exploring innovative ideas, and leveraging new resources, the GDA Secretariat will create a fertile ground to address ever increasing development challenges. Alliance partners will share resources and responsibility and achieve greater impact than any single organization could accomplish on its own. To this end, GDA will:

1. Add new partners to the development challenge and engage current partners in new ways. We anticipate an energetic mix of Non-Governmental Organizations (NGOs), private voluntary organizations (PVOs), cooperatives, foundations, corporations, higher education institutions, and even individuals working together.
2. Leverage significant new resources: partners are to add at least as many resources to the table as those provided by USAID. These can include additional funds, in-kind contributions, intellectual property, and human resources.
3. Use collaborative objective setting to mobilize ideas and resources of many actors in support of shared objectives. Development problems and solutions will be jointly defined.

Performance Indicator: Number, type, and value of public-private alliances established each year.

The baseline will be established in FY 2002.

The following characteristics define GDA and GDA-like alliances:

- Resources that GDA partners bring to an alliance must meet or exceed USAID's contribution. These can include funds, in-kind contributions, intellectual property, or human resources.
- Significant new resources, new ideas, new technologies and/or new partners are brought to address development problems in countries and sectors where USAID works.
- Objectives are jointly defined and the contribution of each party is clearly spelled out.

Economic Growth, Agriculture, and Trade (EGAT) Pillar:

USAID works to improve country economic performance using five approaches:

1. Building open and competitive economies
2. Improving agriculture
3. Expanded economic opportunities for the poor
4. Expanding primary education
5. Improving energy efficiency and protecting the environment

Context Indicator: Average annual gross domestic product (GDP) growth rate per capita

*USAID-assisted countries with at least \$1 million in combined
FY 2000 funding in EG Agency SOs (1.1, 1.2, and 1.3)*

(Total number of reporting countries = 58)

Category	Number of Countries				
	1985-89	1988-92	1991-95	1994-98	1997-2000
5% or more	1	1	5	11	8
1% - 5%	20	14	19	31	32
0% - 1%	7	5	9	9	9
Negative	15	38	31	13	15
Data not available	21	6	1	0	0

Note: Data reflect only countries with significant USAID economic growth programs or that graduated from USAID assistance during the 1990s. No GDP data are available for Kosovo, Montenegro, West Bank/Gaza, and Liberia.

Source: International Monetary Fund, *World Economic Outlook* (GDP annual growth rates); World Bank, *World Development Indicators* (population). Average annual rates for GDP and population growth are calculated using the geometric mean, based on end points, and are four-year rolling averages.⁴

USAID's target is that countries' economic growth should exceed population growth by at least 1 percent. These countries are in the top two lines of this chart.⁵ The number of countries meeting the target has increased from 24 in the early 1990s to 40 by the end of the decade. In the same time period, those countries with slow or negative growth have fallen from 40 to 24. This shows clearly that, over the past 10 years, countries with substantial USAID economic growth programs have made significant progress. While part of these accomplishments are due to the good global economic situation in these years, many of these countries are in Eastern Europe and the former Soviet Union, and their turnaround is much more attributable to the policy reforms introduced by USAID and other donors.

EGAT Objective 1: Critical, private markets expanded and strengthened

USAID supports the adoption of economic policies that stimulate private markets and growth. Most funding in this area is allocated to Eastern Europe and Eurasia. Egypt and a few other countries also have programs exceeding \$1 million per year.

In Africa, USAID is promoting harmonization of trade and customs policies, more transparent and efficient finance and investment environments, and business linkages. Under our Trade for African Development and Enterprise Initiative, USAID will mobilize a coalition of U.S. and host-country partners to build trade capacity in the recipient countries.

In the Near East, we will increase attention to legal and regulatory reform programs that foster competition and business investment. In East Asia, the focus will be on work to liberalize international trade, improve economic governance, increase competition, eliminate restraints on

⁴ Note on data quality: USAID is not required to confirm the quality of data collected by other agencies.

⁵ Country names in each category for 1997-2000 are shown in the technical annex.

foreign and domestic investment, improve financial sector performance, and privatize infrastructure.

In Latin America and the Caribbean, USAID is working through several crosscutting initiatives, including the Opportunity Alliance, the Andean Regional Initiative, and the Third Border Initiative, all of which support establishment of a free trade area for the Americas by July 2005.

USAID has two general targets for strengthening markets:

- At least 90 percent of strategic objectives in this area will meet or exceed their targets for the year.
- At least one-third of the strategic objectives will achieve a significant result in FY 2003. This includes such accomplishments as helping a country pass a new privatization law or adopt new prudential regulations in the financial system.

For FY 2003, the mix of market strengthening programs will change somewhat. We have requested additional resources to address trade capacity building as part of the USG commitments made at the Doha meeting of the World Trade Organization.

Context Indicator: Index of Economic Freedom scores

Countries with at least \$1 million in FY 2000 in any EG Agency SO (1.1)

(Total number of reporting countries = 48)

Category	Number of Countries		
	1998	2001	2002
Repressed (score 4.0 - 5.0)	10	5	4
Mostly Unfree (score 3.0 - 3.95)	24	26	29
Mostly Free (score 2.0 - 2.95)	12	15	14
Free (score 1.0 - 1.95)	0	0	1
Data not available	2	2	0

Note: Data reflect only countries with significant USAID economic policy reform programs or that have graduated from USAID assistance during the 1990s. Good data were not collected for all countries prior to 1998.

Source: Heritage Foundation, *Index of Economic Freedom*.

Data Quality: See annex.

If only the worst case, that of ‘repressed’ countries is examined, this chart documents a shift from repression (10 countries in 1998, 4 in 2002) toward “mostly free” (12 in 1998, 14 in 2002). Much of this progress has been made in the eight Eastern European countries that have graduated from USAID assistance. Many of them are on their way to full membership in the European Union. Data were not consistently collected for 1995, and the data for other lines in the table are difficult to interpret.

Performance Indicator: Percentage of programs meeting targets

Category	1999	2000 ⁶	2001	2002	2003
Exceeded		12			90
Met		70			
Not met		15			10
Not Assessed		3			0

Source: USAID Missions, *Annual Reports*.

Data Quality: Missions are relied on to produce accurate reports, which are reviewed in Washington.

EGAT Objective 2: More rapid and enhanced agricultural development and food security

If developing countries are to reduce hunger over the next 20 years in a meaningful way, farmers, both men and women, will have to more than double the productivity of their land, labor, and water resources without further encroaching on marginal land. At the same time, trade globalization will require these same farmers to become more competitive in marketing what they produce. The need to double productivity and compete globally will require countries to institute market-based policies while developing the institutions, infrastructure, and rural finance systems to ensure that their farmers will have access to the necessary technologies and the incentive to use them.

To meet this huge challenge, we are revitalizing USAID’s agricultural programs and encouraging public and private donors and development partners to do the same. Increased agricultural funding will also help offset the reduction in food monetization. USAID uses four priority approaches to agricultural development:

1. Accelerating the use of biotechnology to reduce poverty and hunger
2. Developing science-based agricultural solutions, particularly global and local trade opportunities for farmers and rural industries
3. Increasing knowledge at the local level through training, outreach, and adaptive research
4. Promoting sustainable agriculture and sound environmental management

Two regional initiatives, one in Africa and one in Central America, exemplify the Agency’s new direction in agriculture programming:

Recognizing that the agriculture sector is the most cost-effective engine of growth for Africa, USAID is launching the Cut Hunger in Africa Initiative and is increasing agriculture funding by about 25 percent. We will direct funding to countries with the greatest food insecurity and those whose governments are most committed to increasing growth and reducing poverty. Programs will focus on expanding the use of modern technologies, increasing credit to farmers, strengthening agricultural cooperative associations, streamlining policy and market functions, and promoting agro-processing and intra-regional exports. Building stronger systems will help

⁶2000 performance data are ‘meeting expectations,’ not meeting predefined ‘targets,’ and are not directly comparable to the 2003 Agency targets.

ensure the sustainability of these efforts. Some of the increased agriculture funding will support partner activities previously supported with food monetization.

