

SD/SA

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT



Congressional Presentation
Fiscal Year 2000



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

The Administrator

February 26, 1999

TO THE CONGRESS OF THE UNITED STATES

On behalf of the U.S. Agency for International Development, I am pleased to transmit the Administration's request for authorization and appropriations for fiscal year 2000.

U.S. foreign assistance programs have overcome many of the world's development problems. The job, however, is not complete. New challenges of the post-Cold War era require investments now if we are to avoid a heavier burden of addressing more complex and costlier situations later.

International development and humanitarian assistance are in the U.S. national interest, and effective programs are critically important to the achievement of the U.S. international affairs strategic plan and the agency's strategic objectives. The agency's leadership in the world's development community is instrumental in this effort.

The following material and accompanying volumes describe in detail the agency's programs, objectives, and results.

A handwritten signature in black ink, appearing to read "J. Brian Atwood". The signature is fluid and cursive, with a large initial "J" and "B".

J. Brian Atwood

**U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
FY 2000 CONGRESSIONAL PRESENTATION**

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INTRODUCTION

The U.S. Agency for International Development's (USAID) FY 2000 Congressional Presentation (CP) reflects the Administration's program and budget justification for the bilateral foreign economic assistance program.

The **Main Volume** of the CP document summarizes the budget request and discusses the programs and activities implemented through USAID's centrally funded programs and through the four geographic regions (Africa, Asia and the Near East, Europe and the New Independent States, and Latin America and the Caribbean).

Four regional annexes to the Main Volume discuss USAID programs in the geographic regions, including program narratives and activity data sheets. **Annex I** details programs and activities for Africa, **Annex II** details the programs for Asia and the Near East, **Annex III** details the programs for Europe and the New Independent States of the former Soviet Union, and **Annex IV** details the Latin America and Caribbean programs.

A separate volume of **Summary Tables** is included with this Congressional Presentation. These tables illustrate the foreign assistance budget request for FY 2000 and provide a detailed tabular breakout of the foreign assistance budget for FY 1998 (actual), FY 1999 (estimate), and FY 2000 (request) for the entire International Affairs (Function 150) account.

Finally, a separate **Statistical Annex (Annex V)** providing details for the USAID-managed programs will be submitted to the Congress following enactment of the FY 2000 appropriations.

Statement of the Administrator

USAID is emerging from a period of transition both programmatically and structurally. The benefits of our programs to the long-term achievement of U.S. foreign policy objectives have been formally and legally acknowledged in the Foreign Affairs Reform and Restructuring Act of 1998. The Act makes USAID a permanent agency after decades of temporary status and recognizes the agency's valuable contribution to U.S. leadership in the world. It further establishes a framework that will enhance the ability of the United States to better meet the international challenges of the next century. We welcome this historic movement toward better integrating our national foreign affairs efforts into a unified foreign affairs structure. USAID intends to continue to play an active, constructive role in this process so foreign affairs resources can achieve desired results in an effective and efficient manner.

Strengthened Department of State-USAID ties will enhance the cohesiveness of U.S. foreign policy and sustainable development and humanitarian programs, which promote reform and conflict resolution overseas and help vulnerable people in many areas of the world. This will further facilitate coordination of the array of foreign affairs resources employed by the U.S. Government.

Agency Operations

Before reviewing some of the specifics of our budget request, I would like to point out several aspects of agency operations directed at improving our effectiveness. First, we have been more actively engaged with the Department of State--at the country, bureau and agency level--in putting together this budget request and ensuring consistency between our programs and those of other United States foreign affairs agencies. While this process has been challenging at times, we are committed to a collaborative approach in the spirit of the Foreign Affairs Reform Act. Over the next year, we will further refine our practices and procedures to ensure quick and smooth implementation to meet the intent of the Act.

As regards implementation of the Government Performance and Results Act (GPRA) and reengineering more generally, we are continuing to make important progress. Many acknowledge that USAID is among the leaders in implementing GPRA. We continue to use results as a factor in making budget allocations along with foreign policy and Congressional considerations. We are also continuing our five-year effort to reform and revitalize our management processes and systems that began when the National Performance Review designated USAID as one of two pilot reinvention laboratories. This includes a renewed effort to modernize our information systems to support new management approaches and to make our systems year 2000 (Y2K) compatible. USAID is also carrying out an extensive "stocktaking" review of how well operational process reforms of recent years are working. Where called for, we are revising and refining our reengineered systems.

USAID continues to work closely with the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD), the Group of Eight (G-8) Summit process, the "Common Agenda" with Japan, and the "New Transatlantic Agenda" with the European Union. We work with these groups to make policy more coherent while improving program coordination with other donors. This helps ensure that U.S. development resources achieve maximum impact at the least cost to the U.S. taxpayer.

To try to sustain program operations while maintaining accountability standards, we have reviewed many of our most significant business functions and are making appropriate modifications. However, even with these management improvements, our tight operating expense situation and resultant staff limitations are seriously affecting our ability to execute our program. Accordingly, I have requested an increase in our operating expense budget. International inflation, increased costs of maintaining security for overseas personnel, decreased local currency funds, and the costs of becoming Y-2K compliant in the international work place continue to erode USAID's budget, placing program implementation in jeopardy.

General

The critical international issues of our time are increasingly of a long-term nature. Whether economic crises caused by a lack of confidence in the institutions of emerging economies, conflict prevention, rebuilding war-torn countries, the tenuous situation in Russia, global warming, transnational terrorism, drug-trafficking or the threat of new infectious diseases, addressing these pressing international concerns requires sustained long-term strategies. Such strategies for advancing the national interest abroad require resources to make them work.

The agency's priorities in the FY 2000 budget request are described within our strategic framework for sustainable development. This framework defines our mission as that of promoting broad-based sustainable development, ensuring successful transitions to stable democracies and strong market economies, and providing humanitarian assistance in situations of natural and man-made disasters. To accomplish this, USAID addresses several critical strategic goals including economic growth and agricultural development, strengthened democracy, human capacity development, world population stabilization and health, environmental protection, and humanitarian assistance. USAID continues to play a central role in addressing each of these international issues.

Achievements

USAID has impressive results to report from its program efforts as discussed in the country and central program narratives contained in this presentation. The presentation describes country, regional and global development trends towards poverty reduction and increased gross domestic product in several targeted countries. The presentation also describes results attributable to specific USAID programs such as sustainable urbanization, greater availability of safe drinking water, reductions in fertility rates, decreased child mortality, and efforts to delay or manage infectious diseases like HIV/AIDS.

Looking Forward

Within the framework of our strategy, we address a range of critical issues. We have developed a response to the global financial crisis aimed at aiding the countries hardest hit with a program that stresses the principles of openness and accountability that are key to recovery and reform. A timely end to this crisis is of paramount importance to the national interest of the United States.

In Africa, our foreign policy objectives and development challenges are apparent. They include the need to promote civil stability and to support nascent democratic movements. Emergencies created by food shortages in the region continue to require short-term USAID relief to resolve immediate crises. USAID continues its support for food-policy reform and rural development activities to strengthen African institutions in order to ensure greater future food security throughout the region. Improved food security will also permit Africans to better address critical health and child survival problems and to cope with continuing international crises resulting from massive immigration and economic pressures. USAID will continue to support the President's Partnership for Economic Growth and Opportunity. To signal our commitment to the region we need to reinstate a separate account for the Development Fund for Africa.

The countries of the Asia and Near East region remain central to U.S. national security, foreign policy and economic interests. Although these interests in the Near East are obvious, U.S. interests in Asia are equally significant and important. This is especially true for U.S. economic interests. In Asia and the Near East, USAID programs respond to critical bilateral and regional development needs by stimulating economic recovery in Asia. USAID helps secure peace settlements in the Middle East; encourages new and existing U.S. trade and investment; and supports nascent democracies in Indonesia, Cambodia, and Burma. We also continue to address important transnational issues such as global warming, environmental degradation, population growth, health problems, and the pernicious

issues of child labor and trafficking in girls and women. We need to reaffirm our commitment to this region by ensuring adequate development resources are made available to these countries.

In Latin America and the Caribbean, we propose to continue our commitments made at the Summit of the Americas. Adequate funding of these commitments will promote U.S. interests in the region by supporting democracy, trade and sustainable economic development. We continue to encourage hemispheric cooperation on illegal drug trafficking, controlling crime, reducing poverty and protecting the environment. Because of the unanticipated natural disasters caused by Hurricanes Georges and Mitch and the earthquake in Colombia, the Administration is requesting nearly one billion additional dollars to provide critical reconstruction support for Central America and the Caribbean. This emergency reconstruction assistance would rebuild sanitary systems, restore clean water, replace schools, houses and roads, and revitalize agriculture.

Our support to the New Independent States of the former Soviet Union has four dimensions: promoting democracy; creating free markets; sponsoring peace; and encouraging cooperation among these countries and with the global community. USAID technical assistance will continue to help countries implement modern and transparent tax laws, privatization programs, and closer regional economic integration. To build democracy USAID supports programs encouraging the rule of law, increased civilian control, appropriate oversight of the military, and protection of human rights.

Food security programs address the needs of millions of individuals around the world who lack access to minimum daily caloric requirements. Our response combines the provision of emergency food aid with activities aimed at strengthening linkages between U.S. and overseas research institutions which are addressing long-term food production and distribution issues. Mobilization of the private sector in this endeavor is essential for success in food assistance and USAID continues to rely heavily on non-governmental and private relief organizations to ensure success in this area.

USAID expects increased demand for humanitarian assistance to deal with man-made crises such as armed domestic conflicts. Our experience helping countries make the transition from crisis to recovery is improving our ability to prevent and resolve crises before they become deadly and costly conflicts. We aim to resolve conflicts by promoting increased national and regional cooperation.

USAID, in summary, is making a serious effort to improve our internal operating efficiencies to ensure that our limited resources are achieving maximum results while continuing to implement an overseas development program. We are forging new relationships and increased coordination with our U.S. foreign affairs colleagues in the field and in Washington to ensure that our programs fully support U.S. national interests and the objectives of our International Affairs Strategic Plan. I stress that this budget request provides the minimum level of resources needed for USAID to carry out and adequately oversee our overseas programs. These programs support key U.S. developmental and foreign policy objectives throughout the developing world and include important Administration and Congressional priorities.

**SUMMARY OF USAID
FISCAL YEAR 2000 BUDGET REQUEST**

For Fiscal Year 2000, the President is requesting appropriations of \$7,212,000,000 for USAID-administered programs, including those jointly administered with the State Department. The FY 2000 request compares to the FY 1999 appropriation level of \$7,092,731,000, which includes \$146,000,000 in emergency supplemental funds. The FY 2000 USAID request includes funding for Sustainable Development Assistance (DA), Development Fund for Africa, Child Survival and Disease Programs, the Economic Support Fund (ESF), Support for East European Democracy (SEED), and Assistance for the New Independent States of the former Soviet Union (NIS). P.L. 480 (Food for Peace) resources administered by USAID are formally requested as a part of the U. S. Department of Agriculture budget.

The following chart and subsequent descriptions provide further details in support of the budget request. FY 1998 levels include funds transferred to USAID for International Cooperative Administrative Support Services (ICASS). The table is in dollars thousands.

Appropriation	FY 1998 Appropriated level	FY 1999 Appropriated level	FY 2000 Budget Request
Development Assistance (DA)\1	1,174,634	1,194,000	780,440
Child Survival and Disease Programs	550,000	595,000	555,000
Development Fund for Africa	—	—	512,560
<i>Subtotal Sustainable Development</i>	<i>1,724,634</i>	<i>1,789,000</i>	<i>1,848,000</i>
International Disaster Assistance	190,298	200,000	220,000
Credit Programs	11,053	8,500	10,000
Development Credit Authority \2	[7,500]	[—]	[15,000]
USAID Operating Expenses \3	478,858	492,650	507,739
Inspector General Operating Expenses	29,047	30,750	25,261
Foreign Service Disability & Retirement	[44,208]	[44,552]	[43,837]
Economic Support Fund & International Fund for Ireland \1 & \4	2,419,928	2,432,831	2,389,000
Assistance to the New Independent States\1	770,798	847,000	1,032,000
Assistance for Eastern Europe and the Baltics\1	485,276	430,000	393,000
P.L. 480 Food For Peace Title II	837,000	837,000	787,000 \5
P.L. 480 Food For Peace Title III	30,000	25,000	—
USAID Total:	6,976,892	7,092,731	7,212,000

\1 To be consistent with the FY 2000 request, the FY 1998 and FY 1999 appropriated levels exclude transfers to the African Development Foundation and the Inter-American Development Foundation, but include funds ultimately transferred from SEED and NIS funds to other agencies. FY 1998 account levels also include one-time appropriations for use of Department of State's new International Cooperative Administrative Support Services (ICASS) for services provided to USAID through ICASS.

\2 FY 1998 authority will be used in FY 1999, with FY 1998 funds, pending OMB certification.

\3 FY 1999 includes \$2.5 million of ESF being used for operating expenses from the security supplemental, and \$10.2 million from the Y2K supplemental.

\4 FYs 1999 and 2000 exclude supplemental requests and advance appropriations related to Wye Accords.

\5 Excludes \$50 million of estimated carry-in and recoveries which would permit an \$837 million program.

All programs managed by USAID, as noted under the Program Performance section, are an integral part of U.S. foreign policy objectives, particularly in the areas of fostering economic growth and promoting sustainable development; supporting the establishment of democracies and upholding human rights; providing humanitarian and transitional assistance to victims of crisis and disaster; and improving the global environment, stabilizing world population growth, and protecting human health.

SUSTAINABLE DEVELOPMENT ASSISTANCE

The Sustainable Development Assistance account, the Development Fund for Africa, and the Child Survival and Disease Program Fund provide support for activities worldwide that are designed to promote sustainable development in some of the poorest countries in the world. These nations represent the world's last great underdeveloped markets. USAID strongly believes that the modest and well targeted investments it makes today in the form of human capital and the partnerships the agency establishes with the overseas communities will pay economic and political dividends to the United States well into the future. These three accounts constitute the core of USAID's sustainable development programs and support five of USAID's seven strategic goals— integrated, interrelated and mutually reinforcing goals that are aimed at addressing the long-term interests of the United States. (The sixth goal of humanitarian assistance includes USAID's request for International Disaster Assistance and the Food For Peace accounts. The seventh goal, that USAID remain the premier bilateral development agency, is supported by USAID and Inspector General (IG) Operating Expenses to maintain management of all USAID-managed programs and the goals sought by these programs).

These five goals include activities aimed at promoting broad-based and sustainable economic growth and agricultural development (\$460 million); building human capacity through education and training (\$148 million); stabilizing population growth rates (\$355 million) and protecting human health (\$445 million); protecting the environment (\$290 million); and strengthening democracy and good governance (\$150 million). (USAID's credit programs also cut across many of these goals, as do those of the Central and Eastern Europe and the New Independent States, and some of the programs funded under the Economic Support Fund.)

Sustainable Development Assistance Account

The request for this account in FY 2000 is \$780.4 million, and includes funding to address the Asia financial crisis and programs in Latin America that implement the Santiago Summit Plan of Action and a Global Climate Change Initiative related to tropical forest fires. The request includes \$224 million for economic growth, \$4 million for human capacity development, \$78 million to support democratic participation, \$192 million for the environment, and \$282 million for population programs.

Economic growth funds will expand and strengthen private markets, encourage more rapid and enhanced agricultural development for food security, and provide access to economic opportunity for the rural and urban poor. Scores of nations are making the transition from repressive, autocratic regimes to democratic governance, and some of these funds will help countries build democratic institutions, strengthen the societal underpinnings essential to success, and move toward more open and representative governments. Funding for environmental programs will help reduce the threat of global climate change, conserve biological diversity, provide for sustainable urbanization and pollution control, increase environmentally sound energy services, and promote the sustainable management of natural resources. Funds for family planning activities will help reduce unintended pregnancies, improve infant and child health and nutrition—while reducing their mortality rates—and decrease maternal deaths associated with childbirth through better access to improved obstetrical services.

The Santiago Summit, held in April 1998, has again set the pace for development initiatives in Latin America and culminated a year-long effort of Presidential engagement in hemispheric affairs. These initiatives focus on a "second generation" of reforms aimed at deepening the trend toward democratic governance in the region and removing the barriers to the participation of the poor in the national life of their

countries. USAID is designing several new initiatives that will be more in sync with Summit goals and objectives – in the areas of education, microenterprise, property registration, food safety, government decentralization, judicial training, anti-corruption and child labor. Basic education and child labor activities will be funded under the Child Survival and Diseases Program Fund.

The recent financial crisis in Asia has had a global impact, resulting in falling commodity prices and reduced world demand for exports, which threatens the economic progress in fragile regions. This crisis represents a significant setback in long-term efforts to strengthen trade and investment linkages between U.S. and Asian business. USAID has an important role in helping Asian countries address the root causes of the crisis, especially through economic growth and democracy and governance activities. Increasing competition, transparency and accountability in capital markets and other financial sector institutions remains the focus of USAID activities. USAID also is working to liberalize international trade, increase the degree of competition within domestic economies, eliminate restraints on foreign and domestic investment, and privatize infrastructure. Needs of the poor are being addressed through programs that strengthen microenterprise finance institutions, transfer improved technologies and practices to business and agriculture, and strengthen civil society.

USAID's programs address the primary causes of social instability and underdevelopment by joining in partnership with the governments and citizens of host countries to address mutually identified problems. Development is sustainable when it permanently enhances the capacity of a society to improve its quality of life. Thus, while addressing problems in any one of USAID's five major goals, the agency also can achieve progress in the other areas. This is because USAID programs aim at increasing participation and empowerment; the impact of our activities is felt far beyond any one specific development problem. USAID programs help increase the participation of people at all income levels, with special emphasis on women and ethnic minorities, in the economic, social, and political processes in order that they may contribute to and benefit from national progress. Sustainable development also creates lasting trade and social linkages between the United States and the developing world.

Development Fund for Africa

USAID is renewing its request for a separate appropriation for the Development Fund for Africa (DFA) as a reflection of the high priority this Administration places on aiding the sustainable development of Africa. The FY 2000 request for this account is \$512.6 million. Within this request is \$235 million for economic growth and agricultural development, \$34 million for human capacity development (other than basic education), \$73 million for population programs, \$99 million for sustained management of the environment, and \$72 million for building democracy. Within the DFA request is \$45 million for an expanded African Food Security Initiative, a ten-year initiative announced by President Clinton during his 1998 trip to Africa.

In addition to the DFA, Africa will receive \$252 million from the Child Survival and Diseases Program Fund and \$73 million from the Economic Support Fund. The total request of \$818 million under all these accounts permits the Administration to meet the President's commitment to seek a return to historically high levels.

Two policy goals define U.S. foreign policy in Africa: accelerating Africa's full integration into the global economy and combatting transnational security threats. The United States cannot afford to ignore Africa - either as a source of threats or as a significant and growing investment opportunity. The fundamental development challenge facing Africa is its extreme poverty. USAID recognizes, moreover, that broad-based, equitable development diminishes the potential for conflict, promotes political stability and builds more prosperous nations. Agriculture is the priority sector for investment to stimulate the rapid economic growth Africa requires to attack food insecurity and malnutrition; the Africa Food Security Initiative addresses this issue. The Africa Trade and Investment Policy Program provides assistance to help reform-oriented African countries improve the environment for trade and private investment, catalyze relationships between U.S. and African firms through business linkages, and help finance implementation of aggressive market-friendly reforms. The African Great Lakes Justice Initiative seeks to break the cycle of violence in

the region by building credible, impartial civilian and military justice systems while bolstering ethnic reconciliation.

Child Survival and Disease Programs

The FY request for this account is \$555 million and includes \$445 million for child survival, HIV/AIDS, infectious diseases and health promotion; and \$110 million for children's basic education. These funds support the U.S. foreign assistance objectives of economic development (in terms of human capacity development) and protecting human health and reducing the spread of infectious diseases. Programs covered under this account are important forerunners of efforts to support economic growth and stability, as well as being a necessary adjunct to family planning efforts. The request funds USAID's efforts in child survival and maternal health, HIV/AIDS, infectious diseases, promoting improved health in developing countries, and basic education.

Child survival (\$236 million): USAID's child survival program is aimed at improving infant and child health and nutrition and reducing infant and child mortality. Along with broader health sector resources described below, USAID is also working with partners to reduce deaths, nutritional insecurity and adverse health outcomes to women as a result of pregnancy and child birth. Reducing maternal mortality is a critically important intervention for improving child survival; the children of mothers who die in childbirth are much more likely to die themselves, or suffer health and development problems. Improved nutritional status for young women and mothers is also extremely important for reducing low-birth weight babies, a key risk factor for deaths in the first month of life.

Specific interventions for child survival include working with host country partners to develop the capacity and systems to address the major causes of mortality among children in the developing world; improve nutritional status, including micronutrients with increased attention to eliminating vitamin A deficiency; improve maternal health and nutrition; and develop more effective and efficient approaches to improving child health and survival.

USAID's child survival request also includes \$25 million for the Polio Eradication Initiative. Efforts continue to be focused on South Asia and Africa, and include accelerated efforts to strengthen surveillance, so that eradication certification can proceed as planned.

HIV/AIDS (\$127 million). USAID is the leading bilateral donor in HIV/AIDS prevention, working to reduce HIV transmission and the impact of the HIV/AIDS pandemic in developing countries. Almost half of USAID's HIV/AIDS resources are focused on Africa, where the HIV/AIDS epidemic is most severe, with increasing attention to Asia, where the epidemic is spreading rapidly, and to Latin America. USAID is also a key supporter of the United Nations Program on HIV/AIDS (UNAIDS).

USAID's strategy for HIV/AIDS is centered on developing methods to reduce the risk of exposure to HIV; reduce sexually transmitted infections (STIs); communication campaigns to change behaviors and promote condom use; policy dialogue and public awareness campaigns, particularly in countries in which HIV/AIDS is already a public health problem or where behavioral and epidemiologic patterns suggest the potential for a severe epidemic; and data collection to quantify and monitor the evolution of the HIV/AIDS epidemic and the impact of interventions on risk behaviors and HIV transmission. USAID also works with developing country partners to help communities care for those affected and infected by HIV, and has pioneered efforts to assist children orphaned by HIV/AIDS.

Infectious diseases (\$50 million). In FY 2000, USAID will continue its efforts to reduce the threat of infectious diseases of major public health importance. Working in close collaboration with international, U.S. and developing country partners, USAID's efforts are focused on reducing the spread of antimicrobial resistance; improving control of tuberculosis; reducing mortality due to malaria and other diseases; and improving disease surveillance and response capacity.

Health promotion (\$32 million). Critical to the achievement of specific objectives in child survival, HIV/AIDS, and infectious diseases are efforts that are typically described as "general health promotion." These include health care policy reform, health care financing, environmental health activities that are not necessarily child-specific but critical for improvements in health, building nongovernmental organization (NGO) health service capacity, and building public and private partnerships for health care. Some of these funds are also used to support maternal health interventions, including nutrition, early detection and management of serious obstetric complications and emergency obstetric care, and promotion of safe delivery by trained personnel.

Basic education (\$110 million). USAID's basic education for children program works to strengthen pre-primary, primary, and secondary education and teacher training. Efforts are focused primarily in Africa, but also include targeted work in Asia, the Near East and Latin America.

Maternal health. While not a specific funding subcomponent of the Child Survival and Disease Programs fund, USAID expects to spend approximately \$50 million for improving maternal health and reducing deaths to women as a result of pregnancy and child birth. More than 580,000 women die each year from pregnancy related causes, and more than half of their infants also die as a result. In addition, each year, 15 million women suffer painful and debilitating pregnancy-related injuries and infections. USAID will work with international partners and host country governments to ensure that there is commitment at all levels to address this devastating problem. Efforts will focus on a set of key interventions that mark the pathway to maternal survival, including improving maternal nutrition; birth preparedness; treatment of complications; and safe delivery, postpartum and newborn care.

USAID Credit Programs

USAID's credit programs address a variety of development objectives, including economic development, securing a sustainable environment, achieving a sustainable world population, and protecting human health.

USAID believes there are significant instances in which development priorities can be best funded through credit, especially in emerging market countries and in countries moving toward graduation status. Credit resources permit the leveraging of private sector resources to support sustainable development and to enable USAID to reach populations it would not otherwise be able to reach. These programs enable people to feed themselves and their families better, educate their children, improve their health, and upgrade their housing standards. Ultimately, the goal of all USAID credit programs is to allow the citizens of the developing world to concentrate on something beyond their next meal and to free up economic growth potential of the next generation of U.S. economic partners.

USAID's credit guarantee programs include the Micro and Small Enterprise Development Program, the Urban and Environmental Credit Program (formerly the Housing Guaranty program), and a request for authority to transfer up to \$15 million for the Development Credit Authority program from the accounts of Sustainable Development Assistance, Support for Eastern Europe Democracy (SEED), and New Independent States (NIS).

- Micro and Small Enterprise Development Program

This program requests appropriations totaling \$2 million – \$1,500,000 for credit subsidies and \$500,000 for program administration. The program uses loans and guaranties to encourage financial institutions to extend and expand credit to microentrepreneurs and small businesses. The Micro and Small Enterprise Development program is a grassroots program designed to help poor people, especially women, create employment for themselves, acquire incomes, build assets and join in the strengthening of the formal sector of the economy. Microenterprise and small loan programs provide the bridge to society for the poor, who until now have had no real connection to the economic mainstream.

- **Urban and Environmental Credit Program (formerly the Housing Guaranty Program)**

This USAID program extends guaranties to U.S. private sector investors who make loans to developing countries to support the formulation and implementation of sound housing and community development activities. These activities are targeted exclusively to meet the needs of lower income groups in the assisted country with an emphasis on addressing the urban and environmental problems that impair human health, decrease child survival rates and prevent economic growth. The FY 2000 request for these activities totals \$3,000,000 for subsidies and \$5,000,000 for program administrative costs to administer a \$2.5 billion loan portfolio.

- **Development Credit Authority**

The Development Credit Authority (DCA) provides the USAID with an important and timely tool to address its strategic priorities. It will leverage agency resources more effectively through the use of market rate loans and guarantees to finance sovereign and non-sovereign development projects that are both developmentally sound and creditworthy. This authority assumes special importance in supporting efforts related to global climate change. The DCA will leverage \$50 million in credit-funded resources to support the GCC initiative. Budget authority is being requested to transfer up to \$15 million in FY 2000 from DA, SEED and NIS accounts, of which up to \$2 million would be for administrative expenses.

International Disaster Assistance

USAID requests \$220 million for this program which includes \$165 million for disaster relief managed by the U.S. Office of Foreign Disaster Assistance (OFDA) and \$55 million for transition assistance programs managed by the Office of Transition Initiatives (OTI). USAID has a new responsibility for coordinating the U.S. Government response capability and incident command system in the field of emerging threats and will also provide \$5 million to assist overseas victims of nuclear, biological and chemical incidents.

An integrated approach to humanitarian assistance – emergency relief, prevention and transition – reduces suffering and the need for future aid.

The United States's ability to respond rapidly to emergencies is already known worldwide. Disaster assistance funds are used to improve the capacity of foreign nations to prepare and plan for disasters, mitigate their effect, and teach prevention techniques that increase the skills available locally to respond when disaster strikes. OFDA also fields disaster assistance response teams (DARTs); for example, after Hurricane Mitch, USAID established a DART to coordinate the entire \$300 million U.S. Government relief effort.

OTI funds underwrite recovery efforts for countries emerging from complex crises. OTI activities focus on special post-crisis needs not addressed by either emergency relief or long-term development programs – support for demobilization and reintroduction of excombatants into civilian society; support for justice initiatives including war crimes tribunals; landmine awareness and removal; and community self-help projects that reduce tensions and promote democratic process and conflict resolution within communities. These efforts are designed to help nations return to the path of sustainable development, prevent crises from becoming more impacted, and minimize the need for future, ongoing humanitarian and disaster relief.

Operating Expenses

The appropriation for USAID Operating Expenses covers the salaries and other support costs associated with the operations of USAID worldwide, including those managed by USAID and financed through Development Assistance, Disaster Assistance, the Economic Support Fund, the Support for Eastern European Democracy Act, the Freedom Support Act and the Food for Peace program. Operating Expenses

for USAID's Inspector General, and the costs associated with the administration of USAID's credit programs are requested separately, as discussed above.

The FY 2000 request is \$507.7 million. This request includes \$7.7 million associated with the Office of Security, which is being transferred from the Office of the Inspector General to the Office of the Administrator in FY 1999 in accordance with the FY 1999 Omnibus Appropriations Act.

USAID will continue its efforts to reduce costs, in part through continuing staff reductions worldwide and consolidating administrative and program support functions for overseas operations into additional "support" missions. Further improvements in efficiency will be emphasized as the agency continues to work on its automated systems and efforts to ensure all critical systems are Year 2000 compliant.

Inspector General Operating Expenses

This appropriation for Inspector General Operating Expenses covers salaries and other support costs associated with USAID's Inspector General operations worldwide. Activities covered include audits and investigations relating to USAID's worldwide programs and operations. The Office of Inspector General (OIG) has reduced the number of supervisors, managers, and Senior Foreign Service designated positions as well as overall staffing levels worldwide in past years.

The request of \$25.3 million covers both the domestic and overseas operations of USAID's Inspector General. The budget request reflects a reduction from prior year levels because the functions of the Office of Security are being transferred from the OIG to the USAID Administrator in FY 1999.

Foreign Service Retirement and Disability Fund

These funds cover the mandatory costs associated with the inclusion of USAID foreign service employees in the fund. The FY 2000 request is \$43.8 million.

ECONOMIC SUPPORT FUND

The Economic Support Fund advances economic and political foreign policy interests of the United States. To the extent feasible, the use of ESF conforms to the basic policy directions underlying our sustainable development assistance. ESF can finance balance of payments and economic stabilization programs, frequently in a multi-donor context.

The FY 2000 request of \$2.389 billion will be used to support the Middle East peace process (\$1.943 billion), assist countries in transition such as Haiti and Cambodia, support democracy efforts worldwide, as well as several initiatives in Africa, and promote peace and stability in such countries as Ireland and Cyprus. Support for democracy will be provided through assistance with elections, political party building and legislative training. Funds will also be used to respond to emerging environmental crises and priorities, including climate change and biodiversity. Funding will continue to support the Holocaust Fund and the Human Rights Fund, and will support a new "No Sweat" Initiative to help eliminate abusive child labor practices overseas. (Note: This request excludes the supplemental being requested by the Administration in connection with implementation of the Wye Memorandum to support Middle East peace.)

SUPPORT FOR EAST EUROPEAN DEMOCRACY

This funding supports activities authorized under the Support for East European Democracy (SEED) Act of 1989. SEED is a transitional program designed to aid central and eastern European countries through their passage to democracy and market economies. These programs help establish competitive market-oriented economies, build democratic institutions and establish linkages to the democracies of the west, and help sustain the neediest sector of the population during the transition period. As countries consolidate their political and economic transitions, they will be graduated from the assistance category and

funding for bilateral SEED programs will be phased out. USAID will move to develop new kinds of partnerships fostering ties between the United States and graduate countries (Slovenia, Estonia, the Czech Republic, Lithuania, Poland and Slovakia), such as the Baltic-American Partnership Fund already up and running. The FY 2000 request is \$393 million, including \$175 million for Bosnian reconstruction and judicial reform, and \$218 million for other countries in the Northern and Southern Tiers, with \$50 million for Kosovo. There will be a shift of program activities from "graduating" Northern Tier countries to Southern Tier countries which have further to go in their economic and political transformation.

ASSISTANCE TO THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

These funds support the activities established under the Freedom Support Act. USAID's assistance supports the fundamental U.S. foreign policy goals of consolidating improved U.S. security, building a lasting partnership with the individual New Independent States (NIS) and providing access to each other's markets, resources and expertise. The FY 2000 request is \$1.032 billion, of which \$241 million is for a new Expanded Threat Reduction Assistance Initiative aimed at dealing with reducing crises associated with weapons of mass destruction not administered by USAID. The NIS region has been hit hard by the Russian financial crisis, following on the heels of the Asian financial crisis. The principal challenges at present lie in rebuilding support for democratic and economic reforms, putting the NIS economies on a firmer growth track, helping those most materially affected by the crisis, and ensuring the continued viability of independent, democratic institutions and the media.

P.L. 480 FOOD FOR PEACE PROGRAMS

USAID's Food for Peace programs (P.L. 480) provide both humanitarian and sustainable development assistance in the form of U.S. agricultural commodities. In addition, P.L. 480 also funds the farmer-to-farmer exchange program and a grant program to U.S. private voluntary organizations and cooperatives implementing P.L.480 activities. Although requested by the Department of Agriculture, PL 480 Titles II and III are administered by USAID.

Title II provides resources to U.S. private voluntary organizations (PVOs) and the World Food Program to help implement sustainable development programs targeted to improve the food security of needy people, either by the direct distribution of agricultural commodities or the use of local currencies generated by the sale of these commodities in the recipient county. Title II also provides the vast majority of U.S. food assistance used to respond to emergencies and disasters around the world. The FY 2000 request is \$787 million; however, this excludes \$50 million of estimated carry-in and recoveries of prior year balances which would permit an \$837 million program.

The Title III Food for Development program provides country-to-country grants of agricultural commodities to improve food security and to promote agricultural policy reforms that encourage food production. There is no request for Title III for FY 2000 due to budget constraints and a higher priority placed on funding other U.S. foreign assistance activities, particularly sustainable development assistance.

Program Performance

The U.S. Agency for International Development (USAID) is the agency within the United States Government that provides bilateral economic assistance to other countries. The agency is a critical cog in the U.S. mechanism to implement the International Affairs Strategic Plan (IASP). USAID is the primary agency of the United States helping countries recover from disaster, escape poverty, and become more democratic. The Agency's mission -- promoting development and saving lives -- is part of the U.S. leadership role, one that has become more important since the Cold War ended.

The fact that much of the world has overcome many of the development problems evident three decades ago is a tribute to the unprecedented achievements made by our foreign assistance program. However, the job is not complete. New challenges of the post-Cold War era require that we help countries move from states of conflict and repression to circumstances of economic and political rebirth. In many countries, democratic institutions remain fragile, while in other countries, endemic poverty persists. If we do not make modest investments now to address these challenges, the U.S. Government may eventually have to bear the much heavier burden of making emergency responses to more complex situations. Such situations often require the presence of peacekeeping forces and massive amounts of humanitarian assistance.

USAID's Strategic Plan is associated with 16 international affairs strategic objectives, which in turn relate to the following U.S. national interests, as articulated in the International Affairs Strategic Plan:

- Promoting U.S. economic security to create markets abroad for U.S. goods and services through programs that support broad-based and lasting economic growth in developing countries.
- Enhancing prospects for peace and stability in such areas as the Middle East and Eastern Europe by helping build institutions that support democracy, free enterprise, the rule of law and a strengthened civil society.
- Preventing humanitarian and other complex crises before they occur, in an effort to stem the high financial and human costs of peacekeeping, refugee crises, and emergency relief operations.
- Protecting the United States from such specific global threats as unchecked population growth, the loss of biodiversity, global warming, and narcotics trafficking.

USAID's Strategic Plan has seven goals. Five of these relate to specific sector program areas. Two are cross-cutting in nature: (1) humanitarian assistance, and (2) management improvement and leadership. The seven Agency goals are:

- Encouraging broad-based economic growth and agricultural development.
- Strengthening democracy and good governance.
- Building human capacity through education and training.
- Stabilizing the world's population and protecting human health.

- Protecting the world's environment for long-term sustainability.
- Saving lives, reducing suffering associated with disasters, and re-establishing conditions necessary for political and economic development.
- Maintaining USAID as the premier bilateral development agency.

The IASP, the Agency's Strategic Plan and its goals provide a framework for the Agency to design, implement and judge the performance of its programs. USAID is involved in nearly every sphere of development, including democracy, economic growth, education, environment, emergency relief, and health and family planning. The agency's programs reflect the needs and priorities of the countries receiving assistance. USAID considers the interests and work of other donors and development partners, such as private voluntary organizations. The programs embody the priorities of the U.S. Government, as expressed by the Executive and Legislative Branches.

Much of this presentation deals with the status, performance and plans for individual operating unit or country programs. In this section, we will summarize actual and planned performance in USAID's goals and relate the budget request to the goals. Many performance results described here are from the final draft of the 1998 Agency Performance Report, which will be available in March 1999.

Goal 1: Promoting Broad-based Economic Growth and Agricultural Development

USAID helps developing and transitional countries achieve broad-based, rapid and sustainable economic growth. Broad-based economic growth reduces poverty, increases household incomes, and enhances food security. There is strong empirical evidence indicating that even moderate rates of economic growth can be expected to achieve substantial reductions in poverty in poor countries.

Economic growth creates jobs and provides the increased revenue governments need to expand and improve education, health, and other social services. Restoring economic growth is an essential element of successful transition.

Open markets and healthy economic growth in USAID recipient countries directly promote U.S. trade and investment. Continuing a trend that began in the 1980s, U.S. exports to developing countries in the 1990s are expanding by more than 11% per year, almost double the export growth rate to industrial countries. Broad-based economic growth reinforces other U.S. national interests and foreign policy goals, including crisis prevention, democratic development, and environmental sustainability.

USAID fosters broad-based economic growth by pursuing three interrelated objectives: (1) strengthening critical private markets; (2) promoting agricultural development; and (3) expanding access and opportunity for the poor.

Compared with the baselines established in USAID's 1997 strategic plan and first performance plan, economic performance improved significantly in most regions in recent years. For 2000, USAID programs are expected to contribute to consolidating these improvements and accelerating economic growth and poverty reduction. In Asia, USAID hopes to help sustain the largely positive growth performance of the past decade as the current difficult financial crisis eases. In most (85%) of our low-income recipient countries (mainly in Africa), agricultural growth now exceeds population growth. This represents a marked improvement over earlier years, and USAID will endeavor to

maintain and build on this progress. USAID programs will contribute to a continuation of the positive trends for economic freedom, with at least half of the countries in each region showing clear improvements in scores for economic freedom. In advanced developing countries and most transitional countries, USAID will also help achieve significantly diminished reliance on foreign aid.

A sampling of the considerable progress achieved includes:

- Twenty-seven USAID-assisted countries (including Bangladesh, India, Sri Lanka, Ethiopia, Eritrea, Uganda, Peru, Brazil, Hungary, and Poland) -- accounting for more than 1.9 billion people -- achieved rapid average annual growth in per capita income (2.5% or better) during the 1994-97 period.
- In sub-Saharan Africa, USAID promoted growth in agricultural production and non-traditional exports. More than 85% of USAID recipients achieved agricultural growth at least as fast as population growth in 1994-96, compared with only 33% for 1990-95. Export growth rates are also up in most countries, with Ethiopia, Uganda, Zimbabwe, Mozambique, Ghana, and Kenya achieving double-digit growth rates in recent years.
- In microenterprise lending in Africa, Asia, the Near East, and Latin America, USAID-supported programs reached 1.4 million borrowers in 1997, compared with a baseline of 331,000 active low-income borrowers in 1994. Two-thirds of total borrowers are women, and two-thirds of the loans were "poverty" loans at or below \$300.
- USAID efforts to strengthen institutions and support policy reforms have contributed to improvements in economic freedom in roughly two-thirds or more of countries in each region, including Ghana, Uganda, Egypt, Indonesia, El Salvador, Peru, Romania and Russia. Empirical evidence indicates that improvements in economic freedom have strong direct impacts on growth in trade and investment.
- Internal USAID appraisals indicate that performance for USAID programs in economic growth and agricultural development has been relatively good. For developing countries -- where USAID has a long track record, a good body of lessons learned, and extensive field presence -- performance exceeded expectations for 26% of programs; met expectations for 64% of programs; and fell short of expectations for only 10%.
- In countries making the transition from communism -- where the challenges are somewhat different, USAID's track record is shorter, lessons learned are more limited, and the agency has less of a field presence -- performance was less impressive but still arguably good. Thirteen per cent of programs exceeded expectations; 64% met expectations; and 23% fell short of expectations.

Goal 2: Strengthened Democracies and Good Governance

USAID is promoting democracy and good governance in order to meet its goals of sustainable development as well as to reinforce critical U.S. foreign policy initiatives. The Agency believes that promotion of democracy is essential for sustainable development. Accountable and transparent political institutions, representing and responding to citizens' needs, help consolidate the social and economic gains of development. Democracy-building thus positively influences USAID's programming across sectors.

USAID's goal of strengthening democracy and good governance supports the transition and consolidation of democratic regimes. This, in turn, serves to mitigate the potential for conflict and to establish a foundation for recovery should conflict occur. Democracy offers citizens advantages and opportunities that no other form of government can provide. It protects human rights, encourages informed participation, and promotes public-sector accountability. USAID supports development of democratic institutions, an informed and educated populace, a vibrant civil society, and a relationship between state and society that encourages pluralism, inclusion, and peaceful conflict resolution.

The Agency's democracy strategy has four aims: (1) strengthening rule of law and respect for human rights; (2) developing more genuine and competitive political processes; (3) fostering development of a politically active civil society; and (4) promoting more transparent and accountable government institutions. Recent results include:

- In the Dominican Republic, USAID funded and helped organize public events that highlighted the importance of a transparent, non-politicized selection of Supreme Court justices. Civil society organizations formed a coalition that worked with major newspapers and television stations to press the National Judicial Council to publicly solicit nominations for the new Supreme Court. In response, the Judicial Council held public hearings live on national television and broadcast live the Council's vote on the 16 new justices.
- In Bangladesh, USAID provided assistance and funding to nongovernmental organizations (NGOs) in target communities working to increase voter awareness through group meetings, mass rallies, radio, television, and village theater productions. As a result of these efforts, 306 members of village-based associations of the poor won seats on local elected bodies (union councils) in the December 1997 elections.
- In Kyrgyzstan, during 1997, the agency worked closely with the electoral commission, encouraging it to sponsor the first-ever televised debate between candidates competing in an election. Six candidates vying for one seat participated in a 90-minute debate broadcast on television and radio throughout the country. Televising the debate raised citizens' awareness of the issues at hand and the electoral process. Candidates described the event as a "real" example of democracy in action and called for similar debates in future elections.
- In Nigeria, USAID promoted coalitions, networks and partnerships among NGOs. In 1997, local citizens' organizations formed a coalition to advocate against traditional practices degrading to women. Efforts by the coalition brought about a reduction in the compulsory mourning period for widows from one year to six months in one state and a ruling that widows could inherit their late husband's estate in another. Public awareness campaigns and the activities of legal clinics established under USAID's democracy and governance program led to a landmark judgment in favor of women's inheritance.
- In El Salvador, in 1997, the National Association of Mayors achieved its first major policy success. A broad-based coalition of mayors lobbied to secure passage of a law granting a fixed 6% budget transfer from the central government to municipalities.

Goal 3: Building Human Capacity through Education and Training

USAID programs in human capacity development address critical gaps at both ends of the educational spectrum. The agency's primary focus is on expanding access to quality basic

education for under-served populations, especially for girls and women. Expanded and improved basic education contributes to sustainable development in many ways: promoting faster and more equitable economic growth; a reduction in the incidence of poverty; and the growth of political democracy and civil liberties. In addition, expanded and improved basic education of girls and women contributes to improved family health, lower fertility, and the enhanced status of women.

At the primary-school level, USAID basic education programs encourage full enrollment, increased school completion, and reductions in grade repetition. They also promote elimination of gender gaps in primary school enrollment ratios.

In addition, the agency works to strengthen the contribution of host-country institutions of higher education to the development process and to the transition to market-based economies. Emphasis is placed upon such vital areas as training the next generation of political and professional leaders, conducting research on scientific and social problems and providing access to the world's rapidly expanding store of scientific and technological knowledge. To support this transformation, USAID creates partnerships among host-country colleges and universities and local businesses, governments, and the U.S. higher education community.

USAID support for human capacity development promotes the U.S. national interest by helping the people of developing and transitional countries become better able to address local and national problems through the application of their own abilities, skills, and resources. Education is essential to preventing and mitigating crises, achieving post-crisis transition to sustainable development, reducing fertility rates, ensuring good health and child development, and achieving fuller participation in the global economy.

A few examples of the impact of USAID programs in basic and higher education follow:

- In Mali and Malawi, USAID helped local communities in remote areas establish primary schools where none existed before. Communities select the teachers in these schools from among their own members. The teachers benefit from in-service training provided by the project. Instruction is tailored to local needs, much of it provided in the local language. In both countries, villagers pay for school construction. In Mali, villagers must pay teachers salaries, too. Children in targeted schools performed as well or better in all subjects than children in schools run by the central government. Repetition and dropout rates in targeted schools were lower than in government schools, and promotion rates were higher.
- In Bolivia, USAID's Food for Education Program (P.L. 480 Title II) supported a school feeding program designed to encourage poor rural families to keep their children in school rather than allowing them to drop out before graduation. Grade completion rates for boys and girls rose from 84% in 1996 to 89% in 1997 in USAID-targeted schools. For girls alone, the completion rate rose from 86% to 90%, while the dropout rate for both genders fell from 11% to 7%, well below the target of 9% in 1997.
- In Honduras, USAID supported a program using distance learning techniques to help out-of-school youth and adults complete their basic education. These techniques included the use of radio or cassette instruction supported with texts and volunteer facilitators. Local municipalities and the private sector have provided impressive support. The program provided some 53,000 student-years of basic education in 1997. An evaluation concluded that students earned an extra \$40 a year for each year of the program completed, achieving a financial rate of return greater than 200%.

- USAID-supported cooperation between Carnegie-Mellon University and the International Management Institute in Ukraine has helped strengthen faculty capabilities in areas such as executive education and financial management. Faculty has also provided consulting services to local private businesses. The institute's reputation is so good that it must turn away applicants, even with tuition costs of \$5,000 per year.
- A \$500,000 USAID grant supported collaboration between Clemson University and Bogor Agricultural University in Indonesia, contributing to the development of an integrated pest management system to combat infestations of local shallot and cabbage crops. The new system reduced farmer's risk of pesticide poisoning as well as their production costs. If applied to all 14,000 hectares growing these crops, the new pest management system is expected to yield \$80 million per year in net benefits through increased production and reduced pesticide costs. There will also be reduced pesticide poisoning and improved local water and food quality.

Goal 4: Stabilizing the World's Population and Protecting Human Health

The agency emphasizes population, health and nutrition because it recognized that population pressures, low health status of the population, and human agony can undermine its entire development agenda. Success in this goal area effects ecological, economic, political and social stability as well as social transformations. Stabilization of the world's population supports U.S. national interests and the strategic goals of U.S. foreign policy. Protecting health can save lives, improve the quality of life, help prevent humanitarian crises, and increase economic productivity, essential components of USAID's sustainable development agenda. Likewise, it gives families the ability to choose the number and spacing of their children, making tremendous contributions to maternal and child survival, and empowerment of women and their families. Decreasing the incidence of new HIV/AIDS and other infectious diseases will protect hard-won gains in development and reduce the threat of epidemics that can directly affect all citizens of the world.

In an integrated manner, USAID uses cost-effective interventions that aim to stabilize the world's population and protect human health. USAID's program strives to reduce: (1) unintended and mistimed pregnancies; (2) childhood deaths and illnesses; (3) maternal deaths and the disabilities associated with pregnancy and childbirth; (4) the number of new annual HIV infections; and (5) the threat of infectious diseases of major public health importance. The agency expects to achieve results toward these objectives through country, regional and global programs.

USAID is a technical leader and the largest bilateral donor in the health sector. As such, the agency can claim significant credit for impressive achievements both in improving health conditions in developing countries and in stabilizing world population. While population growth still places the world at risk, growth rates have plunged in the last two decades. Had they continued unabated at the 1975 levels, there would be 174 million more people in developing countries (excluding China). Reduction in infant mortality over the same 20-year period translates into more than 48 million infants saved. USAID has taken on the challenges of reducing maternal mortality--for when a mother dies, her children are five times as likely to die as well. USAID also has launched a concerted effort to reduce the impact of the HIV/AIDS pandemic and infectious diseases. Specific achievements are as follows:

- In 1998 alone, USAID helped save the lives of five million children in 33 countries. In a decade, mortality for children under five years in developing countries dropped 13%--from 145 deaths per 1,000 live births in 1985 to 126 deaths per 1,000 live births in 1995.

- Presently, an average of 80% (up from 5% in 1975) of the world's children in developing countries are immunized against measles, diphtheria, pertussis, tetanus, polio, and tuberculosis. In this time, measles deaths dropped by 50%, and polio was virtually eliminated from the Western Hemisphere and may be eradicated globally in the next decade. At the country level, Honduras, for example, has shown remarkable vaccination coverage rates--at or above 95% since 1993.
- In 1998, USAID enabled more than 11 million couples in 36 countries to adopt family planning for the first time and provided information and access to many millions more to continue the use of a family planning method. Currently, more than 375 million couples in the developing world (excluding China) use contraception to avoid unwanted births. In USAID-assisted countries, the fertility rate over the last decade has decreased by one child per woman, from 4.4 in 1985 to 3.3 in 1997.
- At the country level, Indonesia experienced a steady decline in average family size over the past 25 years: from 5.6 children per woman in 1971, to 4.7 in 1980, to 3.3 in 1990, to 2.8 in 1997. In Kenya, for example, average family size fell from nearly 8.0 in the early 1980s to 6.7 in 1989, to 4.7 to 1998.
- Strides are being made to reduce deaths and adverse health outcomes of pregnancy and childbirth through improvements in maternal nutrition, birth preparedness, management of complications, attended deliveries and post-partum care. Although the increased emphasis in this area for USAID is at a nascent stage, initial success is encouraging. In Morocco, for example, in three years (1995-1997) maternal mortality fell from 332 to 228 per 100,000 births.
- USAID played a critical role developing international standards of practice for prevention of HIV transmission. Since 1991, in over 45 countries, USAID-supported programs reached nearly 25 million vulnerable men and women with comprehensive HIV education to prevent infection and change behavior away from high-risk activities. USAID also provided intensive training to nearly 200,000 counselors and educators; distributed over 1 billion condoms; and improved the clinical management of sexually transmitted infections. Because of these programs in Uganda, HIV prevalence fell by 35% among young people aged 15-24. In the Dominican Republic, the percentage of sexually active youth declined from 73% in 1993 to 30% in 1996. In Bali, Indonesia, USAID's peer education project with sexually active 15 to 25 year olds led to an increase in consistent condom use from 22% to 74%.
- This year, USAID launched a new initiative to help combat infectious diseases, concentrating on those of public health concern. The agency expects to have a significant impact on the control and spread of infectious diseases by combating anti-microbial resistance, prevention and control of tuberculosis and malaria, and improving disease surveillance and response capacities.

Goal 5: Protecting the World's Environment for Long-term Sustainability

Environmental degradation in the developing world can endanger human health, undermine long-term economic growth, and threaten ecological systems in the countries and regions of origin -- and in the United States. The United States is affected directly by the loss of biological diversity worldwide, changes in global climate, the spread of pollutants, the careless use of toxic chemicals, and the decline of natural fish populations. The United States' own ability to produce new life-saving drugs, to maximize agricultural production, and to breathe clean air may be adversely

affected by poor natural resource stewardship abroad. Struggles over land, water, and other natural resources in the developing world lead to instability and conflict, which often threaten U.S. security and trade interests. Such situations also divert scarce resources and create avoidable human tragedies such as starvation, disease, and war. Strong U.S. leadership and combined public and private partnerships are essential to resolving many global environmental problems and promoting sustainable economic growth and a better quality of life for those in developing countries.

USAID promotes better environmental management to sustain the world's natural resources. Agency programs help people manage their activities in ways that enable the natural environment to continue to produce -- now and in the future -- the goods and services necessary for survival.

The agency focuses on five areas under the environmental goal: (1) conserving biological diversity; (2) reducing the threat of global climate change; (3) promoting sustainable urbanization and increasing pollution management; (4) increasing the provision of environmentally sound energy services; and (5) expanding sustainable natural resource management.

In FY 2000, USAID begins its third year of the \$1 billion, five-year Global Climate Change (GCC) Initiative. The initiative will assist developing and transition countries to address the causes and results of climate change. Programs will focus on energy efficiency, renewable energy production, forest protection, and other carbon sequestration practices. In addition, in FY 2000, USAID will continue to expand the highly successful U.S.-Asia Environmental Partnership into other regions. This pioneering program mobilizes U.S. environmental experience, technology and services to promote a "clean revolution" by helping countries adopt ever less-polluting and more resource-efficient products, processes, and services.

The following are examples of current activities that USAID intends to continue, expand, or replicate during FY 2000:

- USAID is supporting Madagascar's efforts in conserving its globally recognized biodiversity. By FY 2000, the area in protected status is expected to increase by approximately 700,000 hectares, to 1.75 million hectares, or 10% of all forests in Madagascar. By the year 2000, protected areas should include 100% of the country's ecosystem types. To date, only 70% are represented. USAID's biodiversity goals in Madagascar routinely exceed expectations, but much more needs to be done.
- Brazil is an essential global climate change country. It produces approximately 10% of the world's carbon dioxide emissions, primarily from deforestation, habitat conversion and burning. Brazil's GCC program aims at reducing deforestation in the Amazon and other tropical regions, and at promoting the use of "clean" energy technologies. USAID's program directly supports efforts to protect forests covering an area larger than Israel, and to replicate "reduced impact" sustainable logging measures on 500,000 hectares of private lands.
- USAID launched the Eurasian-American Partnership for Environmentally Sustainable Economies (EcoLinks) in FY 1999 to promote partnerships among Central and Eastern Europe and New Independent States businesses, local governments and associations, and their U.S. counterparts. These partnerships will benefit countless individuals by helping developing and transitioning countries identify and begin to remedy environmental problems, adopt best practices, and increase trade and investment in environmental goods and services.

- USAID supports significant water resource management programs in India, Indonesia, and the Middle East, where the degradation and depletion of water resources pose the most critical challenges to sustainable urban development. In Egypt, 5.5 million people will directly benefit from USAID-funded urban sewage and wastewater treatment, and over 1 billion liters of water per day will be treated to design standards in FY 2000.
- USAID supports energy sector reform programs in most countries in Central and Eastern Europe and the New Independent States regions. FY 2000 plans include further development of independent regulatory bodies; support for power restructuring in Lithuania, Bulgaria and Romania; reform of the natural gas system in Ukraine; and initiation of energy sector privatization in Moldova, Ukraine, Georgia, Armenia and Kyrgyz Republic. These efforts are focused on improved environmental management, adoption of more rational energy policies, and better use of scarce natural resources to help their citizens live healthier, more productive lives.
- USAID has significant natural resource management programs in Indonesia, Nepal, the Philippines, and Sri Lanka. In Indonesia, for example, USAID is working toward stabilizing and improving natural resource management through community-based efforts. In FY 2000, over 13 million hectares are expected to be improved or stabilized, a major increase over just 17,000 hectares that were confirmed as improved in FY 1997. Community-based stewardship empowers citizens to improve the care of their natural resources over the long run and to boost their involvement in civil society, governance and respect for rule of law.

USAID's natural resource management efforts also emphasize sustainable agriculture and coastal zone management. Key examples include: (1) in Haiti, FY 2000 funds will be used to promote sustainable small-farmer agriculture, increasing the total area under sustainable agro-forestry systems to 150,000 hectares; and (2) in Jamaica, USAID is providing assistance to improve and maintain coastal water quality in key coastal ecosystems -- now used by over 400,000 tourists per year.

Goal 6: Saving Lives, Reducing Suffering, and Re-establishing Conditions for Political and Economic Development

The humanitarian assistance goal is a cross-cutting one in which the agency is using a combination of central and regional bureau resources and programs to save lives, alleviate suffering and support economic and political transitions. There are two parts to the goal which are: (1) to meet urgent needs in times of crisis; and (2) to contribute to the re-establishment of personal security and basic institutions which meet critical intermediate needs and protect human rights following emergency situations.

Several USAID regional bureaus are integrating development assistance and other resources with agency disaster assistance to prevent or mitigate crises and to support economic and political transitions. The integration of these agency resources and programs will help ensure a smooth transition from an emergency to stability and longer-term development.

Recognizing the human and financial costs, and lost development momentum caused by crises, USAID plans to improve its performance in preventing international conflicts. It will do this by improving in-country analysis of root causes of conflicts. This will be followed by experimentation with directly applying relevant USAID development programs to address applicable nascent instabilities before they erupt into deadly conflicts, costly economic crises, destabilizing political chaos or complex emergencies.

Information on specific results of the agency's humanitarian assistance program follows:

- Responding to natural and man-made disasters and complex emergencies in 1997, USAID provided emergency food aid through P.L. 480 to more than 11.5 million people in 28 African, Asian and European countries. The program provided 780,000 metric tons of Title II food aid, valued at \$400 million.
- USAID's Office of Foreign Disaster Assistance provided emergency assistance primarily in health, sanitation, shelter and water, totaling \$140 million, to help 18 million victims of 48 officially declared disasters in 46 countries.
- In 1997, USAID's Office of Transition Initiatives worked to put in place critical political processes needed to foster enduring economic, political and social progress in five countries: Angola, Bosnia, Guatemala, Liberia and Rwanda.

Goal 7: USAID Remains the Premier Bilateral Development Agency

An efficiently and effectively managed international development program is critically important to the achievement of U.S. international affairs and USAID strategic objectives. USAID's influence on the development community far exceeds the scale of its development funding. Certainly, this disproportionate influence reflects, in part, the undeniable preeminence of U.S. military, diplomatic, and economic power in the post-Cold War era. That stems from USAID's continued efforts to improve the quality and relevance of programs, the cost-effectiveness of delivery, and overall achievement of performance objectives. This not only includes USAID's continued leadership in research and technology development, policy, partnering, performance measurement and evaluation, but also USAID's ability to effectively manage the resources with which the agency has been entrusted. The following "Management Improvements" section discusses the management and management systems aspects of this goal.

MANAGEMENT IMPROVEMENTS

USAID has implemented comprehensive management reforms aimed at improving accountability and making the Agency more efficient and results-oriented in the delivery of development assistance. Although the reform process continues, substantial progress was made during FY 1998 in improving business processes and instituting more effective management information systems. Most notably, USAID:

- assessed the effectiveness and progress of the reform effort and put a framework in place to implement needed improvements;
- began implementation of an information resources management strategy which will increase compliance with the Clinger-Cohen Act¹;
- acquired technical expertise and support needed to improve the Agency's management information system, accomplish year 2000 modifications and implement the computer security program;
- restructured the workforce planning process and improved corporate decisionmaking regarding the deployment of Agency personnel;
- developed a strategy to strengthen financial accountability and reporting through the use of a commercial off-the-shelf accounting system and the acquisition of services from private industry and another U.S. Government agency;
- instituted more effective ways of translating resources into development results through strengthened teamwork and streamlining of the acquisitions and assistance process; and
- completed business process improvement analyses in core business areas to simplify processes and reduce the time and cost of accomplishing things.

Specific Achievements in Agency Business Areas

Operations. Managing for results and learning from experience are central to USAID operations. In early 1998, USAID conducted an initial "stocktaking" to assess staff and partner perceptions of how well Agency operations have actually been reoriented toward Agency core values – customer focus, results orientation, empowerment/accountability, teamwork and diversity – and how the reforms have affected program operations. Results of the survey led to the adoption of a set of measures to streamline the performance reporting system.

A second initiative resulting from the stocktaking was the establishment of a Operations Governance Team led jointly by the Bureau for Management and the Bureau for Policy and Program Coordination. This team has made the Agency's policy guidance more accessible to staff and partners; ensured that various problems with the program operations system are being addressed; and assembled teams to prepare needed guidance on such issues as how to engage partner participation.

Periodic stocktaking surveys will provide a consistent means to assess the progress of reforms. Judged against the baseline data collected in 1998, subsequent surveys will provide valuable information to help guide the direction of future reforms.

¹The Clinger-Cohen Act of 1996 mandates that agencies implement a disciplined process to manage information technology investments.

Organizational Management and Human Resource Development. USAID's human resource capacity continues to be severely constrained by declines in personnel levels and in the Agency's operating budget. The steady decline in the number of foreign service officers, 4.5% from FY 1997 to FY 1998, is eroding the Agency's capacity to operate effectively. During the same period, the total number of U.S. direct hire staff declined by 3%, as did total Agency employment.

A Management Council consisting of Agency senior executives was formed in 1998. One responsibility of the Council is to address these staffing concerns and to guide workforce planning decision-making and management. The Council is overseeing the realignment and deployment of direct hire staff to increase the proportion of staff overseas. Recommendations from several internal studies commissioned by the Council are being used to determine the Agency's technical staff requirements and appropriate organizational configurations.

Business process improvement (BPI) activities have been completed on three personnel management processes—senior management assignments, foreign service boards, and foreign service assignments. These efforts resulted in streamlined processes which simplified and reduced workloads. USAID is now looking at the expanded use of automated systems to gain further efficiencies.

The Agency developed several new and innovative training courses focusing on management, procurement, operations and technical skills development. A new Leadership and Program Operations course was developed in FY 1998. This course will provide the core curriculum for all Agency staff. In addition, workshops were conducted during FY 1998 to train USAID staff on strategic planning, activity implementation, performance monitoring and evaluation, and acquisitions and assistance planning and administration.

Information Resources Management. USAID's results orientation and its commitment to teamwork and partnership makes it particularly crucial that program performance, financial and other information be easily available to staff and partners whenever and where it is needed.

During FY 1998, the Agency began implementation of a new information technology management strategy which will improve compliance with the Clinger-Cohen Act and the Government Performance and Results Act². The new approach identifies and incorporates industry-wide best practices and lessons learned to improve management discipline. Contractor assistance was also secured to provide the Agency with the specialized management advice, support and expertise needed to repair and replace modules of the New Management System (NMS).

Information system security has been reinforced with the development and implementation of an Information Security Program Plan. Steps are being taken to incorporate security requirements into every major system and information technology initiative.

The New Management System (NMS) was designed to integrate the major facets of the Agency's business operations and improve USAID's ability to capture, manage and report on strategic goals and objectives. By 1997 it became clear that the NMS, as initially designed, would not perform as planned.

In that year, the Agency contracted for an independent review of the NMS. Based on the results of that review, USAID changed the approach to its development from a fully tailored management information system to consideration of options for using commercial off-the-shelf (COTS) packages. An NMS executive team has been chartered to ensure that program and functional requirements are met in the

²The Clinger-Cohen Act was described in the previous footnote. The Government Performance and Results Act of 1993 (GPRA) requires Federal agencies to develop strategic plans, prepare annual plans setting performance goals, and report annually on actual performance compared to goals.

modification of the NMS and to make management decisions about relative priorities in a time of constrained resources.

Preparedness for the year 2000 (Y2K) received high priority for allocation of information management resources. The Y2K conversion is multifaceted and affects all operations—administrative and program—in the United States and in USAID missions overseas, and with the Agency's partners, stakeholders and customers. USAID has devoted and will continue to devote substantial resources to mitigate potential Y2K problems. Other operating and program requirements have been deferred to make the necessary resources available. USAID's systems will be Y2K compliant before the beginning of year 2000, and the Agency will have taken all necessary and prudent steps to ensure continuity of operations and program, both in Washington and overseas.

Financial Management. Strong financial management is essential in linking resources to results. During 1998, USAID continued to address deficiencies in its financial management operations and systems. A three-pronged strategy has been defined to improve financial accountability and reporting. The strategy combines cross-servicing and outsourcing of some operational areas with the use of a commercial off-the-shelf core accounting system.

An agreement was signed with Riggs National Bank for the servicing of loan accounts, and USAID has formally arranged to have the Department of Health and Human Services handle cash advance operations for certain grantees. A business process improvement analysis completed during FY 1998 helped to define functional requirements for the accounting system. The new accounting system is expected to be operational in Washington in FY 2000, followed by implementation in field missions in FY 2001 and FY 2002.

Acquisition and Assistance. Efficient and effective acquisition and assistance (A&A) processes enable USAID to work with the best implementors (contractors and grantees) at the lowest cost to achieve the greatest development results. Reforms in the A&A process have focused on streamlining procedures, testing innovative contracting techniques and establishing a mechanism for Agency-wide participation in policy development and problem resolution.

Several new initiatives to expedite the A&A process were pilot tested in FY 1998. For example, fast track competitive procedures were tested for certain indefinite quantity contracts, whereby the contractor is selected primarily based on past performance and price, without the need for a full blown technical proposal. A leader and associate grant arrangement is also being tried, where one competition can result in a series of awards by USAID in Washington and field missions worldwide.

The Acquisition and Assistance Advisory Panel was established as a mechanism to ensure Agency-wide involvement in resolving issues raised by the A&A taskforce. Among other things, they are providing advice on how USAID can ensure greater involvement of partners in the procurement process, establish a more simplified and standardized process for hiring personal service contractors, implement a certification program for cognizant technical officers, and do better procurement planning.

Improved teamwork and strengthened staff skills are crucial for an effective A&A process. Several seminars on contract and grants management were held for both contracting and program staff. A desktop guide for managers and non-procurement technical representatives has been issued to help improve consistency in the way the Agency makes and administers awards.

Administrative Management. USAID is participating in an interagency working group to resolve problems with the implementation of the International Cooperative Administrative Support Services (ICASS) system. The working group is focusing on issues that cannot be resolved in an overseas location and on approaches to achieve more balance in the provision of services worldwide. USAID has become the service provider for the joint administrative support unit in several overseas locations.

For example, USAID is the provider for computer services in Madagascar, and travel and motor pool services in El Salvador.

Conclusion

While these reforms have improved operations, USAID faces continuing challenges in its effort to efficiently provide development and humanitarian assistance in a complex and uncertain environment. Constrained resources will slow the pace of the reform effort, but USAID remains committed to achieving the best possible development results and the responsible administration of funds entrusted to the Agency.

CENTRAL PROGRAMS

	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request
Development Assistance	\$297,172,000	\$296,714,000	\$312,577,000
Child Survival	\$135,081,000	\$141,116,000	\$153,831,000

The central programs of USAID advance U.S. national interests of economic prosperity, democracy, and human rights; address global issues, such as environmental protection, population growth and health; and support USAID's six goal areas: broad-based economic growth and agricultural development, strengthening democracy and good governance, building human capacity through education and training, stabilizing world population and protecting human health, protecting the world's environment for long-term sustainability, and providing humanitarian assistance. Central programs increase the Agency's capacity to conduct research and provide technical leadership, to measure and evaluate program performance; to access state-of-the-art technical services and low-cost, but high-quality contraceptives; to strengthen overseas institutions that demonstrate American ideas and practices; and to advance partnerships with other donors, U.S. private voluntary organizations, U.S. universities, and other U.S. agencies. Central programs are managed by three distinct, but interrelated, bureaus within USAID: Global Programs, Field Support and Research; Humanitarian Response; and Policy and Program Coordination. These bureaus initiate and manage the central program core budget of Development Assistance (DA) \$312,577,000 and Child Survival and Disease (CS) \$153,831,000.

STABILIZING WORLD POPULATION AND PROTECTING HUMAN HEALTH

Sustained USAID technical leadership and program support in the population, health, and nutrition (PHN) sector for more than three decades have resulted in significant declines in fertility and overall improvements in mortality and health status in developing countries. Despite these achievements, a great deal of work remains. More than a half-million women in developing countries die each year from causes associated with pregnancy and childbearing, and the vast majority of these deaths are preventable. Similarly, an estimated 11 million children under age five die annually from preventable causes such as malaria, pneumonia and diarrheal disease. Six million new infections with human immunodeficiency virus (HIV) occurred in 1998. The HIV/acquired immunodeficiency syndrome (AIDS) pandemic continues to spread, destroying families and thwarting social and economic development efforts worldwide.

PHN programs are a core element of USAID's development assistance efforts because they are cost-effective, and because they clearly and directly address U.S. national interests. For example, early stabilization of population growth will contribute to global economic growth, reduce environmental degradation, and promote political stability. Protecting human health and nutrition also improves economic productivity and affects public health in the United States. Programs aimed at reducing unhealthy conditions in the developing world help to decrease the incidence of disease and reduce the threat of epidemics which may directly affect U.S. citizens. Thus, these programs help to safeguard the health of Americans, create economically strong trading partners overseas, and reduce the human suffering associated with disease.

Central programs continue to support key interventions in the field and contribute directly to Agency goals and strategic objectives.

Strategic Support Objective 1. Increased use by women and men of voluntary practices that contribute to reduced fertility.

By improving maternal and child health and reducing fertility, voluntary family planning programs supported by USAID play a critical role in helping countries buy time to address other development challenges and improve their citizens' standards of living. USAID programs have led to a sharp reduction in fertility, helping to bring the average number of children per family in developing countries down from over six in the 1960s to less than four in 1998. Central programs have provided crucial support for performance monitoring, strengthening population policies, increasing private sector participation, developing improved contraceptive methods and family planning service delivery approaches through research, improving contraceptive procurement and logistics, developing information, education and communication materials for the client and general public, and training of service delivery personnel.

Strategic Support Objective 2. Increased use of key maternal health and nutrition interventions.

Increasingly, governments have moved beyond rhetoric to make key policy and program changes which have the potential to greatly improve maternal health. To meet the Agency's objective of contributing to the global reduction of maternal mortality through PHN interventions, central programs have leveraged scarce resources by documenting the feasibility, effectiveness, and affordability of key maternal health interventions. These results are shared with USAID's international, governmental and nongovernmental partners so that the lessons learned can be used by others as they make their policy and programming decisions for investments in maternal health. Other USAID programs in economic growth, education of girls, and promotion of gender equity also continue to contribute to the Agency goal of maternal mortality reduction.

Strategic Support Objective 3. Increased use of key child health and nutrition interventions.

USAID continues to play a major role, in partnership with other agencies, in efforts to achieve the goals of the World Summit for Children. The special roles of central programs within the Agency's child survival program include developing and applying cost-effective and sustainable interventions against childhood diseases; engaging in global policy development and in partnerships with other organizations; providing state-of-the-art technical support and assistance to field missions, regional bureaus, and countries' child survival programs; and deriving and disseminating best practices and innovative approaches from the Agency's experience to improve worldwide child survival programming.

Strategic Support Objective 4. Increased use of improved, effective, and sustainable responses to reduce HIV transmission and to mitigate the impact of the HIV/AIDS pandemic.

USAID has demonstrated global leadership in addressing the HIV epidemic by developing international standards of practice (i.e., proven interventions) for the prevention of HIV transmission. Central programs have supported sexually transmitted infection (STI)/HIV prevention through three major interventions: STI management, condom social marketing, and behavior change communication. USAID supported programs have reached nearly 22 million persons with comprehensive HIV prevention education and behavior change activities to reduce risk behavior. Almost 187,000 counselors and educators have received intensive training, and over 400 million condoms have been distributed, mainly through social marketing programs. The clinical management of sexually transmitted infections has been improved in 22 countries, and innovative tools, such as the female condom, have been developed and introduced as part of intervention research activities.

Strategic Support Objective 5. Increased use of effective interventions to reduce the threat of infectious diseases of major public health importance.

USAID has launched a new initiative to help combat infectious diseases, concentrating on those that have a major impact on mortality. Activities are focusing in four areas: (1) combatting anti-microbial resistance; (2) tuberculosis prevention and control; (3) malaria prevention and control; and (4) disease surveillance and response capacity. USAID will achieve results in these areas through provision of technical assistance for operational programs in developing countries, through applied research in strategically critical areas, and through helping to build indigenous capacity. By focusing on specific areas and through a concerted effort with the World Health Organization (WHO), Centers for Disease Control and Prevention and other public and private sector partners, USAID expects to have a significant impact on control and spread of infectious diseases, and on the long-term sustainability of these efforts. Central programs are providing technical leadership to this new initiative, including development and testing new and improved approaches and interventions for tuberculosis and malaria control; more appropriate management of antibiotics to reduce the spread of antimicrobial resistance; in conjunction with WHO, supporting the development of global strategies for tuberculosis and antimicrobial resistance; and more effective approaches for developing surveillance capacity.

The Role of Central Programs

The important contributions of central programs to Agency performance in the PHN sector stems from the success of central programs in carrying out three critical functions: **global leadership, research and evaluation, and technical support to the field.** These critical functions link the operations of central programs with the problems and opportunities in the developing world, not only in countries served by USAID missions, but globally.

Global Leadership. Central programs are responsible for many of the major programmatic innovations in the population, health and nutrition field. Examples include the development and introduction of new and improved contraceptive methods, improved public and private sector service delivery systems, the Child Survival initiative, and the mobilization of the international community in response to the HIV/AIDS pandemic. As a leader among donors in the PHN sector, USAID places great importance on donor coordination as a means to avoid duplication and to ensure that the most urgent program needs are met. An important recent initiative has been the cooperation with Japan to undertake joint programming in population, child survival and HIV/AIDS under the U.S.-Japan Common Agenda. This cooperation has led to significant expansion of Japanese support in the PHN sector.

Research and Evaluation. Central programs play a significant technical leadership role in the arena of research and evaluation, currently accounting for more than 80 percent of the Agency's research activities in population, health and nutrition. In this capacity, the central programs support the development, testing and dissemination of new technologies and methodologies that address key technical problems and constraints to program implementation in developing countries. For example, central programs have played a key role in developing new, cost-effective technologies such as oral rehydration salts, new and improved contraceptive methods and the use of vitamin A to enhance child survival.

Technical Support to the Field. Central programs have field missions as their primary clients. The rationale for all of the central programs is to support the field by providing information, commodities, and technical support. Field technical support provided through central programs is the critical link through which advances in research are reflected in program improvements at the country level. Central programs also work with missions to

ensure an appropriate fit between centrally funded initiatives and country-specific situations, and to provide a ready mechanism by which missions can benefit from the experience and knowledge that USAID has gained worldwide.

PROTECTING THE ENVIRONMENT

Global environmental challenges -- climate change, the loss of biodiversity, explosive growth in the world's urban centers, and environmental mismanagement -- are fundamental constraints to sustainable development, and pose real threats to America's economic and political interests. To combat these threats, USAID, through the Environment Center, focuses on four strategic support objectives that contribute to managing the environment for long-term sustainability. Through these, the Environment Center supports the environmental objectives of the field missions and other parts of USAID, and provides international technical leadership.

Strategic Support Objective 1. Improved protection and sustainable use of natural resources, principally forests, biodiversity, coastal and freshwater ecosystems, and agricultural lands.

The natural resources upon which people depend for sustainable development are being degraded, depleted, and inefficiently used in many parts of the developing world. Deforestation, water scarcity and poor water quality, loss of genetic resources, and the deterioration of coastal and aquatic ecosystems cause severe environmental, economic and social problems. The sound management of natural resources provides the foundation for improving the livelihood of local communities, which enables sustainable development. USAID supports one of the most comprehensive natural resource conservation programs of any bilateral donor. Making important contributions to safeguarding biological diversity and maintaining environmental health, USAID supports conservation of biologically important areas, sustainable forest management technologies, integrated water and coastal resources management, and environmental education and awareness. Although all of the data have not yet been reviewed and analyzed and are subject to revision, results achieved in FY 1998 include the following:

- Central programs helped improve natural resources conservation on an additional 670,000 hectares (1.7 million acres) of habitats in tropical forests, coral reefs, and grasslands, bringing the total to 12 million hectares (30 million acres);
- An additional 91,000 hectares (230,000 acres) came under effective management, where the rates of environmental degradation have been significantly slowed or reversed, and local organizations have demonstrated the ability to manage adaptively their areas;
- National and local environmental awareness campaigns relating to water scarcity and conservation reached more than 2.5 million citizens in Central America and the Middle East.

Over the next two years, central environmental programs plan to achieve the following results:

- The improved conservation of at least an additional 2.8 million hectares (6.8 million acres) of critical habitats in Nepal, the Philippines, Papua New Guinea, Indonesia, Mexico, Costa Rica, Guatemala, Honduras and Bolivia; and
- Improved management of 380,000 hectares (940,000 acres) of critical coastal

habitat in East Africa, Mexico and Indonesia. Areas are considered under improved management when there is increased participation of stakeholders, strengthened capacity for planning and implementing interventions or strategies, and development of policies that enable sustainable management.

Strategic Support Objective 2. Improved management of urbanization in targeted areas.

While cities in developing countries present opportunities for economic and social growth, they also pose enormous environmental problems, including dangerous levels of pollution and insufficient access to clean water, clean air, and sanitation, particularly for the urban poor. USAID helps countries develop policies, strengthen institutions (both public and private), and identify cost-effective measures for addressing these problems. Results achieved in FY 1998 include the following:

- An estimated 214,000 households benefitted from improved urban environmental infrastructure and shelter solutions through the Urban and Environmental (UE) Credit Program.
- The International Resource Cities Program promoted more effective local governments by supporting five new partnerships between cities in the United States with those in developing and transitional countries to provide technical advice and opportunities to collaborate with U.S. city managers on issues such as urban service delivery, solid waste collection, and environmental management.
- USAID reduced urban pollution by promoting the adoption of 141 cleaner production policies and manufacturing processes in Bolivia, Ecuador, Egypt, Indonesia, Jamaica, Mexico, Paraguay and Peru through the Environmental Pollution Prevention Program.

Over the next two years, the following results will be achieved:

- Using technical assistance funded under this strategic objective and loan funding through the UE Credit Program, USAID will provide approximately 72,000 households with improved urban environmental infrastructure and shelter solutions.
- The International Resource Cities Program will develop an additional two partnerships between United States and host country cities to enhance more effective local governments.
- A new Cities for Climate Protection program will help municipal governments address local environmental problems, such as urban air pollution, which have simultaneous benefits for global climate change. Two pilot cities will conduct emissions inventories, establish targets, implement global climate change (GCC) action plans and report progress in reducing greenhouse gas emissions during the 1999-2000 time period. In addition, USAID will examine the feasibility of using an Environmental Management Systems (EMS) approach as a tool for reducing urban pollution. EMS is a planning framework which promotes a holistic approach and systematic action for complying with environmental regulations and improving environmental conditions continuously over time.

Strategic Support Objective 3. Increased, environmentally sustainable energy production and use.

Energy brings countless benefits to human life. Energy facilitates heating and cooling, lighting, communications, health, food, education, industrial production, and transportation.

Unfortunately, these benefits have yet to reach more than 2 billion people around the world. To achieve and maintain social and economic progress, developing countries and economies in transition need to expand their energy supply without destroying their environments. Equitable, sustainable development depends on widespread access to appropriate energy services. According to current estimates, a yearly investment of more than \$100 billion will be required over the next decade for new or rehabilitated electricity generation capacity in developing countries.

USAID spearheads the U.S. Government's efforts to help developing countries and economies in transition design effective new strategies to tap private capital and talent to meet growing energy demand. USAID promotes free market policies and more efficient power production, energy conservation, and private sector participation in the energy sector. Working with other donors and the private sector, USAID leverages additional public and private investments to finance environmentally sustainable energy production and use. Increased private sector participation in the power sector of developing countries opens a \$50 billion industry to U.S. companies while providing needed investment in energy infrastructure. Estimated results in FY 1998 include the following:

- USAID activities leveraged more than \$140 million in public and private investment in environmentally sustainable energy production;
- USAID efforts to implement sustainable energy technologies, practices and policies resulted in cuts of more than 2.71 million tons of CO₂ emissions;
- USAID's technical assistance activities fostered the adoption of eight public policies to promote environmentally sound energy production and use.

Over the next two years, significant progress is expected toward the following results:

- The number of public policies adopted to promote environmentally sound energy production and use will increase from 8 in FY 1998 to 16 in FY 2000.
- The number of partnerships between U.S. and host country businesses in cleaner energy technologies will increase from 6 in FY 1998 to 12 in FY 2000.

Special Objective 1: Reduced threat to sustainable development from global climate change.

Climate change poses profound global economic, environmental, and social challenges. As the events of recent years indicate, response to increased net greenhouse gas (GHG) emissions and occurrences of severe weather and natural disasters have cost governments and the private sector billions of dollars through increased health costs, lost revenues from natural resource and energy production, and increased insurance costs. Developing and transition countries have little inherent flexibility in economic, environmental and social systems and require assistance to respond to the threats posed by climate change.

In 1998, USAID launched its five-year, \$1 billion *Climate Change Initiative (CCI)*, in fulfillment of President Clinton's commitment to reduce the threats posed by climate change in developing and transition countries. Through programs in 44 countries, USAID has helped developing nations to participate in the United Nations Framework Convention on Climate Change (UNFCCC), decrease net GHG emissions through energy, urban, forestry, agriculture and biodiversity sector activities, and address and adapt to climate vulnerability. In addition, USAID has provided technical assistance and leadership for U.S. Government interagency climate change activities, such as the U.S. Initiative on Joint Implementation and the U.S. Country Studies Program. The Agency exceeded its first year commitment of \$150 million

attributable to climate-related activities under the CCI. Agency-wide climate change spending for FY 1998 was more than \$162 million.

Although FY 1999 was the first year of funding for this special objective, USAID played a significant leadership role in achieving the following agency climate results in FY 1998:

- USAID collected baseline data from 44 countries, reporting climate-related results achieved through energy, urban, forestry, agriculture and biodiversity sector activities. Baseline data detail greenhouse gases avoided through energy, urban and industrial activities; metric tons of carbon stored through forest management and preservation activities; dollars leveraged through climate-related work with host country partners and other donors and lenders; sectoral policy advances that reduce GHG emissions; and progress toward increasing developing country participation in the UNFCCC; and
- USAID provided substantial financial and technical support to the U.S. Country Studies and U.S. Initiative on Joint Implementation (USIJI) interagency programs. In FY 1998, USAID reviewed eight proposed USIJI projects, approving four energy, forestry and urban projects in Mexico, Guatemala, and South Africa. In addition, USAID supported a Country Studies Program workshop in Central America in April 1998, as well as four other training events.
- The following 12 target priority countries and regions have been identified: Brazil, Central Africa (Cameroon, the Central Africa Republic, the Republic of Congo, the Democratic Republic of Congo, Equatorial Guinea and Gabon), Central America (Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama), Central Asia (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan), India, Indonesia, Mexico, Philippines, Poland, Russia, South Africa and Ukraine.

Over the next two years the following results will be achieved:

- The Climate Change Initiative will assist in reducing the threat of climate change to developing and transition countries.
- USAID will expand its climate-related activities to at least four more countries and will incorporate consideration of climate change more broadly in sectoral decisions.
- USAID will sponsor at least three training workshops to educate host country personnel to conduct greenhouse gas emissions inventories and mitigation analysis.

ENCOURAGING BROAD-BASED ECONOMIC GROWTH AND AGRICULTURAL DEVELOPMENT

Economic growth translates into overall improvements in the economic and social well-being of people in developing countries. Better incomes result in increased food consumption and, often, diets of better quality; greater opportunities for micro and small enterprises to flourish; and improvements in health, education, mortality and morbidity rates. Growth also brings increased trade flows and opens markets to U.S. exports.

Agriculture development is the engine for economic growth in many countries. Widespread increases in agricultural productivity not only result in larger food supplies but in increased rural incomes. These increases in turn support growth in local trade and off-farm employment as well as improved rural-urban linkages.

USAID's Center for Economic Growth and Agricultural Development promotes broad-based economic growth and agricultural development by providing technical leadership, managing field support mechanisms, developing partner organizations with special expertise in effective approaches, and funding and monitoring global activities implemented by international organizations and networks. The Center's efforts focus on achieving four strategic objectives and one special objective.

Strategic Objective 1. Improved access to financial and business development services, particularly to the microenterprises of the poor.

Helping poor entrepreneurs start and build viable, productive businesses is a key element of USAID's economic growth strategy. USAID's Microenterprise Development Office has been providing the technical leadership and operational support to the successful Agency-wide Microenterprise Initiative launched in 1994. (This Initiative will be renewed in FY 1999-2000 to provide a challenging framework for the next generation of USAID-funded microenterprise development efforts.) USAID provides: competitive grant funding to private voluntary organizations (PVOs) and nongovernmental organizations (NGOs) for business and financial services for microentrepreneurs; and strategic, policy and program support to field missions on their microfinance and microenterprise development efforts. USAID also conducts research and training activities to improve the quality of programming and routinely disseminates information on microenterprise best practices.

From a baseline of 331,000 active low-income borrowers in 1994, USAID-supported institution lending programs reached a record 1.4 million borrowers in 1997. Two-thirds of the total borrowers are women, and two-thirds of the loans were "poverty" loans (i.e., loans at or below \$300 in the Africa, Latin America and Caribbean, and Asia and Near East regions). USAID has played a leadership role among microfinance practitioners and donors to ensure that best practices for microfinance and business development services are increasingly applied. USAID's field support mechanism has facilitated microenterprise development work in 62 countries. The operational research program and a comprehensive impact assessment project help to move the frontiers of microenterprise development forward. By working with other international donors in the Consultative Group to Assist the Poorest and with the active U.S.-based Microenterprise Coalition, USAID ensures that its experience is available to other donors and practitioners as well.

Through its Micro and Small Enterprise Development (MSED) program, USAID also promotes lending by established financial institutions to micro and small entrepreneurs. Through a loan portfolio guarantee mechanism that encourages banks in partner countries to expand their small loan portfolios, a complementary training program provides skills development for small-scale lending. Innovative mechanisms to provide guarantees for loans to nongovernmental microfinance organizations have also been developed that facilitate poor entrepreneurs' access to microloans.

Strategic Objective 2. Improved food availability, economic growth and conservation of natural resources through agricultural development.

Agricultural development is a key component of USAID's sustainable development program; it ensures increased food supplies, generates rural income growth as well as providing commodities essential to urban income growth, and fosters the sustainable management of the environment.

Implementing a portfolio of global research activities, USAID, through its Office of Agriculture and Food Security, supports the development of production, processing, and

marketing capacity to meet the challenge of providing a growing population with access to safe and nutritious food supplies. Long-term research support to the international agricultural research system targets the staple foods of the poor. Since the days of the Green Revolution, this system has helped to achieve a robust growth in productivity that has enabled many countries and families to meet their current food needs. USAID programs promote continued growth in developing country yields, projected at roughly one percent for root crops and three percent for grains in FY 2000. These productivity gains will be worth billions of dollars to farmers and developing country economies in FY 2000, and will help to ensure more affordable food for consumers, particularly the poor, and, increasingly, the urban poor.

Collaborative research programs implemented with the U.S. land grant university system complement the focus of the international system and engage the best and brightest of American scientists in the food security and environmental challenges which face the world. USAID central programs also link this long-term commitment to improved agricultural productivity with near-term needs by focusing on food access and consumption, and associated nutrition and health benefits. In FY 2000, USAID partners will introduce and disseminate improved quality (Vitamin A, iron, protein, etc.) crop and vegetable varieties in areas with substantial at-risk populations, especially targeting women and children. They will also introduce improved high-value products (e.g., livestock, fish), as well as value-added processing techniques to increase both incomes and availability. These gains, which link rural and urban sectors, will be promoted through policy and marketing activities.

Growth in the agricultural sector and the economy generally depends on establishing an enabling policy environment for agriculture. Much of this framework is taken for granted in the developed countries. However, many developing countries continue to suffer from policy distortions which are deterrents to sustainable agricultural productivity. The portfolio, therefore, addresses such current issues as trade liberalization, monitoring the determinants of food security, community-based natural resources management, and the functioning of land, labor and capital markets. USAID also will promote increased efficiency through links among its scientific, commercial and policy partners, helping to create new opportunities for businesses and investors.

USAID support mechanisms also contribute directly to helping alleviate hunger and malnutrition for some of the more than 800 million people who are hungry today. In FY 1999 and FY 2000, USAID partners and field missions will contribute directly to relief efforts through agricultural rehabilitation in war-torn countries (e.g., Angola, Mozambique, Rwanda) and regions affected by natural disasters (e.g., Honduras, Nicaragua, Liberia, Greater Horn of Africa). Improved seeds and technical support supplied to NGOs and national and regional organizations restore rural food production systems and lessen refugee pressures. USAID central programs, through both the Global and Humanitarian Response Bureaus, provide advanced technical support, such as satellite-generated environmental and infrastructure data, to relief operations.

Strategic Objective 3. Appropriate and functioning economic policies, market reforms and institutions are developed to accelerate economic growth in emerging markets and priority countries.

USAID, through its Office of Emerging Markets, manages a portfolio of applied research and field support activities to enable regional bureaus and field missions to apply best practices in the areas of financial markets, economic policy, legal and institutional reform, privatization of state-owned enterprises, and general business, trade and investment. Demand by USAID missions for technical services is expected to exceed \$500 million in 35 countries in FY 2000. In FY 2000, USAID will produce new products (model programs, innovative uses of

the internet, and other development analysis or implementation tools) in each of the areas cited above.

Strategic Objective 4. Private sector business linkages support U.S. technology transfer in support of development objectives.

USAID developed and manages the Global Technology Network (GTN) and ancillary business development activities to promote trade and investment relationships between U.S. and indigenous small and medium-sized enterprises (SMEs) that will foster sustainable economic growth. GTN brings about the exchange of technology, the effective use of technical assistance to develop business opportunities and capabilities, and the development of long-term trade opportunities within the private sector. GTN services are targeted to small- and medium-sized U.S. and foreign businesses in the developing world, and are coordinated with other U.S. federal and state organizations.

Special Objective 1. Increased science and technology cooperation among Middle Eastern and developing countries, and utilization of U.S. & Israeli technical expertise by developing countries.

USAID manages competitive grant and other development assistance programs that foster collaboration between Israel and other countries in applying science and technology to address shared development goals in the Middle East, the New Independent States, Africa, Latin America, and Asia. Israel excels in such areas as arid lands management, irrigation, solar energy, biotechnology, biological pest control, and aquaculture. These programs provide a mechanism to apply Israeli technical capabilities to other countries along with those of its Arab and developing country partners. USAID funding catalyzes cooperation. This contributes to the peace process and to development. Measurable results include advances in saline agriculture, improved agricultural water management technology, improved biopesticides, increased understanding of tropical diseases in the region, and increased knowledge of threats to the environment.

STRENGTHENING DEMOCRACY AND GOOD GOVERNANCE

Increasing foreign government adherence to democratic practices and respect for human rights is a fundamental national interest of the United States and a specified goal of the U.S. Strategic Plan for International Affairs. Central programs advance USAID's commitment to strengthening democracy and good governance worldwide as an essential component of a balanced foreign assistance program. Democratization facilitates informed participation, public sector accountability and rule of law. Success in the other core areas of USAID's sustainable development program is inextricably linked to democratization and good governance.

The global transition toward democracy that gained such significant momentum over the past decade has brought forth a number of democracies exhibiting institutional weaknesses and vulnerabilities. Governments that begin down a democratic path are vulnerable—to coups, corruption, organized crime or civil strife—until they develop strong civil societies, a rule of law, and strong governmental institutions at the national and local levels. These countries, along with other post-crisis states, are the focus of USAID's democracy and governance strategy. These are the countries where public and private institutions of democratic governance must be strengthened, where integrity, accountability and transparency at all levels must become the norm, where the insidious legacies of authoritarian rule must be overcome, and where individuals and groups must deepen their cultural commitment to democratic norms.

By building on USAID's own experience and by tapping into the strength of this nation's democratic institutions and nongovernmental organizations, centrally managed programs increase the overall effectiveness of activities in this area of development work. Central programs provide the technical and intellectual leadership to help shape USAID and other U.S. Government democracy programs worldwide and to influence the assistance policies of other donors in the areas of rule of law, elections and political processes, civil society, and governance. Central programs work in collaboration with other USAID organizational units to achieve the following strategic support objectives:

Strategic Support Objective 1. Legal systems operate more effectively to embody democratic principles, dispense justice, and protect human rights.

The adherence to the rule of law is tied to how several key institutions function: the constitution, statutes and administrative regulations; the justice sector, including the judiciary, police and prosecutors; and civil society, including professional legal associations. USAID strategy focuses on judicial, legal and regulatory frameworks that support democratic institutions and market-based economies (the relevance, transparency and enforcement of constitutions, codes, and regulations); the independence and effectiveness of the judiciary and the fairness and transparency of other parts of the justice sector; access to justice (citizens' understanding of and ability to use the justice system); and legal protections for human rights and gender equity.

Strategic Support Objective 2. Political processes, including elections, are competitive and reflect the will of an informed citizenry.

Free and fair elections are integral to a functioning democracy. In authoritarian countries or new democracies they can be a primary tool to expand political liberalization and participation and, in addition, to choose and hold representative leaders accountable. Elections provide parties and civic groups an opportunity to mobilize supporters and present alternative platforms to the public. USAID's central programs support election planning and administration, political party development, domestic and international monitoring, voter education and women's political participation.

Strategic Support Objective 3. Informed citizens' groups effectively contribute to more responsive government.

Civil society is emerging as a major democratic force in countries which suffer from a legacy of authoritarian government. These pro-reform groups are composed of religious leaders, human rights groups, business and labor federations, women's and environmental groups, legal activists and other civic groups. Civil society predominantly operates apart from its relation with government. Nongovernmental organizations (NGOs) implement hundreds of programs and undertake a myriad of activities. Central programs help to democratize NGOs internally and assist them in achieving a democratic role in society at large. USAID supports pro-democracy groups in the interest of wider citizen participation in policy formulation and greater government transparency and accountability.

Strategic Support Objective 4. National and local government institutions more openly and effectively perform their public responsibilities.

The demand for less corrupt and more efficient, transparent, effective, accountable and responsive government at all levels has grown with the emergence of competitive political parties, wider media coverage and more active citizen participation. Central programs promote increased governmental integrity, democratic decentralization, legislative strengthening, civilian oversight of the military and more inclusive policy reform processes.

SUPPORTING DEMOCRATIC REFORM

Democracy and governance have been identified as strategic objectives by 70 USAID field missions. Central programs provide direct technical support to USAID field mission staff and maintain specialized grants, cooperative agreements, interagency agreements and contracts which missions may access for short, medium- or long-term assistance. A framework for conducting democracy assessments and developing country program strategies has been prepared, tested and refined. Regional trends are analyzed annually, and individual country initiatives are continually being assessed for identification of "best practices" that might be revised or replicated elsewhere. Based on this kind of research and analysis, resource allocation recommendations are formulated; country strategies are critiqued; and technical guidance is produced for in-country use by development practitioners and citizens abroad. Recent documents produced by central staff include guidance on programming in the areas of anti-corruption, civil-military relations, alternative dispute resolution and measuring the impact of democracy and governance programs. Upcoming documents will address political party assistance, legislative strengthening, and civic education.

Through centrally-funded mechanisms, technical leadership and field support, positive results are being achieved. Throughout much of the developing world, elections have increasingly become routine events. Particularly in Latin America and Central Europe, neutral commissions increasingly manage honest elections, a range of political parties compete on a relatively level playing field and citizen groups maintain vigilance over the process. Ballots are counted accurately and power frequently alternates among political parties. Many new democracies are now confronting the more daunting challenges of managing national economies, providing essential services and checking corruption. USAID's programs have adjusted by shifting assistance to help new leaders govern effectively and to expand political participation. Substantial achievements have been made in legal reform, particularly the passage of new criminal and civil codes, commercial codes and a wide range of commercial legislation in Europe and New Independent States countries. There are new examples of consortia among businesses, civil society and labor groups to strengthen socially responsible codes of conduct, such as those in the apparel and manufacturing sectors in Latin America and Asia.

Equally important is the current work with cross-sectoral issues. Recently, USAID developed initiatives that build synergies between the economic growth and the democracy and governance sectors. Central programs are exploring ways to better focus democratic processes that may improve the quality of economic policies and programs, enable civil society organizations to serve as catalysts for economic reform, strengthen the rule of law to enhance property rights and enforcement of contracts, and build transparency and anti-corruption activities that improve both citizen participation and conditions for economic growth. Central programs also are working to ensure that USAID activities supporting democratic decentralization and improved provision of urban services complement each other to the benefit of broader development objectives.

A grant to the American Center for International Labor Solidarity (Solidarity Center) emphasizes the development of free, independent, and democratic trade unions, their role and participation in political and economic processes and the fostering of democracy. In Indonesia, Solidarity Center efforts are assisting in consolidating and expanding the country's free trade union movement following a long period of government control. A specific focus of assistance is to encourage labor's strategic role and participation in the promotion and strengthening of Indonesian civil society. In Nigeria, the Solidarity Center's strategy is to promote a democratic and participatory trade union culture that will foster necessary political and economic reforms at the national and local levels. An important

aspect of this strategy is to encourage the country's labor movement to promote effective and successful voter registration and election monitoring efforts in upcoming elections. Such efforts will enable the trade union movement of Nigeria to engage in coalition-building efforts with other civic organizations in promoting transparent democratic institutions and practices.

A grant to Transparency International (TI), an international nongovernmental organization, funds intensive anti-corruption work in eight to ten countries. Country-focused work starts with a baseline survey on corruption and workshops to bring together key actors. Programs in areas such as regulatory reform, ethics guidelines, financial management systems, advocacy training and civic education follow. TI is working in this capacity in Bulgaria, Ukraine, Dominican Republic, Colombia, Benin, Ghana, Mozambique, Bangladesh, and the Philippines, among other countries.