In Latin America and the Caribbean, we will more than double USAID agriculture program funding. USAID will use some funds to increase support for the Opportunity Alliance (OA), a trade-led, rural economic growth strategy for Central America and Mexico launched in FY 2002. The OA reduces rural poverty by providing market development, business services, and credit to small farmers, both men and women; building trade capacity and competitiveness; supporting applied agricultural technology and biotechnology; enhancing educational programs; and improving disaster preparedness. The OA will be implemented in part through new programming alliances with the U.S. Hispanic community, corporations, private foundations, U.S. state governments, and international financial institutions.

USAID's Europe and Eurasia Bureau focuses on agriculture and agricultural development from a business perspective. The underlying objective is that businesses, including agricultural-based enterprises, must be able to produce competitive products that meet the quality standards required in European markets. To that end, USAID programs work to link agro-industry initiatives to regional markets (their traditional trading partners) and increase private sector employment opportunities. USAID assists trade associations to help them establish product quality standards and identify new markets. Our programs also improve the coordination between producers and processors. At the macro-economic level, USAID encourages policy reform to assure a more open and competitive business environment and facilitate dialogue between policy makers and industry leaders. At the same time, a significant portion of our economic and business revitalization program in the region assists micro, small, and medium sized enterprises that provide services to the agriculture sector.

USAID has three general targets for increasing agricultural production and improving food security:

- At least 90 percent of strategic objectives in this area will meet or exceed their targets for the year. This includes country targets related to agricultural production and marketing.
- At least one-third of the strategic objectives will achieve a significant result in FY 2003. This includes such achievements as introducing a new crop strain, establishing extension services, or permitting the existence of agricultural cooperatives.
- While individual missions track different indicators based on their specific agriculture programs, the Agency tracks trends in net per capita agricultural production. This indicator tells whether gains in agricultural production are keeping up with the rate of population growth, and it is an important way to track both food availability per person as well as development of excess production to increase savings and investment.

Context Indicator: Trends in net per capita agricultural production

Countries with at least \$1 million in FY 2000 in Agency SOs (1.2)

(Total number of reporting countries = 39)

Category	Number of Countries			
	1986-90	1989-93	1992-96	1995-99
5% or more	3	2	7	3
1% - 4.9%	5	6	9	16
0% - 0.99%	6	4	6	7
Negative	14	24	16	13
Data not available	11	3	1	0

Note: Graph reflects only countries with significant USAID agricultural programs.

Source: World Bank, *World Development Indicators*. Average annual rates for agriculture and population growth are calculated using the geometric mean, based on end points, and are four-year rolling averages.

Data Quality: See annex.

USAID was not very active in the agriculture sector through most of the 1990s. The fact that one-third of the countries where we are currently working have negative per capita agricultural production growth rates demonstrates the need for the Agency to once again focus on this important sector. Despite this, and as shown above, many countries, particularly in Eastern Europe, increased their agricultural performance. Where 24 countries experienced negative growth in 1989–93, this was cut nearly in half by 1995–99. The number of countries in the 1 to 4.9 percent annual growth rate nearly tripled in the same period. But many countries still lag behind.

Performance Indicator: Percentage of programs meeting targets

Category	1999	2000 ⁷	2001	2002	2003
Exceeded		18			90
Met		82			
Not met		0			10
Not Assessed		0			0

Source: USAID Missions, *Annual Reports*.

Data Quality: Missions are relied on to produce accurate reports, which are reviewed in Washington.

EGAT Objective 3: Access to economic opportunity for the rural and urban poor expanded and made more equitable

USAID has three major approaches to improving economic opportunity:

1. Providing financial and business development services for micro-entrepreneurs
2. Supporting legal and regulatory reform to improve the small-business environment
3. Providing management and financial support to financial institutions to expand their willingness and capacity to make small loans

⁷ 2000 performance data are 'meeting expectations,' not meeting predefined 'targets,' and are not directly comparable to the 2003 Agency targets.

This successful combination of program elements will continue into the future.

While specific program elements are developed for each country's financial environment, micro-enterprise programs are among the most widespread of the Agency's programs and are evenly spread across all four of USAID's geographic regions.

USAID has one specific and two general targets for tracking increased access to economic opportunity:

- At least 90 percent of strategic objectives in this area will meet or exceed their targets for the year
- At least one-third of the strategic objectives will achieve a significant result in FY 2003
- Micro-finance support as shown in the table below on annual micro-enterprise results.

Performance Indicator: Percentage of programs meeting targets

Category	1999	2000 ⁸	2001	2002	2003
Exceeded		16			90
Met		79			
Not met		0			10
Not Assessed		5			0

Source: USAID Missions, *Annual Reports*.

Data Quality: Missions are relied on to produce accurate reports, which are reviewed in Washington.

Performance Indicators: Micro-finance

In FY 2000, USAID contributed \$164.3 million to micro-enterprise development, a 7 percent increase over the previous year. In the table below, the dip in funding in 1998 resulted from closing USAID missions, thereby decreasing micro-enterprise funds for Eastern Europe, but this has been made up in subsequent years by increased funding from Development Assistance accounts, as well as accounts supporting states in the former Soviet Union.

Annual Micro-enterprise Results

Calendar Year	1997	1998	1999	2000	2001
Micro-enterprise funding (millions US\$)	158.1	136.2	153.5	164.4	
Active number of loans (000)	1,447	3,559	2,020	2,164	
Percentage of loans made to women	67%	84%	69%	70%	
Repayment rate	94.8	95.3	95.2	93.7	

Source: *Annual Micro-enterprise Results Report*.

⁸2000 performance data are 'meeting expectations,' not meeting predefined 'targets,' and are not directly comparable to the 2003 Agency targets.

Data Quality: USAID annually surveys financial institutions making micro-enterprise loans with USAID technical and financial assistance. These institutions report back to USAID on the characteristics of their portfolio. The Agency does not have resources to cross-check all data, but the consistency across the years lends face validity. Since financial institutions report on a calendar year basis, the figures above refer to the respective calendar years, *not* U.S. fiscal years.

Analysis: This table demonstrates that the Agency has programs large enough to provide over two million loans annually. These go predominantly to women, and repayment rates are very high. We plan to continue these programs at their current level.

EGAT Objective 4: Expanded access to quality basic education for under-served populations, especially for girls and women

Basic education includes preprimary, primary, and secondary education; adult literacy programs; and training for teachers working in any of these levels. Basic education is especially critical to development. Investments here have been linked to faster and more equitable economic growth, progress in reducing poverty, and lower birth rates. Support for expanded and improved basic education of girls and women contributes to improved family health, lower fertility, and the enhanced status of women. USAID support for basic education focuses on primary education in particular, and includes the following approaches:

- USAID works to improve the quality of basic education provided through school systems. One-half of the 20 country programs receiving more than \$1 million in 2001 are in Africa, and nearly all the remainder are in Latin America, with a focus on Central America and Haiti.
- For FY 2003, USAID supports three presidential initiatives; in South and Southeast Asia, there will be increased funding for basic education.
- In Sub-Saharan Africa, we will emphasize improved teacher training, the use of scholarships for girls, more community participation in the education process, and more effective application of information technology.
- In Latin America and the Caribbean, we are supporting development of three teacher-training centers to serve Central America, the Caribbean, and the Andean region.

USAID has two general targets for tracking expanded access to quality basic education:

- At least 90 percent of strategic objectives in this area will meet or exceed their targets for the year.
- At least one-third of the strategic objectives will achieve a significant result in FY 2003. This includes such accomplishments as national adoption of a new primary school curriculum.

Performance Indicator: Percentage of programs meeting targets

Category	1999	2000⁹	2001	2002	2003
Exceeded		19			90
Met		81			
Not met		0			10
Not Assessed		0			0

Source: USAID Missions, *Annual Reports*.

Data Quality: Missions are relied on to produce accurate reports, which are reviewed in Washington.

USAID’s basic education programs assist and encourage countries to improve their educational policies and institutions, adopt improved educational practices in the classroom, and give families and communities a stronger role in educational decision-making. In the many developing countries where girls face barriers to education, we devote special efforts to reducing these barriers, thereby promoting educational—and future vocational—opportunities for girls. These efforts, along with our strong field presence, have given USAID a reputation as a technical leader and innovator in basic education.

One of the more frustrating aspects of working in education is the lack of data on enrollments. UNICEF works with countries to report net and gross enrollment rates, but these figures are only reported after a period of years. The most recent figures available are for 1998, clearly too long ago to be useful as a current performance measure. USAID and other donors will launch a significant effort to work with developing countries to improve their capacity to collect and analyze educational statistics on a timely basis.

In addition to the standard program measure of whether a specific activity achieved its targets or not, we will also track the number of children affected by USAID programs. While this aggregates programs that are not, strictly speaking, comparable, because it groups children affected by improved classroom teaching with those whose country is receiving assistance with curriculum reform, for example, it still provides an idea of how many children are affected by the Agency’s work.

Performance Indicator: Number of children enrolled in primary schools affected by USAID basic education programs

Baseline and targets to be set based on FY 2001 data.

EGAT Objective 5: World’s environment protected by emphasizing policies and practices ensuring environmentally sound and efficient energy use, sustainable urbanization, conservation of biological diversity, sustainable management of natural resources, and reducing the threat of global climate change

Environmental degradation threatens human health, undermines long-term economic growth, and impairs critical ecological systems. Unpolluted and undegraded natural resources are required for long-term economic growth and food security. Thus, USAID works to conserve the existing

⁹ 2000 performance data are ‘meeting expectations,’ not meeting predefined ‘targets,’ and are not directly comparable to the 2003 Agency targets.

natural heritage by protecting areas and introducing improved management practices, and to improve the efficient use of resources such as water and energy.¹⁰

In 2003, among other initiatives, we plan to examine policies and promote better practices in the following areas:

Natural Resources in Conflict—An initiative combining expertise in environment, governance, emergency relief, and transition to help halt conflict over natural resources or that is financed by selling natural resources.

1. **Forest Crimes**—A greater focus on forest conservation and governance with a global perspective, working with private partners and with international bodies to save forests and forest-dependent peoples and species, and help ensure legal, sustainable sources of timber and other forest products.
2. **Debt for Nature Swaps**—Expansion of ongoing efforts to trade both commercial and sovereign debt to achieve sustainable development and natural resource conservation, while reducing developing country debt burdens.
3. **Water Security**—Expanding the Agency’s current efforts at reducing crises within water-stressed countries and across key regions as this finite resource becomes a major source of conflict, instability, and policy sensitivity.
4. **Invasive species and genetically modified organisms**—We will review our agricultural, trade, and environmental work and apply safeguards appropriate to these challenges.
5. **Privatization of electric and water utilities**—Focusing on the right conditions for optimizing efficiencies of the market and ensuring governance capacity.

USAID has two general targets for tracking progress in the environment sector:

- At least 90 percent of strategic objectives in this area will meet or exceed their targets for the year.
- At least one-third of the strategic objectives will achieve a significant result in FY 2003. This includes such accomplishments as a nation’s signing the Convention on International Trade in Endangered Species.

¹⁰ USAID’s global climate change efforts are reported in a separate annual report on *Global Climate Change*.

USAID missions reported the following results in meeting their environmental targets:

Performance Indicator: Percentage of programs meeting targets

Category	1999	2000 ¹¹	2001	2002	2003
Exceeded		17			90
Met		77			
Not met		3			10
Not Assessed		3			0

Source: USAID Missions, *Annual Reports*.

Data Quality: Missions are relied on to produce accurate reports, which are reviewed in Washington.

In addition to the number of programs meeting targets, USAID tracks the increasing numbers of hectares under improved environmental management.

Performance Indicator: Hectares under improved management

Year	Planned	Actual
2001	54,705,000	62,540,000
2002	66,457,474	
2003	Being tabulated	

Indicator: Area of habitat (terrestrial and aquatic) under improved management Unit of Measure: Hectares (ha)

Note: Data reflect only countries with significant USAID natural resource management programs.

Data Quality: Contractors and partners are now routinely using standardized methods to “score” hectares under improved management regimes, but some subjectivity is still a factor. Further refinements in scoring, more site visits by USAID staff, and more rigorous adherence to methods, should further reduce variance.

Sources: USAID program and operating-unit-level data provided by institutional contractors; USAID, Global Center for the Environment, 2003, R4.

Habitat is considered under improved management when any of six specific steps (including complete site assessment, site or action plan developed, monitoring and evaluation underway, etc.) are in place. Effective management occurs when habitat quality is maintained or improved and institutional ability to monitor and respond to threats is documented.

The chart above demonstrates the dramatic changes occurring in conservation and natural resource management around the world. USAID is focusing on the most biologically diverse and endangered parts of the world and the rapidly increasing amount of land under improved management. We plan to continue to expand our programs, and work to enable countries to better manage those lands already partially protected.

¹¹2000 performance data are ‘meeting expectations’, not meeting predefined ‘targets’, and are not directly comparable to the 2003 Agency targets.

Global Health Pillar

USAID works to improve global health using five approaches:

1. Stabilizing population growth
2. Improving children's health
3. Improving maternal health
4. Addressing the HIV/AIDS epidemic
5. Reducing the threat of other infectious diseases

Health Objective 1: Reducing the number of unintended pregnancies

USAID works around the world to help couples choose the number of children they want and can afford. Our country programs work to:

1. Improve demand for and access to voluntary family planning services so that couples can freely choose the number and spacing of their children
2. Improve the quality, availability, and acceptability of family planning and related reproductive health services
3. Create and maintain a positive policy environment for voluntary family planning and reproductive health services
4. Enhance the long-term capacity of local institutions to design, finance, implement, and evaluate programs
5. Develop and improve contraceptive technology

As shown in the tables below, this approach has been highly successful, and it will continue.

Context Indicator: Total fertility rate in USAID-assisted countries

Countries with at least \$1 million in Agency SOs (4.1) and Brazil, Colombia, and Mexico

(Total number of reporting countries = 43)

Rate	Number of Countries				
	1989	1992	1995	1998	2001
Fewer than 3	4	6	8	11	12
3 to 4.9	18	20	20	20	21
5 or more	23	17	15	12	10
Not available	1	0	0	0	0

Note: Data reflect only countries with significant USAID population programs. Total fertility rate is an estimate of the number of children born to each woman. It is a direct measure of the overall impact of forces that work together to reduce family size, including factors unrelated to USAID or other programs, such as conflict or economic crises.

Sources: Demographic and Health Surveys; Center for Disease Control and Prevention surveys; U.S. Bureau of the Census International Database.

Data Quality: See annex.

Globally, fertility rates are falling. This is most dramatic in the countries that have had very high fertility rates, over five children per woman. In 1989, there were 23 such countries, and by 2001

that number had fallen to only 10. Similar progress exists in countries reporting fewer than three births per woman, with an increase from 4 countries in 1989 to 12 in 2001.

Context Indicator: Percentage of married women ages 15–49 using modern methods of contraception
Countries with at least \$1 million in Agency SOs (4.1)

(Total number of reporting countries = 34)

Rate	Number of Countries				
	1989	1992	1995	1998	2001
50% or more	1	2	5	7	12
35 - 49%	7	10	9	8	5
16 - 34%	11	7	6	8	11
Less than 16%	15	15	14	11	6
Data not available	0	0	0	0	0

Sources: Demographic and Health Surveys and Reproductive Health Surveys.

Data Quality: All figures are national estimates derived from results of Demographic and Health Surveys.

The Contraceptive Prevalence Rate (CPR) is widely used as a measure of the proportion of women who choose to regulate their fertility. This figure correlates very well with the total fertility rate, above, and is one of the chief indicators USAID uses to track program performance. Over the past decade, the increase in the number of countries with greater than 50 percent CPR exactly parallels the decline in those countries with less than 1 percent. In particular, the period from 1998 to 2001 has shown a sudden rise in numbers of countries with high CPRs, and a similar drop in those in the lowest category. USAID’s approach is succeeding and will be continued.

The target for contraceptive prevalence rate is a 1 percent increase in CPR per year. The figures in this table, showing a constant upward trend, demonstrate that USAID-assisted countries are achieving this goal.