A new cooperative agreement to strengthen the rule of law and the predominance of civilian authority was recently awarded to the National Democratic Institute for International Affairs (NDI). Through the agreement, NDI and its partner organizations will support: relevant knowledge and skills-building among officials in the executive and legislative branches of the government and representatives of nongovernmental organizations; the development and dissemination of information that will promote civil predominance; and university curriculum development in programs related to civil-military relations.

Two new cooperative agreements are currently being negotiated in the area of rule of law and human rights. The purpose of the awards is to institutionalize arrangements with relevant partner organizations at the central level to build capacity, both within and among the partnering organizations, and to facilitate field mission access to leading human rights organizations. An ability on the part of USAID to respond rapidly on rule of law issues as they arise, particularly those concerning human rights in a country of foreign policy significance, has become increasingly evident. The pending awards are designed to fulfill this need.

NDI, the International Republican Institute, and the International Foundation for Election Systems are recognized authorities in democracy and governance programming and are USAID's major partners for the delivery of assistance for electoral and political processes strengthening. The rapid response capacity of these organizations has been particularly critical to the timely delivery of U.S. support to democratic processes in fast-changing political environments around the world.

In countries where USAID has little or no presence, USAID's limited activities may be managed through central programs. These programs are typically planned jointly with the Department of State and funded through Economic Support Funds (ESF) to respond to important foreign policy needs. ESF has recently funded programs in a wide variety of countries, including Nigeria, Mozambique, Yemen and Algeria. Much of the ESF-funded central programs assist in post-conflict situations or help democratic elements in authoritarian states, for example, Liberia, Angola and Sierra Leone. ESF-funded programs have also been implemented in other countries such as Ghana, Mali, Kenya and Morocco.

HUMAN CAPACITY DEVELOPMENT THROUGH EDUCATION AND TRAINING

Education is a critical ingredient for success in today's complex, technologically sophisticated world. Without quality education, children become adults with limited opportunities. In all countries, but particularly in poor countries, expanded and improved education leads to faster, better and more sustainable economic and social development, and contributes to the emergence of strong democratic institutions. In many nations these

goals remain distant:

- For many people, especially women, illiteracy and lack of a basic education remain barriers to the creation of a healthy family environment and more productive employment.
- Many countries have adopted budgetary and other policies which limit access to basic education for female and low-income populations, and impair the quality of basic education, while allocating scarce resources to subsidizing higher education for wealthier groups, or to supporting outdated vocational education institutions.
- In many nations, there is a clear disconnect between the skills provided by public learning systems and the skills needs in emerging economies.
- These failures undermine countries' efforts to adapt to the rapidly changing global economic environment. An underdeveloped workforce with limited technological capacity is a major factor that discourages domestic and foreign investment. It becomes a barrier rather than a contributor to national development and economic growth.
- Finally, the rapid growth of uneducated and unemployable populations tends to destabilize domestic political environments, encourages outmigration to more developed countries, and impedes democratic development, all while burdening future generations with higher levels of population growth, disease, unemployment, environmental degradation and political instability.

It is in the interest of the United States and of recipient nations that these countries establish effective, broadly participatory, public and private systems of education and training institutions which can provide their people opportunities for personal advancement and prosperity. Strategic and flexible investments in education, training, workforce development and information technology are required for national development -- and U.S. national security -- in the 21st century.

USAID's Center for Human Capacity Development addresses these problems through four *objectives* which support the Agency's goal, "Human Capacity Built through Education and Training."

Strategic Support Objective 1. Improved and expanded basic education, especially for girls, women and other underserved populations.

Although many countries are making progress in expanding access to basic education, particularly for girls and women, progress is unacceptably slow in some regions, notably sub-Saharan Africa and South Asia. Even where access is expanding, quality often remains poor. Poor achievement for girls is of particular concern, as are learning problems created by missed opportunities for early childhood development. In nations undergoing crisis and transition, educational systems are often the first to break down, despite the need for expanded and better-focused educational investments to break the cycle of violence and lay the foundation for broad-based economic growth. To address these concerns, central programs have developed guidelines for supporting educational reform for Africa; documented and disseminated lessons learned from key education reforms in Latin America and the Caribbean; and developed new educational products, including software packages for data collection and analysis by ministries of education, and the production of national education statistics which can be used to target scarce resources more effectively. Additionally, with central program support, USAID is helping policymakers in several

countries in Africa and Latin America to design and apply classroom-level practices designed to improve the quality of basic education for children (particularly girls) and adults. Major emphasis will be placed on distance learning and the development of sustainable community learning centers, and on reducing exploitative child labor through basic education. In future years, central programs will also target countries in crisis and transition to help prevent the collapse or deterioration of basic education systems in these countries.

Strategic Support Objective 2. Higher education strengthens the capacity of institutions, communities and individuals to meet local and national development needs.

USAID's programs employ a number of tools for the implementation of specific bilateral development objectives. One key tool is partnerships between U.S. and host country institutions of higher education. USAID's central programs recognize that colleges and universities in many developing and transitional countries are underperforming in their proper roles and could, with assistance for transforming higher education, be key players in training the next generation of political and professional leaders, conducting critical scientific and social research, and finding solutions to local and national problems. Special attention will be paid to achieving greater access and equity, diversifying funding, using distance learning tools, and linking higher education to key development problems. Centrally supported higher education partnerships match strong American higher education institutions with sister institutions overseas to achieve mutual development goals through research, teaching and faculty development, often with U.S. or local private sector support. In addition, centrally supported workforce development partnerships are designed to support market-driven, cost-effective education and training programs that meet the needs of employers and communities while building on the strengths of service-oriented training institutions, such as community colleges. In future years, USAID will focus more attention on mobilizing the U.S. higher education community to meet the needs of countries in crisis and transition.

Strategic Support Objective 3. Training improves work performance of host country trainees and effectiveness of host country organizations.

Since its creation, one of USAID's most important investments in sustainable development has been the training, both in the United States and in host countries, of hundreds of thousands of public and private sector leaders and decision-makers from countries receiving U.S. assistance. Until very recently, the bulk of training funds were spent in bringing students to the United States for academic training. As local institutions developed (often with USAID-financed, U.S.-trained faculty), bilateral assistance budgets declined and the cost of academic programs skyrocketed, there has been a strong recent trend toward large-scale, in-country training, with an emphasis on technical and managerial training designed to support specific national and project objectives. Distance training is becoming a new and revitalizing focus for USAID's training programs. While there will remain a need for some continued financing of U.S.-based academic and other training, e.g., in Africa and in parts of Eastern Europe and the former Soviet Union, to serve specific country and regional objectives, the bulk of the Agency's future training focus will be on upgrading and regulating the quality of host country training institutions. This focus will not only protect substantial USAID investments in U.S.-based training, but also ensure the longer-term sustainability of USAID's training effort. Central programs will also continue to fine-tune USAID's U.S. and host country training activities to improve policies and quantity, lower costs, simplify administration, promulgate "best practices" to increase the skills of individuals and the effectiveness of key organizations, and ensure accountability. At the same time, USAID is championing America's leadership position in international education and training. USAID coordinates its training programs with other federal agencies through the Inter-Agency Working Group on International Exchanges and Training.

Strategic Support Objective 4. Expanded access to and application of information and telecommunications services.

Information policy and technology applications will dominate the development agenda in the early 21st century, especially as nations compete for access and control of information and the technology to manage information. Central programs promote open market-based national communications systems and state-of-the-art applications, including distance learning, community-based information systems and multi-media training systems, in support of sustainable development objectives. Through innovative partnerships, USAID harnesses and delivers the expertise and entrepreneurship of American telecommunications and information technology industries and key Federal agencies such as the Federal Communications Commission. In the coming years, USAID central programs will seek to stimulate and channel an expanded portfolio of USAID-financed information technology efforts to ensure that U.S. development efforts take full advantage of evolving technological opportunities and efficiencies.

CROSS-CUTTING PROGRAMS

WOMEN IN DEVELOPMENT

USAID recognizes the inferior status of women in most developing countries and economies in transition as a key constraint to overall social and economic development. The Agency is committed to addressing women in development issues throughout its programs and policies, and supports this commitment with technical assistance and leadership provided via the Office of Women in Development (WID). For the past several years, USAID has funded the WID Office's activities at approximately \$10 million per year, and plans to continue at this level in FY 2000 to provide high quality support to other USAID operating units. The Agency's Gender Plan of Action (GPA), developed with the guidance of the WID Office, is an important component of the Agency's promotion of the institutionalization of attention to gender. To date, under the GPA: (1) the Agency's strategic framework has been revised to better reflect the key role of gender issues in development; (2) a highly successful women-in-development Fellows program has been established; (3) gender issues are now being addressed in International Development Intern orientation and in technical training through the Global Bureau; and (4) guidelines for competitive assistance instruments now include language on the importance of addressing gender issues in grants and cooperative agreements. In addition, USAID is directly funding activities in four critical areas:

Strategic Support Objective 1. Gender-based constraints to economic growth policies and programs increasingly addressed.

More than 800 million women are economically active worldwide. Over 70% of these women live in the developing regions of Asia, Africa, and Latin America, and their number has nearly tripled since 1950. While women are increasingly economically active, however, their unemployment rates remain high relative to those of men, and when women are employed, they continue to be paid less than men. Improvements in women's employment are critical for the large number of women now living in poverty, and to the children who depend on them. The success and sustainability of economic growth and agricultural development programs depends on full incorporation of women as well as men. Removing the constraints to women's participation in economic development is the linchpin to success in other development programs as well. Women's capacity to participate and lead as members of democratic societies, their empowerment to control their lives and decisions, their health and education status rests firmly in their opportunities to earn and control income.

Strategic Support Objective 2. Broad-based, informed constituencies mobilized to improve girls' education in emphasis countries.

Significant disparities continue to exist in the educational status of girls compared to that of boys in most regions of the world. These are most striking in South Asia and Africa, where half of the USAID missions have strategic objectives related to girls' education. In addition to interventions such as training of female teachers, provision of scholarships for girls, and the provision of latrines, USAID's girls' education program in emphasis countries is increasing girls' formal school attendance, retention, and completion through awareness raising for parents, educators, and religious leaders at the community and national levels. In these countries, USAID is also stimulating the involvement of the private sector by encouraging employers to implement projects and support girls' education as an effective investment in a productive labor force. In the public sector, USAID encourages a diverse range of agencies to develop programs that support girls' education via interventions such as infrastructure improvement (e.g., provision of water, improvement of roads, and rural electrification), health programs, school lunch programs, and literacy training for mothers. Analytical studies in other countries are producing findings to strengthen decision makers' ability to make resource and programmatic decisions that positively affect girls' enrollment and retention.

Strategic Support Objective 3. Women's legal rights increasingly protected:

The legal rights of women and their enforcement comprise a critical development issue in all regions. Most USAID missions worldwide have adopted strategic objectives in the area of democracy and governance or include goals that are strengthened by a focus on women's human rights. Women themselves in host countries emphasize the importance of women's human rights. Projects in Bangladesh, Cambodia, Sri Lanka, and Nepal are helping to ensure that women achieve economic parity with men. In South Africa, the national system of land distribution has been changed from being based on the household to accounting for the individual, thereby ensuring gender equity in land ownership and tenure. Legal assistance and education for women in Malawi and Kenya is strengthening women's participation in the democratic processes in their countries. USAID's partnership with local women in their campaign against female genital mutilation (FGM) has contributed importantly to a close re-examination of FGM policy and practice in countries as diverse as Kenya, Ghana, Egypt, Mali, and Guinea. In India, USAID's focus on domestic violence through partnerships with research and nongovernmental organizations has highlighted the issue and underlined its severe economic, health, and education consequences.

Strategic Support Objective 4. Greater reflection of gender considerations in the agency's work.

The Global Bureau provides technical leadership through global programs and research. USAID focuses on creating the institutional framework within both the Agency and its partners for complying on a sustainable basis with the requirements of the Percy Amendment. In the past year, technical assistance has been provided to many USAID-assisted countries worldwide including Angola, Tanzania, Sierra Leone, Uganda, Jordan, Nepal, the Philippines, Bolivia, Guatemala, Jamaica, Central Asian Republic, Russia and Ukraine. Extensive technical support has also been focused on Washington operating units. In Sierra Leone, for example, USAID assisted in the design of a civic education and women's leadership program and helped strengthen a new ministry dealing with gender issues. Work in Uganda supported the incorporation of gender considerations into agriculture and private sector programs, and explored opportunities for USAID mission participation in the African Food Security Initiative. In Nepal, USAID assisted with the development of creative strategies to build linkages between strategic objectives in agriculture, family planning,

maternal and child health, and women's empowerment, and helped develop a national literacy program. These activities have supported the development of capacity to address gender considerations through Agency programs. In addition, USAID has helped build on an active program of information base via a quarterly newsletter and periodic fact sheets, and information bulletins on important gender and development issues. USAID also supports a fellowship program that provides mid-career development professionals with training in gender issues as well as exposure to how these issues can be addressed in the field.

STRENGTHENING USAID'S DEVELOPMENT PARTNERS

Strategic Objective No. 1: Increased capability of private voluntary organizations to achieve sustainable service delivery.

USAID, through the Office of Private and Voluntary Cooperation (PVC), supports activities which increase the capabilities of private voluntary organizations (PVOs) and cooperative development organizations (CDOs) to deliver sustainable development services at the grassroots level in priority areas such as child survival, microenterprise development, women's education, and the environment. A key dimension of these programs is strengthening the organizational capacity and programs of PVOs and CDOs to provide cross-cutting support for USAID's six strategic objectives. Increasingly, USAID is encouraging collaborative partnerships between U.S. PVOs and CDOs and indigenous organizations to promote development at the local level and to enhance program sustainability and impact. Funds are allocated to individual organizations through competitive grants which include a cost-share requirement to leverage additional private resources for development. Approved grants are consistent with USAID mission strategic plans. The major central grants programs are:

Matching Grants: This competitive Matching Grants program strengthens U.S. PVOs' technical, planning and management capacity to carry out development programs in USAID-assisted countries. The U.S. PVOs contribute at least 50% of the total project costs and increasingly implement their activities through local organizations and provide them with capacity-building support through technical assistance, training, and information sharing. For example, in Zimbabwe, the program has enabled Opportunity International's partner, Zambuko Trust, to rapidly increase its loan portfolio and become a leader in microenterprise finance. From 1993 to 1999, the Trust increased the number of loans and total lending value more than tenfold, made over 22,000 loans totaling approximately \$3.7 million with a repayment rate of over 96% and provided underserved groups with access to credit, of whom 75% of loan recipients are women. In El Salvador, TechnoServe developed the capacity of local cooperatives and institutions to increase rural employment and income generation. TechnoServe used a commodity-based enterprise model that focuses on bolstering established mid-sized private sector organizations that have a reasonable prospect of becoming financially viable. The project is having tangible, positive impact on the economic and social welfare of the participants. Members are managing cooperatives more effectively, increasing production and creating more jobs. For example: in Lajas, one of the cooperatives has been distributing a dividend of \$2,000 per member per year. The project has aided families in achieving incomes of \$5,000 per year compared to the \$600 per year of families not participating in the project. Economic improvements have translated into better housing, education and health services for cooperative members.

Child Survival: The PVO Child Survival (CS) Program is designed to improve the capacity of U.S. based PVOs and their local partners in developing countries to carry out effective child survival initiatives that contribute to the improvement of infant and child health and nutrition, and reduce infant and child mortality. USAID currently supports 72 CS programs in 32 countries through 27 PVOs with a portfolio value of \$65 million. These technically

rigorous programs focus on immunization, nutrition, breast feeding, diarrheal disease control, pneumonia treatment, maternal and newborn care, malaria control, child spacing, HIV/AIDS prevention and the integrated management of childhood illnesses. CS programs are implemented with an emphasis on improved supervision and training to effect a sustained benefit on the health of poor populations. Through the competitive grants process, 19 grants were awarded in 1998. Most new grants are awarded up to \$1 million with a requirement to cost share 25% of the total program cost. New grants and mentoring partnerships are four years in length, while entry grants are awarded up to \$400,000 for two years with a 25% cost share. PVO programs have been very successful in improving the health status of mothers and children throughout the world. Through community-based activities, World Relief in Mozambique effectively reduced deaths from malaria in children under 5 years of age by 50% in the peak season and increased the percentage of 1 year olds completely immunized from 37% to 88%. CARE in Kenya demonstrated a 48% reduction in mortality in children under 5, largely due to their integrated management of childhood illnesses program. In Tanzania, CARE helped 100 communities develop strategies to assist mothers who develop life-threatening complications in childbirth.

Cooperative Development: USAID's support to U.S. cooperative development organizations (CDOs) enables them to assist cooperative movements in developing and middle-income countries and in new democracies. CDOs provide assistance and training to local counterpart organizations in such areas as microenterprise development, housing, credit delivery, dairy development, rural electrification, insurance protection and cooperative development. For example, the Cooperative Housing Foundation is successfully assisting poor communities in former township areas around Port Elizabeth, South Africa, to organize a self-help approach for housing construction. The "people-driven housing process" maximizes volunteer labor, local materials and access to credit through newly formed housing associations. Since the start-up of this activity in 1996 when 50 houses were constructed, housing associations have accessed \$1.4 million in credit and have managed the construction of 700 houses. The groundwork is in place for continued rapid expansion, and the housing associations are emerging as effective, grassroots democratic organizations serving the broader interests of their members.

Development Education: USAID's development education program supports U.S. non-profit organizations' activities to educate the U.S. public about developing countries and U.S. development activities abroad, especially as they relate to hunger and poverty. The program has supported curriculum development at the K-12 and post-secondary level, as well as adult education activities targeting farmers, business and labor leaders, teachers, and congregational groups. The program strategy requires U.S.-based development organizations to partner with United States domestic membership organizations with a shared sectoral focus, e.g., health, hunger, or agriculture, as the starting point for learning about local-global links and development. For example, during 1998-1999, the National Council for Agricultural Education, in collaboration with the Bread for the World Institute, is developing and disseminating materials related to providing a safe and plentiful food supply to feed a growing world population. Materials are being designed for use in high school agriculture classrooms across the U.S. to address the status of the world's food supply, access to food, causes of food insecurity and how these issues affect United States farmers and the agribusiness community. Targeted audiences include 5,000 high school agriculture and social studies teachers, 150,000 high school students across the U.S., and approximately 500,000 members of the Future Farmers of America (FFA) and others involved in the agriculture education community, including state departments of education, U.S. land grant colleges and universities, historically black colleges and universities, and Native American two-year colleges.

Ocean Freight: Through the Ocean Freight Reimbursement (OFR) program, USAID

reimburses registered PVOs for the costs of shipping equipment and supplies to developing countries in support of development and humanitarian assistance activities in the following areas: agricultural and rural development, health care, educational training, disaster assistance and relief, and rehabilitation. In 1997, the Agency funded 70 PVOs in the OFR program. These organizations shipped 5,258 tons of commodities valued at \$123 million at a cost of \$1.8 million to the program. This represents a ratio of 68:1 of the value of commodities shipped to USAID dollars spent.

Institutional Support: USAID provides institutional support assistance grants to strengthen the management and technical capacity of the PVOs that implement food assistance programs under the P.L. 480 Title II Food for Peace program. These grants have helped the PVOs to plan programs for greater impact on food security, to initiate food assessments, to develop monitoring and evaluation systems and to improve the technical skills of their staff.

Strategic Objective No. 2: Strengthen overseas institutions which demonstrate American ideas and practices.

USAID, through the American Schools and Hospitals Abroad (ASHA) program, provides grants to overseas universities and secondary schools, libraries and medical centers, that are founded or sponsored by U.S. organizations. These institutions serve as demonstration and study centers for American ideas and practices in education and medicine. The Administration plans to allocate \$15 million for a competitive ASHA grants program in FY 2000.

Academic and medical institutions are the building blocks of society as they nurture and develop the next generation of policy makers, scientists and entrepreneurs. ASHA grants strengthen American developmental and foreign policy goals by linking U.S. organizations and individuals to key national institutions that promote democracy, private initiative, free inquiry and innovative approaches to problem-solving. The ASHA program supports institutions that foster a favorable image of the United States and the local ability to better interpret events in which the United States is involved. ASHA-assisted institutions educate future leaders, and those already in the work force in disciplines essential to broad-based, sustained growth in the economy and society.

The ASHA grants provide resources that improve the quality of education and health services and institutional standards. These grants finance buildings and equipment and improve the physical infrastructure to strengthen institutional services, and in a few cases, support educational and medical programs. These grants provide secondary benefits in mobilizing resources, attracting students and increasing scholarship support. These private, non-profit institutions meet operating expenses primarily from tuition, fees, private contributions from U.S. and in-country sources, endowments, and the sale of services.

LEARNING FROM EXPERIENCE

USAID, through its Bureau for Policy and Program Coordination (PPC), learns from development experience to improve development results, create new agency policies and improve development practices. PPC provides objective policy leadership and strategic thinking for the Agency. PPC supports the achievement of Agency development objectives by improving the capabilities of USAID and its partners to obtain and use development information in decision-making and policy formulation. PPC applies agency learning to its strategic planning and performance measurement systems, its performance reporting and its evaluations. It has created development information services that provide USAID managers and development partners with easy access to a broad range of needed development

experience information. More specifically, PPC:

- Distills and disseminates development experience in paper and electronic format, analyzes and synthesizes USAID's development experience in response to client requests, provides on-line access to these documents, and assists USAID staff and partners in the use of information to achieve strategic objectives. In 1999, USAID will expand internet access to include the full text of key reports, and establish formal training and technical assistance programs on the use of development information in strategic planning, program implementation and evaluation.
- Informs decision-making by analyzing and evaluating key Agency programs, and coordinating with development partners to better share evaluation and analyses of development topics. In FY 2000, PPC will evaluate: (1) the impact of USAID's approaches in addressing global warming; (2) financial services for the poor; (3) emergency assistance; (4) women's roles during crises; and (5) the effectiveness of private sector partnerships with host country institutions.
- Strengthens USAID's performance planning, measurement and evaluations systems by: (1) developing appropriate policies and technical guidelines; (2) providing training in strategic planning and evaluation; and (3) assisting program managers, bureaus and field missions. In FY 2000, USAID's Center for Development Information and Evaluation (CDIE) will focus on training and developing the expertise needed within the Agency to collect, report and analyze data on performance results. CDIE will also support bureaus and field missions in using performance measurement data to resolve operational issues, and strengthen the use of evaluation as a management tool at the operational level.

PEACE CORPS

Special Objective 1. Enhance communities' capabilities to conduct low-cost, grassroots, sustainable development activities.

Through a worldwide participating agency service agreement with the Peace Corps, USAID supports the Small Project Assistance (SPA) program, with planned funding of \$1,500,000 in FY 2000. The purpose of the SPA program is to support, in conjunction with local communities, small-scale, sustainable development activities in areas of priority to USAID such as improving human health, protecting the environment, and facilitating economic growth. The SPA program facilitates local grassroots efforts by combining the Peace Corps volunteers' people-to-people approach with USAID's technical and financial resources. Since 1985, USAID has provided \$23 million in support of 6,800 community activities through the SPA program.

**CENTRAL PROGRAMS
FY 2000 PROGRAM SUMMARY
(000s)**

USAID Strategic Support and Special Objectives	Economic Growth and Agriculture	Population and Health	Environment	Democracy	Human Capacity Development	Humanitarian Assistance	Total
PHN1. Reduced Fertility. -DA	---	141,726	---	---	---	---	141,726
PHN 2. Key reproductive health interventions. -CS	---	15,000	---	---	---	---	15,000
PHN 3. Key child health and nutrition Interventions. -CS	---	42,905	---	---	---	---	42,905
PHN 4. Mitigate the Impact of the HIV/AIDS pandemic. -CS	---	35,750	---	---	---	---	35,750
PHN 5. Reduce the Threat of Infectious Diseases. -CS	---	19,099	---	---	---	---	19,099
ENV 1. Sustainable use of natural resources. -DA	---	---	9,000	---	---	---	9,000
ENV 2. Improved mgmt. Of urbanization. -DA	---	---	5,000	---	---	---	5,000

USAID Strategic Support and Special Objectives	Economic Growth and Agriculture	Population and Health	Environment	Democracy	Human Capacity Development	Humanitarian Assistance	Total
ENV 3. Energy production. -DA	---	---	17,000	---	---	---	17,000
ENV 4. Global climate change. -DA	---	---	5,727	---	---	---	5,727
EGAD 1. Services for micro-Enterprises. -DA -CS	1,000 [25,000]	---	---	---	---	---	1,000 [25,000]*
EGAD 2. Agricultural Development. -DA -CS	24,325 ---	---	20,500 ---	---	---	---	44,825 2,000
EGAD 3. Emerging Markets.	1,000	---	---	---	---	---	1,000
EGAD 4. Private sector Business Linkages. -DA	5,585	---	---	---	---	---	5,585
EGAD 5. Cooperation among Middle Eastern countries -DA	4,500	---	---	---	---	---	4,500
DG 1. Rule of law. -DA	---	---	---	3,500	---	---	3,500
DG 2. Political processes. -DA	---	---	---	3,000	---	---	3,000

USAID Strategic Support and Special Objectives	Economic Growth and Agriculture	Population and Health	Environment	Democracy	Human Capacity Development	Humanitarian Assistance	Total
DG 3. Civil society. -DA	---	---	---	3,700	---	---	3,700
DG 4. Government institutions. -DA	---	---	---	3,000	---	---	3,000
HCD 1. Basic education. -CS	---	---	---	---	9,695	---	9,695
HCD 2. Education and workforce partnerships. -DA	---	---	---	---	3,430	---	3,430
HCD 3. Trainee performance & effectiveness. -DA	775	---	---	---	---	---	775
HCD 4. Telecommunication services. -DA	1,000	---	---	---	---	---	1,000
WID 1. Gender-based economic growth. -DA	2,440	---	---	---	---	---	2,440
WID 2. Educational opportunities for girls. -CS	---	---	---	---	2,340	---	2,340
WID 3. Women's legal rights. -DA	---	---	---	2,520	---	---	2,520
WID 4. USAID gender considerations. -DA	2,700	---	---	---	---	---	2,700

USAID Strategic Support and Special Objectives	Economic Growth and Agriculture	Population and Health	Environment	Democracy	Human Capacity Development	Humanitarian Assistance	Total
BHR 1. Capability of private voluntary organizations.							
-DA	26,800	---	2,700	530	---	---	30,030
-CS	---	22,683	---	---	1,720	---	24,403
BHR 2. Strengthen overseas institutions.							
-DA	15,000	--	---	---	---	---	15,000
PPC 1. Learning from experience.							
-DA	2,507	292	985	835	---	---	4,619
-CS	---	2,136	---	---	503	---	2,639
Peace Corps.							
-DA	1,500	---	---	---	---	---	1,500
Total DA	89,132	142,018	60,912	17,085	3,430	---	312,577
Total CS	---	139,573	---	---	14,258	---	153,831
TOTAL	89,132	281,591	60,912	17,085	17,688	---	466,408

*Note: EGAD SO 1 is a non-add item. Funds for SO 1 are allotted from regional bureau transfers.

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ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use by women and men of voluntary practices that contribute to reduced fertility. (New and improved technologies and approaches for contraceptive methods and family planning identified, developed, tested, evaluated and disseminated), 936-SSO1.1 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$28,345,000 DA

INITIAL OBLIGATION: FY 1996; **ESTIMATED COMPLETION DATE:** Continuing

Summary: To build the scientific and technological base for successful, high quality family planning (FP) and reproductive health (RH) programs by identifying, developing, testing, evaluating and disseminating new and improved methods and approaches for effectively delivering FP and RH services. The ultimate beneficiaries will be the women and men of reproductive age in developing countries who will have greater access to quality FP/RH information and services. The increased availability of technologies will also benefit consumers in the United States and other industrialized countries.

Key Results: Four key sub-results are necessary to achieve the objective of SSO1.1: (1) new and improved products, strategies and technologies developed and evaluated; (2) enhanced understanding of issues contributing to change of reproductive intention and behavior; (3) improved knowledge-base for understanding, setting priorities, and applying new or improved technologies and approaches; and (4) products, tools, technologies, approaches, and knowledge transferred in a form that can be received, utilized and sustained.

Performance and Prospects: Performance over the past year has met or exceeded the planned results. In FY 1998, achievements in contraceptive development included the submission of Femcap, a female barrier method, to the Food and Drug Administration (FDA) for approval. Several products advanced to the next stage of development including: completion of a phase II clinical trial of a vaginal hormonal ring; completion of a safety and acceptability trial of a long-acting hormonal method for men; and the completion of the pre-clinical evaluation of spermicidal/microbicidal compounds to be tested in human safety studies in 1999. Many products are in early stages of development, including methods to provide protection from both unplanned pregnancy and sexually transmitted infections (STI), and HIV/AIDS. An inherent problem with this component of the SSO is the lack of strong commercial sector involvement due to liability issues, FDA requirements, and the low profit margin that can be made in less-developed countries; this necessitates a high level of public sector involvement in research and development activities.

Operations research (OR) has designed new tools for assessing the availability and quality of FP services and has developed solutions to critical global service delivery problems. A major emphasis has been placed on scaling up of successful approaches. The 1998 publication of a monograph detailing the findings from situation analyses in 11 countries in Africa demonstrated the diagnostic role OR can play; these results were used in country programs to identify new interventions aimed at strengthening service delivery systems. The volume was distributed to Missions and will be used as a reference in the evaluation of the quality of FP programs. OR evaluated the feasibility and impact of integration of treatment of STI and prevention services with FP services; pilot programs in Latin America and Kenya illustrated that women with adequate information are able to assess their own risk of STIs and pregnancy and often make more appropriate choices than service providers. A study on male involvement demonstrated that male community-based distributors, community and religious workers, and organizations for men can be very effective in increasing FP use and preventing STIs.

Possible Adjustments to Plans: USAID's research portfolio is opportunity-driven and reflects the best interests of the public sector and its beneficiaries. During the course of product development

or service delivery research, it is not uncommon to encounter obstacles in manufacturing or partnerships, and it is difficult to predict the ultimate success of a product or strategy in the early stages of research.

Other Donor Programs: Grantees work with assistance from and in collaboration with the World Health Organization and the National Institutes of Health in technology development and evaluation, epidemiology and social science research. Several private foundations, including Mellon, Rockefeller, and others, maximize USAID's investments by supporting complementary research.

Principal Contractors, Grantees or Agencies: Grantees include The Population Council, Family Health International, Eastern Virginia Medical School, other cooperating agencies, universities, research institutions, and host country organizations.

Selected Performance Measures:	Baseline (1995)	Target (2000)
<p>Number of contraceptive leads or methods:</p> <p>a) under development or evaluation;</p> <p>b) advancing to next stage;</p> <p>c) approved by FDA.</p>	<p>a) 37 under development or evaluation;</p> <p>b) 0 advancing;</p> <p>c) 0 approved.</p>	<p>a) 33 under development or evaluation;</p> <p>b) 5 advancing;</p> <p>c) 2 approved by FDA.</p>
<p>Number of FP/RH strategies and subsystems, IEC, training and other technical improvements:</p> <p>a) tested/under development;</p> <p>b) completed/evaluated.</p>	<p>a) 8 tested/under development;</p> <p>b) 0 completed/evaluated.</p>	<p>a) 10 tested/under development;</p> <p>b) 10 completed/evaluated.</p>

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use by women and men of voluntary practices that contribute to reduced fertility. (Improved policy environment and increased global resources for family planning programs), 936-SS01.2 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$28,345,000 DA

INITIAL OBLIGATION: FY 1996; **ESTIMATED COMPLETION DATE:** Continuing

Summary: USAID central programs promote a supportive policy environment for the cost-effective provision of family planning and reproductive health (FP/RH) services and the expansion of contraceptive use. Performance on this policy objective has been positive, as many governments have updated and modified policies to support RH. Resources have increased in several key countries. The ultimate beneficiaries are women of reproductive age in assisted developing countries; intermediate beneficiaries include government health department and nongovernmental organizations that advocate for RH.

Key Results: Activities focus on: (1) formulation and implementation of operational policies relating to FP/RH and removal of barriers to service availability; (2) increasing total financial and human resources for FP/RH; and (3) rational allocation of human and financial resources in the population, health and nutrition sector to have maximum impact in achieving sector goals.

Performance and Prospects: USAID's investments in policy dialogue and policy reform have contributed to the development of formal population policies in more than 30 countries, helped convince policy makers of the economic benefits of FP programs to society and to improved well-being at the family and individual level, and resulted in increased participation by the private sector. In the past year, as a result of policy dialogue and advocacy, resource allocations increased. The Ministry of Health in Romania approved funding and created a line item for family planning under the national budget; and the Prime Minister of Turkey directed the Ministry of Health to mobilize government funds for public sector procurement of contraceptives. Also in the past year, strategic plans were developed with USAID technical assistance in Egypt, Morocco, and Nepal. Formal political support for population programs was obtained in the Philippines when two governors signed executive orders of support, and free radio time was donated to disseminate population information. In Haiti, parliamentarians called for a national population policy.

Possible Adjustments to Plans: As the world's largest cohort ever of adolescents reaches their reproductive years, some 900 million women in the developing world, excluding China, will be of reproductive age. To expand the level of service delivery necessary to meet this growing demand, renewed advocacy efforts and appropriate RH policies will be ever more critical. In addition, assessment of progress in the five years since the Cairo conference may suggest more attention to financing of FP/RH programs.

Other Donor Programs: USAID coordinates and collaborates with other donors such as the World Bank, International Planned Parenthood Foundation, United Nations Population Fund, and bilateral donors such as the Department for International Development which also provide funds and technical assistance.

Principal Contractors, Grantees or Agencies: USAID implements activities through The Futures Group International, U.S. Bureau of the Census, the National Academy of Sciences, Management Sciences for Health, and the Population Reference Bureau.

Selected Performance Measures	Baseline (1997)		Target (2000)	
	Policy	Impl'n	Policy	Impl'n
# of Joint Programming Countries* with at least moderately strong policy statements and implementation re:		(n = 13)		(n = 15)
-participation	11	8	13	10
-attn to adolescents	7	3	10	5
-training	13	8	15	10
-monitoring/evaluation	10	8	15	10
Male involvement	5	3	8	5
Share of service delivery by the private sector in countries where USAID works	43%		49%	

*Joint Programming Countries are priority countries for USAID PHN assistance.

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use by women and men of voluntary practices that contribute to reduced fertility. [Enhanced capacity for national programs (public, private, nongovernmental organization and community-based institutions) to design, implement, finance, and evaluate sustainable family planning programs], 936-SS01.3 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$28,345,000 DA

INITIAL OBLIGATION: FY 1996; **ESTIMATED COMPLETION DATE:** Continuing

Summary: USAID is working to improve the technical and programmatic capabilities and planning and budgeting decisions that impact the quality of family planning (FP) services provided and the number of users reached. The ultimate beneficiaries are women and men of reproductive age in developing countries who will have greater access to quality FP information and services.

Key Results: Activities focus on strengthening the capabilities of family planning provider organizations and their staff to (a) design, monitor, finance and evaluate their programs; (b) manage more effectively by improving business and marketing skills, and developing strategies for increasing cost recovery and financial sustainability; and (c) collaborate to use limited resources efficiently, and to reach underserved groups. Funding is channeled through both U.S. and local nongovernmental organizations with the ultimate goal of program sustainability.

Performance and Prospects: USAID has been working to improve the technical and management capacity and the financial self-reliance of over 100 national family planning and reproductive health institutions in developing countries. To date, 40 institutions have been assessed in 25 countries. The assessment is a management diagnosis of the institution's mission, structure, strategies and management systems for each of 12 essential management components. Following the assessment a management action plan is developed to address the management deficiencies identified.

Possible Adjustments to Plans: Family planning institutions must become stronger and more efficient to keep up with both population growth and rising demand. The need for well-trained staff and well-managed FP organizations is greater than ever. In 2000 a new state-of-the-art FP/reproductive health (RH) management and leadership program will be launched which will increase the availability of sustainable, quality FP/RH services .

Other Donor Programs: USAID works closely with United Nations Population Fund, International Planned Parenthood Federation, Department for International Development, Pan American Health Organization and the World Bank. Host country partners including, national and local governments, private sector entities, nongovernmental organizations, and community organizations, have primary responsibility for program implementation.

Principal Contractors, Grantees or Agencies: USAID implements activities through Management Sciences for Health; John Snow, Inc.; Centers for Disease Control and Prevention; Pathfinder International; The Future's Group International; the University of North Carolina and other universities; private sector entities, NGO's, and host country institutions.

Selected Performance Measures:	Baseline (1997)	Target (2000)
# of institutions with enhanced capacity for:		
Collection and use of information	11	16
Commodities	6	11
Financial management	6	11
Revenues	8	13
Planning	13	17
Human resources	7	11

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use by women and men of voluntary practices that contribute to reduced fertility. (Increased access to, quality of, cost-effectiveness of, and motivation for use of family planning, breastfeeding, and selected reproductive health information and services), 936-SS01.4 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$56,691,000 DA

INITIAL OBLIGATION: FY 1996; **ESTIMATED COMPLETION DATE:** Continuing

Summary: USAID is working to improve the ability of information and service delivery systems to respond effectively to existing demand for family planning (FP) and related reproductive health (RH) information and services and increase FP awareness, community empowerment, and demand for such services and information. The ultimate beneficiaries are women and men of reproductive age in developing countries who will have greater access to quality FP information and services, and children up to five years old in developing countries who will have improved health because of improved birth spacing.

Key Results: Activities focus on expanding service-delivery points, enhancing quality by promoting a client-centered orientation, improving contraceptive logistics, and ensuring the existence of appropriate norms, and expanding cost-effective approaches to implementation of services, including training in cost management. Activities also include increasing women's and community empowerment and demand for services by improving communications with clients and communities, and strengthening linkages between FP and integrated women's health services, hygiene, and other programs.

Performance and Prospects: Major innovations to expand access and quality of care pioneered by USAID include community-based distribution, contraceptive social marketing, mobilization of private sector service delivery, and client-centered services. Between April and September 1998, Pathfinder International reached over 1.0 million new FP users and Cooperative for Assistance and Relief Everywhere, Inc. (CARE) managed 46 projects in 33 countries offering a package of services, including FP, RH, maternal health and STD/HIV. The Focus on Young Adults project has provided global technical leadership in documenting lessons learned in meeting the RH needs of youth in more than 15 countries. The improving Nutrition and Reproductive Health (LINKAGES) project is providing training in women's nutrition, the Lactational Amenorrhea Method, breastfeeding, and weaning practices in 11 countries, enhancing birth spacing which directly effects infant and maternal mortality rates. In FY 1998, The John Snow Inc. (SEATS) project expanded quality FP/RH services by providing technical assistance to more than 490 urban and rural service delivery sites, in 10 countries. The Centre for Development and Population Activities (CEDPA) is continuing their successful expansion of FP/RH nongovernmental organization (NGO) service delivery activities in conjunction with democracy and governance initiatives in Nigeria, leading to increased access, choice, demand and community empowerment.

Possible Adjustments to Plans: Family planning services have to expand rapidly to keep up with both population growth and rising demand. By the year 2000, nearly 900 million women in the developing world, excluding China, will be in their reproductive years. Hence, the need for expanded, higher quality FP/RH services is greater than ever. In 1999 a new state-of-the-art FP/RH information and service delivery program will be launched which will increase the use of sustainable, quality FP/RH services through clinical and non-clinical programs.

Other Donor Programs: USAID works closely with United Nations Population Fund, International Planned Parenthood Federation, Department for International Development, Pan American Health Organization, and the World Bank. Host country partners, including national and local governments,

private sector entities, NGOs, and community organizations, have primary responsibility for program implementation.

Principal Contractors, Grantees or Agencies: USAID implements activities through Pathfinder International, CARE, Association for Voluntary and Safe Contraception, John Snow Inc., CEDPA, and other cooperating agencies, U.S. private voluntary organizations, private companies, and host country institutions.

Selected Performance Measures:	Baseline (1995)	Target (2000)
Mean desired family size	3.4 children	3.0
Mean number of contraceptive methods known by women of reproductive age	4.7	6.0

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of key maternal health and nutrition interventions. (Effective and appropriate maternal health and nutrition interventions and approaches identified, developed, evaluated and disseminated), 936-SSO2.1 (PHN)

STATUS: Continuing (SSO2.1 revised in FY 1998)

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$5,250,000 CS

INITIAL OBLIGATION: FY 1996; **ESTIMATED COMPLETION DATE:** Continuing

Summary: A critical need exists in developing countries for state-of-the-art technical assistance, information on best practices, and evaluation of approaches to promote maternal/ neonatal health and to prevent maternal/neonatal mortality. The purpose of this activity is to identify, develop, evaluate and disseminate interventions and approaches that enhance delivery and utilization of antepartum, safe delivery, postpartum, neonatal care, and services for the management of life-threatening maternal and neonatal complications including postabortion care. Beneficiaries include pregnant and postpartum women and their newborns in developing countries.

Key Results: Key results include: (1) developing approaches to improve maternal/neonatal survival; (2) assessing the costs and effectiveness of service delivery approaches; (3) developing new approaches for the detection and/or treatment of anemia and sexually transmitted infections; and (4) developing indicators of progress in maternal health and nutrition programming.

Performance and Prospects: Research is focused on filling critical gaps in knowledge related to the design and implementation of cost-effective maternal/neonatal health programs. Recent achievements include: (1) implementing curricula for obstetrical skills training in life-saving skills (Indonesia, Egypt); (2) developing easy to use spreadsheet models to assist health planners in developing countries to determine the costs of essential maternal and neonatal services (Kenya and Bolivia); (3) determining the costs to consumers for maternal and reproductive health services and how service utilization varies in the public versus private sector according to price, location and quality of service provision (Ghana, Uganda, Malawi and Indonesia); (4) identifying, field-testing and implementing new approaches to developing and improving community-based iron supplement distribution and counseling strategies aimed at preventing and reducing maternal anemia (Indonesia, India, Malawi, Guatemala, Bolivia, Honduras); (5) assessing alternative methods of monitoring progress in reducing the number of maternal and neonatal deaths at country level and validating process indicators for measuring improvements in health services delivery.

Possible Adjustments to Plans: With the revision of the SSO2 strategy to strengthen the focus on interventions directly related to events surrounding pregnancy and childbirth, USAID will be better able to focus activities in the countries where high maternal/neonatal mortality occurs. The revised SSO2 strategy is being implemented as planned. A new program has been awarded and will be the centerpiece of USAID's effort to promote maternal/neonatal survival in developing countries. Additionally, regional initiatives are being implemented in Latin American/Caribbean and Africa to stimulate and enhance maternal/neonatal programs in participating countries. In FY 2000 results will be obtained from studies currently in progress on vitamin A and its effect on postpartum and neonatal sepsis in Indonesia, and on the impact on maternal/neonatal survival of presumptive treatment of sexually transmitted infections in pregnant women in Uganda. In Thailand, the cost-effectiveness of two models of antenatal care will be assessed as part of a WHO multi-centered trial. Additionally, research will continue to focus on alternative methods of monitoring progress in reducing the number of maternal deaths and on the development and field-testing of new, inexpensive technologies for resource-poor settings to screen for sexually transmitted infections (a

major cause of neonatal mortality).

Other Donor Programs: United Nations Children's Fund (UNICEF), World Health Organization, the World Bank, non-governmental organizations, coordination with other bilateral donors especially the Department for International Development and Japan International Cooperation Agency.

Principal Contractors, Grantees or Agencies: United Nations Children's Fund, World Health Organization, John Snow, Inc. JHPIEGO Corporation, Johns Hopkins University/Center for Communications Programs, Program for Appropriate Technology in Health, Center for Development and Population Activities.

Selected Performance Measures:	Baseline (1995)	Target (2000)
Evaluation of the impact of low dose vitamin A on postpartum and neonatal sepsis.	2 studies planned (Nepal and Indonesia)	2 studies completed
Approaches or models evaluated for:	0 approaches evaluated	4 approaches evaluated.
a) obstetric care training		
b) essential health services for young adults		
c) costs of provision of essential obstetric care		
d) improved dietary intake of iron.		

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of key maternal health and nutrition interventions. (Improved policy environment for maternal health and nutrition programs.), 936-SS02.2 (PHN)

STATUS: Continuing (SS02.2 revised in FY 1998)

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$3,000,000 CS

INITIAL OBLIGATION: FY 1996; **ESTIMATED COMPLETION DATE:** Continuing

Summary: Health policy and systems reform is essential to lay the foundation for sustainable programs and to correct deficiencies in supplies, logistics and emergency communications and transport. Appropriate standards of practice, training and quality assurance mechanisms must be in place to guide the delivery of services. Barriers to the provision of services must be reduced or eliminated. The purpose of this activity is to improve policies and increase public and private sector resources and capacity to deliver maternal/neonatal health and nutrition services. Beneficiaries include pregnant and postpartum women and their newborns in developing countries.

Key Results: Key results include: (1) broadened political commitment to maternal/neonatal survival including increased and sustainable public and private sector resources for maternal/neonatal health and nutrition; (2) increased adoption of appropriate policies and standards of practice and processes for assuring quality of care; (3) improved infrastructure for meeting the health services needs of pregnant and postpartum women and newborns. Additionally, USAID has developed constituencies for maternal/neonatal health and nutrition with governments, non-governmental organizations, universities, women's groups, other donors and cooperating partners.

Performance and Prospects: In the area of advocacy and political commitment, USAID worked with several multilateral organizations to ensure consistent policy and messages related to maternal-child transmission of HIV via breastfeeding. USAID supported the United Nations Children's Fund (UNICEF) in developing a "Baby-Friendly" certification process for hospitals and mobilized efforts toward development of advocacy for "Mother-Friendly Societies". In Nepal, a national network of 60 organizations worked together with donors, USAID cooperating agencies and the government to promote maternal health. In the areas of promoting policies for quality care and improving infrastructure, policy reformulation in Ghana resulted in authorization of midwives to provide more comprehensive essential obstetrical care. In Bolivia, as a result of a seroprevalence study, new policies and practices for prenatal screening and treatment of pregnant women and newborns were adopted. Throughout Central America, evaluation of the nutrient content of donated and commercial foods has led to improved policy guidance for package content, manufacturing techniques and packaging in private and public sector food programs.

Possible Adjustments to Plans: In FY 2000 efforts will be accelerated to improve the performance of health systems in developing countries. Improved performance implies supply outcomes (improved access to services, quality, efficiency/effectiveness, and sustainability) and demand outcomes (improved practices and strengthened community participation) in four areas: nutritional status, birth preparedness, safe delivery, postpartum and newborn care, and management of complications.

Other Donor Programs: UNICEF, World Health Organization, the World Bank, host country governments, non-governmental organizations, coordination with other bilateral donors, especially Department for International Development and Japan International Cooperation Agency.

Principal Contractors, Grantees or Agencies: UNICEF, World Health Organization, John Snow, Inc. JHPIEGO Corporation, Johns Hopkins University/Center for Communications Programs, Program for Appropriate Technology in Health, Center for Development and Population Activities.

Selected Performance Measures:	Baseline (1995)	Target (2000)
Number of countries with policies and implementation plans in place for safe motherhood and breastfeeding promotion.	7 countries	20 countries
Number of countries with competency-based training incorporated into national curricula for life-saving skills and breastfeeding promotion.	8 countries	20 countries

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of key maternal health and nutrition interventions. (Improved capabilities of individuals, families and communities to protect and enhance maternal/neonatal health and nutrition.), 936-SS02.3 (PHN)

STATUS: Continuing (SSO2.3 revised in FY98)

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$4,050,000 CS

INITIAL OBLIGATION: FY 1996; **ESTIMATED COMPLETION DATE:** Continuing

Summary: Communities must take charge of their own health. This involves creating demand for services and identifying local solutions to local problems through information-education-communication and community mobilization strategies. The purposes of this activity are to improve community awareness about maternal/neonatal health and nutrition, and to involve communities in the planning and implementation of programs that effect change. Beneficiaries include pregnant and postpartum women and their newborns in developing countries.

Key Results: Key results include: (1) increased women's and families' knowledge of maternal/neonatal health and nutrition needs; (2) Improved community health systems and resources for, and linkages between preventive, curative and emergency services; (3) expanded women's and community participation in the design, implementation and evaluation of maternal health and nutrition programs; (4) increased men's and community knowledge of and demand for services and activities to improve maternal/neonatal health care and nutrition programs in their communities.