Performance Indicator: Average annual percentage point increase in CPR over previous three years

Countries with at least \$1 million in Agency SOs (4.1)

(Total number of reporting countries = 34)

Rate	Number of Countries			
	89-92	92-95	92-98	98-01
3.0 or more	0	0	1	4
2.0 - 2.9	4	3	4	9
1.0 - 1.9	16	20	19	13
0 - 0.9	14	11	10	8
Percentage meeting or exceeding USAID target	59%	68%	71%	76%

Sources: Demographic and Health Surveys and/or Reproductive Health Surveys (forthcoming).

Data Quality: (1) All figures are national estimates derived from results of Demographic and Health Surveys.

This table shows that in 2001, 76 percent of USAID country programs are meeting or exceeding the target of CPR increase of 1 percentage point per year. The superior performers (e.g., Nicaragua, Paraguay, Cambodia and Madagascar) have very different economic backgrounds

and demonstrate that rapid changes in contraceptive prevalence can occur in a variety of economic settings when quality services are made available. The countries that failed to meet this target in 2001 either have a very high base rate (Indonesia), strong religious opposition to family planning (Egypt and the Philippines), or have a variety of other inhibiting factors, such as poor health infrastructure or political constraints (Nepal, Kenya, Malawi, and Guinea). Kenya is an illustrative example. Contraceptive use there was expanding around 2% per year into the early nineties, when there was a cutback in U.S. and other donor foreign assistance because of a concern about President Moi's economic and political policies. Without continued funding, the CPR growth rate dropped from 2.1 in 1993 to 0.9 percent in 2001.

USAID country performance is as follows:

Performance Indicator: Percentage of programs meeting targets

Category	1999	2000 ¹²	2001	2002	2003
Exceeded		39			90
Met		55			
Not met		6			10
Not Assessed		0			0

Source: USAID Missions, *Annual Reports*.

Data Quality: Missions are relied on to produce accurate reports, which are reviewed in Washington.

Health Objective 2: Reducing infant and child mortality

The Agency uses seven approaches to reduce infant and child mortality:

1. Expanding access to and use of key child health interventions that prevent and control the five primary childhood illnesses: diarrheal disease, acute respiratory infection, malnutrition, malaria, and vaccine preventable diseases
2. Improving the quality, availability, acceptability, and sustainability of key child survival interventions
3. Improving child nutritional status, including improving breastfeeding patterns
4. Preventing the spread of childhood disease by developing, testing, and replicating priority environmental health interventions
5. Strengthening the capacity of local institutions to provide quality child health interventions
6. Promoting establishment of an enabling environment for the delivery of key child survival interventions
7. Strengthening research on topics in child survival, including new vaccines, simple technologies, and service delivery approaches

¹² 2000 performance data are 'meeting expectations,' not meeting predefined 'targets,' and are not directly comparable to the 2003 Agency targets

Context Indicator: Under-five mortality rate¹³ in USAID-assisted countries

Countries with at least \$1 million in Agency SOs (4.2)

(Total number of reporting countries = 49)

Rate	Number of Countries				
	1989	1992	1995	1998	2001
Fewer than 50 (best)	5	6	11	14	17
50 – 99	16	18	12	10	8
100 – 149	8	10	12	13	12
150 – 199	12	11	10	7	7
200 or more (worst)	6	4	4	5	5
Data not available	2	0	0	0	0

Note: Data reflect only countries with significant USAID child health programs.

Sources: Demographic and Health Surveys and U.S. Bureau of the Census, International Database.

Data Quality: (1) There are often no systematic means to regularly track under-five mortality, since many of the countries where USAID operates do not have vital statistical reporting systems. Almost all figures are estimates derived from a variety of sources or are calculated based on large, infrequent surveys. (2) The indicator measures the final impact of many factors, including non-health issues listed above. (3) Year-to-year comparisons are of limited use, as change is very slow.

Progress is slow but steady. All countries with child mortality rates of more than 150 are in Sub-Saharan Africa, where many factors make progress difficult. Clearly, not all progress is due to our efforts, but USAID, working with other donors and the host countries, has seen a significant level of progress. We view the tripling of the number of USAID-assisted countries with under-five mortality rates of less than 50 as a worthwhile accomplishment.

Performance Indicator: Percentage of programs meeting targets

Category	1999	2000 ¹⁴	2001	2002	2003
Exceeded		31			90
Met		63			
Not met		0			10
Not Assessed		6			0

Source: USAID Missions, *Annual Reports*.

Data Quality: Missions are relied on to produce accurate reports, which are reviewed in Washington.

The following indicator tables do not directly relate to USAID programs addressing immunization, oral rehydration therapy, or vitamin A supplementation, but these indicators track the capability of the local primary health care system to provide services. Most of USAID’s child survival efforts go into improving a combination of primary services, including the Integrated Management of Childhood Illnesses program.

¹³ Under-five mortality rate is calculated as being the number of children dying before their fifth birthday per thousand live births.

¹⁴ 2000 performance data are ‘meeting expectations’, not meeting predefined ‘targets’, and are not directly comparable to the 2003 Agency targets

Performance Indicator: DPT vaccination coverage

Percentage of children age 12 months or less who have received their third dose of DPT.

Countries with at least \$1 million in Agency child survival activities

(Total number of reporting countries = 18)

Rate	Number of Countries		
	1990-1994	1995-2000	2000
Fewer than 25 percent	2	0	N/A
25 - 49 percent	4	5	N/A
50 - 74 percent	9	7	N/A
75 percent or more	3	6	N/A

Sources: Demographic and Health Surveys and/or Reproductive Health Surveys (forthcoming).

Data Quality: (1) All figures are national estimates derived from results of Demographic and Health Surveys. Of the 44 countries receiving greater than \$1 million in FY 2000, only 15 had had two surveys done.

Performance Indicator: Oral rehydration therapy use

Percentage of children under age 3 years that had a case of diarrhea in the last two weeks and received oral rehydration therapy

Countries with at least \$1 million in Agency child survival activities

(Total number of reporting countries = 22)

Rate	Number of Countries		
	1990-1994	1995-2000	2000
Fewer than 25 %	4	1	N/A
25 – 49%	12	14	N/A
50 - 74 %	6	7	N/A
75% or more	0	0	N/A

Sources: Demographic and Health Surveys and/or Reproductive Health Surveys (forthcoming).

Data Quality: (1) All figures are national estimates derived results of Demographic and Health Surveys. Of the 44 countries receiving greater than \$1 million in FY 2000, only 13 had had two surveys done.

Performance Indicator: Vitamin A use

Percentage of children age 6–59 months receiving a vitamin A supplement during the last six months.

Data sources are to be developed in 2002 and 2003.

The data supporting these three indicators are very sparse. Of the 45 countries where USAID invested more than \$1 million in child survival activities in FY 2000, less than half have undertaken at least two USAID-sponsored Demographic and Health Surveys that can provide trend information. Other data sources, including those provided by international agencies, have severe data quality issues. USAID is working to overcome these data limitations. Notwithstanding the data scarcity and data quality issues in the countries where USAID works, the Agency is continuing its efforts to develop meaningful, Agency-wide indicators.

Health Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth

To achieve this goal, USAID works to:

1. Increase access to and use of quality maternal and reproductive health interventions at the community, family, and individual levels
2. Improve nutritional status
3. Ensure birth preparedness
4. Improve treatment of life-threatening obstetrical complications
5. Ensure safe delivery and postpartum care
6. Improve long-term capacity of local institutions

This strategic objective is managed much differently from most others. Nearly 40 percent of all maternal health funds are managed through central or regional programs, and most of the remaining programs are very small. While there are 28 country programs, only 13 of these exceeded \$500,000 in 2000, and only 5 exceeded \$1 million. However, more than \$20 million has been spent in the two countries of Egypt and Indonesia alone.

Performance Indicator: Percentage of programs meeting targets

Category	1999	2000 ¹⁵	2001	2002	2003
Exceeded		20			90
Met		73			
Not met		0			10
Not Assessed		7			0

Source: USAID Missions, *Annual Reports*.

Data Quality: Missions are relied on to produce accurate reports, which are reviewed in Washington.

Performance Indicator: Percentage of births attended by medically trained personnel

Rate	Number of Countries		
	1990-1994	1995-2000	2000
Fewer than 25 percent	1	0	N/A
25 - 49 percent	6	5	N/A
50 - 74 percent	4	5	N/A
75 percent or more	2	3	N/A

Sources: Demographic and Health Surveys and Reproductive Health Surveys

Data Quality: Standardized survey methodology with careful attention to quality control

USAID's maternal health objective is very small, with programs in only 28 countries. Nonetheless, in 4 of the 13 countries with two surveys, there has been improvement in the

¹⁵ 2000 performance data are 'meeting expectations,' not meeting predefined 'targets,' and are not directly comparable to the 2003 Agency targets.

quality of medical care available to women. ("Improvement" here is over 10% increase between surveys.)

USAID Objective 4: Reducing the HIV transmission rate and the impact of the HIV/AIDS pandemic in developing countries

USAID has taken a global approach to the pandemic and is concentrating resources in 23 severely affected countries to:

1. Understand and monitor the pandemic
2. Prevent people from becoming infected
3. Provide care and support to those who have become sick
4. Reduce the impact of the epidemic on others
5. Ensure a favorable policy environment in countries affected by the disease¹⁶

This is a relatively new strategy, and many elements have not been established yet in the target countries. Additional funds provided in the 2002 and requested in the 2003 budgets will go to this expansion. We expect to be able to report on many of these expanded programs by 2003.

While concentrating efforts on 23 "focus" countries, USAID provides some assistance with the pandemic to another dozen. There were 33 countries with HIV/AIDS programs receiving at least \$1 million in FY 2000.

¹⁶ USAID's efforts to build national responses to HIV/AIDS and increase international cooperation are reported in a separate annual report on HIV/AIDS.

Context Indicator: Adult HIV prevalence rates in USAID-assisted countries

While this indicator is useful to track the status of the epidemic at national, regional, and global levels, numbers do not change rapidly enough to be meaningful measures for year-to-year comparisons.

Countries with at least \$1 million in FY 2000 funding in Agency SOs (4.4)

(Total number of reporting countries = 33)

Rate	Number of Countries		
	1997	1999	2001
Fewer than 1 percent	10	10	
1 to 4.9	11	9	
5 to 9.9	4	5	
10 to 14.9	5	4	
15 – 20	2	4	
20 percent or more	1	1	

Note: The adult HIV prevalence rate is the estimated number of adults (15–49) living with HIV/AIDS divided by the adult population.

Source: UNAIDS.

Data Quality: Per UNAIDS.

Better data are needed on country prevalence rates to track changes over time and to examine internal differences. One of the elements of USAID's strategy is to ensure that there are adequate data collection systems to be able to track the epidemic.

The Agency is developing data collection and survey systems to collect data on the following indicators. There is insufficient data currently available to track these indicators across all countries. These systems will be in place by 2003, at which time USAID will set performance targets.

- **Performance Indicator: Behavior change (condom use with last non-regular partner)**
- **Performance Indicator: Condom sales**
- **Performance Indicator: Number of individuals covered by Maternal-to-Child Treatment programs**
- **Performance Indicator: Number of individuals reached by community and home based care programs**
- **Performance Indicator: Number of individuals reached by anti-retroviral (ARV) treatment programs**
- **Performance Indicator: Percentage of target population of orphans and vulnerable children reached**

These programs are directed at supporting orphans and vulnerable children, providing access to mother-to-child treatment, and supporting community and home-based care programs. In addition, the Agency's broader efforts address the larger problems that the epidemic has caused, such as in the labor, education, agriculture, police and security, and the transport sectors. One of the greatest threats of the AIDS epidemic is that it robs societies of people in their most productive years, causing severe economic and social dislocation.

Performance Indicator: Percentage of programs meeting targets

Category	1999	2000 ¹⁷	2001	2002	2003
Exceeded		17			90
Met		72			
Not met		6			10
Not Assessed		6			0

Source: USAID Missions, *Annual Reports*.

Data Quality: Missions are relied on to produce accurate reports, which are reviewed in Washington.

Health Objective 5: Reducing the threat of infectious diseases of major public health importance

The Agency’s infectious disease strategy focuses on four program areas:

1. Reducing anti-microbial resistance
2. Improving tuberculosis prevention, control, and treatment
3. Improving malaria prevention, control, and treatment
4. Improving local capacity for surveillance and response

In addition to HIV/AIDS, USAID’s FY 2003 programs will reduce deaths and sickness from other infectious diseases. We will support the prevention and control of tuberculosis and malaria; programs designed to combat anti-microbial resistance, and disease surveillance and response capabilities. USAID will play an important role in convening key international health experts and using electronic networks to share technical information, program developments, and research findings.

The Agency’s tuberculosis strategy will support programs in high-prevalence countries and training for tuberculosis experts, and continue support for global and regional partnerships. USAID’s plan is to achieve cure rates of 85 percent and case-detection rates of 70 percent in targeted countries and increase the number of countries that have implemented drug-resistance surveillance. We will also expand the availability and appropriate use of new diagnostics for tuberculosis.

USAID’s malaria strategy focuses on preventing infection, promoting effective treatment, protecting pregnant women, responding aggressively to drug-resistant malaria, and developing new tools and approaches for prevention, diagnosis, and control. USAID and our partners will contribute to achieving the goals of the 2000 Abuja Declaration on Malaria by 2010:

- At least 60 percent of those suffering from malaria will receive appropriate cost-effective treatment within 24 hours of the onset of symptoms.

¹⁷2000 performance data are ‘meeting expectations,’ not meeting predefined ‘targets,’ and are not directly comparable to the 2003 Agency targets.

- At least 60 percent of those at risk of malaria will benefit from protective measures such as insecticide-treated mosquito nets.
- At least 60 percent of all pregnant women who are at risk of malaria will have access to presumptive treatment.

USAID has two general targets for tracking progress in its efforts to control the spread of infectious disease:

- At least 90 percent of strategic objectives in this area will meet or exceed their targets for the year.
- At least one-third of the strategic objectives will achieve a significant result in FY 2003. This includes such accomplishments as establishing a national or regional sentinel surveillance system to track antibiotic resistance.

Performance Indicator: Percentage of programs meeting targets

Category	1999	2000 ¹⁸	2001	2002	2003
Exceeded		0			90
Met		100			
Not met		0			10
Not Assessed		0			0

Source: USAID Missions, *Annual Reports*.

Data Quality: Missions are relied on to produce accurate reports, which are reviewed in Washington.

Democracy, Conflict, and Humanitarian Assistance Pillar

USAID plays an important role in promoting resilient, well-governed, capable states that are less vulnerable to violent conflict. The heightened threat of terrorism requires greater emphasis on moving states toward more effective, accountable, legitimate and democratic governance.

Fragile democracies fail because of poor economic performance, stalled economic reforms, inequality, endemic corruption, dysfunctional rule of law, ethnic and religious differences, and violence. Support for democracy and confidence in democratic institutions is declining in many transitional democracies. Increasingly, failed democracies and economies result in civil war and conflict. Nearly two-thirds of countries where USAID works have been ravaged by civil conflict over the past five years. Civil war has produced an unprecedented number of people who fled their homes in search of food and personal security. At the end of 2000, at least 57 countries were the source of significant uprooted populations. These situations are marked by widespread violence, collapse of central political authority and public services, the breakdown of markets and economic activity, massive population dislocation, and food shortages leading to starvation, malnutrition or death.

¹⁸2000 performance data are 'meeting expectations,' not meeting predefined 'targets,' and are not directly comparable to the 2003 Agency targets.

In response to this new global reality, USAID is restructuring its programs. The new pillar on Democracy, Conflict, and Humanitarian Assistance integrates programs and approaches to deal more effectively with the underlying social, economic, and political problems that contribute to failed states, and that lead to humanitarian crises. This pillar integrates programs in democracy and governance, economic and social development, agriculture and food security, international disaster assistance, and post-conflict transition initiatives that prevent the re-ignition of conflict.

USAID’s newly established Democracy, Conflict, and Humanitarian Assistance (DCHA) Bureau will improve coordination among the Agency’s well-established programs in democracy and governance, transitions, and humanitarian assistance. In addition, DCHA will create a crosscutting approach to conflict prevention and management with the goal of anticipating crisis, mediating conflict at all levels, and addressing the economic and political (or governance) causes of conflict.