Performance and Prospects: In Guatemala, Bolivia and Indonesia behavior change communication strategies have been developed, based on the results of community assessment of local problems. The assessments identified feasible actions that might be taken by women, their husbands and relatives in the event of an obstetrical emergency. The communications strategies promoted the "local solutions" as well as preventive behaviors for pregnant women. Results of community diagnoses in these countries pointed to a major deficiency among health personnel in communicating respectfully with women. This proved to be a major barrier to the use of services. Interpersonal communications modules were developed using country-specific content. In Indonesia 525 village-based midwives in South Kalimantan were trained. Following training in Guatemala and Bolivia, several community customs were incorporated into patient care at hospitals in order to reduce barriers to care. As part of a behavior change strategy in Bolivia, a radio soap opera, "Destiny's Diary", was developed to increase community awareness of the danger signs of pregnancy, labor and delivery, as well as appropriate and timely actions. The 60 chapter soap opera was aired at prime time by five radio stations.

Possible Adjustments to Plans: In FY 2000, increased emphasis will be placed on information-education-communication to increase both the demand and supply of maternal/neonatal health and nutrition services. Grassroots women's organizations, non-governmental organizations, and district health committees will be mobilized to: (1) recognize emergencies; (2) develop emergency transport systems; and (3) respond to obstetric and neonatal emergencies. Similarly, more emphasis will be placed on community self-assessment and developing linkages between health services and communities they serve. Mechanisms for strengthening community-level service delivery will be tested and scaled up.

Other Donor Programs: United Nations Children's Fund, World Health Organization, the World Bank, host country governments, non-governmental organizations, coordination with other bilateral donors especially Department for International Development and Japan International Cooperation Agency.

Principal Contractors, Grantees or Agencies: UNICEF, World Health Organization, John Snow, Inc.,

JHPIEGO Corporation, Johns Hopkins University/Center for Communications Programs, Program for Appropriate Technology in Health, Center for Development and Population Activities.

Selected Performance Measures:	Baseline (1996)	Target (2000)
Percent of adults with knowledge of complications related to pregnancy and childbirth.	5 %	30 %
Percent of adults with knowledge of location of essential obstetrical services.	5 %	30 %

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of key maternal health and nutrition interventions. (Increased access to, and availability of, quality maternal health and nutrition programs and services.), 936-SS02.4 (PHN)

STATUS: Continuing (SSO2.4 revised in FY 1998)

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$2,700,000 CS

INITIAL OBLIGATION: FY 1996; **ESTIMATED COMPLETION DATE:** Continuing

Summary: Most developing countries lack quality maternal/neonatal health services. Barriers to implementation include lack of trained personnel, deployment of trained personnel, lack of motivation on the part of facility staff, inadequate supervision of staff, poor infrastructure, lack of equipment and commodities, ineffective supply systems, and inadequate referral and transport systems. The purpose of this activity is to expand quality essential services to reach a greater proportion of the population of women and infants in developing countries. Beneficiaries include pregnant and postpartum women and their newborns in developing countries.

Key Results: Key results include: (1) development of quality assurance systems based on appropriate practices and standards, provider accountability, culturally-attuned services, and client satisfaction; (2) expansion of capacity and capability of programs and services to provide safe pregnancy, birth, essential obstetric, postpartum and post-abortion care; and (3) strengthened health worker performance through pre-service education and in-service training in essential maternal health care skills.

Performance and Prospects: Changes in attitudes and knowledge among health care providers led to changes in contraceptive behavior, for example, in the use of the lactational amenorrhea method and progestin-only pills. Competency-based training programs incorporating clinical and interpersonal communications and counseling skills are underway in Bolivia, Indonesia, Guatemala, Ukraine and Moldova. In Bolivia the curriculum developed for in-service training will become part of pre-service training education in two major medical faculties. In South Kalimantan Indonesia two life-saving skills training centers have been established with over 250 midwives trained. A special postpartum care emphasis has been part of this training among village-based midwives, with four visits planned immediately postpartum – an innovation in routine maternity care. A Maternal and Perinatal Audit system was established in three districts in Guatemala to identify and review cases of maternal and perinatal deaths from the community and health facilities. This activity helped to improve maternal health services by increasing knowledge among providers. In Russia, as a result of reproductive health training courses, the proportion of mothers breastfeeding for at least three months increased from 46 percent to 58 percent and rooming-in is now practiced by approximately 95 percent of women at nine maternity hospitals in one region (Primorsky krai). In Novosibirsk Oblast, Russia, a program to train neonatologists has overcome obstacles to the initiation of immediate postpartum breastfeeding. Use of rooming-in rose from zero to 86 percent in one municipal maternity hospital. In Nepal a successful maternal health care activity piloted in the national Maternity Hospital has been replicated in two additional referral hospitals, with an emphasis on provision of quality family planning counseling and on-site provision of services.

Possible Adjustments to Plans: In FY 2000, increased emphasis will be placed on strengthening health systems and expanding coverage through building on existing institutions and on what is already working in countries. Donor coordination and complementary approaches will be expanded as well as coordination among non-governmental organizations and private voluntary organizations.

Other Donor Programs: United Nations Children's Fund (UNICEF), World Health Organization, Pan American Health Organization, the World Bank, host country governments, non-governmental organizations, coordination with other bilateral donors, especially Department for International

Development and Japan International Cooperation Agency.

Principal Contractors, Grantees or Agencies: UNICEF, World Health Organization, John Snow, Inc. JHPIEGO Corporation, Johns Hopkins University/Center for Communications Programs, Program for Appropriate Technology in Health, Center for Development and Population Activities.

Selected Performance Measures:	Baseline (1995)	Target (2000)
Percent of women attended at least once during pregnancy by medically trained personnel.	74%	80%
Percent of births attended by medically trained personnel.	39%	44%
Percent of pregnant women with serious obstetric complications presented at health centers or hospitals.	4%	8%

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of key child health and nutrition interventions. (New and improved cost-effective child survival interventions developed and disseminated), 936-SS03.1 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$9,868,000 CS

INITIAL OBLIGATION: FY 1996; **ESTIMATED COMPLETION:** Continuing

Summary: This encompasses the research and development capabilities of USAID's Office of Health and Nutrition. Key technologies have been targeted based on the technical review of child survival priorities, an assessment of needs, and an objective appraisal of potential for success. The pursuit of new tools such as new vaccines, vaccine vial monitors and new diagnostics, represent a discreet set of technological priorities which can have a global impact and are achievable in a reasonable timeframe. The integrated management of childhood illness (IMCI) represents a global approach to the prevention of illness and the cure of the sick child and will be pursued globally in cooperation with our bilateral and multilateral donors. If instituted at the community and facility levels, IMCI can improve child survival worldwide.

Key Results: USAID's child survival funding supports two types of research: (1) new child survival technologies, strategies and products, including new vaccines, treatment regimens and nutritional supplements; and (2) new approaches for child survival, including ways to improve delivery of child survival interventions and better ways to evaluate the success of child survival programs. USAID will initiate evaluation of effectiveness and cost-effectiveness of the integrated management of childhood illness strategy in field settings, and will support evaluation and introduction of new vaccines against pneumonia and rotavirus diarrhea, development of vial monitors for vaccines other than polio, and development of interventions to reduce or treat life-threatening illnesses of newborns.

Performance and Prospects: USAID has achieved global leadership in child survival research. USAID provided critical support in early research to develop oral rehydration therapy as an effective treatment for diarrheal disease in infants and children, and in disseminating knowledge and use of this technique worldwide, contributing directly to saving millions of lives. USAID supported original research on how vitamin A deficiency not only causes child mortality, but contributes to higher rates of maternal mortality and developed new diagnostic techniques for malaria and vitamin A deficiency. USAID has provided sustained support for developing new vaccines against acute respiratory infection and malaria as well as safer, more efficient childhood immunization instruments and techniques.

Possible Adjustments to Plans: Research and development of new methods and technologies often present new opportunities and directions during implementation. The new and improved cost-effective child survival interventions cited in this data sheet are key interventions at present. Future flexibility in technical innovation must be maintained in order to promote the greatest impact on child survival over the medium term.

Other Donor Programs: Host countries, World Bank, United Nations Children Fund (UNICEF) and other United Nation organizations, nongovernmental organizations, and European donors.

Principal Contractors, Grantees or Agencies: Center of Health and Population Research, World Health Organization, Centers for Disease Control and Prevention, National Institutes of Health, Harvard Institute for International Development, International Life Sciences Institute, Johns Hopkins

University, the Partnership for Child Health Care, the Academy for Educational Development, and other public and private sector entities.

Selected Performance Measures:	Baseline (1996)	Target (2000)
Technologies evaluated for Acute Respiratory infection and vaccines, malaria vaccines and diagnostics, and vaccine vial monitors	4 Evaluated	1 Developed 10 Evaluated 4 Available
Approaches evaluated for integrated case management of the sick child, integrated supervision, and methods to increase availability of impregnated bednets	1 Developed	2 Developed 1 Evaluated 1 Available

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of key child health and nutrition interventions. (Improve policies and increase global, national and local resources for appropriate child health interventions), 936-SS03.2 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$9,868,000 CS

INITIAL OBLIGATION: FY 1996; **ESTIMATED COMPLETION DATE:** Continuing

Summary: USAID, with the World Health Organization and the United Nations Children's Fund (UNICEF), is helping countries identify and develop policies that represent cost-effective approaches to address major threats to the survival and health of infants and children. Increasing the host country's efficiency and effectiveness will ensure that USAID's investments in child survival are sustained.

Key Results: USAID will carry out technical assessment and policy dialogue to strengthen policies for malaria, vitamin A, and other basic child health interventions. USAID will also continue to interact with resource allocation and health sector reform to assure greatest benefit to child health and survival: national health accounts will be used to support resource allocation for child health in over twenty countries, and maternal child health insurance approaches will be developed and evaluated in Latin America. Cost-effectiveness analyses will be developed for vitamin A and other interventions, and approaches to finance current and new vaccines will be developed. Partnerships with private voluntary organizations (PVOs) will be expanded to strengthen technical approaches at the community level and in decentralized health systems, and commercial private sector partnerships will be expanded for production and distribution of child health products including oral rehydration salts, vitamin A-fortified foods, insecticide treated bednets, and soap for handwashing.

Performance and Prospects: This result is being achieved through four approaches: (1) applying technical analyses based on state-of-the-art approaches to encourage the development of appropriate policies and programs; (2) carrying out analysis, policy dialogue and advocacy to promote sector reform, improved decision-making, regulatory action and commitment to child survival activities; (3) developing sustainable financing and management approaches to increase and improve host country resource allocations for child survival activities; and (4) developing partnerships that increase accessibility, efficiency and quality of child survival goods and services. These approaches have already proven successful in many settings: USAID has supported development of new policies combatting resistance to important antibiotics and antimalarial drugs, provided international leadership to identify financing approaches for new children's vaccines, and increased working partnerships with PVOs, other nongovernmental organizations (NGOs), and private providers of goods and services such as oral rehydration salts. There are increasing needs and opportunities to expand these approaches in USAID-assisted countries.

Possible Adjustments to Plans: USAID programs will continue to focus on these key areas over the next five years. Regional and national level adjustments will be considered over time, as political, economic and technical development proceeds.

Other Donor Programs: World Bank, UNICEF, U.S. private sector partners, other United Nation organizations, NGOs, and European donors.

Principal Contractors, Grantees or Agencies: Harvard University; Centers for Disease Control and Prevention; John Snow, Inc.; Wellstart International; Abt Associates, Inc.; Partnership for Child Health Care; Management Sciences for Health; Camp, Dresser, and McKee.

Selected Performance Measures:	Baseline (1996)	Target (2000)
Number of countries financing child vaccines from national budget	47	67
Number of African integrated malaria initiative countries with appropriate malaria treatment drug policies	1	4
Number of countries meeting vaccine self-financing levels	38	45

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of key child health and nutrition interventions. (Enhanced knowledge and use of key child health and nutrition behaviors and practices in selected countries), 936-SS03.3 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$11,155,000 CS

INITIAL OBLIGATION: FY 1996; **ESTIMATED COMPLETION DATE:** Continuing

Summary: To maintain technical leadership, USAID has supported ground-breaking activities in refining, adapting and applying social marketing approaches to promoting better health and nutrition behavior change. As a result, modern communication methodologies are being employed by essentially all components of child survival programs, including care seeking, nutrition, malaria prevention (through the use of bed nets), immunization, oral rehydration, breastfeeding, handwashing and other program elements. USAID's experiences have shown that small additional investments -- about 10% -- in information, education and communication can assure greater impact of the Agency's child health and nutrition programs in developing countries.

Key Results: To reduce infant and child mortality, USAID is supporting social marketing behavioral approaches to enhance knowledge and use of key child health and nutrition practices and behaviors in selected countries. Activities focus on improving four areas of behavior change: (1) knowledge and use of preventive behavior at the household and community levels; (2) home treatment and correct care-seeking when child illness occurs; (3) client-provider relationships; and, (4) synthesizing, adapting and disseminating effective communication strategies and approaches. USAID will expand its interaction with communications agencies such as Voice of America and British Broadcasting Corporation World, to introduce increased child health content into international broadcasting, and will also increase the child health and nutritional content of local media in USAID-assisted countries. USAID will work with private voluntary organizations and other partners to increase community involvement in key child health areas such as detection of polio cases, mobilization for immunization and vitamin A supplementation, and prevention, home care, and appropriate care-seeking for respiratory infections, diarrhea, malaria, and illnesses of newborn infants. USAID will analyze and adapt innovative communication and behavior change approaches, such as peer group methods and new media strategies, to increase knowledge and use of key child health and nutrition practices.

Performance and Prospects: Significant progress has been made in increasing individual and community awareness of disease and modes of infection. For example, use of oral rehydration therapy now occurs in roughly half of child diarrhea episodes, demand for polio and other immunization has increased, and increasing numbers of communities have been mobilized to improve recognition and care of sick children. However, maximizing the preventive and curative behaviors associated with reducing morbidity and mortality has been slower to realize. This activity will focus on changing normative behavior to improve child survival. Areas of emphasis will include vitamin A intake, promotion of breastfeeding, supplementary feeding and care of the infant, improving maternal nutrition, and basic hygiene. The outlook for success is reasonable, but will require targeted investments over the medium term in order to establish positive normative change.

Possible Adjustments to Plans: The behavior change arena is an expanding sphere of interest and importance relative to the sustained implementation of key child survival interventions. Promoting innovative behavior change and communication interventions will require a flexible program that can draw on success, and replicate progress across geographic regions. Options for adjusting program priorities will be maintained because of the nature of behavior change and the importance of recognizing what works and does not work for specific regions and populations. Creating positive normative behavior for key child survival priorities such as immunizations, disease recognition and

care seeking will take time and will require a range of insightful and flexible approaches.

Other Donor Programs: World Bank, United Nations Children's Fund and other United Nations organizations, nongovernmental organizations, and European donors.

Principal Contractors, Grantees or Agencies: Partnership for Child Health Care; Academy for Educational Development; John Snow, Inc.; the Harvard Institute for International Development; the Manoff Group; and other public and private sector entities.

Selected Performance Measures:	Baseline (1996)	Target (2000)
Percent of caretakers with correct knowledge of:		
(a) Symptoms and signs of acute respiratory infection needing assessment	33%	40%
(b) Appropriate treatment of diarrhea (increased fluids)	50%	60%

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of key child health and nutrition interventions. (Improvement in the quality and availability of key child health and nutrition services), 936-SS03.4 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$12,014,000 CS

INITIAL OBLIGATION: FY 1996; **ESTIMATED COMPLETION DATE:** Continuing

Summary: USAID has been a leader in systematically addressing the areas of improved quality of child health and nutrition services. USAID contributions have included the widespread application of operations research and quality assurance techniques to improve child health services, the development of methods to improve availability of essential drugs and commodities like oral rehydration salts, and the support of improved training approaches for health workers. The Integrated Management of Childhood Illness protocol, developed by USAID, United Nations Children's Fund (UNICEF), and the World Health Organization (WHO), is being implemented in over 20 countries, revolutionizing the training and provision of child survival services. USAID is assisting in the eradication of polio in over 60 countries. Worldwide polio eradication will strengthen child health systems and eventually save over \$230 million annually in the United States. Future horizons include accelerated measles control, reducing deaths in newborns and infants, and controlling respiratory disease.

Key Results: To improve the quality and availability of key child health and nutrition services, activities in both the public and private sectors will focus on: (1) improved quality of prevention and treatment services for children; (2) improved planning, organization and management of health and nutrition services; (3) increased access to health and nutrition services, especially for high-risk children; (4) increased availability and distribution of child health vaccines, drugs and commodities; (5) strengthened capability of institutions and communities to provide environmental health services; and, (6) improved use of information for managing child survival services. Illustrative key results include: increased appropriate treatment of diarrheas, respiratory infection, and malaria; 80 percent of children receiving Vitamin A in priority countries; strengthened implementation of Polio Eradication and measles control initiatives, and improved infant and child feeding in key countries.

Performance and Prospects: USAID has been a global leader in achieving improvements in child health and survival through approaches that build sustainable capabilities. This has included the adaptation of quality assurance approaches to child health services, systematic improvements in countries' capability to provide and manage drugs and vaccines, and improved use of information to achieve results and to reach families in greatest need. The improved delivery of child survival services will depend upon an extended commitment by governments, donors and multilateral agencies. The interventions and results mentioned above depict a reasonable set of interventions and targets that can be respectively implemented and achieved in the medium term. The interventions directly influence child survival and are aimed at the major killers of children worldwide. Although the technical interventions are understood, bringing those interventions to wide segments of populations in need remains a challenge. Furthermore, sustaining the interventions will require long-term policy commitments by host governments over time. The present program builds on the success of our past child survival programs and focusses on the major causes of death in children under five years of age.

Possible Adjustments to Plans: Program interventions will remain flexible, however, this targeted approach which focuses on the major killers of children under five years will be maintained over the

medium term. Variations relative to strategic interventions such as accelerated measles control, community-based integrated management of childhood illness, and respiratory disease control will require adjustments over time, but the focus on these major problems and service delivery will remain Agency child survival priorities.

Other Donor Programs: Host countries, World Bank, WHO, UNICEF and other United Nations organizations, nongovernmental organizations, and European donors.

Principal Contractors, Grantees or Agencies: University Research Corporation, Management Sciences for Health, John Snow, Inc., Partnership for Child Health Care, Harvard Institute for International Development, Centers for Disease Control and Prevention, and other public and private sector entities.

Selected Performance Measures:	Baseline (1996)	Target (2000)
Number of countries adopting integrated management of childhood illness	20	30
Number of countries participating in polio eradication, or certified polio free	40	60
Percent of facilities capable of providing standard case management for acute respiratory infection	20%	30%
Percent of facilities capable of providing case management for diarrhea	35%	50%

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of improved, effective, and sustainable responses to reduce HIV transmission and to mitigate the impact of the HIV/AIDS pandemic. (Increase quality, availability, and demand for information and services to change sexual risk behaviors and cultural norms in order to reduce transmission of HIV), 936-SSO4.1 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$8,937,000 CS

INITIAL OBLIGATION: FY 1997; **ESTIMATED COMPLETION DATE:** 2002

Summary: Recent data from Zambia, where 20% of all adults are infected with HIV/AIDS, illustrates the importance of this activity. Although all men know about AIDS and 90% believe it is always fatal, only 49% know that AIDS can be avoided by using condoms and only 12% of those who perceive themselves to be at risk regularly use condoms. In response, USAID: (1) develops multi-channel communication and educational interventions to reduce sexual risk behaviors in household, school, workplace, other community, national and transnational settings; (2) promotes cost-effective public and private sector strategies to increase the quality, demand for, and access to, male and female barrier methods for the prevention of HIV transmission; and (3) supports models and strategies to introduce, improve and expand services provided by public and private health providers to prevent sexual transmission of HIV and other sexually transmitted infections (STIs).

Key Results: The reduction of sexual transmission of HIV infections (which accounts for 85% of all HIV infections in the developing world) requires the adoption of safer sexual behavior. Mass media can raise awareness, change attitudes and promote safer behavior; however these programs are not effective alone and must be complemented by interpersonal communication activities. Forty-four communications and behavior change activities are now programmed in 23 countries and this commitment will increase as the program expands. In addition to changing sexual risk behaviors, this activity includes research to provide new information to more effectively design and implement effective behavior change communication and social marketing activities to reduce HIV transmission.

Performance and Prospects: During the first full year, this program designed STI/HIV interventions in Ukraine, Nigeria Honduras, Ghana; and provided technical assistance to improve services in Zambia, Mexico, and Honduras; provided training to 30 key national, state and city health workers in Maharashtra State, India on formative research methodologies; designed female condom use and motivation studies in Zimbabwe and Brazil; and began to research the delivery and impact of HIV voluntary counselling and testing services in Zimbabwe. The West Africa Regional Migrant Outreach Program has been completed providing information and condoms to high risk migrants, travellers and their sexual partners along transportation routes linking Ivory Coast, Togo and Burkina Faso - a planned evaluation will inform similar programs in other areas. In Brazil, a four-year \$1.5 million program with nongovernmental organizations (NGOs) was launched to expand availability of male and female condoms to high risk populations with the goal to increase annual project sales of male condoms from 34 million in 1998 to 45 million by 2001.

Possible Adjustments to Plans: These programs, awarded through cooperative agreements late in 1997, were staffed up and became fully operational during 1998. The key objective during this reporting period will be continued and improved cooperation among the implementing agencies in order to focus and maximize the impact of resources.

Other Donor Programs: Host countries through their national AIDS control program, public and

private health infrastructure, select donor agencies, and Joint United Nations Program on HIV/AIDS (UNAIDS). This activity will also share best practices in HIV/AIDS prevention and social marketing through regional workshops targeting policy makers in East Africa co-sponsored by the British Department for International Development and similar regional meetings co-funded by UNAIDS and other USAID-funded organizations.

Principal Contractors, Grantees or Agencies: Population Services International, The Population Council, Family Health International, and local NGOs.

Selected Performance Measures:	Baseline (1996)	Target (2000)
Percent of target populations in emphasis countries who know two possible methods to prevent STI/HIV transmission	60%	70%
Percent of emphasis countries with annual increases of 10% or more in male condom distribution.	40%	50%

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of improved, effective, and sustainable responses to reduce HIV transmission and to mitigate the impact of the HIV/AIDS pandemic. (Provide enhanced quality, availability, and demand for sexually transmitted infection management and prevention services), 936-SSO4.2 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$6,793,000 CS

INITIAL OBLIGATION: FY 1997; **ESTIMATED COMPLETION DATE:** Continuing

Summary: Recent studies have demonstrated that the presence of sexually transmitted infections (STI) increases the transmissibility of HIV up to 10 fold. Effective STI control programs can substantially reduce HIV incidence up to 40%. USAID seeks to provide enhanced quality, availability, and demand for STI management and prevention services.

Key Results: Three sub results are necessary to achieve SSO4.2: (1) develop, promote and support policies, guidelines and programs which increase availability, quality and demand for STI services in private and public health settings; (2) support research to identify, test and apply improved techniques and approaches to prevent and manage STI; and (3) develop, improve, promote and support public and private sector initiatives (including community-led initiatives) to deliver high quality STI prevention and case management services.

Performance and Prospects: Through agreements with Family Health International, The Population Council, and Population Services International, USAID has begun activities in eight countries which seek to improve STI case management; bring new barrier prevention technologies to persons at highest risk; utilize new methods of STI management in high risk populations; refine treatment guidelines; and develop international guidelines for STI program managers. In the area of STI diagnostics, The Population Council has completed work which will improve the detection of vaginal infections in low resource settings. Also, to date, USAID, through its support of Program for Appropriate Technology in Health (PATH), has developed a simplified method for syphilis diagnosis which is currently commercially available through a private firm in the United Kingdom. PATH continues to work on rapid "dip stick" tests for gonorrhea and chlamydia using vaginal secretions or urine.

Possible Adjustments to Plans: It is likely that USAID will need to adapt programs as new diagnostic and treatment technologies become available which will create opportunities to improve sexually transmitted disease detection and treatment for underserved populations - especially women. The recent rise of herpes simplex infections in Sub-Saharan Africa, an STI for which there is no cure, will necessitate additional efforts in prevention through increased use of barrier methods and abstinence.

Other Donor Programs: Other international donors include Joint United Nations Program on HIV/AIDS, Overseas Development Administration, and European Union.

Principal Contractors, Grantees or Agencies: Family Health International, Population Services

International, Population Council, Centers for Disease Control and Prevention, PATH.

Selected Performance Measures:	Baseline (1998)	Target (2000)
% of providers who are technically competent in STI management	10%	20%

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of improved, effective and sustainable responses to reduce HIV transmission and to mitigate the impact of the HIV/AIDS pandemic. (Provide improved knowledge about, and capacity to address, the key policy, cultural, financial, and other contextual constraints to preventing and mitigating the impacts of HIV/AIDS), 936-SS04.3 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$6,435,000 CS

INITIAL OBLIGATION: FY 1997; **ESTIMATED COMPLETION DATE:** Continuing

Summary: USAID seeks to provide improved knowledge about, and capacity to address, the key policy, cultural, financial, and other contextual constraints to preventing and mitigating the impact of HIV/AIDS. HIV/AIDS prevention efforts are often hampered by policy and other constraints. USAID addresses these constraints by communicating costs of HIV/AIDS to policy makers, and promoting the elimination of barriers to prevention and care services. Much of this work is done through private voluntary organizations (PVOs) and non-governmental organizations (NGOs) in the field.

Key Results: Activities include efforts to: (1) enhance knowledge and awareness among policy makers of the social, economic, cultural, and health impacts of HIV/AIDS; (2) identify and address key social, political, information, human resources and service barriers, including stigma and discrimination that affect responses to HIV/AIDS; (3) reduce key information and service barriers for vulnerable populations; (4) develop, evaluate and promote important policies and strategies for the delivery of basic care and support services; and (5) support global, regional and national policy initiatives to allocate adequate resources, and develop more cost-effective responses to HIV/AIDS.

Performance and Prospects: USAID has supported research into the process of HIV/AIDS policy formulation, including the process of formulating policies to expand the availability of and access to HIV prevention and care in 13 countries; development and dissemination of a comprehensive AIDS policy compendium, accessible through the internet; development of community-based programs in support of people infected with and affected by HIV/AIDS in Africa and Latin America; and a U.S. study tour of HIV/AIDS prevention programs by senior Russian Officials which resulted in a joint USAID/Russian prevention strategy for Russia.

Possible Adjustments to Plans: Due to the success so far of these activities and interventions, no major adjustments are presently being considered.

Other Donor Programs: Multilateral organizations and the World Bank, Joint United Nations Programme on HIV/AIDS, bilateral donors, the private sector, churches and the broader PVO and NGO sector all provide critical assistance.

Principal Contractors, Grantees or Agencies: Family Health International, the Futures Group International, Population Council, Population Services International, Global Health Council.

Selected Performance Measures:	Baseline (1998)	Target (2000)
Number of professional and volunteer frontline workers trained in STI/HIV/AIDS prevention	31,161	50,000

ACTIVITY DATA SHEET

PROGRAM: Central Program

TITLE AND NUMBER: Increased use of improved, effective, and sustainable responses to reduce HIV transmission and to mitigate the impact of the HIV/AIDS pandemic. (Strengthen and expand private sector organizations' responses in delivering HIV/AIDS information and services), 936-SS04.4 (PHN)

STATUS: Continuing

PROPOSED OBLIGATIONS AND FUNDING SOURCE: FY 2000: \$7,507,000 CS

INITIAL OBLIGATION: FY 1997; **ESTIMATED COMPLETION DATE:** 2002

Summary: USAID continues the following activities to strengthen and expand private sector organizational responses in delivering HIV/AIDS information and services: (1) expand and strengthen the capacity of key indigenous nongovernmental organizations (NGOs), religious organizations and social sector institutions to deliver HIV/AIDS information and services, and to design, test, evaluate and disseminate community-led approaches for implementing effective responses to HIV/AIDS; (2) integrate HIV/AIDS prevention into policies and programs of key U.S. private voluntary organizations working in the health sector, while mobilizing key U.S. and host country commercial organizations to advocate and support HIV/AIDS prevention and care policies and programs; and (3) support and develop effective international, regional and national non-governmental organizations (NGOs) networks and coalitions to respond to the epidemic.

Key Results: USAID continues to support the development of local capacity to respond to the HIV/AIDS epidemic. Since 1987, USAID has provided technical and financial support to more than 600 private voluntary organizations (PVOs) and NGOs to implement HIV prevention programs and has trained more than 186,000 professional and volunteer front-line workers in sexually transmitted infections (STI) and HIV/AIDS prevention. USAID has supported an international alliance to build technical and organizational capacity among local nongovernmental organizations at national and regional levels which channel funds and expertise to community-based organizations and other NGOs. USAID also works through the private sector to encourage corporate support for HIV/AIDS prevention programs in workplace settings, as well as corporate sponsorship of mass media and other communication programs to raise awareness and change risk behaviors.

Performance and Prospects: The International HIV/AIDS Alliance (The Alliance) is the primary partner to advance USAID's objective to strengthen and expand the private sector response in delivering HIV/AIDS services. The Alliance's program strategy emphasizes building the capacity of local nongovernmental organizations in the 12 countries where it is currently active. To more efficiently meet the increased demand for local prevention and care services, the Alliance assists these groups to become independent partners in a local response to the HIV epidemic. In this past year, local Alliance partners in the Philippines and Sri Lanka have matured to become independent NGOs able to provide local support to smaller, newer NGOs interested in HIV programming. Over the next two years, the Alliance will pilot a new strategy to build local "centers of excellence" prioritizing South-to-South cooperation in Mexico, India, and Zambia. As a result of its success in this area, the Alliance was recently named as a United Nations Program on HIV/AIDS Collaborating Center to serve as a central resource for understanding and learning from civil society responses to AIDS.

Possible Adjustments to Plans: Given the success of these interventions, USAID will continue to strengthen and expand private sector organizational responses in delivering HIV/AIDS information

and services and efforts in capacity building.

Other Donor Programs: Host country commercial sector, NGOs, including the informal sector, and other international donors and organizations, as well as the Joint United Nations Program on HIV/AIDS.

Principal Contractors, Grantees or Agencies: International HIV-AIDS Alliance, Family Health International, U.S. Peace Corps, Population Council, Population Services International and the Global Health Council.

Selected Performance Measures:	Baseline (1996)	Target (2000)
Percent of emphasis countries with 10% increase per year in the number of HIV/AIDS information and service delivery points operated by NGOs	< 10%	35%

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of improved, effective, and sustainable responses to reduce HIV transmission and to mitigate the impact of the HIV/AIDS pandemic. (Improve availability of, and capacity to generate and use, data to monitor and evaluate HIV/AIDS and sexually transmitted infection prevalence, trends, and program impacts), 936-SSO4.5 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$3,575,000 CS

INITIAL OBLIGATION: FY 1997; **ESTIMATED COMPLETION DATE:** Continuing

Summary: USAID recognizes the importance of accurate data to monitor and evaluate HIV/AIDS and sexually transmitted infection (STI) prevalence, trends, and program impacts. Through agreements with the Centers for Disease Control and Prevention (CDC), the U.S. Bureau of Census, and Joint United Nations Program on HIV/AIDS, consensus guidelines will be finalized on minimum surveillance packages for developing countries based on the phase of the epidemic; technical assistance to USAID field missions and host governments will be provided to establish and maintain credible surveillance systems; operations research will develop and refine methodologies to estimate HIV and risk behavior incidence; and an HIV prevalence database will be maintained.

Key Results: Three sub results are necessary to achieve SSO4.5: (1) establish and/or strengthen surveillance and evaluation systems; (2) develop, validate, and disseminate improved tools and models to determine HIV/AIDS/STI levels, trends, intervention costs, and program impact; and (3) develop mechanisms to support timely dissemination and use of monitoring, surveillance and impact research by field programs and in policy dialogue activities.

Performance and Prospects: A recently completed interagency agreement with CDC will support methodological research to improve the quality and analysis of HIV surveillance data. Through our existing agreements with the U.S. Bureau of Census and the Joint United Nations Program on HIV/AIDS (UNAIDS), HIV surveillance data continue to be compiled and maintained in a database which is routinely distributed to over 600 individuals and institutions. For the first time this database included data from Romania, Ukraine and Russia, as well as HIV incidence studies. The Bureau of Census also has drafted an evaluation of the main data sources and methodologies used to estimate global mortality estimates.

Possible Adjustments to Plans: The advent of new technologies for detecting recent HIV infections, along with new methodologies for estimating incidence using prevalence data, will increase the availability of incidence estimates. USAID and its partners will develop methods for the proper use and interpretation of these new data sources. At the same time, local budget cuts threaten many existing HIV surveillance systems in USAID assisted countries. USAID will need to find ways to make surveillance more accurate and useful, while reducing costs.

Other Donor Programs: UNAIDS has assisted in establishing international consensus for surveillance methodologies; other multilateral and bilateral donors will participate in support for country data collection and regional and global analyses. Host countries, especially ministries of health, will be major implementers of country surveillance activities.

Principal Contractors, Grantees or Agencies: U.S. Bureau of Census, CDC, UNAIDS, Population Council.

Selected Performance Measures:	Baseline (1995)	Target (2000)
Percentage of selected countries with operational HIV/STI surveillance systems	Less than 7%	20%

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of improved, effective, and sustainable responses to reduce HIV transmission and to mitigate the impact of the HIV/AIDS pandemic. (Provide quality and timely assistance to partners to ensure effective implementation of HIV/AIDS programs), 936-SSO4.6 (PHN) **STATUS:** Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$2,503,000 CS

INITIAL OBLIGATION: FY 1997; **ESTIMATED COMPLETION DATE:** 2002

Summary: This component addresses USAID's core value of customer focus, which is to provide quality and timely assistance to partners to ensure effective implementation of HIV/AIDS programs. USAID expects to achieve the following results in the next two years: (1) establish improved mechanisms for USAID field missions and offices to implement HIV/AIDS activities; and (2) ensure that field implementation and the HIV/AIDS research agenda are mutually reinforcing. This will be accomplished through the Design, Monitoring, Evaluation, Lessons Learned and Dissemination (DMELLD) procurement to be awarded in 1999.

Key Results: USAID is the world's leading contributor to HIV prevention globally. Assistance is being provided to 44 countries around the world, and other activities have resulted in the development and dissemination of innovative HIV prevention technologies and methodologies. Coordination and collaboration with the Joint United Nations Program on HIV/AIDS and numerous donors has been essential in keeping the donor community abreast of important developments in HIV/AIDS. The sharing of lessons learned in other activities, countries and regions within USAID and with donors, host country counterparts and implementors has created a well-informed global response.

Performance and Prospects: USAID considers customer focus key to the achievement of results over the next two years. Once DMELLD is operational, this partner will play a primary role in helping establish or strengthen mechanisms for USAID field missions and offices to implement HIV/AIDS activities; and ensure that field implementation and the HIV/AIDS research agenda are mutually reinforcing.

Possible Adjustments to Plans: With the award of the DMELLD contract in FY 1999, USAID's efforts to develop and strengthen mechanisms to provide quality and timely assistance to partners to ensure effective and coordinated implementation of HIV/AIDS programs will be greatly enhanced.

Other Donor Programs: The public and private sector are actively involved in HIV/AIDS programs where USAID conducts programming. The application of findings throughout the world by donors, governments, private-for-profit sector, nongovernmental organizations and communities takes place on a worldwide scale.

Principal Contractors, Grantees or Agencies: Population Services International, Family Health International, the Joint United Nations Program on HIV/AIDS.

Selected Performance Measures:

Percentage of "Highly Satisfactory" responses in annual customer survey

Baseline (1998)

The first survey to determine baseline will be performed in early 1999.

Target (2000)

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of effective interventions to reduce the threat of infectious diseases of major public health importance, (New and improved cost effective interventions developed, field tested and disseminated), 936-SSO5.1 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$4,775,000 CS

INITIAL OBLIGATION: FY 1998; **ESTIMATED COMPLETION DATE:** Continuing

Summary: In FY 1998, USAID initiated a new strategic objective to reduce the threat of infectious diseases of major public health importance. To help achieve this Agency-wide objective, USAID/Washington has developed a program to increase the use of effective interventions to reduce the threat of infectious diseases, focusing in four priority areas: malaria, tuberculosis (TB), antimicrobial resistance, and surveillance and response. A key element of this strategy is developing, testing and making available new and improved interventions appropriate for use in the developing world. Activities focus on research leading to the development, testing and introduction of new technologies, methodologies and products, and new approaches to prevent and control malaria, TB, and the emergence of antimicrobial resistance and improve capacity for surveillance and response. The major beneficiaries of achievement of this objective are persons in developing countries. However, given the potential for infectious diseases to spread quickly around the world and the threat from increased antimicrobial resistance, this assistance will contribute to reducing the risk of the spread of infectious disease to the United States.

Key Results: To achieve the result of new and improved cost effective interventions developed, field tested and disseminated, two subresults have been identified:

(1) New technologies and products developed, tested, and introduced, including: target vaccines and related tools and technologies; and diagnostic technologies and treatment regimens for selected infectious diseases and for slowing the emergence and spread of antimicrobial resistance.

(2) New approaches to improving the understanding, prevention and control of infectious diseases developed, tested, and introduced, including approaches to prevent the emergence of antimicrobial resistance; to improve quality, effectiveness, and sustainability of service delivery; to promote and sustain behavior change; for collection and utilization of surveillance and drug use data and management information, including appropriate linkages within the public health system.

Performance and Prospects: USAID's Infectious Disease strategy was developed through extensive consultations with external partners, including the World Health Organization (WHO), the Centers for Disease Control and Prevention (CDC), the National Institutes of Health (NIH), the research community, and nongovernmental organizations, private voluntary organizations and other elements of the private sector. Prioritization of a strategic research agenda aimed at the development of new and appropriate low-cost technologies, diagnostics and methods for improving the prevention of infectious diseases and the emergence of antimicrobial resistance has been developed through close consultation with these external partners and other experts in the field.

This substantially encompasses the research and development capabilities of USAID's Office of Health and Nutrition in support of efforts directed towards the four categories targeted under this strategic objective: malaria, tuberculosis, antimicrobial resistance and surveillance. The planned results under this intermediate result will be supported substantially, although not entirely, with USAID's own resources and will involve partnerships with multilateral and other bilateral organizations, other U.S. government agencies, NGOs, and the commercial sector. By the end of the year 2000, expected achievements include the development and field testing of diagnostics for malaria and antimicrobial resistance; the identification and development of a new TB drug combination ready for field testing; and several new improved methodologies for surveillance developed and tested.

Possible Adjustments to Plans: Research and development of new methods and technologies must be recognized as a long term process. For example, clinical trials of new drug regimens or new drug combinations are comprised of several phases, and newly developed diagnostics, revised treatment guidelines and intervention approaches must undergo efficacy and usability trials, all of which may affect anticipated results. In collaboration with the World Health Organization (WHO) and other partners, USAID is participating in the development of global strategies for antimicrobial resistance and tuberculosis.

Other Donor Programs: WHO, Centers for Disease Control and Prevention (CDC), National Institute of Health (NIH), Japan International Cooperation Agency, U.S. universities and U.S. biotechnology industry complement USAID's work by supporting research in these and other related areas.

Principal Contractors, Grantees or Agencies: USAID will work closely with the NIH, CDC, WHO, Walter Reed Army Institute of Research, Naval Medical Research Center, Program for Appropriate Technology in Health, Johns Hopkins University, Harvard University, the Rational Pharmaceutical Management Project, International Network for the Rational Use of Drugs, Management Sciences for Health, and The United States Pharmacopeia Convention.

Selected Performance Measures:	Baseline (1998)	Target (2000)
New methods or low-cost diagnostics developed and field tested for antimicrobial resistance, TB, malaria and surveillance.	0	2
Number of new TB drug combination and malaria drug combination therapies identified, developed and field tested	0	3
Number of targeted countries where Data for Action model are developed, tested and implemented	0	2

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of effective interventions to reduce the threat of infectious diseases of major public health importance, (Policies improved and global, national and local resources for appropriate infectious disease interventions increased), 936-SSO5.2 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$4,775,000 CS

INITIAL OBLIGATION: FY 1998; **ESTIMATED COMPLETION DATE:** Continuing

Summary: As part of USAID's new infectious disease initiative, aimed at reducing the threat of infectious diseases of major public health importance. USAID focuses on those diseases that are the sources of significant mortality in the developing world, and on building the capacity of developing countries to prevent, respond to and minimize the spread of infectious diseases. To help achieve this Agency-wide objective, USAID/Washington has developed a program to increase the use of effective interventions to reduce the threat of infectious diseases, focusing in four priority areas: malaria, TB, antimicrobial resistance, and surveillance and response. Part of this effort focuses on improving the policy environment for applying effective interventions for infectious diseases. Emphasis will be placed on the formulation of global strategies, such as in the case of tuberculosis and antimicrobial resistance, and on ensuring that national and local resources are available to address priority infectious disease areas. Activities will focus on improvements both in the broad policy environment in which the commitment of resources to selected infectious diseases areas is made, and in the technical quality of those policies so that the resources committed will have the greatest impact.

The major beneficiaries of achievement of this objective are persons in developing countries. However, given the potential for infectious diseases to spread quickly around the world and the threat from increased antimicrobial resistance, this assistance will contribute to reducing the risk of the spread of infectious disease to the United States.

Key Results: To achieve the result of policies improved and global, national and local resources for appropriate infectious disease interventions increased, three subresults have been identified:

- (1) Reformed policies, improved decisions, and strengthened commitment to sustainable improvement in the prevention and control of select infectious diseases achieved through advocacy to increase commitment to key infectious disease and drug use policies and interventions; analyses and use of information to improve allocative and technical efficiency of policies and programming related to infectious diseases and antimicrobial resistance; partnerships to leverage resources of other organizations and develop coordinated approaches on key issues.
- (2) Improved financing approaches that generate equitable increases in access, quality, and sustainability of infectious disease services developed and implemented.
- (3) Development of public/private partnerships to increase access to and quality of infectious disease interventions, including: private health providers; commercial producers of relevant goods, services, and information; private voluntary and other non-governmental organizations.

Performance and Prospects: USAID's Infectious Disease strategy was developed through extensive consultations with external partners, including the World Health Organization (WHO), the Centers for Disease Control and Prevention (CDC), the National Institutes of Health (NIH), the research community, and nongovernmental organizations (NGOs), private voluntary organizations and other elements of the private sector. Prioritization of a strategic research agenda aimed at the development of new and appropriate low-cost technologies, diagnostics and methods for improving the prevention of infectious diseases and the emergence of antimicrobial resistance has been developed through close consultation with these external partners and other experts in the field.

This will be supported substantially, although not entirely, with USAID's own resources and will involve partnerships with multilateral and other bilateral organizations, other U.S. government agencies, NGOs, and the commercial sector. Close collaboration with these partners will be key to the achievement of these results. By the end of the year 2000, expected achievements include development and endorsement of global strategies and action plans for antimicrobial resistance and tuberculosis; four countries will have improved malaria drug policies and policies that exempt insecticide-treated materials from value added tax; and in at least four countries policy makers will regularly use improved disease surveillance data.

Possible Adjustments to Plans: In collaboration with WHO and other partners, USAID is participating in the development of global strategies for antimicrobial resistance and tuberculosis. As these strategies are developed and as priorities emerge, some adjustments to USAID's programs may be necessary.

Other Donor Programs: WHO, CDC, International Union Against Tuberculosis and Lung Disease (IUATLD), World Bank, Department for International Development, Japan International Cooperation Agency and with other bilateral donors working with WHO and through other fora.

Principal Contractors, Grantees or Agencies: USAID will work closely with WHO, CDC, the Rational Pharmaceutical Management Project, International Network for the Rational Use of Drugs, Management Sciences for Health, IUATLD, the Alliance for the Prudent Use of Antibiotics.

Selected Performance Measures:	Baseline (1998)	Target (2000)
Number of partners and regions endorsing the Global Strategy and Action Plan for control of antimicrobial resistance and the TB Global Action Plan	Plans not fully developed or endorsed	Endorsement of antimicrobial resistance and TB strategies
Countries that have made appropriate changes to malaria drug policies and standards	0	4
Number of countries that exempt bednets and insecticides from import and VAT tax	0	4

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of effective interventions to reduce the threat of infectious diseases of major public health importance, (Knowledge, beliefs and practices related to effective prevention and management of infectious diseases enhanced), 936-SSO5.3 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$3,820,000 CS

INITIAL OBLIGATION: FY 1998; **ESTIMATED COMPLETION DATE:** Continuing

Summary: As part of USAID's new infectious disease initiative, aimed at reducing the threat of infectious diseases of major public health importance. USAID focuses on those diseases that are the sources of significant mortality in the developing world, and on building the capacity of developing countries to prevent, respond to and minimize the spread of infectious diseases. To help achieve this Agency-wide objective, USAID/Washington has developed a program to increase the use of effective interventions to reduce the threat of infectious diseases, focusing in four priority areas: malaria, tuberculosis (TB), antimicrobial resistance, and surveillance and response.

Effective mobilization of the demand for and appropriate use of infectious diseases intervention is essential to maximizing the sustained impact of these interventions. Choices and actions by families and communities, are essential for reducing the burden of infectious diseases and contributing to improved health, including prevention, detection, and initial care-giving. Activities will focus on applying proven information/education/communication, social marketing, social mobilization, and behavior change approaches developed by USAID and other organizations as part of a comprehensive effort to promote the adoption of effective preventive and care-giving practices at the household and community levels. The major beneficiaries of achievement of this objective are persons in developing countries. However, given the potential for infectious diseases to spread quickly around the world and the threat from increased antimicrobial resistance, this assistance will contribute to reducing the risk of the spread of infectious disease to the United States.

Key Results: To achieve the results of knowledge, beliefs and practices related to effective prevention and management of infectious diseases enhanced, three key subresults have been identified:

- (1) Knowledge and use of appropriate behaviors for effective prevention of the emergence and spread of antimicrobial resistance and infectious diseases, particularly for malaria and tuberculosis, at the household and community level increased.
- (2) Ability of families and communities to identify, provide, and seek appropriate health interventions for prevention and management of infectious diseases improved.
- (3) Capacity of health care providers to administer effective information, education and communication services to clients increased.

Performance and Prospects: USAID's Infectious Disease strategy was developed through extensive consultations with external partners, including the World Health Organization (WHO), the Centers for Disease Control and Prevention (CDC), the National Institutes of Health (NIH), the research community, and nongovernmental organizations, private voluntary organizations and other elements of the private sector. Application of appropriate interventions to improve knowledge, beliefs and

practices related to infectious disease prevention and control will build on the efforts of these partners and on USAID's experience in child survival, HIV/AIDS and other public health areas. By the end of the year 2000, expected achievements include: an increase in the percentage of health providers that give caregivers essential information regarding the use of antimicrobial drugs, model centers of excellence for TB established to improve the use of Directly Observed Therapy - Short course for tuberculosis control and to conduct training for TB control; and an increased proportion of insecticide-treated materials for malaria prevention appropriately retreated.

Possible Adjustments to Plans: In collaboration with WHO and other partners, USAID is participating in the development of global strategies for antimicrobial resistance and tuberculosis. As these strategies are developed and as priorities emerge, some adjustments to USAID's programs may be necessary.

Other Donor Programs: WHO, International Union Against Tuberculosis and Lung Disease (IUATLD), the World Bank, Department for International Development and Japan International Cooperation Agency.

Principal Contractors, Grantees or Agencies: USAID will work closely with the CDC, WHO, the Rational Pharmaceutical Management Project, IUATLD, International Network for the Rational Use of Drugs, United States Pharmacopeial Convention, Management Sciences for Health, Academy for Educational Development, Alliance for the Prudent Use of Antibiotics.

Selected Performance Measures:	Baseline (1998)	Target (2000)
Percent of surveyed health providers that provide caregivers with essential information regarding use of antimicrobial drugs	0	25%
Number of model centers of excellence for TB in different regions developed	0	2
Proportion of bednets retreated and sold within appropriate time frame	0	70%

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased use of effective interventions to reduce the threat of infectious diseases of major public health importance, (Quality and availability of key infectious disease services and systems improved), 936-SSO5.4 (PHN)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$5,729,000 CS

INITIAL OBLIGATION: FY 1998; **ESTIMATED COMPLETION DATE:** Continuing

Summary: As part of USAID's new infectious disease initiative, aimed at reducing the threat of infectious diseases of major public health importance. USAID focuses on those diseases that are the sources of significant mortality in the developing world, and on building the capacity of developing countries to prevent, respond to and minimize the spread of infectious diseases. To help achieve this objective, USAID has developed a program to increase the use of effective interventions to reduce the threat of infectious diseases, focusing in four priority areas: malaria, tuberculosis (TB), antimicrobial resistance, and surveillance and response.

In most USAID-assisted countries, substantial effort is still required to improve the accessibility, quality, and effectiveness of targeted, cost-effective infectious diseases services, both preventive and therapeutic. Such effort is essential to increasing the impact of infectious disease programs; particularly in a way that increases countries' and individuals' capabilities to sustain that impact. Performance in most countries also requires improvement of the health care delivery system, including: more efficient management and planning; developing reliable supplies and logistics systems for essential drugs, vaccines, and commodities; improving the collection and use of information; and employing quality assurance techniques to identify and resolve problems. USAID will promote improvements in the availability, quality and cost-effectiveness of key infectious disease services, focusing on the four priority areas: tuberculosis, malaria, antimicrobial resistance, and surveillance. In addition, the USAID will support the development and implementation of policies, plans and programs promoting standards for a high quality of care.

The major beneficiaries of achievement of this objective are persons in developing countries. However, given the potential for infectious diseases to spread quickly around the world and the threat from increased antimicrobial resistance, this assistance will contribute to reducing the risk of the spread of infectious disease to the United States.

Key Results: To achieve the result of quality and availability of key infectious disease services and systems improved, four subresults have been identified:

- (1) Performance of health workers - as measured by the quality of diagnosis and treatment of illness, and counseling of patients - improved.
- (2) Planning, organization, and management of key infectious disease services improved.
- (3) Approaches to deliver high quality preventive and treatment services to high risk populations developed and implemented.
- (4) Production, selection, procurement and use of drugs, vaccines, and commodities for the treatment and/or prevention of infectious diseases improved.

Performance and Prospects: The activities designed to achieve results under this objective are intended to complement, build upon and scale-up on-going interventions being carried out under

other USAID strategic objectives that have already been shown to be effective in reducing the threat of infectious diseases -- specifically diseases that threaten the survival of children, the reproductive health of women and the life expectancy of young adults (such as HIV/AIDS).

The planned results will be supported substantially, although not entirely, with USAID's own resources and will involve partnerships with multilateral and other bilateral organizations, other U.S. government agencies, non-governmental organizations, and the commercial sector. By the end of the year 2000, specific achievements will include: an increase in the proportion of health providers that demonstrate knowledge of appropriate antimicrobial use; more laboratories that pass minimum standards; increased number of countries or subregions that adopt Directly Observed Therapy - Short Course (DOTS) for TB; and increased number of target countries that procure and distribute netting and insecticide in a timely manner.

Possible Adjustments to Plans: In collaboration with WHO and other partners, USAID is participating in the development of global strategies for antimicrobial resistance and tuberculosis. As these strategies are developed and as priorities emerge, some adjustments to USAID's programs may be necessary.

Other Donor Programs: World Health Organization (WHO), International Union Against Tuberculosis and Lung Disease (IUATLD), The World Bank, Department for International Development and Japan International Cooperation Agency.

Principal Contractors, Grantees or Agencies: USAID will work closely with WHO, Centers for Disease Control and Prevention, Johns Hopkins University, Harvard University, the Rational Pharmaceutical Management Project, Management Sciences for Health, Program for Appropriate Technology in Health, Gorgas Institute, IUATLD, and International Clinical Epidemiology Network.

Selected Performance Measures:	Baseline (1998)	Target (2000)
Percent of surveyed health workers that demonstrate knowledge of appropriate antimicrobial drug use. (Baseline surveys in FY99)	TBD in FY99	25%
Countries or subregions adopting the DOTS strategy	0	4
Percentage of participating countries that procure and distribute netting and insecticide in a timely manner.	0	85%
Regional labs capable of passing minimum quality standards established by WHO. (Assessments to be done in FY99)	TBD in FY99	2

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Improved protection and more sustainable use of natural resources, principally forests, biodiversity, coastal and freshwater ecosystems, and agricultural lands 936-SSO1(ENV)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCES: FY 2000, \$9,000,000 DA

INITIAL OBLIGATION: FY 1980; **ESTIMATED COMPLETION DATE:** Continuing

Summary: The ongoing programs of the SSO1 Team build strong working relationships with host country governments, NGOs and communities. These networks and expertise are invaluable resources that the Agency draws upon in responding to natural disasters such as the forest fires in Indonesia, Mexico, Brazil, and Russia, and the floods and environmental destruction in Central America and the Caribbean. In-depth knowledge of host countries and ongoing collaborations enabled the SSO1 Team to immediately organize and dispatch expert teams to assist in fire-fighting coordination and response, post-fire and hurricane damage assessment, and the planning of remedial actions. SSO1 programs also help to build healthy, resilient environments which mitigate the effects of natural disasters if and when they do occur.

USAID has supported sustainable natural resource management and biodiversity conservation in more than 60 countries over the last nine years. USAID contributes to maintaining environmental quality by supporting conservation of biologically important areas, demonstrating sustainable forest management, integrating coastal and water resources management across economic sectors, developing sound stewardship of agricultural production systems, and promoting environmental education and broad-based participation and advocacy in environmental issues by civil society. We have strengthened public and private organizations' management ability, fostered innovative public-private partnerships, and established mechanisms for long-term conservation financing. USAID programs directly benefit citizens of local communities who become more effective managers of their natural resources. Institutional strengthening and small grants to nongovernmental organizations (NGOs) improve their capacity and effectiveness in implementing conservation programs. Host country governments benefit too, as USAID strengthens their capacity to formulate and implement effective natural resource policies and programs. Both developed and developing countries benefit as biodiversity is conserved, forests are more sustainably managed, freshwater and coastal ecosystems are brought under improved governance, and the threat of global climate change is reduced.

Key Results: This strategic support objective includes five intermediate results: effective biodiversity conservation and management; improved management of natural forests and tree systems; strengthened environmental education and communication; increased conservation and sustainable use of coastal and freshwater resources; and sustainable management of natural resources in agricultural production systems. The latter is a new intermediate result starting this year that is co-managed with G/EGAD.

USAID has refined its performance monitoring indicators to more accurately track program performance. The first two higher-level indicators are number of sites (area) under improved management and under effective management, in such areas as biological habitat, natural forests and tree systems, watersheds and coastline, and agricultural lands. A third higher-level indicator tracks policy successes, defined as instances when Central program initiatives supporting strengthened policy implementation have led to improved natural resources conservation, habitat or environmental quality on the ground.

Performance and Prospects: The biodiversity program expects to meet its results projections for FY 1998, based upon analysis of documentation submitted by its partners.

Central program support for organizations working to conserve the globally unique Atlantic Forest of Brazil demonstrates the program's participatory and integrated approach to biodiversity conservation. Under this activity, USAID supports three organizations, including the Brazilian NGO Institute of Socio-Environmental Studies of South Bahia (IESB), in the effective management of over 7,300 hectares in the *Una* Biological Reserve. Aerial photos show a net gain of healthy managed forest in the area in the last 10 years. G/ENV also supported IESB work that helped create a new 17,000 hectare state park that doubled the area of Atlantic Forest under protected status.

The forestry team's focus is to improve land management systems through technology development and transfer. Our support has trained over 200 technicians and company managers in reduced impact harvesting techniques that significantly lower collateral damage to forests compared to conventional harvesting. In the Philippines, the International Center for Research in Agroforestry (ICRAF) partnered with USAID to organize conservation districts involving more than 2,000 households in over 8,000 hectares to use natural vegetative strips and trees to stop erosion in upland watersheds. In addition to site-based work, G/ENV support for ICRAF has resulted in a key policy change in Indonesia, where the government recognized the tenure rights of the Krui minority to 29,000 hectares of agroforestry systems that they established and have maintained over the last century. The decree's recognition of the environmental and social benefits of this indigenous land-use system and the critical role of community involvement in sustainable land management sets a precedent for other Indonesian communities.

USAID's global coastal resources management program (CRM II) developed Indonesia's first community-based marine park and launched Tanzania's national coastal policy initiative, a pioneering effort in East Africa. It also produced a community strategy for coastal development in Xcalak, Mexico, that is being used as a national model as well as a regional approach for the Meso-American Coral Reef Initiative. These achievements highlight CRM II's focus on improving coastal governance, which strengthens both conservation and democratization as essential elements of sustainable development.

Possible Adjustments to Plans: The Center is evaluating competitive bids for a new biodiversity and forestry contract that it plans to begin implementing in early 1999. In addition, the Center will launch a new global biodiversity conservation program that will encourage more partnerships between USAID and NGOs through the competitive awarding of "leader with associates" cooperative agreements. I.R. 1.2 is working to refine its indicators to better reflect the capacity building, research, and policy development that is fundamental to support land management implementation and policy changes in developing countries. The strategic framework will also be expanded to include work on integrated water and coastal management undertaken through the newly awarded Water Indefinite Quantity Contract.

Other Donor Programs: USAID leverages increased investments in sustainable natural resources management from countries, donors and the private sector. The International Timber Treaty Organization and the G7 awarded a \$1 million grant to a G/ENV partner, the Tropical Forestry Foundation, to continue reduced impact harvesting training initiated by G/ENV.

Principle Contractors, Grantees or Agencies: G/ENV development partners include NGOs based in the U.S. (Conservation International, the Nature Conservancy, Tropical Forest Foundation, World Resources Institute, World Wildlife Fund, and others), host country NGOs, the University of Rhode Island and other academic institutions, international research centers (Center for International Forest Research, International Center for Living Aquatic Resources Management, International Center for Research in Agroforestry), consulting firms (Academy for Educational Development, Associates in Rural Development, Chemonics International, Development Alternatives, Inc., and others), and other U.S. Government agencies (Department of the Interior, National Oceanic and Atmospheric Administration, Peace Corps, U.S. Forest Service, and others).

Selected Performance Measures : [note: targets subject to revision pending review of FY 1998 performance data and future funding levels]

	Baseline	Target
Area of natural forest, tree systems, coastlines and other biologically important habitat brought under improved management (in million hectares).	(FY 1996) 11	(FY 2000) 16
Area of natural forest, tree systems, coastlines and other biologically important habitat brought under effective management (in million hectares)	(FY 1997) .87	(FY 2000) 1.1
Number of policy successes (policies)	(FY 1997) 18	(FY 2000) 78

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Improved management of urbanization in targeted areas, 936-S002 (ENV)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCES: FY 2000: \$5,000,000 DA

INITIAL OBLIGATION: FY 1988

ESTIMATED COMPLETION DATE: Continuing

Summary: The purpose of this SSO is to improve the living conditions of the urban poor by expanding the equitable delivery of urban environmental services and shelter, making municipal governments more effective, and reducing urban pollution. USAID provides technical assistance, training, and exchange of information (often in conjunction with credit facilities) that enables host countries to improve their ability to successfully manage the urbanization process. Residents of low income urban neighborhoods, especially children whose chance of survival is enhanced through access to clean water and sanitation, are the direct beneficiaries of USAID urban activities.

Key Results: This objective is comprised of three intermediate results: expanded and equitable delivery of urban services and shelter, more effective local governments, and reduced urban pollution. USAID focuses resources on the promotion of service and shelter expansion for the poor through four approaches: policy and regulatory reform, expanding financial resources available for investment in services and shelter, expanding the private sector role in service delivery, and providing services and shelter to low income users. Work with municipal governments includes improving financial management practices, improving institutional capacity to plan and deliver municipal services, promoting the transparency and reliability of inter-governmental transfers, and enhancing local government accountability. USAID focuses efforts to reduce urban pollution through improved municipal pollution management and improved industrial pollution management.

Performance and Prospects: During FY 1998, USAID exceeded its target for reduced urban pollution. 141 cleaner production policies and manufacturing processes were adopted by industrial facilities in Bolivia, Ecuador, Egypt, Indonesia, Jamaica, Mexico, Paraguay and Peru, compared with a target of 90. Results for the number of households benefiting from improved urban environmental infrastructure were lower than expected. During FY 1998 an estimated 214,000 households benefitted from improved infrastructure and shelter, compared with a target of 579,000 households. This is due to much lower levels of loan disbursements than planned through the Urban and Environmental Credit Program. The target of 579,000 households was based on \$155 million in disbursements occurring; however, only \$83 million was disbursed during FY 1998. Lower levels of disbursements were due to a number of unforeseen factors. First, the Asian Economic Crisis delayed a planned disbursement in Indonesia. A planned disbursement in India was delayed due to sanctions imposed by the U.S. Government in response to nuclear testing in May 1998. Finally, an unexpected bank merger delayed a planned borrowing in South Africa.

Possible Adjustments to Plans: USAID will continue to revise targets for the number of households benefitting from improved urban infrastructure and shelter, based on expected credit subsidy levels for each fiscal year. The target number of beneficiaries is linked directly to the disbursement of UE loans. USAID does not control the timing of disbursements. Therefore, they are difficult to predict, particularly several years into the future. UE targets will need to be revised to reflect the actual authorization levels received in FY00, and as updated information is received on our counterparts' desired disbursement schedules.

Other Donor Programs: Within the donor community, USAID works closely with lending institutions (World Bank, regional development banks, and private commercial banks) to improve access to long-term financing as well as with international organizations on research and information dissemination.

Principal Contractors, Grantees or Agencies: Current grantees and contractors include host country-based NGOs, host country municipal-level government institutions, and private U.S. organizations.

Selected Performance Measures: (Note: Targets subject to revision pending review of FY 1998 performance and future funding levels)

	Baseline	Target
Number of households benefitting from improved urban environmental infrastructure and shelter solutions	6,526,315 households (1998)	6,598,000 households (2000)
Number of cities reporting progress in reducing greenhouse gas emissions	0 (1998)	2 (2000)

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased, environmentally sustainable energy production and use, 936-SSO3 (ENV)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000, \$17,000,000 DA

INITIAL OBLIGATION: FY 1982; **ESTIMATED COMPLETION DATE:** Continuing

Summary: Energy brings countless benefits to human life. Energy facilitates heating and cooling, illumination, communications, health, food, education, industrial production, and transportation. Unfortunately, these benefits have yet to reach more than 2 billion people around the world. To achieve and maintain social and economic progress, developing countries need to expand their energy supply without harming the environment. Equitable, sustainable development depends on widespread access to appropriate energy services.

Against this backdrop, USAID supports SSO3 to help developing countries increase environmentally sustainable energy production and use. USAID executes the SSO by focusing resources on actions in four areas: encouraging the development and adoption of market-oriented policies and transparent, fair regulations; leveraging financial resources for investments in environmentally sound energy projects from public and private sources; building the capacity of host-country institutions to support private sector energy development; promoting renewable energy, energy efficiency, and clean energy technology design, development and deployment; and fostering technology transfer by supporting partnerships between US and developing country utilities, private energy enterprises, and regulatory bodies.

USAID's work benefits all segments of society. The Agency's partnerships are a way to transfer technical know-how and develop opportunities that benefit host-country and US firms. Renewable energy-based rural electrification programs bring electricity to the rural poor; urban populations benefit from decreased pollution; and workers benefit from increased economic growth, job creation, and improved industrial infrastructure. A global environmental benefit is accrued from a decrease in the rate of growth in net greenhouse gas emissions.

Key Results: This objective is comprised of three intermediate results: increased energy efficiency, increased use of renewable energy resources, and increased production and use of cleaner energy. The intermediate results recognize that developing countries expanding limited energy infrastructures are particularly well positioned to make use of environmentally sustainable energy technologies. These countries can choose to pursue less carbon-intensive economic development and "leapfrog" over the polluting carbon-rich industrialization phase that developed countries experienced. USAID measures their performance in achieving the SSO by three high-level performance indicators and the intermediate results by nineteen lower-level performance indicators. The three high-level indicators are public policies adopted and implemented to promote environmentally sound energy production and use; private and public sector investment leveraged; and greenhouse gas emissions avoided.

Performance and Prospects: During FY 1998, USAID met its target for number of public policies adopted and implemented. Eight public policies were adopted and implemented. USAID also met its target for private and public sector investment leveraged. \$140 million of public and private sector investment was leveraged. Results for the number of greenhouse gas emissions avoided were lower than expected. This is due to the fact that in FY 1998 a transition to a new contracting mechanism occurred which resulted in a temporary decline in the number of projects to reduce greenhouse gas emissions.

Possible Adjustments to Plans: USAID will continue to revise targets for greenhouse gas emissions

avoided, based on expected changes in the Agency's work plan. Recording the target number of carbon tons equivalent (CTE)/year averted is linked directly to the number of activities the Agency supports that result in the short-term development of clean energy, renewable energy, and clean conventional energy projects. As USAID is changing the direction of its programs, the Agency expects to revise its greenhouse gas emissions targets at the SO level. Therefore, the targets may change, particularly several years into the future. [Additional information on 'possible adjustments to plans' is forthcoming, pending review of FY 1998 results and discussions with collaborators. Data is currently being collected and analyzed for inclusion in the FY 2001 R4 submission that is due in March.]

Other Donor Programs: Within the donor community, USAID works closely with lending institutions (World Bank, regional development banks, and private commercial banks) to improve access to long-term financing as well as with international organizations on technical assistance and information dissemination. Technical assistance, technology transfer, and partnerships supported by USAID has leveraged significant commitments to environmentally sustainable energy enterprises from other multi-lateral and bi-lateral donors.

Principal Contractors, Grantees or Agencies: USAID implements energy programs through private organizations, U.S. and host country nongovernmental organizations, host country government agencies, and U.S. trade associations. USAID collaborates with other U.S. government agencies (principally the Department of Energy, the Environmental Protection Agency, and the Department of Commerce).

Selected Performance Measures:	Baseline	Target (FY 2000)
Greenhouse gas emissions avoided	1996: 2.3 millions of tons of carbon equivalent	3.2 millions of tons of carbon equivalent
Value of private and public investment leveraged	1996: \$114,600,000	\$180,000,000
Number of public policies adopted and implemented to promote environmentally sustainable production and use	1996: 5 policies	9 policies

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Reduced threat to sustainable development from global climate change, 939-SpO 1 (ENV)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE - FY 2000: \$5,727,000 DA

INITIAL OBLIGATION: FY 1999 ESTIMATED COMPLETION DATE: Continuing

Summary: In 1998, USAID launched its five-year, US \$1 billion *Climate Change Initiative (CCI)*, in fulfillment of President Clinton's commitment to reduce the threats posed by climate change in developing and transition countries. Through programs in forty-four countries, USAID has helped developing nations to participate in the United Nations Framework Convention on Climate Change (UNFCCC), decrease net GHG emissions through energy, urban, forestry, agriculture and biodiversity sector activities, and address and adapt to climate vulnerability. The Center for Environment (G/ENV) tracks USAID's climate-related results and manages the Climate Change Initiative for the Agency.

USAID climate-related programs meet energy, agriculture, urban, forestry and biodiversity sector goals, while providing a net climate change benefit and making good economic sense. Programs improve energy efficiency and increase the use of renewable energy sources to reduce GHG emissions, promote sustainable agriculture, improve urban infrastructure and transportation planning, and protect forest resources and implement management techniques that preserve carbon stores.

In addition, USAID provides technical assistance and leadership to U.S. government interagency activities which address climate change, such as the U. S. Initiative on Joint Implementation and the U. S. Country Studies Program . These programs strengthen developing country participation in the UNFCCC and help to identify 'win-win' climate change mitigation activities which reduce GHG emissions, provide economic benefits, and promote the adoption of clean technologies overseas .

Key Results: The performance monitoring plan for this Special Objective includes two intermediate results: effective management of the agency's Climate Change Initiative, and USAID leadership provided to interagency climate change programs and processes. Effective management of the Climate Change Initiative is reported through performance indicators that measure competent administration of the Initiative, as well as success incorporating climate concerns more fully into existing and new USAID activities. Interagency leadership is measured by assessments of USAID dollars leveraged through interagency cooperation, number of United States Initiative on Joint Implementation (USIJI) projects evaluated and approved, and other indicators of interagency effectiveness.

Performance and Prospects: In 1998, the Center for Environment managed an agency-wide team which developed a performance monitoring framework and indicators to measure results under the Climate Change Initiative and provided support to 44 field missions to collect baseline data for the indicators. In addition, USAID exceeded by 9% its first-year commitment of \$150 million attributed to climate change activities. Prospects are excellent for continuing to meet the President's commitment to climate change in developing countries.

Possible Adjustments to Plans: None needed or anticipated.

Other Donor Programs: USAID relies on its strong working relationships with multilateral lending institutions, bilateral donors, and the private sector to implement climate change mitigation activities. Through these partnerships, USAID is able to leverage resources, ensure greater sustainability of its programs and encourage climate-friendly investments by our donor partners.

Principal Contractors, Grantees or Agencies: USAID implements global climate change programs through private organizations, U.S. and host country non-governmental organizations, host country government agencies, and U.S. trade associations. USAID collaborates with other U.S. government agencies (principally the Department of State, Environmental Protection Agency, and the Department of Energy).

Selected Performance Measures: Indicators have been established to measure the effective management of the Agency's Climate Change Initiative and track results from interagency climate change programs. Results will be reported for field mission support and other value-added services provided by the Global Bureau Center for the Environment, as well as dollars leveraged and capacity established through interagency support. As FY 1999 is the first year of funding for the Special Objective, baseline data will be reported and targets set as part of the Results Review and Resource Request (R4) in Spring 1999.

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Improved access to financial and business development services, particularly to the microenterprises of the poor, 936-S01 (EGAD)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: [\$25,000,000] DA*; \$1,000,000 DA

INITIAL OBLIGATION: FY 1994; **ESTIMATED COMPLETION DATE:** FY 2005

Summary: The Central programs of the Microenterprise Development (MD) Office have a leading role in implementing the Agency-wide Microenterprise Initiative. The Initiative is a critical element of USAID's broad-based economic growth strategy to help the poor increase their incomes, assets, skills and productivity through microenterprise development.

The majority of the Office funding for this strategic objective since its inception in 1995 has been programmed through U.S. private voluntary organizations (PVOs) and local Microfinance Institutions (MFIs). The Implementation Grant Program has awarded 32 PVOs and nongovernmental organizations (NGOs) over \$49.7 million in 22 countries. The Program for Innovation in Microenterprise, a mission co-financing fund, approved over \$30 million for 28 USAID missions to benefit local NGOs, policy reform and appropriate government actions. MicroServe, a field support mechanism, has provided technical leadership to 13 USAID missions, while the Assessing the Impact of Microenterprise Services program initiated applied research work in a wide range of microenterprise programs. The Microenterprise Best Practice program has an ongoing research agenda that is pushing forward the frontier of microenterprise development. Additionally the program has established an award winning internet web site for microenterprise development (www.mip.org) and awarded 24 capacity building grants and 15 exchange visits to innovating local institutions.

Through its Micro and Small Enterprise Development (MSED) program, the Agency promotes lending by financial institutions to micro and small enterprises. A loan portfolio guarantee mechanism encourages banks in partner countries to expand their small loan portfolio; a complementary training program provides skill development for small-scale lending. USAID's credit programs are described in another section in the Congressional Presentation.

Key Results: Three key intermediate results are being achieved under this objective: (1) expansion in the delivery of financial and non-financial services for microentrepreneurs; (2) improved capability of financial and business development service institutions to strengthen microenterprises; and (3) dissemination of microenterprise best practices within USAID and practitioners and donors within the microenterprise sector.

Performance and Prospects: The results of the Agency-wide Microenterprise Initiative have been impressive. In FY1997, a record 1.4 million poor clients had active loans from USAID-supported institutions. The loans were valued at \$645 million. Sixty-seven percent of active loans were poverty loans, that is, below \$300 for the developing world and below \$1000 for Europe and the Newly Independent States (the Agency definition of poverty lending in ENI). Women make up two thirds of the clients worldwide while in Africa 85% of the clients are women. The central programs managed by the MD Office have been critical to this success. For 1997, USAID programs supported over 515,000 active micro-loans and more than 738,000 low income clients with savings accounts.

Possible Adjustments to Plans: Because of the Office success to date, the FY 1999 targets for micro-lending are being adjusted upward to 700,000 (from the previous targets of 650,000). The Agency focus has largely been and will continue to be on microfinance but microenterprise development also depends on the provision of business development services (BDS). A special

round of the Implementation Grant Program will be completed solely for micro-business development services grants. Plans are also set to expand applied research on BDS.

Other Donor Programs: Supported by USAID's leadership, the microenterprise field is continuing to receive substantial attention from donors, international organizations and NGOs. Donors such as the Inter-American Development Bank, the World Bank, Japan, Great Britain, Canada, Australia, and the European Union are increasing their participation in microenterprise development. The Consultative Group to Assist the Poorest, a multi-donor effort which USAID was instrumental in starting, now numbers 27 donors and has established a strong program of support for microenterprise development.

Principal Contractors, Grantees or Agencies: USAID implements the activity's components through private non-profit organizations, contractors, U.S. universities and host country, private NGOs. In 1997, 613 microenterprise development institutions had active funding agreements Agency-wide.

Selected Performance Measures:

	Baseline	Target
Number of active micro-loans	233,000 (FY 1995)	800,000 (FY 2000)
Number of active savers (compulsory and voluntary)	576,217 (FY 1996)	800,000 (FY2000)

* Funds for this activity are transferred to central programs from USAID regional bureaus.

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Improved food availability, economic growth and conservation of natural resources through agricultural development, 936-S02 (EGAD)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$44,825,000 DA; \$2,000,000 CS

INITIAL OBLIGATION: FY 1968; **ESTIMATED COMPLETION DATE:** FY 2005

Summary: USAID promotes technological and policy advances fostering economically and environmentally sustainable productivity growth and agribusiness development, in support of near-term and long-term global food security. USAID works with the International Agricultural Research Centers, U.S. universities and the U.S. private sector, in partnership with national programs, nongovernmental organizations (NGOs) and the commercial sector, to generate solutions to the challenges facing agriculture in developing countries.

Key Results: After strong growth in the early 1990s, per-capita food production in the developing countries has slowed somewhat, mirroring downward trends in research funding. Recent data for 1998 indicate almost no growth (after a poor showing in 1997) in the level of food availability per capita; production did increase substantially in 1998, but failed to keep pace with population. Total food output grew 1.7% in all developing countries, including 1.7% in both Asia and Latin America, but fell slightly in Eastern Europe and the Caribbean. In Africa, a region of major concern and focus for USAID, production grew a robust 2.7%; cereal output rose by 3.0 million tons, while production of root and tuber staples grew by 2.3 million tons.

Performance and Prospects: Although aggregate food production did not grow as much as desired, substantial progress was made by USAID efforts to develop and disseminate improved technologies and policies for the benefit of the poor and hungry. 1998 and 1999 saw growing use by NGOs and private voluntary organizations (PVOs) of improved crop varieties developed with USAID support in famine prevention and agricultural rehabilitation efforts in Africa, Latin America and Asia. In FY 2000, major PVOs will continue to draw on USAID's partners for recovery in areas affected by hurricanes Mitch and Georges. USAID partners have developed new approaches employing Geographic Information Systems (GIS) that are being used by relief organizations to assess damage and strategically target vulnerable areas. Rapid progress is also expected in targeting nutritional and health outcomes associated with improved diets; more than one-half of all early childhood deaths are related to underlying malnutrition. Building on major advances in 1998 (e.g., new high-iron rices, more productive fish, higher protein grains, etc.), USAID's FY 2000 programs will feature an initiative focussed on reaching hundreds of thousands of at-risk individuals, with nutrition-improving, income-generating technologies. Sustainability of interventions will be enhanced by marketing and policy support.

Possible Adjustments to Plans: Emphasis on women's and children's food security could lead to expanded health impacts in FY 2000.

Other Donor Programs: In accord with the World Food Summit, USAID will expand its bilateral and multilateral linkages in FY 2000. Areas of particular emphasis include impact monitoring assessment and food insecurity vulnerability monitoring.

Principal Contractors, Grantees or Agencies: International Agricultural Research Centers, U.S. universities, U.S. Department of Agriculture.

Selected Performance Measures:*

	Baseline (1998 – est.)	Target (FY 2000)
Food Availability: Per capita food production(1989-91 = 100)	116.2	119.5
Food Access: Percent countries with declining FAI* (*FAI: Food Affordability Index = Percent of income spent on food; most recent data (57 countries) used to estimate current year.)	77	82.0
Natural Resources Conserved: Measure of agroecosystem "greenness" (greenness = NDVI: Normalized Different Vegetative Index) controlled for climate using time series data (1998 = 100).	100	101.0

*USAID programs address food insecurity in developing countries; the above indicators track the supply, demand and sustainability dimensions of food security.

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Appropriate and functioning economic policies, market reforms and institutions are developed to accelerate economic growth in emerging markets and priority countries, 936-SO3 (EGAD)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$1,000,000 DA

INITIAL OBLIGATION: FY 1995; **ESTIMATED COMPLETION DATE:** FY 2005

Summary: USAID has long held the leadership role in shaping the technical agenda for economic assistance and in providing short and long-term, in-country technical assistance. USAID's assistance, while comparatively small in dollar terms to the investments made by multilateral development institutions, has been the catalyst for much larger programs and has complemented loan programs of the World Bank and others with small or non-existent technical assistance budgets. This central program supports the development of a technical leadership agenda and provides technical assistance in five functional areas: (1) economic policy; (2) privatization; (3) general business, trade and investment; (4) legal and institutional reform; and (5) financial sector reforms. In September 1995, a new program was authorized to support and develop appropriate economic policies, competitive markets and supporting market institutions in developing countries. The program was designed to improve the efficiency and competitiveness of national and local economies, expand access to economic opportunities, and increase integration of USAID-assisted countries into a rapidly globalizing economy. Approximately 30 countries in all regions have benefitted from the activities assistance. Completed analysis and research has been incorporated into host country planning processes and implementation strategies have been developed and adopted.

Key Results: The key results anticipated from this activity include (1) host country adoption and implementation of sound macro and sectoral economic policies, (2) the reform of market supporting institutions, and (3) the creation of a local environment which is favorable to fostering global competition.

Performance and Prospects: Performance exceeded plans in almost every category. For example, in the 15-country sample used to measure performance, money supply as a percent of gross domestic product (GDP) rose, government deficits as a percentage of GDP remained the same, inflation rates declined and foreign exchange reserves increased. Technical reviews indicated great satisfaction with the program, especially considering the continuing reduction in resources going to this strategic objective.

Possible Adjustments to Plans: As funding for the program is projected to continue to decline, targets will be modified downward. The Center is also in the process of redefining its strategic objectives, likely leading to substantial revisions during FY 1999.

Other Donor Programs: The International Finance Corporation is participating with us on our Investor Roadmap program, funding a substantial portion of our business environment mapping activity. Coordination on substantive areas such as privatization and financial sector reform is on a continuous basis with multilaterals such as the World Bank, Asian Development Bank, Inter-American Development Bank, and others.

Principal Contractors, Grantees, or Agencies: Some 30 prime contractors and nearly 100 subcontractors participate in the program. We also support the Harvard Institute for International Development and the University of Maryland's Center for Institutional Reform and the Informal Sector. Our agreement with the Financial Services Volunteer Corps provides a rapid response mechanism for financial and legal assistance. InterAgency Agreements are also in place with the

Securities and Exchange Commission and the Patent and Trademark Office of the Department of Commerce.

Selected Performance Measures:*

	Baseline	Target (FY 2000)
Subsidies paid by 15 USAID-assisted governments to state-owned enterprises as a % of government spending	7.3 (1994)	3.7
Money supply (M2) as a % of GDP for 15 USAID-assisted countries	34.6 (1995)	39.9
Trade openness (exports + imports) as a % of GDP for 15 USAID-assisted countries	51.3 (1995)	61.4

*Several key results indicators are planned for determining the activity's effectiveness. Selected country composites of USAID-assisted countries designed to measure progress are identified.

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Private sector business linkages support U.S. technology transfer in support of development objectives, 936-SO4 (EGAD)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$5,585,000 DA

INITIAL OBLIGATION: FY 1996

ESTIMATED COMPLETION DATE: FY 2002

Summary: In 1996, the Agency established a new Global Technology Network (GTN) to promote the transfer of technology to and growth of small and medium-sized enterprises. Operations were revamped to mirror the Agency's sector focuses on agribusiness, environment, health and information technology. The core of the GTN is a computerized matching facility which takes business "leads" from field-based staff of various organizations, filters them for content and area of interest, and disseminates them to U.S. companies selected from the 60,000+ firm database. The business services of the International Executive Service Corps (IESC) and EnterpriseWorks Worldwide (EWW) are also utilized to enhance technology transfer and increase the number of successful transactions.

Key Results: The results include establishing two-way trade linkage agreements with 10 additional USAID countries, and working through host country Ministries of Trade and business associations. Trade lead identification and business facilitation will lead to \$100 million in completed transactions between U.S. and indigenous private sectors.

Performance and Prospects: Trade partners in Uganda, Mongolia, Egypt, and Jordan were established and trained. Technology transfer and business transactions valued in excess of \$80 million were completed.

Additional performance included refining GTN electronic data systems for follow up and tracking; establishing eight new U.S. state trade Memoranda of Understanding (MOUs) (bringing total to 26); expanding working relationships with the U.S. Department of Commerce; providing training in eight U.S. Export Assistance Centers; executing one MOU with the Export-Import Bank, which included loan guarantee review for all promising transactions generated by GTN; and negotiating a new cooperative agreement with the IESC to provide business service and research on a worldwide basis.

Possible Adjustments to Plan: None anticipated.

Other Donors Programs: IESC works closely with other voluntary networks to deliver technical expertise. All consultancies are co-financed and hosted by a private sector firm in the recipient country. EWW has agreements with other bilateral donors as well as international organizations, nongovernmental organizations, and private sector entities to deliver services. GTN works with the IDB to foster economic growth through the provision of business services through Programa Bolivar.

Principal Contractors, Grantees or Agencies: IESC, DevTech, EWW.

Selected Performance Measures:	Baseline (1996)	Target (2000)
Two way trade linkage agreements	35	45
Completed Transactions in dollar value	\$80 million	\$100 million

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased science and technology cooperation among Middle Eastern and developing countries, and utilization of U.S. and Israeli technical expertise by developing countries, 936-SpO1 (EGAD)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$4,500,000 DA

INITIAL OBLIGATION: FY 1979; **ESTIMATED COMPLETION DATE:** Continuing

Summary: In 1979 when USAID began work on this objective, Arab-Israeli relations were virtually nonexistent except for the formal, diplomatic mutual recognition between Egypt and Israel. Business, scientific, and cultural exchanges did not occur, and Israel remained isolated from normal relations with much of the developing world as well. The purpose of this Special Objective is to foster cooperation between Israel and other Middle Eastern countries in the application of science and technology to address shared development goals in the Middle East, and to utilize unique Israeli scientific and technical expertise in addressing development problems in the New Independent States, Africa, Latin America, and Asia. The ultimate beneficiaries are the people of the Middle East and of the developing world whose security and living standards would be improved.

There are three components of this program. The U.S.-Israel Cooperative Development Program (CDP) funds training in Israel and developing countries, and technical assistance in agricultural production in those countries. The U.S.-Israel Cooperative Development and Research Program (CDR) funds cooperative research proposals of \$200,000 or less and up to five years in length. CDR grants are awarded on a competitive basis, and the proposals are developed jointly by scientists from Israel and their counterparts in developing countries to address technical problems relevant to the developing partner. The Middle East Regional Cooperation Program (MERC) awards competitive grants for collaborative research between Israel and at least one other Middle Eastern partner. The funding ceiling is \$3,000,000 over five years.

Key Results: Four key intermediate results were concluded to be necessary to achieve this objective: (1) cooperative activities, in the form of joint publications in technical journals and/or exchanges of personnel at the rate of one per \$25,000; (2) major technical contributions to development or to the Middle East peace process (e.g., agreement of water data monitoring between the parties); (3) adoption of improved farm level agricultural production technologies at the rate of at least 10% of farmers trained; and (4) increased crop and dairy output, by at least a level of 10%, among farmers participating in training programs.

Performance and Prospects: USAID funding has catalyzed cooperation that otherwise would not have occurred, and United States involvement has enabled Israeli collaboration in countries otherwise closed to Israel.

Progress toward the political goal of support for the peace process has been exhibited by the increase in direct communication, travel, and information exchanges between researchers in the Middle East. There have been many research results to date, including results in saline agriculture, improved agricultural water management technology, improved biopesticides, and added understanding of emerging tropical diseases and threats to the environment. The political goal of diplomatic and commercial acceptance of Israel throughout the developing countries of Africa, Latin America, and Asia, and in the New Independent States of the former Soviet Union, has been achieved.

The effectiveness of these programs, particularly MERC, is dependent upon the political track of the peace process, as well as the willingness of participants to engage in cooperation in the face of these concerns.

Possible Adjustments to Plan: None anticipated.

Other Donor Programs: The Government of Israel, which manages the CDP, contributes 1/3 of the funding for that program. CDR and MERC projects receive matching funds, at varying levels among individual grants, from Israeli and collaborating Arab and developing country research institutions, as well as from participating U.S. partners, such as the University of Michigan, Texas A & M University, the U.S. Geological Survey, and National Institutes of Health.

Principal Contractors, Grantees or Agencies: The Government of Israel, Ministry of Foreign Affairs administers CDP as part of its own foreign assistance portfolio. CDR and MERC grants are awarded to Israeli and U.S. research institutions, which, in turn, make subgrants to their collaborating partner institutions. The U.S. National Academy of Sciences assists in the peer review of proposals for CDR and MERC.

Selected Performance Measures:

	Baseline (FY 1979)	Target (FY 2000)
Joint publications in science and technology journals and conference proceedings, and/or direct exchanges of scientific personnel	None	One per \$25,000
Major technical contributions to development or to the Middle East peace process (e.g., agreement of water data monitoring between the parties)	None	One per 25 grants
Improved farm level agricultural production technologies	None	10% of participating farmers adopt new technologies
Increased crop and dairy output among farmers participating in CDP training	None	10% increase in dairy and crop production among participating farmers

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Rule of Law—Strengthened rule of law and respect for human rights, 936-SS01 (DG)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$3,500,000 DA

INITIAL OBLIGATION: FY 1995; **ESTIMATED COMPLETION DATE:** FY 2002

Summary: The purpose of this strategic support objective is to assist legal systems to operate more effectively, embody democratic principles and protect human rights. The ultimate beneficiaries are citizens in targeted countries where central program guidance results in a more effective and responsive justice system. USAID was the first principal donor to engage in the area of the rule of law and is the leading major donor addressing human rights. Achievements include judicial reforms in Latin America and institution-building for market-oriented legal systems in the former Soviet Union and Eastern Europe. USAID programs are producing results through increasing judicial independence, protection of human rights, reform of criminal, civil and commercial law and procedure, constitutional development, improved access to justice, and the professionalization of judges, lawyers and prosecutors. As USAID consolidates gains and gathers valuable experience, lessons learned are being shared throughout the donor and development community to improve overall donor programming, and increasingly to encourage other donor investment.

Key Results:

- In Russia, supported development/training of new, independent Russian Judicial Department, including development, promulgation, and implementation of new ethical standards;
- In Bolivia, trained newly independent judicial administrative department to draft judicial budget;
- In Armenia and Georgia, provided technical assistance resulting in improved constitutional procedures;
- In Armenia, provided technical assistance and development of curricula resulting in improved legal education;
- In Mongolia and Laos, conducted training programs and developed judicial benchbooks for improved judicial performance and increased judicial professionalism;
- In Honduras and Nicaragua, conducted training programs for increased effectiveness of prosecutorial function; and
- In Angola, provided human rights training, which resulted in provincial prosecutors releasing prisoners awaiting trial who were already incarcerated longer than the statutory maximum for the crimes with which they were charged.

Performance and Prospects: Activities currently under development which are anticipated to yield results in the coming year include: legal sector assessments in Liberia, Laos, Rwanda, Yemen, and West Bank/Gaza; USAID's development of an improved legal sector assessment methodology; publication of monographs on judicial training, judicial institution building, code reform, reform constituency building, and case management; and development of a pilot court system in Dominican Republic.

Possible Adjustments to Plans: USAID's decision to focus on the groundwork for a successful election process in Indonesia necessitated a postponement of any interventions in the rule of law sector until the post-election period.

Other Donor Programs: Other donors working in the rule of law area include the World Bank, Inter-American Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, European Union, United Nations Development Programme and other bilateral donors.

Principal Contractors, Grantees or Agencies: In the rule of law area, USAID's partners include Amex International, Chemonics International, Conflict Management Group, International Development Law Institute, National Center for State Courts, U.S. Department of Justice and U.S. Federal Judiciary. In early 1999, two new consortia are expected to receive grant awards to support global rule of law and human rights development activities.

Selected Performance Measures:	Baseline*	Target (FY 2000)
Countries improve administration of their courts	14	Rwanda, Liberia, Indonesia, Russia, Armenia, Georgia, Honduras, Paraguay, Mongolia, Indonesia
Countries expand access to legal systems	18	Indonesia, Paraguay, Mongolia, Indonesia, Guatemala

*Defined here as countries currently receiving USAID assistance toward the performance indicated.

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Elections and Political Processes—More genuine and competitive political processes, 936-SS02 (DG)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$3,000,000 DA

INITIAL OBLIGATION: FY 1996; **ESTIMATED COMPLETION DATE:** FY 2002

Summary: The purpose of this strategic support objective is to strengthen democratic political processes, including elections, so that they will become more competitive and reflect the will of an informed citizenry. The ultimate beneficiaries are citizens in targeted countries who will strengthen their ability to choose their leaders, influence political decision-making and participate freely in civic associations. USAID efforts have helped to increase citizen participation in electoral processes, improve the administration of elections and ensure that electoral results are respected. USAID assists efforts to administer elections in an impartial and professional manner. USAID trains local organizations to monitor elections and educate voters about their rights and responsibilities, provides assistance to increase the effectiveness and representation of political parties, and trains newly elected legislators. The focus of USAID efforts is increasingly on the long-term institutionalization and sustainability of political procedures.

Key Results:

Consortium for Elections and Political Processes Strengthening (CEPPS) cooperative agreement:

- In Benin, the successful revision of electoral code and creation of a new, permanent, independent electoral commission;
- In Mali, technical assistance to the electoral commission for the creation of electoral/candidate results databases and successful tracking of election results in 1998 local elections;
- In Mongolia, political party development assistance – strengthened abilities of opposition parties to garner public support;
- In Guatemala, NGO support for promoting ethics and accountability among political leaders;
- In Liberia, post-election assessment and legislative strengthening assistance;
- Support for creation of regional electoral administration associations in the Caribbean, Central and Eastern Europe, Africa and Asia;
- Rapid-response support in Swaziland (local elections), Yemen (election observation), Zimbabwe (legislative reform), Albania (post-election assessment); and
- Support for International Clearinghouse of more than 3,500 files of election administration information available on the Internet and on CD-ROM.

International Foundation for Election Systems (IFES) contract:

- In Bosnia, technical assistance to OSCE Provisional Election Commission (PEC) facilitated the development of commission;
- In the Philippines, assistance in modernization of the Philippine Commission on Elections (COMELEC) and support in design and implementation of voter education/information program for COMELEC; and
- In Nicaragua, technical assistance to the Supreme Electoral Council (CSE) to improve internal operations.

Performance and Prospects: USAID anticipates significant electoral oversight activities through election monitoring programs in FY 2000, during which the global electoral calendar is comparatively heavy.

Possible Adjustment to Plans: Movement away from electoral commission assistance is anticipated, as centrally-funded programs have involved work with commissions in numerous countries for a number of years. USAID will remain active in providing rapid-response assistance as specific political conditions in countries warrant such support. Support of longer term processes of

institutionalization of elections, political parties and related political processes is anticipated.

Other Donor Programs: Other bilateral donors also provide technical assistance and commodities and deploy election observers. The United Nations and other multilateral organizations tend to provide large-scale electoral assistance on a selective basis. USAID targets electoral support to complement United Nations or other donor efforts. The National Endowment for Democracy and its core grantees complement long-term USAID programs by working on grassroots civic education, political party training and legislative strengthening.

Principal Contractors, Grantees or Agencies: A cooperative agreement with CEPPS [members are: the International Republican Institute, the National Democratic Institute, and IFES] and a grant to The Asia Foundation. In addition, missions may access the Elections and Political Processes IQC managed by IFES.

Selected Performance Measures:	Baseline*	Target (FY 2000)
Countries develop effective and independent electoral commissions	22	Bolivia, Guyana, West Bank-Gaza, Armenia, Kenya
Countries develop effective oversight of electoral processes: election monitoring	12	Indonesia, Zimbabwe, Peru, Mexico

*Defined here as countries currently receiving USAID assistance toward the performance indicated.

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Civil Society—Increased development of a politically active civil society, 936-SS03 (DG)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$3,700,000 DA

INITIAL OBLIGATION: FY 1996; **ESTIMATED COMPLETION DATE:** FY 2002

Summary: The purpose of this strategic support objective is to advance the capabilities of informed citizens and nongovernmental organizations (NGOs) to more effectively contribute to a pluralistic society and responsive government. The ultimate beneficiaries are the citizens and workers in targeted countries who benefit from a more democratic society and who are given the opportunity to participate in a meaningful way in the formulation and implementation of those policies which affect them. USAID directs resources to the media, labor and civil society advocacy groups to enhance their ability to mobilize citizen support for political and economic reform. This includes the skills for engaging government officials, political leaders and the media in constructive dialogue on national reform; mobilizing for the passage of constitutional, legal and institutional reforms; and expressing support for government compliance with the rule of law. Civil society also operates apart from its relation with government. NGOs implement hundreds of programs and undertake a myriad of activities. Central programs help to democratize NGOs internally and assist them in achieving a democratic role in society at large. USAID supports pro-democracy groups in the interest of wider citizen participation in policy formulation and greater government transparency and accountability. In the coming years, labor movements in 50 developing or transitional countries will be assisted in their advocacy for democratic reform and worker rights. More broadly, institutional capacity-building, sectoral support and networking services are provided to support indigenous civil society groups identified by USAID field missions as key players in country reform movements. Capacity-building includes organizational planning and management, policy formulation, and participatory approaches and methodology.

Key Results: Central programs assess the impact of the activities described above in terms of improvements in the representativeness of civil society organizations and their effectiveness in advocating the interests of their constituents. Key results in targeted countries include:

- In Kenya, coalitions of civil society organizations, supported by USAID, successfully pressed the government to undertake a comprehensive constitutional reform process, in which civil society is given a significant role;
- In the Philippines, civil society leaders received training on conflict resolution and advocacy skills;
- In Bulgaria, the national labor confederation "Podkrepa," starting with a handful of members in 1989, became a self-sustaining organization with 154,000 dues-paying members covered by collective bargaining agreements in 1998;
- In Indonesia, the All-Indonesia Prosperity Union began transforming itself in 1998, after the fall of Suharto, from an underground group into a legitimate national labor center. It registered over 100 unions and addressed national and local policy issues of concern to workers; and
- In Nigeria, the country's labor movement led by previously imprisoned leaders partnered with other civic groups to mount an effective and successful voter registration and election monitoring effort related to the 1998 local government elections.

Performance and Prospects: Through direct field support and contracts with World Learning, Inc. and Management Systems International (MSI), central programs work with USAID field missions to develop and implement programs to assist civil society organizations to more effectively represent their constituents. Centrally funded contracts are being used by missions in six countries, while centrally funded staff are providing intensive assistance on civil society program review and development in Kenya, Indonesia, the Philippines and Mali. In response to developments in

Indonesia, for instance, an expanded program of support to civil society was developed with the assistance of centrally funded staff and is being implemented through MSI. World Learning programs in Angola are focusing on increasing civil society's ability to protect the interests of children and advocate for human rights and on strengthening the independent media. New programs are being developed in Mali to assist civil society organizations in local areas to become more effective partners with the newly decentralized government structures.

USAID support to the American Center for International Labor Solidarity (Solidarity Center) enables trade union movements in more than 30 countries to become effective democratic and representative institutions, able to advance their members' economic and social interests directly and as part of civil society coalitions, which are critical to promoting democratic and political reforms. In Nigeria, for example, assistance to the labor movement aims to promote internal trade union democracy and enables the labor movement to effectively support democratic and economic reform efforts in partnership with other civic organizations.

Possible Adjustment to Plans: Given declining staff levels and the completion of civil society programs in certain countries, central programs will target fewer countries for non-labor civil society program support in FY 2000. Target countries will include Kenya, Indonesia and Mali. With regard to media programming, central programs are moving forward with an assessment based on the Latin American Journalism Project, a media strategic framework, and a network of indigenous media advocacy groups worldwide (the Bellagio Network).