DCHA’s overarching goal is to promote peace within a democratic framework, through the following approaches:

1. Strengthening the rule of law and respect for human rights
2. Strengthening democratic political processes and providing election assistance
3. Promoting the development of a politically active civil society
4. Promoting more transparent and accountable government institutions
5. Preventing and mitigating conflict
6. Promoting reconciliation
7. Strengthening the social safety net during post-conflict or post-disaster transitions
8. Providing humanitarian relief

Context Indicator: Freedom House Index scores in USAID-assisted countries

Countries with at least \$1 million in FY 2000 in any DG Agency SO (2.1–2.4)

(Total number of reporting countries = 64)

Category	Number of Countries				
	1989	1992	1995	1998	2000
Free	6	12	15	22	20
Partly free	18	37	30	26	28
Not free	19	12	18	16	16
Data not available	23	3	1	0	0

Note: Data reflect only countries with significant USAID democracy programs, plus the eight Eastern European countries that graduated from USAID assistance in the 1990s.

Source: Freedom House.

Data Quality: See annex.

Over the past three decades, democracy and freedom have spread globally at an unprecedented rate. USAID’s democracy and governance programs have played an important role in these historic accomplishments. Recent notable examples include transitions to democracy in Serbia, Nigeria, and Indonesia, and significant elections in Peru, Senegal, and Ghana.

Despite this progress, the global picture is not clear. While the number of ‘free’ countries has increased from 12 in 1992 to 20 in 2000, the number of countries classified as ‘not free’ by Freedom House has remained roughly the same. In this context, USAID will continue its global efforts to strengthen democratic values and institutions, while incorporating a new focus on conflict prevention and mitigation.

DCHA Objective 1: Strengthen rule of law and respect for human rights

USAID works to help establish effective legal systems, including reforming the legal code, establishing an impartial judicial system, and reducing corruption. A well-developed system of justice helps guarantee the protection of democratic rights while providing the legal framework for social and economic progress. USAID activities help strengthen justice-sector institutions, codify human rights, and increase citizens’ access to justice.

The Agency supports such diverse activities as training judges and lawyers in improved legal procedures; helping to introduce new practices, such as alternative dispute resolution, into national judicial systems and legal curricula; and streamlining the courts’ administrative and management systems. With regard to human rights, USAID funds the training and capacity building of human rights organizations, as well as protection for human rights workers.

USAID has two general targets for tracking progress in its efforts to strengthen the rule of law and respect for human rights:

- At least 90 percent of strategic objectives in this area will meet or exceed their targets for the year.
- At least one-third of the strategic objectives will achieve a significant result in FY 2003. This includes such accomplishments as passage of a new legal code, or wide adoption by the courts of a new procedure such as alternative dispute resolution.

Performance Indicator: Percentage of programs meeting targets

Category	1999	2000 ¹⁹	2001	2002	2003
Exceeded		10			90
Met		70			
Not met		20			10
Not Assessed		0			0

Source: USAID Missions, *Annual Reports*.

Data Quality: Missions are relied on to produce accurate reports, which are reviewed in Washington.

DCHA Objective 2: Encourage credible and competitive political processes

USAID works to ensure democratic elections. Although other elements of democracy can develop before competitive elections are held, a country cannot be fully democratic until its

¹⁹2000 performance data are ‘meeting expectations,’ not meeting predefined ‘targets,’ and are not directly comparable to the 2003 Agency targets

citizens can freely choose their representatives. USAID programs help strengthen political parties, and support electoral reform and voter education programs.

USAID supports political party training; citizens' efforts to advocate reforms, such as improved electoral codes; and the establishment of autonomous electoral commissions. In addition, the Agency supports election-monitoring programs, local and national-level voter awareness and education programs that introduce democratic concepts and voting practices, and independent media to encourage nonbiased reporting on electoral issues and processes.

USAID has two general targets for tracking progress in democratic elections:

- At least 90 percent of strategic objectives in this area will meet or exceed their targets for the year.
- At least one-third of the strategic objectives will achieve a significant result in FY 2003. This includes such accomplishments as certification of free elections, or incorporation of civic and voter education in national teacher training certification.

Performance Indicator: Percentage of programs meeting targets

Category	1999	2000 ¹⁹	2001	2002	2003
Exceeded		25			90
Met		50			
Not met		25			10
Not Assessed		0			0

Source: USAID Missions, *Annual Reports*.

Data Quality: Missions are relied on to produce accurate reports, which are reviewed in Washington.

DCHA Objective 3: Promote the development of politically active civil society

Civil society is the term used to describe associations that citizens freely establish to address mutual concerns. Sometimes called the “third sector,” civil society exists outside of government and the market. From PTAs to faith-based groups, civil society has flourished in the United States for centuries. In some developing countries, however, citizens have only recently gained the right to form associations.

Civil society organizations play two important roles in development. First, they help meet their members' needs, whether by educating members about new professional practices, sharing agricultural inputs, or providing healthcare or other services. Second, civil society organizations are important constituencies for reform by holding governments and public institutions accountable to citizens.

USAID supports a wide range of civil society organizations, including women's organizations, business and labor federations, environmental groups, and human rights monitoring organizations. USAID civil society programs are as multi-faceted as civil society itself. They help improve legal frameworks to protect and promote citizen action, increase participation in

oversight of public institutions, enhance the free flow of information, and strengthen democratic political culture.

USAID has two general targets for tracking progress in its efforts to support the growth of democratic civil society:

- At least 90 percent of strategic objectives in this area will meet or exceed their targets for the year.
- At least one-third of the strategic objectives will achieve a significant result in FY 2003. This includes such accomplishments as passing a national NGO registration law to ensure the legal operation of civil society organizations.

Performance Indicator: Percentage of programs meeting targets

Category	1999	2000 ¹⁹	2001	2002	2003
Exceeded		5			90
Met		62			
Not met		19			10
Not Assessed		14			0

Source: USAID Missions, *Annual Reports*.

Data Quality: Missions are relied on to produce accurate reports, which are reviewed in Washington.

DCHA Objective 4: Encourage more transparent and accountable government institutions

Citizens lose confidence in governments that are not accountable, and that cannot deliver basic services. The degree to which a government functions effectively and transparently can determine its ability to sustain democratic reform. Thus, USAID's democracy program focuses on improving government integrity, decentralizing government functions and decision-making, promoting more effective policies, and strengthening legislatures to be more representative and responsive.

Corruption is one of the greatest threats to good governance. USAID uses a variety of anti-corruption approaches, from supporting civil society watchdog groups, to assisting in the development of national anti-corruption laws, to working with host government counterparts to increase financial management skills. Anti-corruption efforts reap multiple rewards: Because of their crosscutting nature, efforts to encourage democratic governance enhance other USAID initiatives to alleviate poverty; improve economic growth, education, and healthcare; and protect the environment.

USAID has two general targets for tracking progress in strengthening government accountability and good governance:

- At least 90 percent of strategic objectives in this area will meet or exceed their targets for the year.
- At least one-third of the strategic objectives will achieve a significant result in FY 2003. This includes such accomplishments as promulgation of a Government Code of Ethics or broad delivery of ethics training to national and municipal government employees.

Performance Indicator: Percentage of programs meeting targets

Category	1999	2000 ¹⁹	2001	2002	2003
Exceeded		15			90
Met		70			
Not met		15			10
Not Assessed		0			0

Source: USAID Missions, *Annual Reports*.

Data Quality: Missions are relied on to produce accurate reports, which are reviewed in Washington.

DCHA Objective 5: Mitigate Conflict

USAID's new Conflict Management Initiative centers on four essential priorities:

1. Supporting the development of more integrated, focused USAID and U.S. Government strategies. These strategies will result from conflict-vulnerability analyses and will address prevention, management, and re-ignition (during post-conflict transition) of violent conflict.
2. Expanding democratic governance programs that create institutions at all levels of society as mechanisms to prevent, mitigate, and resolve conflict before it escalates, or to reconcile fractured societies in its aftermath. USAID will focus in particular on learning from the successes and relying more on the initiatives of U.S. and in-country civil society groups, including those that are faith-based or based at the local grassroots level, to develop local capacities for maintaining peace.
3. Providing the parties to the conflict with more opportunities, methods, and tools to acknowledge and act effectively on their responsibilities to resolve root-cause issues peacefully.
4. Developing a Global Development Cooperation Partnership to address the future threats to U.S. interests and security and the attendant challenges of globalization.