Consistent with the planned consolidation of regional labor development programs into the Global Labor Grant in FY 1999, central programs assumed management of the ENI labor portfolio covering labor projects in Central and Eastern Europe and the former USSR. Also in FY 1999, central programs will undertake a series of regional workshops to examine labor as a development issue and, more particularly, as a component of democracy and broad-based economic growth in the context of the global economy. The workshops are designed to facilitate a strategic assessment of labor and USAID funding requirements for labor programs in the future. Related to the Apparel Industry Partnership announced by the White House, central programs (with the assistance of the International Labor Rights Fund) will carry out two demonstration projects in Latin America and Southeast Asia in FY 1999. These projects call for the establishment of (a) voluntary corporate codes of conduct in a cooperative fashion by management and labor, and (b) procedures for independent monitoring that will support the principles outlined by the Apparel Industry Partnership, whose members include leading apparel companies and human rights, consumer and labor organizations. Monitoring would be carried out by local civil society organizations that would receive training and assistance in methods for verifying compliance with internationally recognized worker rights and standards. Voluntary codes of conduct stress the company's commitment to promoting cooperative forms of labor relations, ensuring sound environmental practices, prohibiting child labor, ensuring fair and safe working conditions for employees, and recognizing employees' right to form trade unions and bargain collectively.

Other Donor Programs: Many donors support civil society activities, including major foundations such as the Ford Foundation and The Asia Foundation. The German Frederick Ebert Stiftung supports labor union development.

Principal Contractors, Grantees or Agencies: The Solidarity Center is the labor program grantee. MSI and World Learning, Inc., are partners in developing NGO program design, assessment of best practices and implementation.

Selected Performance Measures:	Baseline*	Target (FY 2000)
Labor unions become more democratic and effective advocates	20	Indonesia, Philippines, Sri Lanka, Mexico, Guatemala, Honduras, Zimbabwe, Nigeria, Serbia, Russia
Civil society groups become more representative and more effective advocates	40	Angola, Indonesia, Kenya, Mali

*Defined here as countries currently receiving USAID assistance toward the performance indicated.

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Governance—More transparent and accountable government institutions, 936-SS04 (DG)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$3,000,000 DA

INITIAL OBLIGATION: FY 1996; **ESTIMATED COMPLETION DATE:** FY 2002

Summary: The purpose of this strategic support objective is to assist national and local government institutions more openly and effectively to perform their public responsibilities. USAID provides technical assistance, training and other support to facilitate reform in governmental institutions and policies related to: transparency and accountability; decentralization and devolution; the role and effectiveness of public officials; effective civilian oversight of the military; and managing policy and change. Both the executive and legislative branches of governments are strengthened. The ultimate beneficiaries of these efforts are citizens in targeted countries who benefit from more effective and responsive government.

Key Results:

- In Bulgaria, the USAID-designed anti-corruption strategy led to the launch of an awareness-raising and advocacy initiative called "Coalition 2000";
- Anti-corruption programs were established by Transparency International (TI) in Benin, Ghana, Mozambique, Bulgaria, Ukraine, Dominican Republic, Colombia, Bangladesh and the Philippines;
- In the Ukraine, public-private partnerships in several administrative divisions have mobilized resources to fight corruption;
- In West Bank/Gaza, a Fiscal Information and Analysis Unit for Local Government was established;
- In Nicaragua, an association of municipalities is better able to draft legislation and lobby the national legislature; and
- In Uganda, the professionalism of the national legislature has been enhanced by a USAID training program.

Performance and Prospects: USAID handbooks to guide development practitioners in the design and implementation of anti-corruption, decentralization, and legislative strengthening activities will be completed. The handbooks present case studies, best practices and lessons learned. They will focus budget resources on anti-corruption programs, continuation of a recently initiated activity to strengthen civilian control over militaries, and analysis related to a better understanding of development management issues (such as how to take advantage of synergies between democracy and economic growth programs, how to assess and strengthen political will, and how to sequence the provision of assistance).

Possible Adjustment to Plans: The mix of countries in which central programs support TI anti-corruption programs is expected to change as country performance and commitment are tested.

Other Donor Programs: Other donors involved in governance programming include the World Bank and other international donors including Canada, the United Kingdom and the European Union.

Principal Contractors, Grantees or Agencies: In governance programming, USAID's partners include TI, Research Foundation of State University of New York/Albany, Research Triangle Institute, Casals and Associates, Associates in Rural Development, Development Alternatives, Management Services International and National Democratic Institute for International Affairs.

Selected Performance Measures:	Baseline*	Target (FY 2000)
Governments articulate and sponsor anti-corruption measures	15	Bangladesh, Ghana, Colombia, Bulgaria
Local-level governments improve democratic processes	28	Bulgaria, Ukraine
Legislative bodies improve their effectiveness and accountability	20	Madagascar, Colombia, West Bank/Gaza

*Defined here as countries currently receiving USAID assistance toward the performance indicated.

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Improved and expanded basic education, especially for girls, women and other underserved populations, 936-SS01 (HCD)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$9,695,000 CS

INITIAL OBLIGATION: FY 1995; **ESTIMATED COMPLETION DATE:** FY 2004

Summary: Without access to quality basic education, children in the developing world become adults with limited opportunities. Most developing countries have made substantial progress in recent decades in raising primary and secondary school enrollment rates and achieving basic literacy. However, many have a long way to go to reach universal enrollment at the primary level. Moreover, the lack of early childhood education and the poor quality of basic education in many developing countries reduce the benefits of attending school, and contribute to high rates of grade repetition and school dropout. In most regions, limited access and poor quality affect girls more severely than boys, leading to significant gender gaps in primary and secondary enrollment and completion. Central Programs in basic education seek to improve and expand basic education, especially for girls, women and other under-served populations. Primary beneficiaries are children, youth and adults receiving more and improved learning opportunities. Special emphasis is given to the elimination of abusive child labor through education and to serving disadvantaged populations including communities living in poverty, ethnic groups, girls and women, and children with disabilities.

Key Results: Central programs provide research, technical leadership and field support to USAID missions worldwide while drawing upon America's finest sources of technical education expertise. Current specific activities are to improve policy analysis and monitor program results; expand and improve girls' and women's education; improve classroom practices and raise achievement; integrate learning services for young children; use cost-efficient communications and learning technologies; and respond to complex education needs in countries emerging from civil conflict. The key current results of central programs include: basic education policies strengthened and institutional capacities built; knowledge about formal and out-of-school basic education learning environments generated and disseminated; access to quality basic education improved through the application of educational technologies; the accuracy, timeliness and accessibility of data for basic education policy and program planning improved; capacity for providing basic education in countries in crisis or transition increased; knowledge about expanding learning opportunities for children 0 to 6 years old generated and disseminated to improve child development.

Performance and Prospects: USAID draws on over 30 years of successful experience in basic education. Additional funds will permit the development of more activities in areas such as policies, technical assistance and "best practices" for reducing child labor; computer-based instruction; distance education by radio and electronic systems; cost-effective teacher training; high-impact curricula; innovative adult and nonformal education programs; education systems analysis supporting administrative and policy reforms; special strategies to reach girls, rural and poor children; donor collaboration in early childhood, family and community education; rapid educational planning and support services in crisis and transition nations; and public education for the attainment of development objectives in sectors such as public health and the environment.

Possible Adjustment to Plans: Because of growing demand from developing countries, including countries in crisis or transition, this activity has been modified to support improved education policy planning through educational policy appraisals and assessments of national

education systems. It will also be able to design, where appropriate, strategies to fortify educational dialogue, encourage broad-based participation in educational reform initiatives, and discourage child labor through global and pilot demonstration projects.

Other Donor Programs: Central program activities complement and support USAID missions, host country programs, nongovernmental organization partners and other donors. Donors include the World Bank; United Nations Educational, Scientific and Cultural Organization; United Nations Children Fund, the International Labor Organization's International Program for the Elimination of Child Labor, regional banks, bilateral donors and U.S. federal agencies, such as the Department of Education.

Principal Contractors, Grantees or Agencies: Academy for Educational Development, Creative Associates, Education Development Center, Florida State University, University of Pittsburgh, Harvard Institute for International Development, American Institutes for Research, and Research Triangle Institute.

Selected Performance Measures:

	Baseline (1996)	Target (yearly)
Primary school access (gross enrollment ratio)	97%	Increase of 1%
Gender equity (the ratio of girl's:boy's gross primary enrollment ratios)	87%	Increase of 0.5%
Primary school achievement (retention rate to grade five)	63%	Increase of 1%

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Higher education strengthens the capacity of institutions, communities, and individuals to meet local and national development needs, 936-SS02 (HCD)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$3,430,000 DA

INITIAL OBLIGATION: FY 1997; **ESTIMATED COMPLETION DATE:** FY 2007

Summary: Many countries under-utilize higher education institutions for development purposes while subsidizing higher education for wealthier groups, or supporting outdated vocational education institutions that are not providing the necessary skilled employees for the productive sectors. In 1997 USAID reprogrammed some of its scarce education resources into cost-effective higher education and workforce partnerships to promote sustainable development. Experience has demonstrated that U.S. institutions of higher education leverage \$2-13 for every \$1 of USAID investment. The purpose of this objective is to increase the contributions of host-country institutions of higher education to sustainable development. The direct beneficiaries are students, faculty, professionals and job-seekers overseas who receive better and more relevant training and program support. Indirect beneficiaries include host country populations who benefit from faster, better and more sustainable economic and social development, as well as American and overseas colleges, universities and individuals fellows, who receive institutional strengthening, professional development and broad international contacts.

Key Results: USAID's program for higher education partnerships establishes mutually beneficial and self-sustaining relations between overseas institutions of higher education and sister institutions in the United States for the furtherance of global and bilateral development objectives. These partnerships strengthen research, teaching and faculty development, improve workforce development, and provide leadership training, often with private sector support.

Performance and Prospects: The program has established 42 partnerships in 29 countries, involving 58 American community colleges and universities and 54 developing country institutions. In addition, three regional higher education networks have been established which involve 37 developing world institutions and 27 American institutions in 12 countries. In 1997, these host-country higher education partners generated nine new degree programs in such areas as natural resource management, agriculture science, water resource management, public health and nursing. The new degree programs build the infrastructure of higher education institutions to meet human capacity development demands in **India, Belize, Uganda, Malawi and Jordan**. In addition, five curricula have been developed or revised in technology management, environment, integrated pest management, human rights and water management in: **Mexico, Madagascar, Indonesia, Uganda, and Jordan**. To complement this institution-to-institution approach, two other programs have been established: (1) leadership training for hundreds of high achieving professionals from developing nations, and (2) fellowship programs to involve the best of America's young scientists and professionals in overseas development. Dozens of fellows work alongside USAID officers on development programs in Washington and overseas.

Possible Adjustments To Plans: The major adjustment to the higher education and workforce partnership program is to ensure that newly competed partnerships identify development results that are more closely linked to one or more of the Agency's goals and one or more of the strategic objectives of USAID field missions.

Other Donor Programs: Other donor agencies with whom we collaborate closely include the Ford Foundation; the World Bank; the Inter-American Development Bank; the Asian Development Bank; United Nations Educational, Scientific and Cultural Organization; the Commonwealth; and many bilateral donor agencies.

Principal Contractors, Grantees or Agencies: USAID implements this program through dozens of U.S. institutions of higher education, and several representative higher education associations (e.g., American Council on Education, and the American Association of Community Colleges).

Selected Performance Measures:

	Baseline	Target
Higher education partnerships established	42 (1997)	15-20 new per year
Target countries using higher education partnerships	29 (1996)	2-3 new per year
Average ratio of nongovernmental funds	2:1 (1997)	3:1 (2000)

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Training improves work performance of host country trainees and effectiveness of host country organizations, 936-SS03 (HCD)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$775,000 DA

INITIAL OBLIGATION: FY 1995; **ESTIMATED COMPLETION DATE:** FY 2004

Summary: Central training programs provide technical and policy leadership and field support to assist missions, regions and central bureaus meet USAID strategic development goals via heightened employee performance in key organizations and work settings.

Key Results: Host country individuals increase work-related skills and knowledge; host country organizations improve their performance effectiveness; host country training institutions become increasingly effective and sustainable providers of knowledge and skills; and U.S. higher education, training institutions and training contractors build stronger international programs. In FY 1997, over 7,000 people were trained in the U.S.

Performance and Prospects: Central programs provide technical, financial and managerial leadership for USAID's training activities, including in-country, U.S. and third country training. They promulgate training directives and guidance worldwide, promote technical and financial "best practices" to increase the cost-effectiveness of USAID-financed training, and provide specific support activities such as the development of a new Agency-wide database on trainees, training programs and costs. Other trainee services provided by central programs include the USAID training visa program and a central health and accident insurance system for trainees in the United States. Finally, through its field visits USAID/Washington assesses, assists and guides training.

Possible Adjustment to Plans: Responding to changing field needs and shrinking budgets, USAID missions and other sponsoring units are shifting away from long-term academic training in the U.S. toward increased levels of short-term, primarily in-country, technical training. In-country programs are less expensive and can be structured part-time for rapid response to important skill-deficiency "targets," and to build local institutional capacity for training. The requested funding will allow the Agency to assist missions in accounting for and measuring the impact of a plethora of disaggregated in-country training events, promote distance learning technologies - methodologies which favor learning retention and lower unit costs, and protect substantial USAID investments in U.S.-based training by ensuring that targeted local training institutions meet standards for access and quality.

Other Donor Programs: Other donors include the World Bank, Inter-American Development Bank, the Asian Development Bank, other bilateral donors, and other federal agencies participating in the Inter-Agency Working Group on International Exchanges and Training.

Principal Contractors, Grantees or Agencies: USAID implements training activities through hundreds of U.S. institutions of higher education, technical training centers, private and non-profit companies, and host country institutions. U.S. contractors include: African American Institute; AMEX International; Aguirre International; Academy for Educational Development; Institute for International Education; Creative Associates, Inc.; Development Associates, Inc.; World Learning, Inc.; and Pragma Corporation.

Selected Performance Measures:

	Baseline (1996)	Target (FY 2000)
Number of field missions using improved trainee management software per year	None	All missions
Number of mission strategic objective teams applying technical assistance in training "best practices"	20 (per year)	30 (per year)

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Expanded access to and application of information and telecommunications services, 936-SSO4 (HCD)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$1,000,000 DA

INITIAL OBLIGATION: FY 1997; **ESTIMATED COMPLETION DATE:** FY 2004

Summary: To provide policy and technical leadership to expand access to and make more affordable state-of-the-art information technology and telecommunications services and applications. Planned activities include (1) policy dialogue in emerging markets to facilitate telecommunications reform; (2) training to strengthen institutional capability to respond to the changing global marketplace in information technology, and (3) pilot programs to demonstrate high-impact and appropriate applications of information technology.

Key Results: Central programs have set up a framework for joint Federal action by establishing an agreement with the State Department to collaborate with key Federal agencies such as the Federal Communications Commission, the Office of the U.S. Trade Representative, and the Department of Commerce to assist developing countries with telecommunications policy, legal and regulatory reform. In addition, a longstanding partnership between USAID and the U.S. telecommunications industry in supporting the U.S. Telecommunications Training Institute (USTTI) provides technical and policy training to key telecommunications professionals, including decision makers and regulators. Over 16 years, 5,327 communications professionals have been trained. In this context of telecommunications reform, innovative applications of information technology are being piloted to demonstrate that widespread access to the means of communication, including internet, can lead to substantial sustainable development outcomes.

Performance and Prospects: Technical assistance missions have been conducted in Ghana, Guatemala, Guinea-Bissau, Haiti, Kenya and Senegal. Participants from 23 countries, including Ghana, Tanzania, Romania, Honduras, Jamaica and the Philippines received training through USTTI. Among other outcomes, these missions and trainees have had direct impact on telecommunications reform by promoting universal access in Guatemala, assisting in formulation of a telecommunications law in Kenya (which subsequently passed Parliament), guiding plans for privatization in Guinea-Bissau and participating in development of a telecommunications plan for Haiti. Development of community information centers with Internet in Paraguay and Ghana have increased access to municipal services and to economic and educational opportunities.

Possible Adjustments to Plans: Impact will be expanded with additional resources: telecommunications reform will be facilitated in more countries; models of distance education will be applied to meeting development needs; networking of nongovernmental organizations will increase management efficiency and in-service training opportunities. In addition, collaboration in the implementation of the Presidential Initiative on Internet for Economic Development is expected to provide greater synergy among USAID programs working with the information technology applications.

Principal Contractors, Grantees or Agencies: USAID will implement programs and activities through other Federal agencies, through technical assistance to host country organizations, through a grant to USTTI and through U.S. contractors, including the Academy for Educational Development.

Other Donor Programs: USAID works closely with the World Bank, Inter-American Development Bank and several complementary Federal agencies, including the Federal Communications Commission, Department of State, Department of Commerce, and the Office of the U.S. Trade Representative.

Selected Performance Measures:

	Baseline (1996)	Target (yearly)
Telecommunications skills increased	75 trainees in telecommunications	75
Countries adopt telecommunications reforms	None	2-3 countries
Institutions apply innovative technology applications	3	2-3 institutions

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Gender-based constraints to economic growth policies and programs increasingly addressed, 930-SS01

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$2,440,000 DA

INITIAL OBLIGATION: FY 1995; **ESTIMATED COMPLETION DATE:** FY 2003

Summary: This program, which corresponds to the Agency goal "broad-based economic growth and agricultural development encouraged," stresses the importance of full participation of women as well as men, to achieve broad-based, equitable, and sustainable growth. During the past year the statement of this objective was refined to achieving improvements in women's economic status by working with policy makers. Increasing policy makers' understanding of the constraints to full participation in economic growth that are based in gender roles and relations will result in policies and programs that are more inclusive and provide improvements in the economic status of women because they address these barriers. The objective is achieved through three types of activities: direct engagement of policy makers; strengthening the capacity of nongovernmental organizations (NGOs) and other partners to address women's economic issues; and, support for high-quality research on gender-based constraints to economic growth and implications for policy. The program works through USAID field missions and other operating units as well as directly with public and private sector policy makers.

Key Results: Three key intermediate results are necessary to achieve this objective: (1) increased engagement of policy makers in addressing gender issues in economic growth; (2) increased effectiveness of NGOs and other partners in addressing women's economic issues; and (3) increased knowledge and skills to deal with gender issues affecting economic growth.

Performance and Prospects: Performance over the past year was measured according to the indicators listed under the previous statement of the strategic support objective. Performance was as expected. The results reflect an integrated program of research on gender and the economy, communication of information about gender-based constraints and their application in policy, and direct intervention with policy makers through NGOs and technical assistance. The Office of Women in Development (WID) supports in-depth policy research concerning gender as a factor in the allocation of resources from and to development activities at the household level. Field research is nearing completion in four key countries. Policy relevant results have been disseminated through 19 peer review research reports. A key component of this strategic support objective is communication of information about gender-based constraints to policy-makers, through seminars and workshops. This program sponsored 21 seminars, eight newsletters and bulletins, expansion of an electronic conference on gender and good security, and a gender and small business conference, co-sponsored with the field mission in Moscow. In addition, to provide direct assistance to policy makers, WID worked with 13 field Missions that were involved in strategic planning in economic growth and agriculture. Further, WID has supported local NGOs working on women's economic issues with policy makers in six countries in Africa and 9 elsewhere in the world.

Possible Adjustments to Plans: This objective was refined in FY 1998 to adjust the indicators by which the results are measured, placing the emphasis more directly on measurement of impact rather than on measurement of output. WID does not foresee further adjustments at this time.

Other Donor Programs: WID's participation on the Working Group for Poverty Reduction of the Organization for Economic Cooperation and Development/Development Assistance Committee, the President's InterAgency Committee on Food Security, and the Working Group of the President's InterAgency Council on Women in the Global Economy complements the activities outlined here for achievement of the objective through direct collaboration with other donor organizations and other

agencies of the U.S. Government involved in similar programs.

Principal contractors, Grantees or Agencies: Current grantees and contractors include DevTech Systems, Inc.; a consortium led by Development Alternatives, Inc.; the International Food Policy Research Institute; Winrock International; the International Center for Research on Women; and the University of Illinois at Urbana-Champaign. Several of these grants will end during the coming year. Requests are being prepared for new grants to be awarded to supplement the activities in FY 2000.

Selected Performance Measures:

	Baseline (1997)	Target (2002)
Number of countries with increased national, regional, or local recognition of gender-based constraints to economic development.	10	25
Number of USAID operating units that address gender-based constraints in economic growth strategies.	4	25

ACTIVITY DATA SHEET

PROGRAM: Central Program

TITLE AND NUMBER: Broad-Based, Informed Constituencies Mobilized to Improve Girls' Education in Emphasis Countries, 930-SS02

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCES: FY 2000: \$2,340,000 CS

INITIAL OBLIGATION: FY 1995 **ESTIMATED COMPLETION DATE:** 2003

Summary: USAID has been working to mobilize host-country commitment and resources for girls' education in six emphasis countries: Egypt, Mali, Morocco, Guatemala, Guinea, and Peru. Also, in India, USAID has been working to increase girls' formal primary school attendance, retention, and completion through the development of a teacher-training program in selected districts of Uttar Pradesh. Analytic studies underway in Bolivia, Honduras, and Nepal are assessing the impact of women's literacy training on countries' social and economic development, critical information needed by decision makers who are making resource and programmatic decisions. In Peru, USAID is studying the impact of the onset of puberty on girls' school dropout and assessing the implications for educational policy to increase girls' school retention. USAID is carrying out a girls' education training program for education personnel in eight countries to increase girls' school completion. USAID is also initiating a training program in eight countries to develop capacity among host-country public and private-sector citizens to generate human and financial resources for girls' education projects.

Key Results: Four intermediate results will contribute directly to the achievement of this objective: (1) strengthened capacity of public- and private-sector institutions to promote girls' education; (2) improved knowledge to implement policies, strategies, and programs for girls' education; (3) mobilized leadership to promote girls' education; and (4) broadened local community participation to promote girls' education.

Performance and Prospects: Performance over the past year has been mixed, with major gains in several countries, and slower progress in others. Significant progress has been made toward achieving increases in girls' primary school completion in target areas in Morocco, Guinea, and Guatemala. In Morocco, USAID has mobilized private-sector resources to implement girls' education projects. These resources complement the contributions of local communities of labor and materials. In Guatemala, in a public-private partnership, the government has increased funding for girls' scholarships, and has committed to additional increases in 2000. In Guinea, local communities have made resource commitments to implement locally designed projects and a national working group is coordinating the involvement of private-sector groups. In India, a girls' education pilot training program is nearing completion with involvement of local nongovernmental organizations (NGOs) and teachers' groups in its design. In Honduras, Bolivia, and Nepal, data collection is nearing completion and analysis is soon to begin to determine the impact of women's literacy training on indicators of social and economic development, and in Peru, data are being collected to study the impact of the onset of puberty on girls' primary school dropout and retention.

Work is underway in Benin to test a girls' mentoring program and assess whether this low-cost intervention is cost-effective in increasing girls' school retention. USAID has completed the development of a program for monitoring the progress of USAID and other donor-assisted girls' education initiatives in achieving sustainable actions for girls' education. Plans are underway to implement this user-friendly monitoring system in all USAID-assisted countries. The Agency took the lead in coordinating with other major donors the implementation of the first international conference on girls' education, which brought together high-level delegations from 42 countries representing senior decision makers from business, religion, government, media, and NGOs. USAID is also developing a system to identify, monitor, and report on the sustainability of girls' education initiatives. Progress continues to be made in achieving the target of 20% increase in girls' primary school completion in six targeted areas during this period.

Programs in Mali and Egypt advanced more slowly, prompting USAID to reassess its priorities and consider other effective ways for enhancing girls' educational opportunities.

Possible Adjustments to Plans: No further adjustments are anticipated at this time.

Other Donor Programs: With support from a multi-donor planning committee, USAID is monitoring the commitments made by high-level delegations at the international conference on girls' education to improve policies and programs for girls' education. USAID continues to convene the major donors at USAID-sponsored seminars, which include reports on findings from research and evaluations on girls' education and deliberations on policy implications and implementation for girls' education.

Principal Contractors, Grantees or Agencies: Current grantees and contractors include the Institute for International Research; World Education, Inc.; Creative Associates International Inc.; the Academy for Educational Development; the University of Massachusetts; DevTech Systems, Inc.; and Juárez and Associates.

Selected Performance Measures:

	Baseline (FY 1995)	Target (FY 2002)
Strengthened capacity of public- and private-sector institutions to promote girls' education	0	50
Improved knowledge to implement policies, strategies, and programs for girls' education	18	78
Mobilized leadership to promote girls' education	36	142
Broadened local community participation to promote girls' education	0	42

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Women's Legal Rights Increasingly Protected, SS03

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$2,520,000 DA

INITIAL OBLIGATION: FY 1995; **ESTIMATED COMPLETION DATE:** FY 2003

Summary: Limitations on women's legal and property rights are widespread in developing and transitional countries. Legal restrictions on women's ownership of land and other property are common, and laws often support inheritance patterns that favor men. Uneven application of the law often discriminates against women, disallowing their full participation in society, and resulting in unequal treatment in economic spheres. USAID's Women's Legal Rights Initiative, announced at the United Nations Fourth World Conference on Women in Beijing, seeks to improve women's legal rights in order to ensure that women can achieve such goals as economic parity and increased participation in governance and civil society.

Key Results: To effectively protect women's legal rights, four intermediate results are needed: (1) improved legislation that protects women's rights; (2) enhanced justice sector capacity to interpret and enforce legislation in a gender-equitable manner; (3) strengthened civil society organizations to advocate for women's legal concerns; and (4) increased knowledge of and receptivity to women's legal rights.

Performance and Prospects: Performance targets for the past year has been met. Nonetheless, there are still barriers to achieving women's legal rights, which include cultural constraints, a policy environment which is not adequately informed by gender perspectives, and lack of awareness of the obstacles that women face in the full enjoyment of their human rights.

Mounting evidence of human rights abuses directed specifically at women, and of situations where the law does not provide women equal protection, has led to calls for a direct focus on the legal and human rights of women within the broad mandate of respect for human rights. This focus has been affirmed by the Convention to Eliminate All Forms of Discrimination Against Women and the Platform for Action from the Fourth World Conference on Women. Recently, Secretary of State Albright highlighted the primacy of attention to the human rights of women as a basic tenet of U.S. foreign policy.

Inequality before the law not only denies women their basic human rights but limits their access to and control over productive resources and decision-making, which are essential to full participation and achievement in all the Agency's goal areas. The premise for this program is that while sustainable development and democratic governance depend upon the equality of all citizens under the law, limitations of women's legal rights are widespread and inhibit women's economic and social progress, undermine democratic reform, and reduce the effectiveness of development programs in all sectors.

Possible Adjustments to Plans: Based on a customer survey that was conducted in FY 1995 and in-depth discussions with the Office of Women in Development's (WID's) development partners both within and outside the Agency, this objective was refined in FY 1998 to adequately reflect the reality of WID efforts at a number of levels: (1) USAID program and policy; (2) support to Washington operating units; (3) support to field missions in all four geographic regions; and (4) closer collaboration with development partners and implementing organizations, including research institutions and nongovernmental organizations (NGOs). Therefore, no further adjustments are anticipated at this time.

Other Donor Programs: Relationships are maintained with a number of development partners and

multilateral and bilateral donors in order to advance women's legal rights. Key partners in this area are the President's Interagency Council on Women; the United Nations Commission on the Status of Women; the Working Party on Gender Equality and the Network on Poverty Reduction of the Organization for Economic Cooperation and Development/Development Assistance Committee; United Nations Children's Fund; and the World Bank.

Principal Contractors, Grantees or Agencies: Current grantees and contractors include the International Center for Research on Women; the Center for Development and Population Activities; the Asia Foundation; Women, Law, and Development International; Winrock International; DevTech Systems, Inc., and Development Alternatives, Inc.

Selected Performance Measures:

	Baseline (1997)	Target (2002)
Number of WID programs in women's legal rights actively supported by G/DG, Regional Bureaus and Missions	4	18
Number of legislative actions taken to embody women's human rights in law	2	10
Percent change in individuals reporting gender-related violations under the law	10	10
Number of NGOs at the community and national levels with new advocacy initiatives	150	125
Percent of women who understand the system for legal redress (filing suit, legal arbitration, alternative dispute resolution where applicable)	5	20

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Greater Reflection of Gender Considerations in the Agency's Work, 930-SSO4

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$2,700,000 DA

INITIAL OBLIGATION: FY 1995; **ESTIMATED COMPLETION DATE:** FY 2003

Summary: The ultimate objective of USAID development assistance is the promotion of equitable and sustainable social and economic development. USAID has long recognized the critical role of gender in sustainable development, as reflected in the establishment of the Office of Women in Development (WID) in 1974, the Agency's WID Policy in 1982, and the Gender Plan of Action in 1996. With policies, programs, and staff resources in place, the mandate of WID is to provide strategic support to other operating units and partners in order to enhance gender integration and promote sustainable development. WID has achieved a measure of success in moving the Agency towards its goal of gender integration at the policy, program and activity levels via both in-house efforts and with the collaboration and support of partners and stakeholders.

Key Results: Four key intermediate results are necessary to address the integration of gender issues in different aspects of USAID's operation. These levels are: (1) improved Agency policies and organizational capacity to address gender issues; (2) improved incorporation of gender considerations in the design and implementation of Washington-based programs; (3) improved incorporation of gender considerations in the design and implementation of field programs; and (4) improved coordination with the international community on gender.

Performance and Prospects: Performance targets set for the past year have been surpassed. Nonetheless, there are still barriers to the achievement of gender integration objectives, which in turn have implications for the course of development efforts.

A key constraint to the achievement of sustainable USAID programs is a policy environment that is not uniformly and adequately informed by gender perspectives. Moreover, women's continuing limited access to key assets such as land, labor, credit, infrastructure, education, health, technology and information impairs their capacity to respond to opportunities, even where a favorable policy environment exists. There is evidence to support the contention that failure to address gender disparities in access to and control over resources reduces sustainable development potential. Because men and women have differing access to and control over critical assets, capacities and incentives are strongly gender-differentiated in ways that affect resource allocation within the household, labor productivity, welfare, and the course and rate of development.

Inequities in access to resources and inputs reduce the pace at which agricultural development takes place. Inequities in job markets and employment opportunities, and the confinement of many women in domestic roles, discourage female labor force participation and keep women trapped in poverty. Gender-based exclusion from participation in political processes, in government and in civil society, also presents a critical obstacle to sustainable development and poverty alleviation objectives. Inequities in education depress growth in several ways: higher fertility, lower child survival, and diminished educational prospects for future generations. Since women's education and health are critical determinants of population growth, if women are disadvantaged in their access to schooling and health services, population growth rates will not decline, and there will be negative consequences for economic growth and sustainable development.

Reducing gender inequality in education, employment, access to resources and services, and public participation is not simply an end in itself, but promotes other importance development goals. It has been shown that: (1) greater equality in access to education contributes to lower child mortality and

enhances the educational opportunities of the children of educated mothers; and (2) greater equality in school enrollment has fertility reduction effects beyond those achieved through the impact of girl's education alone. These trends are important because of the demonstrably negative influence of population growth on sustainable development.

Gender integration is an important element in WID's approach to achieving its other three strategic support objectives. The key distinction is that this objective is not linked to a specific sector, allowing an element of flexibility and the ability to work with diverse partners in the Agency and in the wider development world.

Possible Adjustments to Plans: Based on a customer survey that was done in FY 1995, and in-depth discussions with WID's development partners, both within and outside the Agency, this objective was refined in FY 1998 to adequately reflect the reality of WID efforts at a number of levels: (1) USAID programs and policy; (2) support to Washington operating units; (3) support to field missions in all four regions; and (4) closer collaboration with development partners and implementing organizations, including research institutions and nongovernmental organizations (NGOs). Therefore, further adjustments are not anticipated at this time.

Other Donor Programs: Relationships are maintained with a number of development partners and multilateral and bilateral donors in order to advance the gender integration approach. Key partners in this area are the Working Party on Gender Equality and the Network on Poverty Reduction of the Organization for Economic Cooperation and Development/Development Assistance Committee. Active collaboration is also maintained with, among others, the President's Interagency Council on Women, the United Nations Commission on the Status of Women, and the World Bank.

Principal Contractors, Grantees or Agencies: Current grantees and contractor include Development Alternatives, Inc.; the International Center for Research on Women; and DevTech Systems, Inc.

Selected Performance Measures:

	Baseline (1997)	Target (2005)
Greater reflection of gender considerations in the Agency's work	8	80
Improved Agency policies and organizational capacity to address gender issues	19	94
Improved incorporation of gender considerations in the design and implementation of Washington-based programs	9	40
Improved incorporation of gender considerations in the design and implementation of field programs	30	235
Improved coordination with the international community of gender issues	7	56

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased private voluntary organization capacity to achieve sustainable service delivery, 938-S001.1 (BHR/PVC)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$26,010,000 DA, \$22,423,000 CSD

INITIAL OBLIGATION: Varies by activity; see statistical annex.

ESTIMATED COMPLETION DATE: Continuing

Summary: USAID, through the Office of Private and Voluntary Cooperation (PVC), provides support to U.S. private voluntary organizations (PVOs) and cooperative development organizations (CDOs) to strengthen their capabilities and those of their local nongovernmental organization (NGO) partners to achieve sustainable results through participatory, grassroots development activities in USAID priority sectors.

Key Results: USAID supports activities that: (1) improve operational and technical capacity of U.S. PVOs; (2) strengthen partnerships between USAID and U.S. PVOs; (3) strengthen partnerships between U.S. PVOs and their local NGO partners; (4) improve mobilization of resources by PVO partners; and (5) increase public awareness of international development activities. Over the past 15 years, USAID, other donors and host countries have seen evidence of success in capacity-building as PVOs and NGOs become more capable development partners. For example, through the efforts of the Matching Grants Program, there was a 75% increase in the number of microenterprise loans made to target groups, with women borrowers accounting for 66% of the loans. Twenty-five PVOs now have qualified health professionals in place and have developed technically rigorous child survival programs. In addition, Child Survival and Microenterprise PVOs have formed consortia to act as a forum for the exchanges of successes and "best practices." Regarding resource mobilization, the Matching Grants program leverages PVO funding that is more than 100% of USAID support for the program's 43 active grants. Both the Development Education and Cooperative Development program partners leverage resources from new domestic sources not traditionally involved in international development issues or in development education. The Biden-Pell Development Education program requires grantees to partner with a national trade or membership organization. The partnership strategy has proven to be an effective means of leveraging resources through matching contributions and of reaching new audiences with development education messages. The Global Excellence in Management program has helped to build local NGO capacity through PVO-NGO partnering and training workshops, strengthening NGO national and regional associations and MBA-related certificate programs.

Performance and Prospects: The Matching Grants Program supports U.S. PVOs in their efforts to implement programs through structured partnerships with local organizations. The capacity of PVOs to design and administer sectoral programs is enhanced, and support is given to integrate cost-recovery mechanisms into all programs. The Child Survival Grant Program increases U.S. PVO technical and managerial competence and expands their coverage of basic child survival interventions, thus directly contributing to increased immunization rates and reduced mortality from diarrheal and other life-threatening diseases. This program supports the transfer of preventive health care technologies and skills to local entities, both NGOs and local health authorities. The Cooperative Development program enables U.S. cooperative development organizations to create or strengthen cooperative movements in developing countries and new democracies. The Ocean Freight Reimbursement program continues to meet some of the costs of shipping supplies to developing countries in support of development and humanitarian activities. This program enables more than 50 PVOs each year to meet costs of shipping supplies. Recipients of Ocean Freight funds generally have a strong link to grassroots recipient organizations with which they work and

are able to leverage cost-shared resources that are many times greater than the funds USAID administers. For example, for every USAID grant dollar, \$68 in private resources are leveraged. The Ocean Freight program has become a starting point for newly registered PVOs as they learn to administer overseas programs. The Development Education program will continue to foster new partnerships and expanded networks to create opportunities for the U.S. public to understand international development. This program, while not focused on capacity building of the implementing organizations, provides Americans with opportunities to learn about developing countries, the U.S. foreign assistance program, and the work of PVOs and CDOs abroad.

Possible Adjustments To Plans: A new activity is planned for FY 2000 to strengthen the capability of local NGOs to contribute effectively to the development process in the countries where USAID works. This centrally managed activity will be closely coordinated with USAID missions. It will provide training and technical assistance to strengthen the organizational and technical capacity of local NGOs.

Other Donor Programs: The United States is a leader among donors in support to PVOs and NGOs. Other donors include multilateral development banks, multilateral agencies (such as the United Nations Development Program), the European Community and other bilateral donors. USAID works with other donors through the Advisory Committee on Voluntary Foreign Aid and by cooperating with the NGO Liaison Units of the multilateral development banks. The U.S. private sector also contributes substantially through individual, corporate, and foundation donations to PVOs. Increasing emphasis is being placed on cost-recovery mechanisms at the local level.

Principal Contractors, Grantees, or Agencies: The activities are implemented through U.S. PVOs and cooperative development organizations selected through a competitive process.

Selected Performance Measures: The indicators used to measure progress toward the strategic objective include measures at the level of capacity-building, service delivery, and sustainability:

1. Capacity Building Indicator

Change in the average score of PVC-supported PVOs on an organizational capacity, self-assessment instrument. Results: In 1998, 17 PVC grantees were assessed in six different capacity categories. The data shows some increase in an average of four of the six capacity categories.

2. Service Delivery Indicators

Changes in extent and quality of service delivery in key sectors where USAID has invested through PVOs, e.g., change in percentage of children immunized, or volume of credit provided to microenterprises. Results: Under the Child Survival program, the rate of improvement in maternal tetanus immunization coverage performance increased three percentage points and exclusive breastfeeding performance eight percentage points above the 1996 baseline. Through the Cooperative Development program, support from USAID to the World Council of Credit Unions in Guatemala has permitted loan volume to microenterprises to increase by approximately 85% to a current level of \$46 million. With support from the Matching Grant Program, Opportunity International has created and coordinates 46 microenterprise partner agencies in more than 100 urban centers in 21 countries. Opportunity's partner in Zimbabwe, Zambuko Trust, has increased the number of loans tenfold and provided underserved groups with access to credit.

3. Sustainability Indicators

55% of PVC-funded microfinance programs have credible plans in place for achieving financial sustainability within seven years. Eight percent of current microfinance programs are operationally

sustainable and ten percent are both operationally and financially sustainable. 52% of PVC-funded programs have local contributions of time, money, human resources, and financial inputs at the local level.

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Increased capacity of private voluntary and cooperative development organizations to enhance their Title II planning, implementation and evaluation capacities.

938-S001.2 (BHR/FFP)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$4,020,000 DA, \$1,980,000 CSD

INITIAL OBLIGATION: FY 1998 **ESTIMATED COMPLETION DATE:** FY 2003

Summary: The Institutional Support Assistance (ISA) program supports sustained improvement in household and agricultural productivity for vulnerable groups served by USAID food aid programs implemented by USAID's Food for Peace (FFP) Office. It does so through increasing USAID's FFP partners' effectiveness in carrying out Title II development activities with measurable results related to food security and meeting critical food needs in emergencies. As a result of these activities, private voluntary organizations (PVOs) and cooperative development organizations (CDOs) benefit from an increased capacity for Title II planning, implementation and evaluation. Institutional Support Assistance helps PVOs and CDOs design and implement P.L. 480 Title II programs aimed at fostering food security. ISA grants provide support to PVOs and CDOs to: (1) better target food aid activities; (2) promote increased country (national) food security through better definition of purpose, key elements, trends, data quality and discrepancies, and local government commitment; (3) further develop and implement common, generic food aid performance indicators and mutually acceptable methodologies that cooperating sponsors and USAID can use in measuring the impact of food aid; and (4) establish sound monitoring and evaluation systems.

Key Results: In the FY 1992-1997 period, over \$24 million in ISAs were awarded to 13 PVOs and CDOs. Reviews of this support indicate that these awards are yielding good results. Strengthening of monitoring and evaluation systems of PVOs and CDOs and the development of common indicators that link PVO and CDO results to USAID goals and objectives are important uses of these funds. PVOs and CDOs have strengthened both their headquarters and in-country staff through technical exchanges, training workshops, and involvement in monitoring and evaluation activities. Examples of achievements include:

- Linking child survival activities in Nicaragua and Honduras. Through the ISA program, Save the Children Federation, the Adventist Development and Relief Agency and CARE successfully integrated child survival activities into their Title II programs. An operational research study will document the expected positive effects of linking supplementary feeding and child survival programs.
- Supporting the Greater Horn of Africa Initiative regional approach. ISA supported five PVOs in identifying the most food-insecure populations and formulating and implementing more effective development food aid strategies in both high and low potential areas in Eritrea, Ethiopia, Kenya, and Uganda.
- Mitigating disaster. In famine mitigation and emergency response in Angola, Mozambique, and Haiti, several PVOs have addressed the root causes of disaster vulnerabilities and implemented new activities aimed at facilitating the transition from relief to development.
- Improving performance indicators for Cape Verde. An ISA grant to Agricultural Cooperative Development International (ACDI) supported technical assistance that defined measurable performance indicators and developed a better monitoring and evaluation plan.
- Verifying results. Through ISA grants, PRISMA and CARE in Peru, CARE in Bangladesh, and multiple PVOs in Ethiopia have improved their performance monitoring systems so they can more

clearly demonstrate the achievement of results and document the percentage of predefined development targets achieved.

Other Donor Programs: The World Food Program, other relevant United Nations agencies and the European Commission coordinate with USAID and the U.S. cooperating sponsors on food security policies. The World Bank provides technical assistance to field programs in maternal and child health services. Local governments enhance the flow and effectiveness of investments in Title II-supported programs.

Possible Adjustments To Plans: None

Principal Contractors, Grantees or Agencies: USAID implements activities through U.S. PVOs, cooperative development organizations and institutional support contractors on a competitive basis.

Selected Performance Measures: Progress has been made and will continue to be made in improving food aid programs. In order of their completion during 1995-1997, the following are indications of progress:

- (1) A comprehensive Food Aid and Food Security Policy issued.
- (2) FFP food security strategic objectives redefined and more precisely focused.
- (3) Food aid performance core indicators developed to better assess the impact of food aid.
- (4) Guidelines issued on food aid monetization and internal transport, storage and handling (ITSH) of Title II emergency commodities; and procedures for close-out countries refined.
- (5) Impact indicators defined and impact monitoring and evaluation systems improved.
- (6) Collaboration by cooperating sponsors and USAID missions to plan, design and implement Title II activities increased.

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Strengthen Overseas Institutions which Demonstrate American Ideas and Practices, 938-SOO2 (BHR/ASHA)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$15,000,000 DA

INITIAL OBLIGATION: FY 1957; **ESTIMATED COMPLETION DATE:** Continuing

Summary: USAID, through the American Schools and Hospitals Abroad (ASHA) program, enables competitively selected private, non-profit universities and secondary schools, libraries, and medical centers abroad to more effectively: (1) provide foreign nationals the benefits of American ideas and practices in education and medicine; (2) serve as demonstration and study centers which foster interchange, mutual understanding and favorable relations with the United States; and (3) promote civil society. Around one million people benefit from educational and health training research and services at ASHA-assisted institutions each year. These include full and part-time students, bed patients, and out-patients. ASHA grants are contributing to improved professional skills, standards, and services as well as leadership development in public service and private firms.

Key Results: Since its inception in 1957, ASHA has provided \$797.9 million in grants to institutions in 58 countries, facilitating the development and sustainability of many excellent libraries, schools, and medical centers. The program currently manages a portfolio of 64 grants and continues to award about 30 new grants per year. The ASHA-supported institutions contribute directly to development of a country or region by providing education and professional experiences in areas where the need is overwhelming, and U.S. approaches and organizations are recognized as the world standard. The institutions promote democracy, private initiative, free inquiry and innovative approaches to problem-solving. They reach a student population drawn from across the economic and social strata of the country.

Performance and Prospects: With USAID assistance, beneficiary institutions are able to construct and equip facilities thereby improving access to and quality of educational and medical services. Funding also helps local institutions develop and implement programs which otherwise would not have been possible, and to take advantage of opportunities which contribute to the growth of the institutions and benefit the local community. These institutions include: (1) secondary schools which provide academic and vocational training; (2) undergraduate institutions with programs in liberal arts, medicine, nursing, agriculture and the sciences; (3) graduate institutions which provide specialized training to potential national and international leaders in health sciences, physical sciences and other professional areas; (4) libraries which open access to information and encourage its use in decision making; and (5) medical centers which prepare leaders in the professions, influence standards and provide facility and community based health care, training and research.

Possible Adjustment to Plans: USAID strives to include new, competitive institutions in the ASHA program each year, while continuing to provide grant assistance to highly qualified, established institutions and maintain geographic diversity in the program.

Other Donors Programs: ASHA grants supplement predominantly private and other contributions which these institutions receive from both local and U.S. sources.

Principal Contractors, Grantees or Agencies: USAID makes grants on a competitive basis to U.S. non-profit founding or sponsoring organizations for the benefit of the overseas institutions.

Selected Performance Measures:

- (1) Expanded and upgraded overseas institutions;
- (2) Improved linkages between overseas and U.S. institutions in education and medicine;
- (3) Increased availability of quality services for overseas institutions' customers;
- (4) Improved management systems at the institutions; and
- (5) Increased access to technical information and communication technologies.

ACTIVITY DATA SHEET

PROGRAM: Central Program

TITLE AND NUMBER: Learning from Experience, 930-SO01, 930-SO02
930-SO03 (PPC)

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$4,619,000 DA; \$2,639,000 CS

INITIAL OBLIGATION: FY 1976; **ESTIMATED COMPLETION DATE:** Continuing

Summary: The purpose of the project is to assist USAID and its development partners in learning from development experience, to improve development results and inform Agency policy. The Bureau for Policy and Program Coordination (PPC) supports improving USAID's capabilities to plan, measure and evaluate its programs; and to use development information in decision-making and policy formulation. PPC prepares the Agency Strategic and Annual Performance Plans in order meet Government Performance and Results Act requirements, and to assure the Agency's continued focus on results. PPC directs and manages the Agency's performance measurement initiatives and provides USAID managers and partners with easy access to a broad range of needed development experience information.

Key Results: There are four major results projected for the year 2000: (1) development of country strategic plans and monitoring systems in field missions; (2) completion of evaluation syntheses; (3) updated Agency Strategic and Agency Performance Plans; and (4) new or revised Agency policies.

Performance and Prospects: Performance over the past year has been on track. Over 64% (60% target) of Agency operating units now have approved strategic plans and monitoring systems. PPC has developed guidelines for improved strategic planning, new guidance for the Results Review and Resource Request report, and is revising the Agency Strategic Plan. To assure consistency and quality of Agency plans, PPC conducted courses in managing for results, trained Agency staff in strategic planning and evaluation, and completed the Agency Performance Report. PPC will also provide guidance and technical assistance to 18 Agency operating units in establishing and implementing performance monitoring plans. PPC has completed four major evaluation series on Girl's Education, Capital Markets, Democracy and Local Governance Programs and Food Aid. Four new evaluation topics are being developed. The findings of these evaluations have been broadly disseminated within and outside USAID. PPC has archived and disseminated over 80,000 development documents in paper and electronic format; responded to more than 30,000 annual requests for analysis and synthesis of development experience; provided on-line access to documents through USAID's intranet, as well as the World Wide Web; and assisted USAID staff and partners in the use of information to achieve strategic objectives.

Possible Adjustments to Plans: Reduced budgets for PPC may limit our ability to respond to development information requests, and archive and disseminate key Agency documents, resulting in a loss of institutional memory for the Agency. As a result, PPC may implement a more stringent user fee system for the Agency's Research and Reference Services (R&RS) to more fully allocate costs to bureaus.

Other Donor Programs: PPC represents USAID in various Organization for Economic Cooperation and Development Assistance Committee fora, including the Experts Group on Evaluation; and works in collaboration with donors on various monitoring and evaluation efforts. PPC collaborates with its development partners to strengthen development information and evaluation capabilities and share development experience.

Principal Contractors, Grantees, or Agencies: Checchi and Company Consulting, Inc.; International Science and Technology Institute, Inc.; Management Systems International; International Resources Group; LTS Corporation; DevTech, Inc.; and the Academy for Educational Development.

Selected Performance Measures:

	Baseline (FY 1999)	Target (FY 2000)
Technical assistance to operating units to develop performance measurement and monitoring systems, strategic plans, etc.	20	20
Managing for Results courses held to train Agency staff	6	6
Country impact evaluations completed	10	10
Annual number of completed inquiries for development information*	40,000	30,000

*Reduction in target is due to staffing cuts in R&RS.

ACTIVITY DATA SHEET

PROGRAM: Central Programs

TITLE AND NUMBER: Peace Corps Small Project Assistance, 936-1421

STATUS: Continuing

PROPOSED OBLIGATION AND FUNDING SOURCE: FY 2000: \$1,500,000 DA

INITIAL OBLIGATION: FY 1985; **ESTIMATED COMPLETION DATE:** Continuing

Summary: Since FY 1985 the Peace Corps Small Project Assistant (SPA) program has supported Peace Corps Volunteers (PCVs) in identifying, designing, and implementing small-scale, community-level, self-help, sustainable development activities in areas of priority to USAID. These activities increase participation at the local level and help lay the foundation for transition to democratic societies. An estimated 6,800 indigenous community groups have enhanced their capacity to address self-identified community needs by increasing economic and educational opportunities and improving health conditions for over 3.2 million community members.

SPA program facilitates local grassroots efforts by combining PCV knowledge of local conditions with USAID technical and financial resources. The intent of the SPA program is to provide an efficient mechanism that can respond quickly and flexibly to small-scale project requirements which have an immediate impact at the community level. This activity has two primary components. First, SPA grants provide funding to small sustainable development activities developed by PCVs in conjunction with local community organizations. In FY 1998, each grant averaged about \$2,200. Second, technical assistance supports the participation of host country nationals in training activities that enhance activity design and management.

Key Results: In 1998 a total of 781 community-based activities were supported by SPA. These activities directly benefited over 458,000 individuals. SPA grants totaled \$1,728,593 and local community contributions exceeded \$1,772,500. SPA also supported 264 training events, benefiting 8,648 Host Country Nationals.

Performance and Prospects: SPA indicator targets were exceeded each year since the inception of this Special Objective (SPO) in 1995. Each year Regional Bureau funding for the program has increased, both in Washington and field missions. It appears, however, that SPA regional bureau funding may not match previous levels due, in part, to static and declining Agency budget levels.

Possible Adjustments to Plan: If funding levels are not maintained, SPA programs will operate in fewer countries and at reduced levels of effort in selected counties.

Other Donor Programs: Local community organizations make in-kind contributions of land, labor, and materials. The host country government sponsoring agency and the Peace Corps provide oversight and fiscal accountability for all USAID-supported activity.

Principal Contractors, Grantees or Agencies: USAID makes funds available through a participating agency service agreement to the Peace Corps which, in turn, provides funds and technical assistance to local community organizations. Most grant recipients provide almost 40% of total project costs.

Selected Performance Measures:	Baseline (1998)	Target (2000)
Number of projects developed	781	820
Number of beneficiaries	458,347	481,264
Number of host country nationals trained	7,948	8,345
Local dollar equivalents leveraged	1,772,593	1,861,223
Number of organizations strengthened	2,259	2,482

CREDIT PROGRAMS

USAID's credit programs are powerful tools to help the agency achieve its development goals. Credit programs enable USAID to choose the most appropriate instrument -- loans, loan guarantees, grants or a combination of these financing instruments -- for achieving such goals and, therefore, enhancing the Agency's efficiency and effectiveness. Development objectives in every sector cannot be achieved by country and donor budgets alone, but require substantial private sector involvement and investment. Credit programs are often the best means of leveraging private funds for development purposes. The use of credit strengthens capital markets in developing countries and promotes the economic sustainability of USAID-funded projects.

In the past several years, USAID has made significant progress in strengthening its credit and loan management operations by:

- (1) outsourcing a number of USAID's loan management functions;
- (2) hiring additional staff responsible for credit matters, thereby improving Agency capacity to develop viable credit supported demonstration projects;
- (3) reviewing USAID's entire loan portfolio;
- (4) developing improved financial performance indicators;
- (5) establishing the Agency Credit Review Board to oversee all of USAID's credit activities; and
- (6) working with the Office of Management and Budget (OMB) to develop more accurate credit risk models.

USAID intends to continue funding activities through the Micro and Small Enterprise Development (MSED) program, the Urban and Environmental (UE) Credit Program, and the broader Development Credit Authority (DCA) during FY 2000. Here, USAID presents its credit subsidy request for all its credit programs in a consolidated format, recognizing the agency's long-term goal of pursuing its various strategic objectives through a reformed and unified credit strategy. The administrative expense request reflects the cost of the development, implementation and financial management of agency credit programs, including the credit portfolio of over \$3 billion, which incorporates the MSED (\$152,292,034) and UE (\$2,901,442,262) programs. USAID anticipates that, beginning in FY 2001, all agency credit programs will be fully consolidated under the Development Credit Authority.

	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request
Credit Subsidy			
Program transfer authority for DCA, up to	\$7,500,000 ¹	\$0	\$13,000,000
Appropriation for MSED program	\$1,500,000	\$1,500,000	\$ 1,500,000
Appropriation for UE program	\$3,000,000	\$1,500,000	\$ 3,000,000
Administrative Expenses			
Program transfer authority for DCA, up to	\$0	\$0	\$ 2,000,000
Appropriation for MSED program	\$ 500,000	\$ 500,000	\$ 500,000
Appropriation for UE program	\$6,053,000	\$5,000,000	\$ 5,000,000

In the FY 1998 Foreign Operations Appropriations Act, Congress significantly broadened the scope of USAID's credit authority by creating the DCA. Under the DCA legislation, USAID was authorized

¹ FY 1998 authority will be used in FY 1999, with FY 1998 funds, pending OMB certification.

to transfer up to \$7.5 million from other program accounts in order to finance credit subsidy for loans or loan guarantees. DCA is not a credit program itself, but a funding account like Development Assistance, Economic Support Fund or Support for Eastern European Democracy. The creation of the DCA allows the agency to use credit programs to pursue any of the development purposes specified under the Foreign Assistance Act of 1961, as amended. DCA, therefore, will significantly increase the agency's ability to use market rate loans and loan guarantees to implement market-based approaches to sustainable development, going beyond the scope of the MSED and UE credit programs. This is largely due to the fact that, like MSED, under DCA the agency has the option to do local currency transactions. DCA credit programs may be used to help finance projects with sovereign nations, private enterprises or joint public-private ventures. USAID anticipates that a majority of DCA-funded projects will involve partial loan guarantees to local intermediate financial institutions to finance non-sovereign borrowers.

Through DCA, USAID seeks to utilize \$13 million of its credit subsidy request and \$2 million of its administrative expense request for FY 2000 to fund a wide variety of credit projects that are not authorized under the MSED and UE legislation. All DCA projects will be consistent with existing USAID strategic objectives; among them, the objectives of the President's Global Climate Change initiative. An illustrative distribution of demand for credit resources among the agency's geographic regions and central programs in FY 2000 is as follows: Asia and the Near East \$3 million, Europe and New Independent States \$3.5 million, Latin America and the Caribbean \$2 million, Africa \$1.5 million, and central programs \$3 million. The following projects illustrate a range of program activities that USAID may fund using the DCA:

- (1) extending agricultural credit to small farmers in Africa and Latin America;
- (2) providing a 50% guarantee to a private bank in the Dominican Republic to finance solar powered electrical energy in rural areas;
- (3) entering into risk-sharing arrangements with private banks in Poland to finance the development and distribution of clean fuel generated energy in urban areas;
- (4) providing partial guarantees to food processing companies to develop vitamin A fortified foods in Africa and the Latin America and Caribbean region;
- (5) developing market-based credit products to help successful micro finance institutions move away from grant funding and toward market rate borrowing and lending;
- (6) continuing USAID's successful municipal finance and infrastructure projects; and
- (7) funding creditworthy projects in Russia, including projects in the area of energy generation and technology transfer in key development sectors such as infrastructure, environmental technologies, housing and food processing.

To ensure the financial viability and creditworthiness of each DCA-funded project, USAID has improved its capacity to design and implement credit supported projects, to provide accurate credit-risk assessments and subsidy calculations, and to manage the financial aspects of DCA activities. DCA will be used only where development assistance goals can best be met using credit, and the credit subsidy cost of the activity can be estimated with a reasonably high degree of confidence. In addition to the development-based indicators, which must be established for all mission projects based on project goals, there are three indicators by which all DCA projects will be measured:

- (1) repayment rates on direct loans;
- (2) claims against guaranteed loans; and
- (3) satisfactory economic and financial rates of return.

In using DCA, USAID will utilize prudent risk-management methods to assess project risk and calculate credit subsidy, and will use the Interagency Country Risk Assessment System (ICRAS) risk ratings to determine the country risk associated with each DCA credit. The use of DCA will require a commitment to financial discipline by the host country participant that will lead to prudent and efficient use of U.S. assistance funds.

USAID's ability to use DCA in FY 2000 is dependent on receiving OMB certification. USAID continues to work closely with OMB to gain the certification. In order to ensure the agency's certification, USAID, in full cooperation with OMB, has taken the following steps:

- (1) contracted the loan management and accounting aspects of all its credit activities to Riggs Bank; developed controls and procedures for the Riggs contract oversight, including inherently government functions remaining with USAID;
- (2) developed detailed operations and credit manuals for detailing all the necessary steps required for credit funded projects in order to better assess credit risk and loan management;
- (3) hired a senior credit risk analyst, and expanded the scope of USAID's Credit Review Board to include approval of economic and financial soundness aspects of proposed credit-funded projects in order to ensure appropriate credit subsidy levels are set; and
- (4) organized a team of professionals with expertise in credit and risk management to manage the rollout of DCA and the analytical process in a prudent and responsible manner.

Micro and Small Enterprise Development Program

USAID seeks to utilize \$1.5 million of its credit subsidy request and \$500,000 of its administrative expense request for FY 2000 to support loans and loan guarantees under the MSED program. To date, MSED programs have helped mobilize in excess of \$270 million in private sector loans. Established by Congress in 1983, the MSED program provides loans, loan guarantees and technical assistance to financial institutions in developing nations worldwide to correct "market imperfections" that inhibit the flow of credit to small businesses and microenterprises. In 1993, a microenterprise focus was added to reflect the agency's renewed commitment to support microenterprise development activities. Under the MSED program, as of the end of FY 1998, USAID managed 48 credit facilities in 20 developing countries, with a maximum guaranteed portfolio of \$154 million in loans and guarantees. In FY 1999, USAID expects to support up to \$50 million in new loan guarantees under this program, with an increased focus on Eastern Europe, the New Independent States, and the Latin America and Caribbean regions.

USAID, through the MSED program, strives to build sustainable linkages between financial institutions and small and microenterprises lacking full access to formal financial markets. Its primary tool is the Loan Portfolio Guaranty (LPG) program, which provides loan guarantees covering up to 50% of the principal loss on a portfolio of small business loans. The MSED program also uses direct loans and guarantees to provide capital for private voluntary organizations (PVOs) and nongovernmental organizations (NGOs) engaged in microenterprise lending activities, and to create sustainable relationships between those PVOs and NGOs and formal financial institutions. Loan guarantees are combined with training and technical assistance to improve the capacity of banks to assess small and micro business credits, and to assist borrowers in presenting bankable proposals to lending institutions. In the last two years (1997 and 1998), the MSED program trained more than 500 bankers and borrowers.

The MSED program's performance is measured by the following: (1) the degree to which participating financial institutions increase their lending to micro and small businesses; (2) its success in strengthening the capacity of indigenous financial institutions to engage in micro and small business lending; and (3) the ability of the program to help PVOs and NGOs gain access to formal sector financing for on-lending to microenterprises. Each guarantee facility is measured relative to its previous year's performance to determine if there has been a change in the bank's lending practices. Successful performance indicators include: a decrease in collateral requirements, an increase in a bank's lending to smaller-sized borrowers, and increased micro borrower access to formal financial markets.

Urban and Environmental Credit Program

USAID seeks to utilize \$3 million of its credit subsidy request and \$5 million of its administrative expense request for FY 2000 to support loans and loan guarantees under the Urban and Environmental (UE) Credit Program and to manage the UE portfolio. That amount will manage the UE portfolio and leverage approximately \$26 million of private U.S. investment. The UE Credit Program builds on 35 years of successes by linking long-term financing, technical assistance and training to support urban and environmental development projects.

Adequate provision of water, sewage systems and housing for the urban poor is critical to promoting child survival in the world's cities. USAID's urban assistance work has succeeded in improving the living conditions of the urban poor by strengthening the capacity of local governments to manage resources effectively and in supporting decentralization and democratization initiatives worldwide. Over the past several years, credit assistance provided to the urban poor under the UE Credit Program has helped to upgrade conditions in the slums of India and Indonesia, finance affordable housing development in South Africa, Morocco and Zimbabwe, and enable municipalities in South Africa and the Czech Republic to serve the needs of their citizens with critical basic services.

In FY 2000, the UE Credit Program will continue to focus on the urban poor. The funding requested will generate loans directly benefiting approximately 60,000 urban poor in Morocco (\$11 million) and South Africa (\$15 million). The South Africa UE Credit Program, in particular, will work through private lenders who finance housing for the urban poor. This program reflects the growing trend toward non-sovereign lending under the UE Credit Program, which stimulates the development of private financial markets.

In 1997, the UE Credit Program's performance measurement system was modified to measure how well the program achieves its targets related to expanding the equitable delivery of urban services and shelter. The Wall Street Journal of November 26, 1997, reported that the program in India has been instrumental in launching the first municipal bond offering in South Asia. This will enable the City of Ahmedabad to finance sewer and water projects designed to sustain the city's economic growth, give slum-dwellers access to essential services, and improve the lives of Ahmedabad's more than three million residents.

The overall agency fiscal management reforms underway will help ensure the UE program's continued financial soundness. USAID has contracted with a private commercial bank for key loan servicing and financial management services for the UE accounts. Three new credit management positions have been established in the agency's Environment Center to strengthen the UE portfolio oversight, and new manuals on UE loan collection and credit procedures have been put into use. USAID's Office of the Inspector General (OIG) recognized these improvements by honoring the UE Portfolio Management Group with the 1998 OIG Special Achievement Award.

INTERNATIONAL DISASTER ASSISTANCE

	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request
International Disaster Assistance	\$190,298,000	\$200,000,000	\$220,000,000

The International Disaster Assistance program provides relief, rehabilitation and reconstruction assistance to victims of natural and man-made disasters through the Office of U.S. Foreign Disaster Assistance (OFDA). The International Disaster Assistance account also funds activities of the Office of Transition Initiatives (OTI), which focuses on the special needs of countries emerging from crises caused by political and ethnic conflict. The FY 2000 funding request of \$220 million represents an increase of \$20 million over the \$200 million level in FY 1999 and an increase of \$30 million over the \$190 million level in FY 1998. This request includes approximately \$55 million for innovative, post-crisis transition initiatives. OTI received \$40 million in FY 1999 and \$30 million in FY 1998. The first priority in utilizing International Disaster Assistance resources will be given to life-saving, emergency assistance.

Disaster Assistance

USAID's Disaster Assistance program objectives are to: (1) meet the critical needs of targeted vulnerable groups in emergency situations; (2) increase adoption of mitigation measures in countries at risk of natural disasters; and (3) enhance political transition and development prospects in priority, post-conflict countries. To accomplish these objectives USAID has a well-established management structure and disaster relief experts who can draw on public and private sector resources to respond within 24 to 72 hours after a disaster. USAID fields assessment teams to identify needs and provides disaster assistance response teams (DARTs) to facilitate communication and to implement an appropriate response. USAID also provides communication support equipment, search and rescue groups, medical assistance, shelter, food and potable water.

Effective humanitarian assistance requires that the USAID relief, mitigation, transition and development programs support each other, as described below. In addition, USAID collaborates closely with other assistance providers in the international community. This is particularly important both to coordinate programs and to share the burden of relief costs. U.S. private voluntary organizations (PVOs) are critically important partners and play an essential role in raising resources, providing assistance, and implementing programs. USAID's partnership with U.S. PVOs and nongovernmental organizations includes support for mechanisms to facilitate the exchange of information among international partners and to minimize any duplication of effort.

Pursuant to Section 493 of the Foreign Assistance Act of 1961, as amended, the President has designated the USAID Administrator as his Special Coordinator for International Disaster Assistance. USAID works closely with the Departments of State and Defense to coordinate American relief efforts. For urgent disaster situations, 24-hour coverage is provided by staff to ensure the transmission of accurate information among different agencies, and between the disaster area and important response centers. Satellite communication equipment augments USAID's ability to carefully target emergency assistance and to coordinate with donors and other U.S. Government and nongovernmental agencies.

Demands on OFDA resources have been increasing steadily for a number of years, but 1998 set new records. According to the Worldwatch Institute, economic losses from weather-related disasters (storms, floods, droughts and fires) totaled at least \$89 billion in the first eleven months of 1998. This figure represented a 48% increase over the previous record of \$60 billion in 1996 and far exceeded the estimated \$55 billion in losses for the decade of the 1980s. The human

impact of these disasters is staggering. An estimated 32,000 people were killed and 300 million people, more than the entire population of the United States, were displaced from their homes or forced to resettle due to weather-related disasters in 1998.¹ In FY 1998, USAID responded to a total of 87 declared disasters from Albania to Vietnam. Among the disasters were 28 floods, 3 epidemics, 8 cyclones and hurricanes, 7 earthquakes, 5 droughts, 11 fires and the U.S. Embassy bombings in Tanzania and Kenya. Among the worst natural disasters of 1998 were:

- Fires in Mexico and Central America. In 1998, drought, exacerbated by El Niño conditions and slash-and-burn agricultural practices in forest and grassland created thousands of fires over millions of acres. Smoke from these fires severely affected visibility and air quality in Mexico, Central America, the southern and midwestern United States. Warnings were issued for persons with heart and respiratory conditions. Children were forced to limit their outdoor activity. Airport operations were disrupted and more than 60 people died combating the fires. USAID responded rapidly to disaster declarations in the affected countries. In Mexico, for example, USAID funds provided heavy-lift and medium-duty helicopters, firefighting and safety equipment for 3,000 firefighters, radios, pumps, fixed wing aircraft with infrared fire detection capabilities and a 41-member team of firefighting experts. In total, USAID provided over \$8 million in assistance to the region.
- Floods in Bangladesh. The country experienced the most extensive flooding of this century in mid-1998. Thirty million people were left temporarily homeless; 10,000 miles of roads were heavily damaged; and two million tons of rice were destroyed. In addition to International Disaster Assistance funds, USAID, through the Section 416 (b) program of the U.S. Department of Agriculture, provided 600,000 tons of wheat to flood victims and 100,000 tons through the World Food Program.
- Hurricane Georges. This powerful storm struck the eastern Caribbean (St. Kitts and Nevis, Antigua and Barbuda), the Dominican Republic and Haiti with devastating force in September 1998. According to the Pan American Health Organization, the storm killed 208 people, displaced over 860,000 people and rendered 400,000 homeless in the Dominican Republic alone. The Dominican Department of Agriculture estimated that 90% of the agricultural crops were destroyed, while Haiti suffered agricultural losses of approximately \$179 million. Disaster Assistance funds totaling \$3 million supplied emergency shelter, water jugs and bladders, blankets, pumps, generators, chainsaws pumps and seeds to over 1.4 million people displaced or made homeless by the hurricane. An additional \$44 million in emergency food aid has been pledged for the Dominican Republic and Haiti.
- Hurricane Mitch. Between October 24 and November 5, 1998, one of the strongest and most damaging storms to ever hit the Caribbean and Central America pounded the region with sustained winds of 180 miles per hour and torrential rains that produced catastrophic floods and landslides. In Honduras alone, almost 7,000 people were killed and over 2 million were severely affected. Working closely with the Departments of Defense and Agriculture, USAID provided immediate disaster relief that included health, water and sanitation supplies, shelter, food, blankets, aircraft, and emergency reconstruction of vital infrastructure. The total value of emergency assistance provided by the U.S. Government (USAID and the Departments of Defense and Agriculture) in the wake of Hurricane Mitch was \$304 million, including \$34 million of International Disaster Assistance

¹"Weather-Related Disasters", *Worldwatch Briefing* by J. Abramovitz and S. Dunn, November 27, 1998

There is no evidence to suggest future disaster assistance needs will be reduced. Indeed, experts in hurricane forecasting at the University of Colorado are predicting the 1999 hurricane season will be nearly twice as active in terms of major hurricanes as the long-term average. According to Dr. William Gray, "Climatic evidence strongly suggests that we are embarking on a new era of enhanced major hurricane activity." Dr. Gray and his colleagues predict 14 tropical storms, nine hurricanes and four intense hurricanes in 1999, compared with long-term averages of 9.3 tropical storms, 5.8 hurricanes and 2.2 intense hurricanes annually.²

Complex emergencies -- those involving civil conflict often complicated by natural disasters -- account for an increasing share of the International Disaster Assistance budget. Over 84% of assistance to complex emergencies went to African countries in FY 1998. Foremost among these in FY 1998 were Sudan (\$37.9 million), Burundi (\$14.4 million), Sierra Leone (\$8.3 million) and Liberia (\$8.9 million). Ongoing complex emergencies in the Federal Republic of Yugoslavia and Bosnia accounted for \$17.3 million in International Disaster Assistance funds in FY 1998. Although these conflicts fluctuate in intensity, their resolution is very difficult, and relief assistance may be necessary to meet emergency needs of civilian populations for long periods. USAID is placing increased emphasis on applying preparedness and mitigation lessons learned from natural disasters to complex disasters and supporting relief programs which encourage local participation and promote self-sufficiency.

Rapid population growth, coupled with inadequate infrastructure support systems in many developing countries, has increased the number of people vulnerable to natural hazards such as earthquakes, hurricanes, tornadoes, and volcanoes. Urban areas are expanding, with unsafe habitation in many shanty areas and slums. Population pressures also force people to move onto marginally viable and unsafe lands where natural hazards, such as hurricanes, earthquakes and volcanoes, and their side effects, such as flooding and mudslides, have disastrous impact. USAID's prevention efforts focus mainly on strengthening local preparedness and response capacities. Disaster preparedness requires careful examination of relief and recovery planning. USAID's field missions play an important role in helping government, municipal, and community leaders to prepare for disasters and to design development projects that fully reflect the risk from disasters.

In addition to the continued challenge of responding to the growing needs of complex and natural disasters, USAID has a new responsibility of coordinating the U.S. Government response to incidents involving nuclear, biological and chemical disasters overseas. As a result, USAID is increasing its response capability and incident command system in this field of emerging threats.

Transition Initiatives

Countries experiencing a significant political transition or civil conflict have unique needs which are not addressed by the traditional disaster response. Timely, effective assistance to countries emerging from crises can make the difference between a successful or failed transition. The Office of Transition Initiatives, which was created in 1994, bridges the gap between emergency humanitarian assistance and long-term development assistance. USAID, through OTI, provides the U.S. Government with a fast, direct and flexible response mechanism to address the basic causes of armed conflict and fundamental post-conflict needs. OTI uses such mechanisms as support for demobilization and reintroduction of ex-combatants into civilian society, support for justice initiatives including war crimes tribunals, and landmine awareness and removal. OTI programs also include community self-help projects that reduce tensions and promote democratic processes and

²"Colorado State Hurricane Forecast Team Predicts Active 1999 Season With Double the Chance of a Major Storm Landfall On East Coast," Colorado State University press release, Dec. 4, 1998

conflict resolution within communities and support for independent media outlets that help ensure that all voices are heard.

The demands and opportunities for peaceful transitions from crises are increasing. In the past year (1998), USAID engaged in such high-priority countries as Indonesia, Nigeria and Serbia (Kosovo). Other programs support recent peace accords in Bosnia, Guatemala and the Philippines. The Administration, including the National Security Council, the Departments of State and Defense, and USAID, increasingly views transition initiatives as high-priority assistance to conflict-prone countries. Experience has clearly shown that these approaches are cost-effective ways for the U.S. Government to help deal with complex crises.

FOOD FOR PEACE

	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request
P.L. 480 Title II	\$837,000,000	\$837,000,000	\$787,000,000
P.L. 480 Title III	\$ 30,000,000	\$ 25,000,000	\$0

U.S. support for overseas food aid was formalized in the Agricultural Trade Development and assistance Act of 1954, also known as P.L. 480 Food for Peace. The basic legislation, which has been modified many times, establishes the U.S. policy of using the country's abundant agricultural resources and food processing capabilities to enhance food security in the developing world through the provision of culturally acceptable nutritious food commodities. On a global level, more than 800 million people today are chronically undernourished, and more than 180 million children are significantly underweight. For the United States, reducing the number of chronically undernourished and underweight people throughout the world is both a humanitarian concern and strategic goal. The United States gives its food resources to help those in need and in crisis, as the United States seeks to eliminate the food insecurity that fuels political instability and environmental degradation. P.L. 480 Food for Peace is a people-to-people program, from the people of the United States to people who do not have access to sufficient food to meet their needs for a healthy and productive life.

P.L. 480 Title II, Emergency and Development Food Assistance

The requested funding level for P.L. 480 Title II development and emergency food assistance is \$787 million. Within this level, USAID, through the Office of Food for Peace, will continue its efforts to promote managed growth in Title II development activities consistent with the governing legislative requirements. Non-emergency Title II activities of both the World Food Program (WFP) and the private voluntary organizations (PVOs) are expected to expand in FY 2000. In this regard, renewed attention will be given to activities that use food for humanitarian feeding and for education.

While positive results have been achieved in the use of emergency food aid to promote a return to developmental practices, it is clear that the transition from emergency food aid activities to more stable developmental activities is not always direct. Given the need to respond to both protracted emergency food aid requirements as well as the sudden on-set emergencies caused by natural disasters and political and economic instability, USAID expects to judiciously allocate the resources available in FY 2000 for emergency food aid response. Should emergency food aid requirements develop beyond the availability of Title II resources, however, it is expected that resources would be drawn from the Food Security Commodity Reserve to provide appropriate assistance.

USAID has strategic objectives of Title II programs that are linked to agency goals:

1. Through the use of P.L. 480 Title II emergency food aid, USAID's objective is to meet critical food needs of targeted vulnerable groups. In particular, the USAID aims to maintain or improve the nutritional status of populations affected by emergencies. Emergency humanitarian food interventions are implemented primarily by the United Nations World Food Program (WFP) and U.S. PVOs. In many cases, volatile conditions pose serious obstacles to reaching identified targeted groups in need of humanitarian assistance. Access to beneficiaries is often limited due to security constraints or lack of adequate infrastructure. Despite these challenges, Title II programs provided emergency food aid to an estimated 11.5 million beneficiaries in 1998. USAID implemented programs in 24 countries, valued at \$408 million.

Although beneficiaries include victims of natural disasters, such as drought, typhoon, and cyclone, the majority (76% in 1998) of programs address complex humanitarian situations frequently caused

or complicated by civil strife. U.S. emergency food aid targets refugees or internally displaced people, particularly malnourished children, women, orphans, unaccompanied children, and the elderly. The following activities and accomplishments are illustrative:

- In Kenya, WFP provided Title II emergency food aid to drought-affected groups, including 452,016 school children and 443,702 food insecure families. The provision of food to school children maintained attendance of children at the pre-primary and primary school level in the drought-affected areas. One of the program's objectives was to restore and maintain the nutritional well-being of affected populations. After five months, the nutritional status of beneficiaries improved.
- In Bosnia and Kosovo, Title II programs target the special needs of elderly pensioners and other extremely vulnerable individuals. One intervention combined targeted food assistance to the most needy with bakery programs designed to strengthen local productive capacity. Besides providing bread to the most vulnerable groups, U.S. wheat grain was used to jump-start the Bosnian economy and to enhance local production capacity with a cost-recovery scheme built into the program. In Kosovo, Title II remains the principal international food aid response for the many displaced persons.
- In Angola, Title II emergency food aid programs respond to changing situations as the country attempts to draw away from years of war, but still struggles with socioeconomic problems and instability. Food-for-work activities rehabilitated rural infrastructure and revitalized agricultural production and farming systems. Success can be measured by the progressive graduation of 17,622 beneficiaries from the free food distribution program to the food-for-work component. By 1998, 56,393 internally displaced persons were resettled.
- In Liberia, Title II emergency activities played a major role in supporting the Liberian people in their recovery from years of civil war and in helping move recipients from relief to development. From 1990 to 1997, emergency food aid was provided to over one million internally displaced people and international refugees fleeing from war. After peace was finally established and elections were held, Title II programs shifted focus from emergency feeding to post-war transition activities necessary to rebuild the country. Title II emergency food aid played a significant role in increasing agricultural production. Food rations were provided to 118,000 farm families as part of the "seeds and tools" program, funded by USAID's Office of Foreign Disaster Assistance, the European Union, and the Food and Agriculture Organization of the United Nations. This assistance ensured that seed rice was planted instead of consumed. The gains in agricultural production and the revitalization of institutions meant that significantly less aid was required.
- USAID innovated advance positioning of Title II commodities at U.S. ports for immediate loading in case of a sudden-onset emergency. The result has been immediate and successful responses to emergency food aid needs in Sudan, Somalia and Central America. USAID began airlifting commodities to Central America within one week of Hurricane Mitch and moved sufficient food from prepositioned stocks to feed over one million people during the first three weeks of recovery.

2. USAID's objective, through the use of P.L. 480 Title II development food aid or non-emergency food aid, is to increase the effectiveness of USAID partners in carrying out Title II activities. Title II development food aid focuses on mitigating food insecurity through activities implemented by PVOs and the WFP. These organizations utilize Title II food resources to enhance household nutrition to increase agricultural productivity, thus, helping reduce food insecurity in the developing world. During FY 1998, Title II commodities and Section 202(e) resources, amounting to approximately \$406 million, were provided to USAID partners in support of non-emergency food aid activities. Of that amount, approximately \$52.1 million (including ocean freight) were made available to WFP through

the inter-governmental donor pledging process. These resources supported WFP maternal child health, school feeding, and nutritionally vulnerable group feeding in 25 low-income food deficit countries. The following examples illustrate Title II development activities:

- India has the largest number of nutritionally vulnerable mothers and children in the world. Through the provision of approximately 165,000 metric tons of highly nutritious Title II food commodities, CARE, Catholic Relief Services, and the WFP assisted more than 9 million food insecure women and children during FY 1998. In particular, CARE and the WFP both used Title II commodities to participate in a broad-based maternal and child health activity that is both integrated into USAID's strategic plan for India and supported financially by the Government of India. CRS is targeting a portion of its Title II resources to the relatively poor parts of the country with support to primary and secondary education. In addition, CRS continues to use Title II commodities to support its humanitarian feeding activities which focus on orphans and destitute adults.
- Ghana's significant progress toward the development of a market-based economy supported by a sound agricultural foundation is being assisted by the activities of four Title II cooperating sponsors. The Adventist Development and Relief Agency (ADRA), CRS, Technoserve, and Opportunities Industrialization Centers International (OICI) all implement Title II activities that promote raising small-holder food crop production and improving post-harvest storage. CRS, in conjunction with the Ghana Education Service, is also implementing its largest and most advanced food for education activity in Africa which is expected to reach over 187,000 school-age children during FY 1999. Finally, CRS is expected to continue its humanitarian feeding activities in Ghana in FY 1999 by assisting approximately 45,000 people whose livelihoods were severely disrupted by drought.
- Title II activities in Peru are a shining example of how well-designed food aid activities can contribute to improving food security of targeted groups and thus stabilize vulnerable populations during crisis periods. In addition, the evolution of Title II activities during the 1980s and 1990s demonstrates how the food aid activities can adapt along with the needs of the beneficiary groups. In the 1980s, during the height of the civil unrest and the resulting economic depression, direct food distribution activities were the primary method of reaching Peru's food insecure. As civil disturbances have declined and economic stability has returned, Title II activities have gradually shifted to poverty reduction and income-generating efforts and will soon begin a nine year close-out process culminating in 2008.

P.L. 480 Title III, Food For Development

Since 1995, P.L. 480 Title III programs have been centered on countries most in need of food, which under current world conditions, are primarily in Africa, and on programs with direct linkages to increased agricultural production and consumption. Title III programs totaled \$29.9 million in FY 1998 and assisted four least developed countries (Eritrea, Ethiopia, Mozambique and Haiti) that have demonstrated a substantive need for food assistance, the capacity to use the assistance effectively, and a commitment to policies that promote food security. In FY 1999, Title III resources are planned for Haiti, Mozambique, Ethiopia, Eritrea and Nicaragua.

The Administration is not requesting funding for P.L. 480 Title III programs in FY 2000. However, current authorities provide for the transfer of up to 15% of the funds from any title of P.L. 480 to carry out any other title.

P.L. 480 Title V, Farmer-to-Farmer Program

Titles I, II and III funds are also used to support the Farmer-to-Farmer (FTF) program. which provides voluntary technical assistance to farmers, farm groups and agribusinesses to enhance the potential

for substantial increases in food production, processing and marketing. The program relies on volunteers from U.S. farms, land grant universities, cooperatives, private agribusinesses and non-profit organizations. Volunteers have been recruited from all of the 50 states and the District of Columbia. In general, they are not overseas development professionals, but rather individuals who have domestic careers, farms and agribusinesses or are retired and want to participate in development efforts. They spend about a month in the host country on a typical assignment.

In 1991, a special initiative of the FTF program was authorized as one of the first U.S. assistance programs for the New Independent States (NIS) of the former Soviet Union, and it continues to operate in all of the NIS countries. In the worldwide FTF program, over 1,400 volunteer assignments have been completed since 1991 in more than 70 countries, while in the NIS program, more than 3,500 assignments have been completed since 1992.

The Farmer-to-Farmer program has also increased the development and technical capacity of seven U.S. PVOs by using agricultural volunteers. The training and technical assistance that the program implementors provide to host country organizations strengthens U.S. PVO and nongovernmental organization partnerships. Many times, partnerships develop between host country organizations and U.S. organizations, some of which are formalized by written agreement. For example, the American Farm Bureau Federation, at the state level, has formed partnerships with many private farmers' organizations in the NIS. As a result, many of these local partnerships mobilize additional financial and material resources in support of sustainable agricultural development. The Farmer-to-Farmer program is also having a positive impact on the United States by raising public awareness about foreign assistance, correcting misperceptions of life and attitudes in developing countries and helping inform U.S. businesses of the environment and opportunities overseas.

OPERATING EXPENSES

	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request
Operating Expenses	478,858,000 ¹	492,650,000 ²	507,739,000 ³

For FY 2000, USAID is requesting \$507,739,000 in Operating Expenses (OE). These funds, combined with other funding sources, such as local currency trust funds, will provide a total of \$564,178,000 to cover operating costs of the agency for FY 2000, compared to \$554,833,000 in FY 1999 (including a \$10.2 million appropriation transfer for Year 2000 costs and \$2.5 million for overseas security improvements). The FY 2000 request includes \$7,739,000 associated with the Office of Security. This office and its functions are being transferred from the Office of the Inspector General (OIG), funded from Operating Expenses of the Inspector General to become a separate office reporting to the Administrator, funded from the OE account. This transfer, which Congress authorized last year, will allow the OIG to focus on its core mission and will make USAID's security functions and structure consistent with other U.S. agencies. The amount to be transferred to the OE account in FY 1999 for the Office of Security will be determined at the time of the actual transfer of functions, which is expected to occur by April 1, 1999.

A breakout of staffing and OE costs by organizational unit and between headquarters and overseas will be provided separately.

Year 2000 Program. Throughout FY 1998 and FY 1999, USAID has aggressively pursued bringing those computer systems that are considered essential to the operations of the Agency (e.g., "mission-critical") into Year 2000 (Y2K) compliance. This effort includes remediating a number of our core corporate systems that provide key operational support to the Agency's Washington offices as well as its missions. The corporate systems include USAID's more recently developed New Management System (NMS). Further, the Agency's desktop computers, central servers, large mainframe computer, local-area networks, and wide-area telecommunications were either upgraded or replaced in order to bring these resources into year 2000-compliance.

Activities undertaken during FY 1998 and FY 1999 to achieve Y2K compliance focused primarily on a selected subset of USAID's computer systems -- those determined to be "mission-critical" in accordance with General Accounting Office (GAO) and Office of Management and Budget (OMB) Guidelines and

¹ Includes \$473,000,000 in New Budget Authority and \$5,858,000 transferred from the Department of State for International Cooperative Administrative Support Services (ICASS). Excludes \$39,621,000 in local currency trust funds, \$23,874,000 carried forward from prior year funds, \$6,586,000 in reimbursements, and \$255,000 in program funds used for travel related to environmental activities.

² Includes \$479,950,000 in New Budget Authority, \$10,200,000 transferred from the Supplemental for Year 2000 costs, and \$2,500,000 transferred from the Economic Support Fund Supplemental Appropriation to be used for overseas security improvements. Excludes \$46,975,000 in local currency trust funds, \$10,378,000 carried forward from prior year funds, \$4,500,000 in reimbursements, and \$330,000 in program funds used for travel related to environmental activities.

³ Includes \$507,739,000 in New Budget Authority, of which \$7,739,000 is for costs associated with the Office of Security, funding and responsibility for which is transferred out of the Office of the Inspector General in FY 1999. Excludes \$36,549,000 in local currency trust funds, \$15,040,000 carried forward from prior year funds, \$4,500,000 in reimbursements, and \$350,000 in program funds requested for travel related to environmental activities.

definitions. Only after assurance that we will meet the target schedules for these systems will attention be directed toward systems that are important, but not considered "mission critical." The loss of non-critical systems would result in internal disruptions and inefficiencies. However, remediation and testing of several of these important systems will continue into FY 2000.

USAID has financed Y2K activities through reprogramming of FY 1998 and FY 1999 allocated funds as well supplemental FY 1999 funds appropriated specifically for Y2K-related activities. Processes and procedures provided by GAO guided these Y2K activities; status and progress continue to be reported monthly and quarterly in accordance with OMB instructions. Funding for Y2K activities totaled \$21.8 million in FY1998 and \$18.8 million in FY 1999 (including \$10.2 million in supplemental funding). Y2K-related funding levels for FY 2000 total \$3.2 million.

Information Systems. During 1998, USAID completed an assessment of the New Management System (NMS) and our efforts to get NMS up and running. The assessment identified deficiencies in our software development capabilities, Year 2000 (Y2K) compliance, software acquisition and engineering processes, and project management practices. This complex challenge prompted management decisions to stabilize NMS operations, to strengthen program management, and to lay a sound foundation for future investment decisions based upon OMB and General Services Administration (GSA) recommended practices. USAID had to adjust the NMS-related funding projections detailed in its FY 1999 Congressional Presentation. These adjustments were needed to allow sufficient time to complete the Agency's first information architecture (i.e., definition of business functions and specific information needs) and reduce risk to Y2K compliance by renovating the NMS rather than replacing the financial management component of NMS before October 1999.

USAID has entered into agreements with another Federal agency and a private sector bank to perform certain financial management (FM) functions. Other FM processes are reengineered and a detailed needs assessment has been completed. An analysis of alternative approaches for implementing a new FM system is being done. USAID, in close collaboration with the GSA, selected a prime contractor with proven software engineering and system integration capabilities. Management decisions coupled with contractor assisted implementation have resulted in NMS operations being stabilized, Y2K compliance work being completed by July 1999, better management of costs and the quality of software maintenance being substantially improved.

During 1999, USAID will complete the information architecture which will guide the incremental investment planning and to support the analysis for FM system improvements. The FY 1999 and FY 2000 budgets below are based on current indications that acquiring a commercial-off-the-shelf (COTS) FM system will maximize return on investment. The current planning schedule for a COTS FM system includes an award in CY 1999 with implementation expected in USAID/Washington in FY 2000. Worldwide deployment is expected during CY 2001-2002.

The current configuration of NMS will be used through FY 2000 along with legacy systems (all Y2K compliant) to support the Agency's operations until replacement information systems are deployed. The NMS maintenance and operations budget line includes Y2K renovation and validation work in FY 1999, a portion of which is financed from the government-wide Y2K supplemental. Funding to improve the reliability of NMS data and to prepare for transferring the data to a replacement COTS FM system is included in the FY 1999 NMS budget. In FY 2000, NMS maintenance and operations costs are substantially reduced in anticipation of the replacement of the NMS accounting module with the COTS FM system and Y2K renovations. Federally compliant investment analysis will be done to evaluate the business needs in the other NMS modules. The outcome of this analysis may require allocating resources from some planned maintenance of NMS modules in FY 2000 to renovations or replacement.

The COTS FM system budget line item below for FY 1999 includes the cost of completing essential acquisition planning activities, understanding the information interface requirements between a COTS

FM system and the legacy systems including NMS, and selection of a COTS FM system vendor from a GSA schedule. Funding in the FY 2000 COTS FM system line item below will cover software licenses, software configuration, building interfaces, program management, deployment and training associated with implementing the COTS FM system in Washington.

Estimated funding levels for ongoing NMS maintenance and COTS FM system implementation (\$000):

	FY 1999	FY 2000
NMS Y2K, Maintenance and Operations:	14,485	9,933
COTS FM System:	3,500	10,000
TOTALS:	17,985	19,933

Sources of Funding for Operating Expense Costs. The operating costs of USAID are financed through several sources, including new budget authority, local currency trust funds, reimbursements for services provided to others, recoveries of prior year obligations, and unobligated balances carried forward from prior year availabilities, as shown below:

**Funding Sources for Operating Expenses
(\$000)**

<u>Category</u>	<u>FY 1998 Actual</u>	<u>FY 1999 Estimate</u>	<u>FY 2000 Request</u>
Appropriated Operating Expenses	473,000	479,950	507,739
Appropriation Transfers 5,858	12,700	0	
Program Funds used for OE	255	330	350
End of Year Balance - Expired Funds	<u>- 822</u>	<u>0</u>	<u>0</u>
Obligations from New Budget Authority	478,291	492,980	508,089
Local Currency Trust Funds (Recurring)	39,267	35,575	33,449
Local Currency Trust Funds (Real Property)	354	11,400	3,100
Reimbursements	6,586	4,500	4,500
Unobligated Balance, Start of Year	32,847	20,164	20,786
Recovery of Prior Year Obligations	11,191	11,000	11,000
Unobligated Balance, End of Year	<u>- 20,164</u>	<u>- 20,786</u>	<u>- 16,746</u>
Obligations from Other Funding Sources	70,081	61,853	56,089
Total Obligations	<u>548,372</u>	<u>554,833</u>	<u>564,178</u>

Uses of the OE Budget.

The major OE cost components, required to support planned staffing levels, are as follows:

- Personnel Compensation (object classes 11 through 13) will increase by \$9.2 million in FY 2000 compared to FY 1999, in spite of overall personnel reductions. Of this increase, \$2.7 million is for costs of the about-to-be-transferred Office of Security (not reflected in FY 1999 figures). The balance of the increase is due to the impact of Federal pay raises in FY 1999 and FY 2000 and pay raises for foreign service national personnel. Personnel compensation costs consume over 54% of total operating expense costs of USAID.

- Travel and Transportation (object class 21.0) will increase by \$1.5 million from FY 1999 to FY 2000, of which \$0.2 million is for Office of Security travel. The balance of the increase is due to the impact of inflation on travel costs and is primarily for mandatory and statutory travel such as post assignment, retirement, home leave, and rest and recuperation travel.
- Transportation of Things (object class 22.0) will increase by \$1.1 million, due to the impact of inflation on the cost of shipping household effects as well as office and residential furniture and equipment to overseas posts.
- Rental of Space (object classes 23.1 and 23.2) will increase by \$2.4 million over FY 1999. In this category of costs there is an increase of \$2 million for rent associated with the Office of Security, with other rental increases due to general inflation. These increases are offset in part by the one-time nature of rental costs in FY 1999 for temporary interim office space in some locations overseas as plans progress to move to new facilities for improved security.
- Purchase of Goods and Services from Government Accounts (object class 23.3) will increase by \$1.3 million, about half of which is associated with the impact of Federal pay raises and general inflation on payments to the Department of State for International Cooperative Administrative Support Services (ICASS).
- Lands and Structures (object class 32.0) reflects completion of funding for several real property programs.