For example, in direct support of U.S. troops, USAID programs are helping to prevent the re-ignition of conflict in Croatia, Bosnia-Herzegovina, Kosovo, Macedonia and Serbia. Even before September 11, USAID had been implementing grass-roots programs to help halt the spread of conflict and terrorism in the Central Asian Republics, particularly the front-line states of Tajikistan, Uzbekistan and Kyrgyzstan.

Creating the capability to achieve a sustainable peace in fragile states will not be easy. It will require international resolve, a multidisciplinary approach, and a long-term commitment and integrated planning within the U.S. Government and the donor community.

Performance Indicator: Percentage of programs meeting targets

This indicator has not been tracked before 2001. A baseline will be established and data provided for 2001, 2002, and 2003.

Performance Indicator: Number of refugees and internally displaced persons assisted by USAID

Office of Food for Peace:	
Internally Displaced Persons (IDPs)	5,492,000
Refugees	803,000
Other ²⁰	11,298,000

USAID Objective 6: Provide humanitarian relief

USAID works to provide both short- and long-term humanitarian assistance in times of need.

USAID seeks to meet the critical needs of people affected by disasters. We provide life-saving assistance: food, water, shelter, medicine, and clothing. USAID deploys quick response teams that include experts from DCHA and across the Agency who make rapid assessments of urgent needs. USAID uses Public Law 480 (P.L. 480) Title II emergency food commodities and International Disaster Assistance funds to provide critical, quick response to disasters.

Performance Indicator: Number of people receiving assistance from USAID²¹

Office of U.S. Foreign Disaster Assistance (OFDA)	23,700,000*
Office of Food for Peace (FFP)	29,891,000**

*Number of affected monitored by OFDA. The database for monitoring the number of people receiving assistance is being established.

**The number of people receiving assistance is from the Office of Food for Peace database that has compiled information from World Food Program and PVO/NGO recipients of Title II emergency resources for FY 2001.

²⁰ Resettled, residents, and others except IDPs and refugees.

²¹ Many individuals received assistance from both OFDA and FFP, so these figures represent double-counting. USAID and its counterpart Voluntary Agencies have not established the costly systems needed to track what programs provide assistance to given individuals.

Performance Indicator: Number of declared emergencies responded to in a timely manner

Office of U.S. Foreign Disaster Assistance	79 *
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* Of a total of 79 declared emergencies. "Timely" is defined as within 72 hours of a declared disaster.

Performance Indicator: Crude Mortality Rates: Baselines being established in 2002

Performance Indicator: Child malnutrition rates: Baselines being established in 2002

USAID does not set targets for humanitarian assistance in the same way as other sectors, because we cannot predict what emergency needs will be, nor the numbers of people who will be affected by disasters. Instead, the Agency uses the 72-hour target for rapid response, and is currently setting baselines for two benchmark indicators: crude mortality rates and acute malnutrition in children less than five years of age among affected populations.

In addition to emergency response, USAID also provides transition assistance following complex emergencies. These efforts are vital to ensuring that critical needs are met over the intermediate term, that scarce resources are shared equitably and that national reconciliation occurs, and that the instability that typically follows disasters does not lead to re-ignition of conflict or crisis.

"Transition" encompasses a variety of dynamic situations, often implying marked and dramatic changes in economic, political, and social conditions. USAID is involved in at least five different types of transition situations: From a society in conflict to a society in peace; from relief to development; from authoritarian government to democracy; from a closed market to an open, market economy; and from receiving development assistance to graduation from assistance.

Performance Indicator: Percentage of transition programs meeting targets

A baseline will be established in FY 2002.

USAID has a single performance target for achieving progress in transition settings:

- At least 90 percent of transition strategic objectives will meet or exceed their targets for the year.

IV. Management

Management Goal: Achieve USAID's Goals in the Most Efficient and Effective Manner

USAID's management goal provides the foundation for all of the Agency's development achievements. To achieve the best possible results in assisted countries, our business processes and management systems must utilize modern management approaches and technology. The Administrator has challenged Agency leadership to transform USAID into a smarter, faster, and more responsive foreign policy agency. A review of business processes and management systems is currently under way. The results of these reviews will produce more specific targets

for FY 2003. The management objectives outlined in this plan focus on the following management priorities:

1. Installation of a worldwide financial management system that meets Federal accounting standards and provides the breadth of cost information to enable effective management of our programs worldwide
2. Development and installation of secure information and knowledge management capability for USAID's worldwide operations
3. Development of enhanced workforce planning, recruitment, and training efforts to address the decline in the number of personnel with critical expertise to fill overseas posts and to improve the effectiveness of our staff
4. Improvement in our ability to procure and deliver services worldwide in a more timely manner
5. Improvements in the logistical and administrative services that support Agency operations in Washington and field missions

For FY 2003, USAID has five key management objectives:

Objective 1: Accurate Financial Information Available for Agency Decisions

In order to optimize taxpayer funds for development and relief, USAID decision-makers must have sound program and financial information. Our financial management systems do not currently comply with all requirements of the Federal Financial Management Improvement Act. The cornerstone of improving USAID financial management is the implementation of a fully compliant core financial system. To achieve this goal, we successfully launched Phoenix, a commercial off-the-shelf package that is in use at multiple Federal agencies. We began using Phoenix to support Washington operations in December 2000. A decision will be made during FY 2002 regarding deployment of the system to field missions.

FY 2001 Performance Goal 1.1

USAID's core financial management system certified compliant with Federal requirements.

Indicator 1.1.1: Integrated, automated financial systems worldwide

FY 2002 targets:

- (a) The core financial system supports mission financial reporting at the strategic objective level in accordance with the Agency's accounting classification structure in FY 2002.
- (b) A firm date established for accelerated deployment of the core accounting system.

FY 2003 target: Plans finalized for worldwide deployment of core accounting system.

Indicator 1.1.2: A fully operational, secure, and compliant core financial system installed with interfaces to major feeder systems.

FY 2002 targets:

- (a) Mission accounting system security certifications completed for at least 50 percent of the overseas accounting stations.
- (b) Electronic interfaces and data repositories for significant feeder systems implemented.
- (c) Web-based reporting tools implemented to support enhanced financial reporting for decision-making and resource management.
- (d) Select priority enhancements to core financial system implemented (e.g., Web-based vendor query and electronic invoicing capabilities, Web-based core financial system upgrade, and Agency reorganization).

FY 2003 targets:

- (a) Mission accounting system security certification completed at all (38) overseas accounting stations.
- (b) Select priority enhancements to core financial system implemented (e.g., credit card processing, grantee advances, Agency-wide cash reconciliation system, core financial system upgrade, and application integration tools).

FY 2001 Performance Goal 1.2:

A system to allocate administrative costs fully to Agency strategic goals installed in Washington and the field.

Indicator 1.2.1: Administrative costs allocated to strategic objectives

FY 2002 target: Cost accounting system capable of allocating the full costs of Washington programs and operations to Agency goals.

FY 2003 target: Plan developed for implementing the cost accounting system Agency-wide.

Objective 2: USAID Staff Skills, Agency Goals, Core Values, and Organizational Structures Better Aligned to Achieve Results Efficiently

USAID's first human resource concern is workforce planning, defined as having the right person at the right time for the right job, and doing the right work. The Agency needs to reshape the workforce to correct a skill imbalance. The target employment level is 1,012 Civil Service (CS) and 1,000 Foreign Service (FS) employees. The second major workforce concern is the high number of retirement-eligible employees. The average USAID CS employee is 47 years old; the FS average age is 48 years. As of September 30, 2001, 32 percent of our CS workforce and almost 60 percent of FS employees were eligible to retire immediately or by September 30, 2005.

Although significant progress has been made in addressing human resource issues, more work remains to better align Washington staff with USAID's strategic goals and objectives. We are

developing a Washington workforce strategy that systematically and comprehensively assesses headquarters staffing needs. This analysis is expected to be completed in fall 2002 after the completion of USAID/W reorganization.

Performance Goal 2.1

Human capital management capabilities strengthened.

Indicator 2.1.1: Recruitment efforts result in rapid deployment of staff in direct hire labor categories and services.