Use of Operating Expenses

OC	Title	FY 1998 Actual			FY 1999 Estimate			FY 2000 Request		
		Dollar	TF	Total	Dollar	TF	Total	Dollar	TF	Total
11.1	Compensation - Full-time Permanent									
	U.S. Direct Hire	154,084		154,084	156,695		156,695	161,918		161,918
	Foreign Service National Direct Hire	3,435	3,221	6,656	4,147	2,773	6,919	4,362	2,681	7,043
	Subtotal 11.1	157,519	3,221	160,740	160,842	2,773	163,614	166,279	2,681	168,960
11.3	Compensation - All Other Direct Hire									
	U.S. Direct Hire	3,903		3,903	3,980		3,980	4,097		4,097
	Foreign Service National Direct Hire	12		12	38		38	46		46
	Subtotal 11.3	3,915		3,915	4,018		4,018	4,143		4,143
11.5	Other Personnel Compensation									
	U.S. Direct Hire - Post Differential	6,328		6,328	6,893		6,893	7,388		7,388
	U.S. Direct Hire - Other Compensation	2,296		2,296	2,393		2,393	2,553		2,553
	Foreign Service National Direct Hire	760	111	871	420	113	533	450	107	557
	Subtotal 11.5	9,384	111	9,495	9,706	113	9,818	10,391	107	10,498
11.8	Special Personal Services Payments									
	U.S. Personal Service Contracts/IPAs/Details-In	9,770	464	10,234	10,086	536	10,622	9,904	536	10,440
	FSN Personal Service Contracts	30,061	13,312	43,373	33,477	12,746	46,223	36,251	11,263	47,513
	Subtotal 11.8	39,831	13,776	53,607	43,563	13,282	56,845	46,155	11,799	57,953
12.1	Personnel Benefits									
	U.S. Direct Hire									
	Retirement Costs	29,822		29,822	30,395		30,395	31,054		31,054
	Health/Life Insurance	6,051		6,051	6,099		6,099	6,287		6,287
	Education Allowances	5,253	904	6,157	8,155	1,200	9,355	8,728	1,209	9,937
	Cost of Living Allowances	633		633	797		797	850		850
	Quarters Allowances	492		492	471	13	484	472		472
	Employee Compensation Claims	2,666		2,666	2,155		2,155	2,433		2,433
	All Other USDH Benefits	1,768	38	1,805	1,173	105	1,278	1,182	54	1,236
	Foreign Service Nationals	3,264	1,069	4,333	2,260	2,362	4,622	2,657	2,094	4,751
	U.S. Personal Service Contracts/IPAs/Details-In	744		744	659	64	723	676	55	731
	Payments to FSN Separation Fund	1,066	386	1,452	1,599	452	2,051	1,730	460	2,190
	Subtotal 12.1	51,759	2,396	54,155	53,764	4,196	57,960	56,069	3,873	59,941

Use of Operating Expenses

OC	Title	FY 1998 Actual			FY 1999 Estimate			FY 2000 Request		
		Dollar	TF	Total	Dollar	TF	Total	Dollar	TF	Total
13.0	Benefits for Former Personnel									
	U.S. Direct Hire	16		16						
	Foreign Service Nationals	1,872	54	1,926	347	122	469	285	126	411
	Subtotal 13.0	1,888	54	1,942	347	122	469	285	126	411
	Total Personnel Compensation	264,296	19,558	283,854	272,239	20,484	292,723	283,320	18,586	301,906
21.0	Travel and Transportation of Persons									
	Mandatory/Statutory Travel									
	Post Assignment	1,484	51	1,535	1,983	79	2,063	2,102	79	2,181
	Home Leave	1,104	89	1,193	1,437	188	1,625	1,802	188	1,989
	Rest and Recuperation	902	205	1,107	1,644	225	1,869	1,808	238	2,045
	All Other	1,602	136	1,738	1,805	167	1,972	1,796	168	1,964
	Operational Travel	13,104	990	14,094	13,834	704	14,538	14,431	741	15,172
	Training Travel	2,129	133	2,262	2,603	54	2,657	2,722	101	2,823
	Subtotal 21.0	20,325	1,604	21,929	23,306	1,417	24,723	24,660	1,514	26,174
22.0	Transportation of Things									
	Post Assignment Freight	4,758	277	5,035	5,007	307	5,314	5,619	307	5,926
	Home Leave Freight	1,174	30	1,204	1,434	45	1,479	1,661	50	1,711
	Shipment of Furniture and Equip.	2,854	337	3,191	1,819	103	1,923	2,749	104	2,853
	Other Transportation of Things	1,276	96	1,372	805	608	1,413	620	108	728
	Subtotal 22.0	10,062	740	10,802	9,066	1,063	10,129	10,649	569	11,218
23.1	Rental Payments to GSA	25,040		25,040	24,917		24,917	28,450		28,450
23.2	Rental Payments to Others									
	Office/Warehouse Rent	9,441	1,981	11,422	9,807	4,093	13,899	9,297	2,836	12,133
	Residential Rent	13,657	2,165	15,822	14,547	1,908	16,454	15,187	1,927	17,113
	Subtotal 23.2	23,098	4,146	27,244	24,353	6,000	30,354	24,483	4,763	29,246
23.3	Communications, Utilities, & Misc. Charges									
	Office Utilities	1,670	898	2,568	1,899	1,018	2,917	2,654	632	3,285
	Residential Utilities	2,103	649	2,752	2,956	736	3,692	3,292	652	3,944
	Telephone Costs	9,813	601	10,414	7,006	973	7,979	7,701	466	8,167
	Other Comm. Util. and Misc.	1,641	36	1,677	1,490	581	2,071	1,868	110	1,978
	Subtotal 23.3	15,227	2,184	17,411	13,351	3,308	16,659	15,514	1,860	17,374

Use of Operating Expenses

OC	Title	FY 1998 Actual			FY 1999 Estimate			FY 2000 Request		
		Dollar	TF	Total	Dollar	TF	Total	Dollar	TF	Total
24.0	Printing and Reproduction	1,044	64	1,108	943	24	966	879	25	905
25.1	Advisory and Assistance Services	4,515	882	5,397	3,155	522	3,677	2,997	517	3,514
25.2	Other Services									
	Training	7,897	340	8,237	8,063	339	8,402	8,254	336	8,590
	Office Security Guards	2,376	544	2,920	2,482	1,018	3,499	3,214	687	3,901
	Residential Security Guards	3,048	283	3,331	3,296	517	3,813	3,793	402	4,194
	ADP Systems design/analysis/maint.	10,623	30	10,653	18,133		18,133	19,367		19,367
	Other ADP Support Costs	20,353	241	20,594	11,902	829	12,731	9,320	130	9,450
	Official Residence Expenses	46	6	52	125		125	125		125
	Representation Allowances	93		93	95		95	95		95
	Entertainment	1		1	5		5	5		5
	Other Miscellaneous Costs	22,062	1,011	23,073	18,858	689	19,546	19,228	654	19,882
	Subtotal 25.2	66,498	2,455	68,954	62,958	3,391	66,349	63,401	2,209	65,610
25.3	Purchase of Goods/Services from other Govt. Accounts									
	Language Training (FSI)	415		415	415		415	415		415
	ICASS	20,585		20,585	23,949		23,949	24,617		24,617
	DCAA Audits	1,083		1,083						
	U.S. Dispatch Agent Fees	900		900	900		900	900		900
	APO Mail	1,010		1,010	1,063		1,063	1,063		1,063
	Other Services	2,213	77	2,290	2,287		2,287	2,915		2,915
	Subtotal 25.3	26,206	77	26,283	28,614		28,614	29,910		29,910
25.4	Operation and Maint. of Facilities	5,429	1,314	6,743	3,758	1,456	5,213	3,871	1,345	5,215
25.6	Medical Care	168	30	198	164	20	184	146	19	165
25.7	Operations/Maintenance of Equip. and HHE Storage									
	ADP and Telephone Systems	9,159	59	9,218	10,609	740	11,349	11,187	177	11,364
	Office Furniture and Equipment	1,752	190	1,942	1,804	189	1,993	1,844	222	2,066
	Residential Furniture and Equipment	571	52	623	354	145	499	386	138	524
	Storage of Household Effects (HHE)	943	2	945	945		945	946		946
	Other Operations/Maintenance Costs	495	131	627	874	83	957	1,032	108	1,140
	Subtotal 25.7	12,920	435	13,355	14,585	1,157	15,742	15,395	645	16,040

Use of Operating Expenses

OC	Title	FY 1998 Actual			FY 1999 Estimate			FY 2000 Request		
		Dollar	TF	Total	Dollar	TF	Total	Dollar	TF	Total
25.8	Subsistence and Support of Persons	39		39						
26.0	Supplies and Materials	7,076	2,579	9,655	6,111	884	6,995	6,197	949	7,146
31.0	Equipment									
	Office Furniture and Equipment	5,578	923	6,502	1,743	920	2,663	1,667	86	1,753
	Residential Furniture and Equipment	2,966	476	3,442	2,863	35	2,898	2,754	95	2,849
	Information Technology Hardware and Software	12,987	1,386	14,374	8,212	167	8,379	7,648	208	7,856
	Vehicles	2,421	156	2,576	1,718	127	1,845	1,602	30	1,632
	Other Equipment	378	334	712	99		99	1,818	30	1,848
	Subtotal 31.0	24,330	3,275	27,605	14,635	1,250	15,884	15,489	449	15,938
32.0	Lands and Structures	1,497	277	1,774	4,224	6,000	10,224	1,175	3,100	4,275
42.0	Claims and Indemnities	980	1	981	1,480		1,480	1,094		1,094
	TOTAL OE COSTS	508,751	39,621	548,372	507,858	46,975	554,833	527,629	36,549	564,178

OPERATING EXPENSES OF THE INSPECTOR GENERAL

	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request
Inspector General Operating Expenses	\$29,047,000¹	30,750,000²	\$25,261,000³

The Office of Inspector General's (OIG) FY 2000 appropriation request of \$25.3 million, when combined with \$1.1 million in section 511 recovered funds, includes the resources to maintain its presence throughout the world. This universe is comprised of Washington, D.C. and four major regions of the world: Africa, Asia and the Near East, Europe and the New Independent States, and Latin America and the Caribbean, where the IG maintains regional offices in Dakar (Senegal), Pretoria (South Africa), Manila (Philippines), Cairo (Egypt), Budapest (Hungary), and San Salvador (El Salvador). At the requested funding level, the OIG will accomplish legislated and mandated responsibilities for all USAID missions and posts.

The goal of the Office of Inspector General/Audit (OIG/A) is to help USAID implement its strategies for sustainable development and provide USAID managers with information and recommendations that improve program and operational performance. In FY 2000, OIG/A plans to conduct both financial and performance audits of USAID programs. Audit activity will be focused on USAID's efforts to implement the requirements of: (1) the Federal Manager's Financial Integrity Act of 1982; (2) the Government Performance and Results Act of 1993; (3) the Government Management Reform Act of 1994; (4) the single Audit Act as amended in 1996; (5) the Clinger-Cohen Act of 1996; and (6) the Federal Financial Management Improvement Act of 1996. These audits are designed to assist USAID in maintaining and improving its effectiveness, integrity, efficiency and security. In addition, the audits keep Congress, the public, and other concerned parties informed about USAID operations. OIG/A will also look to new and innovative approaches for quickly examining and reporting upon various aspects of USAID operations. In addition, OIG/A plans to improve program effectiveness and efficiency by identifying and working with Supreme Audit Institutions (SAI) which have both the potential and willingness to perform such audits. The objective is to work with USAID management to provide accountability for USAID contracts and grants and to increase the number of SAIs participating in the program.

The Office of Inspector General/Investigations (OIG/I) will work with USAID to protect and maintain the integrity of the Agency and its programs by investigating allegations of Federal criminal violations and serious administrative violations involving USAID programs and personnel. Most of the investigations are reactive, which means they are initiated in response to an allegation from any source. However, OIG/I will continue to focus part of its resources on proactive investigations, which attempt to detect and prevent fraud in agency programs. Investigative priorities are twofold. First OIG/I will focus on ensuring that USAID employees and programs maintain the highest ethical standards. Second, OIG/I will conduct investigations into allegations of procurement and contract fraud, grant and cooperative agreements, fraud, and serious misconduct by USAID employees.

In accordance with the Omnibus Appropriations Act (P.L. 105-277), enacted October 21, 1998, the function of security operations and the associated resources were transferred to the Operating Expense Account of USAID. The difference between the OIG FY 1999 estimate and the FY 2000 request is based on this transfer.

¹Actual obligations - \$32,496,723.

²Estimated obligations - \$33,824,000; OE funds \$30,750,000; \$3,074,000 multiple and no-year funds.

³Estimated obligations - \$26,420,000; OE request \$25,260,765; \$1,159,999 multiple and no-year funds.

Office of Inspector General

Category	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request
Appropriated Operating Expenses	29,047	30,750	25,261
Two -Year OE funds Carried-over from prior year	1,462	80	
No-Year OE funds Carried-over from prior year	8,236	7,078	4,084
No-Year Funds Recovered *	909		
Unobligated funds Available - Lapsing			
Total Available Funds	39,654	37,908	29,345
Obligations - OE funds	(28,967)	(30,750)	(25,261)
Obligations - Two-year funds	(1,462)	(80)	
Obligations - No-year/multi-year funds	(2,067)	(2,994)	(1,100)
Total Obligations	(32,496)	(33,824)	(26,361)
End-of-year Carry Forward	7,158	4,084	2,984

* No-Year funds are also used for upward adjustments to prior year obligations.

NOTE: Funding for the USAID FY 99 Supplemental Request included \$3,729 million for security normally handled by the OIG. That amount is not included in the FY 1999 Estimate.

Dollars in Thousands

Office of Inspector General

Organization	FY 1998 Actual					FY 1999 Estimate					FY 2000 Planned				
	U.S. Direct Hire	U.S. PSCs	Foreign National Direct Hire	Foreign National PSCs	Total Staffing FTEs	U.S. Direct Hire	U.S. PSCs	Foreign National Direct Hire	Foreign National PSCs	Total Staffing FTEs	U.S. Direct Hire	U.S. PSCs	Foreign National Direct Hire	Foreign National PSCs	Total Staffing FTEs
Washington Offices															
Inspector General	5				5	5				5	5				5
Legal Counsel and Management	26				26	28				28	29				29
Audit	64				64	66				66	67				67
Investigations	16				16	19				19	19				19
Security	31				31	32				32	0*				0
Total Washington Workforce	142	0	0	0	142	150	0	0	0	150	120	0	0	0	120
Overseas Regions															
Africa	18			5	23	18			5	23	18			5	23
Asia/Near East	12	2		5	19	15	1		5	21	17	1		5	23
Europe/NIS	9			3	12	9			3	12	9			3	12
Latin American & Caribbean	8			2	10	7			2	9	9			2	11
Total Overseas	47	2	0	15	64	49	1	0	15	65	53	1	0	15	69
Total Worldwide	189	2	0	15	206	199	1	0	15	215	173	1	0	15	189

* The Security function will be transferred to the Agency Operating Budget.

Office of Inspector General

OCC	Category	FY 1998 Actual			FY 1999 Estimate			FY 2000 Request		
		Hq.	Field	Total	Hq.	Field	Total	Hq.	Field	Total
11.1	Compensation, full-time permanent U.S. Direct Hire	9,223	3,578	12,801	9,979	3,871	13,850	8,807	3,417	12,224
11.3	Compensation, other than full-time permanent U.S. Direct Hire	330	0	330	0	0	0	0	0	0
11.5	Other personnel compensation U.S. Direct Hire	384	99	483	315	81	396	278	72	350
11.8	Special personal services payments FSN PSCs	12	321	333	0	435	435	0	453	453
12.1	Personnel benefits U.S. Direct Hire:									
	Retirement Costs	1,762	803	2,565	1,943	886	2,829	1,812	826	2,638
	Health and Life Insurance	358	138	496	395	152	547	368	142	510
	Education Allowances	0	287	287	0	316	316	0	295	295
	Other Benefits	0	117	117	0	129	129	0	120	120
	Sub-Total	2,120	1,345	3,465 *	2,338	1,483	3,821	2,180	1,383	3,563
13.0	Benefits for Former Personnel	0	13	13	0	0	0	0	0	0
	Total Personnel Compensation	12,069	5,356	17,425	12,631	5,871	18,502	11,265	5,325	16,590
21.0	Travel and Transportation of Persons									

Dollars in Thousands

Office of Inspector General

OCC	Category	FY 1998 Actual			FY 1999 Estimate			FY 2000 Request		
		Hq.	Field	Total	Hq.	Field	Total	Hq.	Field	Total
	Operational Travel	634	800	1,434	710	895	1,605	567	716	1,283
	Training Travel	31	19	50	35	23	58	28	17	45
	Sub-Total	665	819	1,484	745	918	1,663	595	733	1,328
22.0	Transportation of Things									
	Post Assignment/Home Leave Freight	0	349	349	0	345	345	0	203	203
	Shipment of Furniture and Equipment	12	85	97	12	84	96	7	49	56
	Sub-Total	12	434	446	12	429	441	7	252	259
	Total Travel and Transportation	677	1,253	1,930	757	1,347	2,104	602	985	1,587
23.1	Rental Payments to GSA	1,898	0	1,898	1,860	0	1,860	1,524	0	1,524
23.2	Rental Payments to Others	0	1,307	1,307	0	1,349	1,349	0	1,473	1,473
	Sub-Total Rental Payments	1,898	1,307	3,205	1,860	1,349	3,209	1,524	1,473	2,997
23.3	Communications, Utilities, and Misc. Charges									
	Office and Residential Utilities	0	157	157	0	238	238	0	237	237
	Telephone Costs	35	66	101	53	100	153	53	100	153
	Sub-Total	35	223	258	53	338	391	53	337	390
	Total Rent, Communications, and Utilities	1,933	1,530	3,463	1,913	1,687	3,600	1,577	1,810	3,387

Dollars in Thousands

Office of Inspector General

OCC	Category	FY 1998 Actual			FY 1999 Estimate			FY 2000 Request		
		Hq.	Field	Total	Hq.	Field	Total	Hq.	Field	Total
24.0	Printing and Reproduction	15	4	19	11	3	14	13	4	16
25.1	Advisory and Assistance Services:	231	12	243	0	0	0	0	0	0
25.2	Other Services									
	Office and Residential Security Guards	1,085	107	1,192	1,566	118	1,388	0	39	459
	Staff Training	248	17	265	275	19	294	301	6	97
	ADP Systems Design/Analysis	254	0	254	281	0	281	303	0	93
	ADP Systems Maintenance	0	0	0	0	0	0	0	0	0
	Other	1,035	413	1,448	781	457	1,534	356	152	508
	Sub-Total	2,622	537	3,159	2,903	595	3,497	960	197	1,157
25.3	Purchase of Goods and Services from Gov't. Accts.									
	International Cooperative Admin. Supp. Service	127	788	915	122	758	880	113	710	823
	DCAA Audits	59	0	59	1,000	0	1,000	1,000	0	1,000
	Other Services	2,112	0	2,112	1,087	0	1,087	959	0	959
	Sub-Total	2,298	788	3,086	2,209	758	2,967	2,072	710	2,782
25.4	Operations and Maintenance of Facilities	0	101	101	0	102	102	0	100	100
25.7	Operation/Maintenance of Equipment & Storage									
	ADP and Telephone Systems	45	6	51	15	2	17	17	2	19
	Office & Residential Furniture and Equipment	57	49	106	19	17	36	21	18	39
	Other Operations/Maintenance Costs	66	14	80	23	4	27	26	3	29

Dollars in Thousands

Office of Inspector General

OCC	Sub-Total	Category	FY 1998 Actual			FY 1999 Estimate			FY 2000 Request		
			Hq.	Field	Total	Hq.	Field	Total	Hq.	Field	Total
			168	69	237	57	23	80	62	25	87
	Total Contractual Services		5,319	1,507	6,826	5,169	1,478	6,646	3,093	1,033	4,126
26.0	Supplies and Materials		287	116	403	148	60	208	142	58	200
31.0	Purchase of Equipment										
	ADP Hardware/Software		1,157	270	1,427	1,193	278	1,471	295	69	364
	Other Ofc/Residential Furniture/Equip.		162	197	359	167	203	370	41	50	91
	Sub-Total		1,319	467	1,786	1,360	481	1,841	336	119	455
32.0	Lands and Structures		613	0	613	909	0	909	0	0	0
41.0	Grants, Subsidies & Contributions		30	1	31	0	0	0	0	0	0
	Total Acquisition of Assets		1,932	467	2,399	2,269	481	2,750	336	119	455
	Total Costs		22,262	10,234	32,496	22,898	10,927	33,824 /1	17,029	9,333	26,361 /2

/1 This distribution includes an estimated \$3.074 million in multi-year and no-year funds to be used in FY 1999.

/2 This distribution includes an estimated \$1.1 million in multi-year and no-year funds to be used in FY 2000, as stated in the Congressional Presentation narrative.

Dollars in Thousands

FOREIGN SERVICE RETIREMENT AND DISABILITY FUND ¹

	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request
Foreign Service Retirement and Disability Fund	\$44,208,000	\$44,552,000	\$43,837,000

In FY 1974, amendments to the Foreign Assistance Act of 1961, as amended, permitted USAID career foreign service employees to become participants in the Foreign Service Retirement and Disability Fund.

The extension of coverage to USAID employees created an unfunded liability in the system. An actuarial determination by the Department of the Treasury shows that in FY 2000, \$43,837,000 will be required to amortize this liability and the unfunded liability created by pay raises and benefit changes since FY 1974. For FY 2000, USAID is requesting an appropriation of this amount.

¹ Authorized by Chapter 8 of the Foreign Service Act of 1980.

GLOSSARY OF TERMS

The glossary defines legislative, administrative, programming and budget terms referred to in this presentation. Underscored terms in the definitions are defined elsewhere in the glossary. Frequently used abbreviations are included.

Activity: Project or task required to carry out a program. The word "activity" is used for any activity or unified group of activities, programs, projects, types of material assistance or other operations. Refers to both project and non-project assistance.

Actual Year: Last completed fiscal year; in this case, FY 1998.

Appropriation: An act of Congress permitting Federal agencies to incur obligations for specified purposes, e.g., Foreign Assistance and Related Programs Appropriation Act, 1998.

Appropriation Accounts: The separate accounts for which specific dollar amounts are authorized and appropriated.

Authorization: Substantive legislation which establishes legal operation of a Federal program, either indefinitely or for a specific period, and sanctions particular program funding levels, e.g., the Foreign Assistance Act of 1961, as amended (FAA).

Bilateral Assistance: Economic assistance provided by the United States directly to a country or through regional programs to benefit one or more countries indirectly. (USAID Development Assistance, Economic Support Fund, Assistance for Eastern Europe and the Baltic States, Assistance for New Independent States, and most P.L. 480 food aid are among the U.S. bilateral programs. Others include Peace Corps and International Narcotics Control.)

Budget Authority: Authority provided to the U.S. Government by law to enter into obligations which result in outlays or government funds.

Budget Year: Year of budget consideration; in this case, FY 2000.

Consortium Grant: A grant to consortia of private and voluntary organizations (PVO) to enable a group of PVOs with similar interests to exchange information and program experiences and to collaborate in programs, thereby avoiding duplication.

Continuing Resolution: A joint resolution passed to provide stop-gap funding for agencies or departments whose regular appropriations bills have not been passed by the Congress by the beginning of the fiscal year.

Cooperative Development Organization (CDO): A business voluntarily owned and controlled by its users and operated for their benefit.

Deobligation: Unexpended funds obligated for a specific activity which are subsequently withdrawn, following a determination that they are not required for that activity.

Development Assistance: Assistance under Chapters I and 10 of the Foreign Assistance Act primarily designed to promote economic growth and equitable distribution of its benefits.

Development Assistance Committee (DAC): A specialized committee of the Organization for Economic Cooperation and Development (OECD). The purpose of the DAC is to increase total resources made

available to developing countries. Member countries jointly review the amount and nature of their contributions to bilateral and multilateral aid programs in the developing countries. DAC members are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Japan, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom, the United States and the Commission of the European Economic Communities.

Development Fund for Africa (DFA): The Development Fund for Africa (Chapter 10 of the Foreign Assistance Act), relating to the authorization of long-term development assistance for sub-Saharan Africa, was added to the FAA by the Foreign Operations, Export Financing, and Related Programs Appropriations Act of 1991 (P.L. 101-513).

Development Loan: Development assistance which must be repaid, usually a long-term, low-interest loan repayable in U.S. dollars.

Development Program Grant (DPG): A grant to assist a private and voluntary organization to strengthen its ability to be an effective development agency.

Economic Assistance: Bilateral and multilateral foreign assistance designed primarily to benefit the recipient country's economy. Military assistance, Export-Import Bank activities, Overseas Private Investment Corporation programs and Commodity Credit Corporation short-term credit sales, which have primary purposes other than economic development, are not included in this category.

Economic Support Fund: An appropriation account for funding economic assistance to countries based on considerations of special economic, political or security needs and U.S. interests. It took the place of Security Supporting Assistance, as provided in Section 10(b)(6) of the International Security Assistance Act of 1978 (92 STAT 735).

Expenditure: As reported in this document, represents the total value of goods and services received, disbursement for which may not have been made. A disbursement, also referred to as an actual expenditure or outlay, represents funds paid from the U.S. Treasury.

Fiscal Year: Yearly accounting period, without regard to its relationship to a calendar year. (The fiscal year for the U.S. Government begins October 1 and ends September 30.)

Foreign Assistance Act (FAA): The Foreign Assistance Act of 1961, as amended (USAID's present authorizing legislation).

Foreign Assistance and Related Programs Appropriation Act: The Appropriation Act for a particular year for economic (except P.L. 480 food aid) and military assistance and Export-Import Bank.

FREEDOM Support Act (FSA): The Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992 (FREEDOM Support Act) (P.L. 102-511) authorizes assistance to the New Independent States (NIS) of the former Soviet Union.

Functional Assistance: Development Assistance funded from the Development Assistance, Child Survival and Disease Program, and Credit Programs appropriation accounts and authorized from one of the following eight authorization accounts: (1) Agriculture, Rural Development and Nutrition; (2) Population Planning; (3) Health; (4) Child Survival; (5) AIDS Prevention and Control; (6) Education and Human Resources Development; (7) Private Sector, Environment and Energy; and (8) Science and Technology.

Government Performance and Results Act (GPRA): The Government Performance and Results Act of 1993 (P.L. 103-62) provides for the establishment of strategic planning and performance management in the Federal Government.

Grant: Assistance to an organization to carry out its activities as opposed to the acquisition of services for USAID or a host country which need not be repaid. (Term also describes a funding instrument for programs of an institution or organizations, e.g., International Executive Service Corps or an international agricultural research center.)

Gross Domestic Product (GDP): Measures the market value of total output of final goods and services produced within a country's territory, regardless of the ownership of the factors of production involved, i.e., local or foreign, during a given time period, usually a year. Earnings from capital invested abroad (mostly interest and dividend receipts) are not counted, while earnings on capital owned by foreigners but located in the country in question are included. The GDP differs from the GNP in that the former excludes net factor income from abroad.

Gross National Product (GNP): Measures the market value of total output of final goods and services produced by a nation's factors of production, regardless of location of those factors, i.e., in the country or abroad, during a given time period, usually a year. Earnings from capital owned by nationals but located abroad (mostly interest and dividend receipts) are included, while earnings in the country by factors owned by foreigners are excluded.

International Financial Institution (IFI): Currently known as a **multilateral development bank (MDB)**, a multilateral lending institution which provides resources for development. These institutions, or banks, include the following; Asian Development Bank (ADB) and Fund (ADF), African Development Bank (AFDB) and Fund (AfDF), European Bank for Reconstruction and Development (EBRD), Inter-American Development Bank (IADB), International Bank for Reconstruction and Development (IBRD, or the "World Bank"), International Finance Corporation (IFC), International Development Association (IDA), Middle East Development Bank (MEDB), and North American Development Bank (NADB).

Loan: Assistance which must be repaid. Repayment terms for **development loans** under **Development Assistance** and the **Economic Support Fund** are established by USAID in accordance with the Foreign Assistance Act of 1961, as amended (FAA), and the current Foreign Assistance and Related Programs Appropriation Act.

Management Services Grant: A grant to a private and voluntary organization (PVO) which in turn provides management or program support services (e.g., clearinghouse, accounting assistance, evaluation) to other PVOs.

Multilateral Assistance: Assistance which the United States provides to less or least developed countries (LDC) through **multilateral development banks**, the United Nations agencies, and other international organizations with development purposes.

Multilateral Development Bank (MDB): See **international financial institutions**.

New Directions: Legislation enacted in 1973 requiring USAID to focus more of its efforts on helping the poor majority in developing countries.

Nongovernmental Organization (NGO): An organization, organized either formally or informally, that is independent of government.

Non-Project Assistance: Program or commodity loans or grants which provide budget or balance-of-payments support to another country. Such assistance is usually funded under the Economic Support Fund or Development Fund for Africa.

Obligation: Legal commitment of funds through such mechanisms as signed agreements between the U.S. Government and host governments, contracts and grants to organizations and purchase orders.

Ocean Freight Reimbursement: Reimburses private and voluntary organizations (PVO) for up to one-half of their cost in shipping equipment and commodities overseas in support of their development programs.

Official Development Assistance (ODA): Assistance on concessional terms (with a grant element of at least 25%), provided by member countries of the Development Assistance Committee to promote economic development in developing countries.

Operating Expenses: Those appropriated funds used to pay salaries, benefits, travel, and all support costs of direct-hire personnel. The "cost of doing business."

Operational Year: Fiscal year in progress (current year), presently FY 1999.

Operational Program Grant (OPG): A grant to private and voluntary organizations to carry out specific programs.

Organization for Economic Cooperation and Development (OECD): Organization of donor countries which promotes policies designed to stimulate economic growth and development of less developed countries. OECD member countries are Australia, Austria, Belgium, Canada, Denmark, Finland, France, the Federal Republic of Germany, Greece, Iceland, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States.

Outlay: Cash disbursement from the Treasury.

Participant: USAID-sponsored, less developed country (LDC) national being trained outside his or her own country.

Peacekeeping Operations: The program authorized and appropriated for a special type of economic assistance for peacekeeping operations and other programs carried out in furtherance of the national interests of the United States.

Performance Indicator: A particular characteristic or dimension used to measure intended changes defined by an organizational unit's results framework. Performance indicators are used to observe progress and to measure actual results compared to expected results. The indicators are usually expressed in quantifiable terms, and should be objective and measurable (numeric values, percentages, scores and indices).

Performance Plan: The performance plan identifies annual performance benchmarks of the operating unit. Meeting benchmarks, or the planned levels of achievement for a given year, are considered important steps toward ultimately achieving the ten-year performance goals identified in the Strategic Plan.

Performance Target: The specific and intended result to be achieved within an explicit timeframe and against which actual results are compared and assessed. In addition to final targets, interim targets also may be defined.

Pipeline: The difference between obligations and expenditures.

P.L. 480: The Agricultural Trade Development and Assistance Act of 1954, as amended, which governs administration of the U.S. Food for Peace program. (Term is often used to describe food aid.)

President's Budget: Budget for a particular fiscal year transmitted to Congress by the President in accordance with the Budget and Accounting Act of 1921, as amended.

Private and Voluntary Organization (PVO): A non-profit, tax-exempt and nongovernmental organization established and governed by a group of private citizens whose purpose is to engage in voluntary charitable and development assistance operations overseas.

Program: A coordinated set of USAID-financed activities directed toward specific goals. For example, maternal and child health, nutrition, education and family planning activities designed to promote the spacing of children may comprise a program to reduce infant deaths.

Project: A single activity designed to generate specific results. For example, a maternal and child health project may be designed to extend basic health services to 60% of children under five years of age in a poor, rural district of the recipient country. A project is USAID's basic unit of management.

Reimbursement: Collection of funds for services provided to recipients outside the USAID.

Reobligation: Obligation of an amount which had been obligated and deobligated in prior transactions.

Result: A change in the condition of a customer or a change in the host country condition which has a relationship to the customer. A result is brought about by the intervention of USAID in concert with its development partners. Strategic objectives are the highest level result for which an operating unit is held accountable; intermediate results are those results which contribute to the achievement of a strategic objective.

Results Framework: The results framework represents the development hypothesis, including those results necessary to achieve a strategic objective and their causal relationships and underlying assumptions. The framework also establishes an organizing basis for measuring, analyzing, and reporting results of the operating unit.

Results Package: A results package consists of people, funding, authorities, activities and associated documentation required to achieve a specified result (s) within an established timeframe. The purpose of a results package is to deliver a given result or set of results contributing to the achievement of the strategic objective.

Results Review and Resource Request (R4): The document which is reviewed internally and submitted to USAID headquarters by the field or Washington operating unit on an annual basis. The R4 contains two components: the results review and the resource request. Judgment of progress will be based on a combination of data and analysis and will be used to inform budget decision making.

Special Objective: The result of an activity or activities which do not qualify as a strategic objective, but support other U.S. Government assistance objectives.

Stakeholder: An individual or group who has an interest in and influences USAID activities, programs and objectives.

Strategic Objective: The result (intended measurable change) that a USAID operational unit, along with its partners, can materially affect. The timeframe of a strategic objective is typically 5-8 years for sustainable development programs, but may be shorter for programs operating under short-term transitional circumstances or under conditions of uncertainty.

Strategic Plan: The framework which an operating unit uses to articulate the organization's priorities, to manage for results, and to tie the organization's results to the customer and beneficiary. The strategic plan is a comprehensive plan which includes the strategic objectives and a description of how it plans to deploy resources to accomplish them.

Strategic Support Objective: A strategic support objective is a regional or global development objective which supports another USAID operating unit objective. The key differentiation from a strategic objective, is that there is a recognition that the achievement of the objective is accomplished and measured, in part, through the activities and results at the field mission level.

Support for East European Democracy (SEED) Act: The Support for East European Democracy Act of 1989 (P.L. 101-179) authorizes assistance to Eastern Europe.

Sustainable Development: Economic and social growth that does not exhaust a country 's resources; that does not damage the economic, cultural or natural environment; that creates incomes and enterprises; and that builds indigenous institutions.

Target: See Performance Target.

CONGRESSIONAL PRESENTATION (CP) TERMS

All Spigots Table: Table which shows U.S. economic and military assistance levels from all International Affairs (Function 150) sources, broken out by program, region and country.

Green Book: This publication is entitled U.S. Overseas Loans and Grants and Assistance from International Organizations. This data, which is grouped by country and geographic region, includes assistance from USAID, military assistance, P.L. 480, Export-Import Bank, etc. from 1945 to the last completed fiscal year, in this case FY 1998. This publication is released shortly after the Congressional Presentation is distributed.

Program Summary Table: The table found at the end of each region, country and central program narrative contained in this Congressional Presentation document. This table summarizes proposed year budget levels for USAID's strategic goals by type of assistance (Development Assistance, Child Survival and Disease Program Fund, assistance for Eastern Europe and the Baltic States, assistance to New Independent States, Economic Support Fund, P.L. 480 and other).

Statistical Annex: The summary of active and proposed projects, by country and central program, submitted as an annex to this Congressional Presentation document, following enactment of the appropriation legislation for the fiscal year, in this case, FY 2000.

ABBREVIATIONS AND ACRONYMS

A&A	-	Acquisitions and Assistance
AAEF	-	Albanian-American Enterprise Fund
AAFLI	-	Asian-American Free Labor Institute
AALC	-	African-American Labor Center
ABA	-	American Bar Association
ABEUSA	-	U.S. Participant Training Alumni Association
ACVFA	-	Advisory Committee on Voluntary Foreign Aid
ACOR	-	American Center for Oriental Research
ADB	-	Asian Development Bank
ADC	-	Andean Development Corporation
ADP	-	Automated Data Processing
ADRA	-	Adventist Development and Relief Agency
ADS	-	Automated Directives System
AED	-	Academy for Educational Development
AFDB	-	African Development Bank
AFR	-	Africa
AIDS	-	Acquired Immunodeficiency Syndrome
AIDSCAP	-	Acquired Immunodeficiency Syndrome Control and Prevention Project
AIFLD	-	American Institute for Free Labor Development
AIHA	-	American International Health Alliance
AIMI	-	African Integrated Malaria Initiative
ANE	-	Asia and Near East
AOJ	-	Administration of Justice
APEC	-	Asia-Pacific Economic Cooperation
APENN	-	Association of Producers and Exporters of Nontraditional Products
APO	-	Army Post Office
APR	-	Agency Performance Plan
ARDC	-	Area Reintegration and Development Center
ARENTO	-	Arab Republic of Egypt National Telecommunication
ARI	-	Acute Respiratory Infection
	-	Inter-Oceanic Authority
ASEAN	-	Association of Southeast Asian Nations
ASHA	-	American Schools and Hospitals Abroad
ASSET	-	Agriculturally Sustainable System and Environmental Transformation
ATI	-	Appropriate Technology International
AUB	-	American University of Beirut
AWACS	-	AID Worldwide Accounting and Control System
BAA	-	Business Area Analysis
BCN	-	Biodiversity Conservation Network
BDS	-	Business Development Service
BIPRA	-	Bilateral Intellectual Property Rights Agreement
BIT	-	Bilateral Investment Treaty
BOT	-	Build, Operate and Transfer
CAPEL	-	Center for the Promotion of Electoral Assistance
CARD	-	Council on Agricultural and Rural Development
CARE	-	Cooperative for Assistance and Relief Everywhere, Inc.
CASS	-	Cooperative Association of States for Scholarships
CCI	-	Climate Change Initiative
CDC	-	Centers for Disease Control and Prevention

CDIE	-	Center for Development Information and Evaluation
CDO	-	Cooperative Development Organization
CDP	-	Cooperative Development Program (U.S.-Israel)
CDR	-	Cooperative Development and Research Program (U.S.-Israel)
CEAL	-	Center for Studies and Legislative Assistance
CEDRO	-	Center for Drug Education and Information
CEE	-	Central and Eastern Europe
CEELI	-	Central and East European Law Institute
CEL	-	Country Experimental Laboratory
CFC	-	Chlorofluorocarbon
CFA	-	African Financial Community
CFL	-	Compact Florescent Lamps
CFO	-	Chief Financial Officer
	-	Chief Financial Officers Act
CG	-	Consultative Group
CGIAR	-	Consultative Group for International Agricultural Research
CIAV	-	Commission of Support for Verification
CIDA	-	Canadian International Development Agency
CIFOR	-	Center for International Forestry Research
CIMS	-	Contract Information Management System
CINGO	-	Citizen Initiated Nongovernmental Organization
CLD	-	Consortium for Legislative Development
CLUSA	-	Cooperative League of the United States of America
CMA	-	Crescent Medical Aid
CNG	-	Compressed Natural Gas
CNV	-	Culture and Nature Visitor
CO ₂	-	Carbon Dioxide
CONAM	-	National Environmental Council
CONCAUSA	-	Central America-USA Alliance
COTS	-	Commercial off the Shelf
CP	-	Congressional Presentation
CPP	-	Comprehensive Post Partum
CPR	-	Contraceptive Prevalence Rate
CRM	-	Coastal Resource Management
CRS	-	Catholic Relief Services
CRSP	-	Collaborative Research Support Program
CS	-	Child Survival
CSD	-	Child Survival and Disease
CSE	-	Supreme Electoral Council
CSO	-	Civil Service Organization
CSM	-	Contraceptive Social Marketing
CTE	-	Carbon Ton Equivalent
CYP	-	Couple Year's Protection
DA	-	Development Assistance
DAC	-	Development Assistance Committee
DAF	-	Development Assistance Fund
DART	-	Disaster Assistance Response Team
DCA	-	Development Credit Authority
DCAA	-	Defense Contracting Audit Agency
DEG	-	Developing Economies Group
DFA	-	Development Fund for Africa
DG	-	Democracy and Governance
DH	-	Direct Hire

DHS	-	Demographic Health Survey
DIMS	-	Democratic Indicators Monitoring System
DMELLD	-	Design, Monitoring, Evaluation, Lessons Learned, and Dissemination
DNPW	-	Directorship of National Parks and Wildlife
DOE	-	Department of Energy
DOP	-	Declaration of Principles on Interim Self-Governing Arrangements
DOTS	-	Directly Observed Therapy-Short Course
DPT	-	Diphtheria, Pertussis and Tetanus
DWG	-	Democracy Working Group
EAI	-	Enterprises for the Americas Initiative
EBRD	-	European Bank for Reconstruction and Development
EC	-	European Community
	-	European Commission
ECA	-	Enhanced Credit Authority
ECLA	-	Economic Commission for Latin America
ECS	-	Electronic Certifying System
EEP	-	Employee Evaluation Program
EFT	-	Electronic Fund Transfer
EGAD	-	Economic Growth and Agriculture Development
EIA	-	Environmental Initiative for the Americas
EIP	-	Environmental Impact Assessment
EMS	-	Environmental Management System
ENI	-	Europe and New Independent States (of Former Soviet Union)
ENR	-	Environment and Natural Resources
ENV	-	Environment
EOC	-	Emergency Obstetric Care
EPA	-	Environmental Protection Agency
EPI	-	Expanded Program of Immunization
EPL	-	Environmental Pollution Licensing
EPRA	-	Economic Policy Resource Center
ERP	-	Economic Recovery Program
ESAF	-	Extended Structural Adjustment Facility (International Monetary Fund)
ESF	-	Economic Support Fund
EU	-	European Union
FAAS	-	Foreign Affairs Administrative Services
FAH	-	Armed Forces of Haiti
FAI	-	Food Affordability Index
FAO	-	Food and Agriculture Organization
FAS	-	Foreign Agriculture Service (U.S. Dept. of Agriculture)
FCCC	-	Framework Convention on Climate Changes
FDA	-	Food and Drug Administration
FDI	-	Foreign Direct Investment
FFA	-	Future Farmers of America
FFP	-	Food for Peace
FGM	-	Female Genital Mutilation
FISE	-	Emergency Social Investment Fund
FM	-	Financial Management
FMAA	-	Federal Managers Financial Integrity Act of 1982
FMLN	-	Farabundo Marti National Liberation Front
FP	-	Family Planning
FREEDOM	-	Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992 (FREEDOM Support Act)

FSA	-	FREEDOM Support Act
FSI	-	Foreign Service Institute
FSN	-	Foreign Service National
FSRDF	-	Foreign Service Retirement and Disability Fund
FTAA	-	Free Trade Area of the Americas
FTB	-	First Time Borrower
FTE	-	Full-time Equivalency
FTF	-	Farmer to Farmer Program
G-7	-	Group of Seven (leading industrialized nations consisting of Canada, France, Germany, Italy, Japan, United Kingdom, and United States)
GAO	-	General Accounting Office
GATT	-	General Agreement on Tariffs and Trade
GCA	-	Global Coalition for Africa
GCC	-	Global Climate Change
GDP	-	Gross Domestic Product
GEF	-	Global Environmental Facility
GEM	-	Global Excellence in Management
GHAJ	-	Greater Horn of Africa Initiative
GHG	-	Green House Gas
GIS	-	Geographic Information System
GNP	-	Gross National Product
GMRA	-	Government Management Reform Act
GPA	-	Gender Plan of Action
GPRA	-	Government Performance and Results Act (P.L. 103-62)
GSA	-	General Services Administration
GSP	-	General System of Preference
GTN	-	Global Technology Network
GTZ	-	Guatemala Trade Zone
HA	-	Hectare
	-	Humanitarian Assistance
HCD	-	Human Capacity Development
HG	-	Housing Guaranty
HHE	-	Household Effect
HiB	-	Hemophilus Influenza Type B
HIV	-	Human Immunodeficiency Virus
HMO	-	Health Maintenance Organization
HFTE	-	Hemispheric Free Trade Expansion
HQ	-	Headquarters
IACCC	-	Inter-Agency Climate Change Committee
IARC	-	International Agricultural Research Center
IASP	-	International Affairs Strategic Plan (Department of State)
IBRD	-	International Bank for Reconstruction and Development (World Bank)
ICASS	-	International Cooperative Administrative Support Services
ICITAP	-	International Criminal Investigation and Training Assistance Program
ICORC	-	International Committee for the Reconstruction of Cambodia
ICRAS	-	Interagency Country Risk Assessment System
ICRISAT	-	International Crop Research Institute for the Semi-Arid Tropics
IDA	-	International Development Association
	-	International Disaster Assistance
IDB	-	Inter-American Development Bank
IDP	-	Internally Displaced People

IEC	-	Information, Education and Communication
IESC	-	International Executive Service Corps
IFES	-	International Foundation for Electoral Systems
IFRC	-	International Federation of the Red Cross
IFI	-	International Financial Institute
IFOR	-	Implementation Force (NATO)
IG	-	Inspector General
IIDH	-	Inter-American Institute for Human Rights
IIRR	-	International Institute for Rural Reconstruction
ILO	-	International Labor Organization
IMF	-	International Monetary Fund
IMR	-	Infant Mortality Rate
INADE	-	National Development Institute
INC	-	International Narcotics Control
INDIX	-	International Network for Development Information Exchange
INIFOM	-	Institute for the Promotion of Municipalities
INRENARE	-	Institute for the Management of Renewable Natural Resources
INS	-	Immigration and Naturalization Service
IPA	-	Interagency Personnel Agreement
IPM	-	Integrated Pest Management
IPR	-	Intellectual Property Right
IPRF	-	International Planned Parenthood Federation
IQ	-	Intelligence Quotient
IR	-	Intermediate Result
IREX	-	International Research and Exchanges Board
IRI	-	International Republican Institute
IRRI	-	International Rice Research Institute
ISA	-	Institutional Support Assistance
ISG	-	Institutional Support Grant
IT	-	Information Technology
ITSH	-	Internal Transport, Storage and Handling
IUATLD	-	International Union Against Tuberculosis and Lung Disease
JSE	-	Jakarta Stock Exchange
JUST	-	Justice Sector Support
KG	-	Kilogram
LAC	-	Latin America and the Caribbean
LAU	-	Lebanese American University
LDC	-	Less (or Least) Developed Country
LGD	-	Local Government Development
LGU	-	Local Government Union
LMI	-	Lower Middle Income
LPG	-	Loan Portfolio Guarantee
LWOB	-	Lessons Without Borders
MAI	-	Multilateral Assistance Initiative
MCH	-	Maternal and Child Health
MDB	-	Multilateral Development Bank
MED	-	Ministry of Education
M&E	-	Monitoring and Evaluation
MENA	-	Middle East and North Africa
MEPU	-	Ministry of Pre-University Education

MERC	-	Middle East Regional Cooperation
MFI	-	Microfinance Institution
MFM	-	Municipal Finance and Management
MGP	-	Matching Grants Program
MINSA	-	Ministry of Health
MIS	-	Management Information System
MMR	-	Maternal Mortality Ratio
MOF	-	Minister of Finance
MOH	-	Ministry of Health
MOPH	-	Ministry of Public Health
MOU	-	Memorandum of Understanding
MSED	-	Micro and Small Enterprise Development
MSH	-	Management Sciences for Health
MT	-	Metric Ton
MW	-	Megawatt
MWDR	-	Mid-Western Development Region
MWI	-	Ministry of Water and Irrigation
NACP	-	National AIDS Control Program
NAFTA	-	North American Free Trade Agreement
NAPA	-	National Association of the Partners of the Americas
NAPCP	-	National AIDS Prevention and Control Program
NATO	-	North Atlantic Treaty Organization
NCBA	-	National Cooperative Business Association
NDI	-	National Democratic Institute
NDVI	-	Normalized Different Vegetative Index
NEA	-	National Electrification Administration
NEAP	-	National Environmental Action Plan
NED	-	National Endowment for Democracy
NGO	-	Nongovernmental Organization
NIC	-	Newly Industrialized Country
NIH	-	National Institutes of Health
NIS	-	New Independent States of the former Soviet Union
NMS	-	New Management System
NPI	-	New Partnership Initiative
NPR	-	National Performance Review
NRM	-	Natural Resource Management
NTA	-	New Transatlantic Agenda
NTE	-	Non-Traditional Exports
OAS	-	Organization of American States
OB	-	Obstetric
OC	-	Oral Contraceptive
OCC	-	Object Class Code
ODA	-	Official Development Assistance
	-	Overseas Development Administration
OE	-	Operating Expense
OECD	-	Organization for Economic Cooperation and Development
OECF	-	Overseas Economic Cooperation Fund
OFDA	-	Office of Foreign Disaster Assistance
OFHEO	-	Office of Federal Housing Enterprise Oversight
OFR	-	Ocean Freight Reimbursement
OIC	-	Organization of Islamic Conference
OIG	-	Office of the Inspector General

OMB	-	Office of Management and Budget
OPDAT	-	Office of Professional Development and Training
OR	-	Operational Research
ORS	-	Oral Rehydration Salts
OTI	-	Office of Transition Initiatives
PA	-	Palestinian Authority
PADCO	-	Pan American Development Corporation
PAHO	-	Pan American Health Organization
PAR	-	Policy and Administrative Reform
PARDEM	-	Participatory Democracy
PASA	-	Participating Agency Service Agreement
PCA	-	Panama Canal Authority
PCTC	-	Panama Canal Transition Commission
PCV	-	Peace Corps Volunteer
PHC	-	Primary Health Care
PHN	-	Population, Health and Nutrition
PIP	-	Parks in Peril
PL	-	Public Law
PLO	-	Palestinian Liberation Organization
PM&E	-	Performance Measurement and Evaluation
PNFPP	-	Philippines National Family Planning Program
PPC	-	Policy and Program Coordination Bureau (USAID)
PRET	-	Program for the Recovery of the Economy in Transition
PRIME	-	Program for Innovation in Microenterprise
PSC	-	Personal Service Contract
PVC	-	Private Voluntary Cooperation (USAID Office)
PVO	-	Private Voluntary Organization
R-4	-	Results Review and Resource Requirement
RDA	-	Regional Development Account
REFORM	-	Reengineering Effort for Organization and Management
REGO	-	Reinventing Government
RH	-	Reproductive Health
RHUDO	-	Regional Housing and Urban Development Office
RIF	-	Reduction in Force
RIG	-	Regional Inspector General
ROL	-	Rule of Law
RRB	-	Ronald Reagan Building
R&RS	-	Research and Reference Service
RSM/EA	-	Regional Support Mission for East Asia
SADC	-	Southern Africa Development Community
SAI	-	Special Assistance Initiative
	-	Supreme Audit Institution
SAP	-	Structural Adjustment Program
SDC	-	Society for Democratic Culture
SEB	-	Small and Emerging Business
SEBI	-	Securities and Exchange Board of India
SEC	-	Securities and Exchange Commission
SEED	-	Support for East European Democracy
SET	-	Supreme Electoral Tribunal
SIECA	-	Permanent Secretariat of General Treaty of Central America Economic Integration

SME	-	Small and Medium-sized Enterprise
SO	-	Strategic Objective
SO ₂	-	Sulfur Dioxide
SOE	-	State-Owned Enterprise
SPA	-	Special Program of Assistance for Africa
	-	Small Program Assistance
SpO	-	Special Objective
SPRP	-	Sector Policy Reform Program
SPU	-	Strategic Planning Unit
SSO	-	Strategic Support Objective
STD	-	Sexually Transmitted Disease
STI	-	Sexually Transmitted Infection
STRI	-	Smithsonian Tropical Research Institute
TAF	-	The Asia Foundation
TB	-	Tuberculosis
TBD	-	To Be Determined
TF	-	Trust Fund
TFR	-	Total Fertility Rate
TI	-	Transparency International
TNC	-	The Nature Conservancy
TR&D	-	Tropical Research and Development
U5MR	-	Under 5 Mortality Rate
UE	-	Urban and Environment Credit Program (formerly Housing Guaranty Program)
UN	-	United Nations
UNAG	-	National Union of Farmers and Cattle Owners
UNAIDS	-	United Nations Program on HIV/AIDS
UNAVEM	-	United Nations Verification Mission for Angola
UNDP	-	United Nation Development Program
UE	-	Urban Environment
UNESCO	-	United Nations Educational, Scientific and Cultural Organization
UNFCCC	-	United Nations Framework Convention on Climate Control
UNFPA	-	United Nations Population Fund
UNICEF	-	United Nations Children's Fund
USIJI	-	United States Initiative on Joint Implementation
UNMIH	-	United Nations Mission in Haiti
UNRWA	-	United Nations Relief Works Agency
UPANIC	-	Nicaraguan Union of Agricultural Producers
USAEP	-	United States-Asia Environmental Partnership Initiative
USAID	-	U.S. Agency for International Development
USDA	-	United States Department of Agriculture
USDH	-	United States Direct Hire
USFDA	-	U.S. Food and Drug Administration
USIS	-	United States Information Service
USTTI	-	United States Telecommunications Training Institute
VAT	-	Value Added Tax
VE	-	Voluntary Executive
VII	-	Vaccine Independence Initiative
VOA	-	Voice of America
VVM	-	Vaccine Vial Monitor

- WFP - World Food Program
- WHO - World Health Organization
- WID - Women in Development
- WIP - Women in Politics
- WTO - World Trade Organization

- Y2K - Year 2000