FY 2002 targets:

- (a) All FS and CS staffing requirements met, i.e., Agency ends the fiscal year no more than 40 below on-board funded target for FY 2002.
- (b) Workforce restructuring plan finalized and performance indicators developed to evaluate recruitment and efforts to rationalize staff allocations.

FY 2003 targets:

- (a) All FS and CS staffing requirements met, i.e., Agency ends the fiscal year at on-board funded target for FY 2003.
- (b) A refined restructuring plan issued based on annual Washington Portfolio Reviews.
- (c) Recruitment efforts evaluated as excellent based on indicators. Efforts to rationalize staff evaluated as fair to good based on performance indicators.
- (d) Comprehensive Civil Service recruitment plan in place similar to Foreign Service recruitment plan.
- (e) Web-enhanced human resource management tools available to Agency human resource management staff, which will, among other things, increase the number of job applications received and processed due to increased advertisement of job openings.

Indicator 2.2: In-house training on critical operational skills continued.

FY 2002 target: A total of 2,200 employees trained in leadership, operations, financial management, and overall managing for results.

FY 2003 target: A total of 2,500 employees trained in leadership, operations, financial management, and overall managing for results.

Objective 3: Agency Goals and Objectives Served by Well-Planned and Managed Acquisition and Assistance

USAID achieves development results largely through intermediaries, contractors, or recipients of grants and cooperative agreements. Efficient and effective acquisition and assistance services are critical. We will continue efforts to improve the timeliness of procurement actions, increase the use of performance-based instruments, and strengthen the competencies of technical and contract staff.

Performance Goal 3.1: Acquisition and Assistance Planning Integrated with Program Development

Indicator 3.1.1: Increased use of performance-based contracts

FY 2002 target: 20 percent of contracts valued at over \$25,000 are performance based.

FY 2003 target: 30 percent of contracts valued at over \$25,000 are performance based.

Indicator 3.1.2: Use of new Government-wide advertising system—FedBizOpps

FY 2002 target: 95 percent of solicitations valued at over \$25,000 are advertised via www.FedBizOpps.gov.

Performance Goal 3.2: Acquisition and assistance competencies of technical and contract staff strengthened

Indicator 3.2.1: Percentage of Cognizant Technical Officers (CTOs) and Contract Officers (COs) certified

FY 2002 targets:

- (a) Certification standards for CTOs finalized.
- (b) Eighty-seven percent of COs with procurement authority of \$2.5 million or more certified by the end of FY 2002.

FY 2003 target:

- (a) A total of 250 CTOs certified, subject to available funding.
- (b) Ninety percent of COs with procurement authority of \$2.5 million or more certified by the end of FY 2003.

Performance Goal 3.3: Partnerships among USAID technical contract offices and contractors and recipients improved

New Indicator 3.3.1: Contract administration simplified

FY 2002 target: Policy for the delegation of CO authorities to CTOs established by the end of FY 2002.

FY 2003 target: Process and baseline established for changes in contracting officer approvals.

Performance Goal 3.4: Improved consistency in application of Acquisition and Assistance procurement policies and procedures

Indicator 3.4.1: Uniform implementation of contracting policies

FY 2002 target: Baseline established and targets set for FY 2002 during first quarter.

FY 2003 target: Twenty percent improvement over the baseline set in first quarter of FY 2002.

Objective 4: Agency Goals and Objectives Supported by Better Information Management and Technology

Note: This objective was announced in the FY 2000 Performance Overview. Specific performance goals and indicators were set for FY 2002 only.

Given the Agency's decentralized, worldwide field presence, improving Agency information management and technology systems is imperative. To address these challenges, we developed an Information Management (IM) Strategic Plan for fiscal years 2001–05, mapping a course to use information management and technology more effectively in achieving development goals and objectives. There are a number of IM requirements critical to the success of the IM Strategic Plan that remain unfunded. However, during FY 2002 and FY 2003, the Agency has the following targets to support better information management and technology:

FY 2002 Performance Goal 4: Information technology improves Agency efficiency and effectiveness

Indicator: Enhanced compliance with Federal requirements and regulations

FY 2002 targets:

- (a) Study to reengineer Agency business practices completed and plan developed to accelerate deployment of improved Agency-wide systems.
- (b) Forty-one missions upgraded with new network operating system.
- (c) Security investments ranked and actions to reduce risks in general control environment executed.

FY 2003 targets:

- (a) Agency-wide systems deployed at selected missions.
- (b) Telecommunications network equipment upgraded at 21 missions.
- (c) Execution of actions to reduce risks in general control environment continued and detailed targets established for the activities to strengthen the general control environment.

Objective 5: Improved Logistical and Administrative Services

Note: This objective is in process of being defined. Performance indicators will be available in the FY 2004 Annual Performance Plan

V. Performance-Based Budgeting

To date, most USAID performance-informed budgeting has occurred at the mission level. Initial budget requests have come from the country missions, who know the successes and weaknesses of their programs best. Every program sets targets and gathers data on whether their activities are achieving the desired results. Every program reviews progress annually, and budgets accordingly, within the limits set by guidance. The mission budget requests are then reviewed at the Regional bureau level, where they are compared with programs in their geographic areas. Here, the requests are also reviewed by technical sector experts, who make recommendations

based on performance and the other factors that need to be included in the budget equation, including country need, the quality of the country partnership, congressional and administration priorities and other considerations. At this point, bureaus frequently add funds to programs that are performing well.

The Agency is responding to the President's Management Agenda item on strategic budgeting. As part of the new USAID reforms, the Agency will make the link between strategy, performance and budget more rational and transparent. Much of this work will take place in a cooperative effort between the Bureau for Policy and Program Coordination, the Pillar Bureaus and the Regional bureaus. Already, the budget office has been moved from the Management Bureau to the Policy and Program Coordination Bureau, to help ensure that strategic and performance issues can be more easily addressed. A management cost accounting system has been designed and is being implemented, although this will take more time to make fully functional. The Annual Performance Plan has been updated—in this document—to enable better comparisons and summarize accomplishments across sectors, countries and regions.

The following tables link budget to the various USAID GPRA program elements and their respective indicators, which have been described above.

Development Assistance				
(dollars in thousands)				
	FY 2000	FY 2001	FY 2002	FY 2003
Total	1,825,126	2,243,540	2,491,500	2,739,500
Economic Growth, Agriculture, and Trade:	815,162	843,049	944,500	1,110,600
Agriculture	152,118	160,390	200,400	260,500
Trade and Investment	257,319	245,397	252,900	316,600
Development Credit by Transfer	[3,000]	[5,000]	[18,500]	--
Environment	252,679	274,092	278,900	[325]308,000
Basic Education	98,000	102,801	150,000	165,000
Higher Education and Training	44,656	60,369	62,300	60,500
Global Health	843,228	1,214,445	1,313,500	1,374,000
Child Survival/Maternal Health	266,766	295,239	320,000	282,500
Vulnerable Children	12,000	29,935	25,000	13,000
HIV/AIDS	175,000	289,340	395,000	500,000
Other Infectious Diseases	73,600	123,725	155,000	110,000
Family Planning/Reproductive Health	327,262	376,206	368,500	368,500
UNICEF – non-add	[109,582]	[109,758]	[120,000]	--
Global Fund	--	100,000	50,000	100,000
Democracy, Conflict, and Humanitarian Assistance	143,900	157,819	146,400	224,900
Democracy and Governance/Conflict	132,400	131,308	119,400	199,000
Human Rights	11,500	25,100	27,000	25,000
Global Development Alliance	--	--	20,000	30,000
Other (IAF/ADF, IFAD, El Salvador, contingencies)	21,826	28,227	67,100	--
Regional Distribution				
(dollars in thousands)				
	FY 2000	FY 2001	FY 2002	FY 2003
TOTAL	1,934,708	2,353,010	2,611,500	2,739,500
Sub-Saharan Africa	738,488	768,223	887,223	1,000,091
Asia	283,891	322,153	412,215	457,035
Near East	10,250	11,187	10,913	7,213
Eurasia	--	6,012	--	--
Europe	--	770	--	--
Latin America and the Caribbean	280,957	324,258	373,052	417,005
Central Programs				
International Partnerships (UNICEF, Trust Fund)		209,758	297,300	226,500