

Data Sheet

USAID Mission:	Economic Growth, Agriculture and Trade
Program Title:	Economic Growth
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	905-101
Status:	Continuing
Planned FY 2006 Obligation:	\$11,327,000 DA
Prior Year Unobligated:	\$2,756,000 DA
Proposed FY 2007 Obligation:	\$20,049,000 DA
Year of Initial Obligation:	2004
Estimated Year of Final Obligation:	2009

Summary: The Bureau of Economic Growth, Agriculture and Trade (EGAT) Economic Growth program focuses on strengthening the policy, legal, and institutional foundations that lead to more open and competitive economies. It provides field support, technical leadership, and interagency coordination to: 1) increase trade and investment; 2) improve economic policies and the business environment; 3) improve private sector competitiveness; and 4) strengthen the financial services sector. A growing focus will be on developing models and approaches that respond to differing development needs and that help missions to identify and prioritize the most appropriate economic growth interventions.

Inputs, Outputs, Activities:

FY 2006 Program:

Increase Trade and Investment (\$4,033,000 DA). EGAT provides technical leadership and field support to help developing countries better participate in the World Trade Organization (WTO) and bilateral trade reform initiatives. EGAT supports trade capacity building activities to help countries participate in and benefit from international trade. These activities help streamline customs procedures and strengthen institutions and policies that facilitate private sector response to trade opportunities. Principal contractors and grantees: Nathan Associates, Booz Allen Hamilton, George Mason University, Carana, United Nations Development Program, and the U.S. Federal Trade Commission (FTC).

Improve Economic Policy and the Business Environment (\$4,674,000 DA). EGAT provides technical leadership, training, and assistance in the design, implementation, and evaluation of USAID programs to improve policies, regulations, and institutions that foster sustainable private sector growth. Country-specific reports provide information, analyses, and benchmarking comparisons to identify strategic priorities for economic growth programming. Support for labor-related reforms build on an ongoing assessment of the impact of trade liberalization on labor and approaches to adjust to transitional job loss. Principal contractors and grantees: Development Alternatives, IBM Business Consulting Services, Booz Allen Hamilton, International Business Initiatives, Bearing Point, Louis Berger, Nathan Associates, and others to be determined.

Improve Private Sector Competitiveness (\$2,744,000 DA). EGAT facilitates an expansion of microeconomic reform interventions and refines best practice approaches to enterprise development. Together with the World Bank and the World Economic Forum, EGAT co-sponsors public-private symposia to identify policy and regulatory impediments and help develop solutions to promote enterprise competitiveness in several countries. EGAT supports volunteer-based assistance and other programs to strengthen private sector development in developing countries worldwide. Principal contractors and grantees: World Economic Forum, the World Bank, the Center for International Private Enterprise, and Volunteers for Economic Growth Alliance (VEGA).

Strengthen the Financial Services Sector and Increase Access to Capital (\$2,622,000 DA). EGAT provides technical assistance to identify impediments to expanding access to credit and to developing programs that effectively increase the capacity of the financial sector to support economic growth. EGAT helps USAID missions use financial sector diagnostic tools in strategy development and in financial sector project designs, and helps missions engage the support of financial sector volunteers, including assisting

with enterprise lending programs. EGAT also integrates sectoral support with the Agency's regional priorities, notably the Central American Free Trade Agreement-Dominican Republic (CAFTA-DR) and the African Global Competitiveness Initiative. New interagency agreements with the Securities Exchange Commission (SEC) and the Federal Deposit Insurance Corporation (FDIC) strengthen host country capital markets and bank structures. Principal contractors and grantees: Emerging Markets Group, Financial Services Volunteer Corps, SEC, International Real Property Foundation, and FDIC.

FY 2007 Program:

Increase Trade and Investment (\$12,831,000 DA). EGAT plans to continue technical leadership and field support activities that help developing countries participate more effectively in WTO and bilateral trade reform initiatives, including work to streamline customs and other trade procedures, and implementation of commercial law and institutional reforms. USAID will continue to assist countries in the implementation of and compliance with CAFTA, including the Environmental Cooperation Agreement work plan. Technical assistance and training will strengthen the labor justice system and labor ministries; provide training on labor standards; address workplace discrimination; and strengthen capacity of countries to comply with environmental obligations under CAFTA. Principal contractors and grantees: Booz Allen Hamilton, FTC, U.S. Department of Labor, International Labor Organization, and others to be determined.

Improve Economic Policy and the Business Environment (\$2,842,000 DA). EGAT will provide technical leadership, training, and assistance in program design, implementation, and evaluation to improve policies and strengthen institutions to promote economic growth. EGAT will also develop best practices, deliver analytical tools, facilitate contracting mechanisms, and promote knowledge sharing and direct assistance, especially in the areas of fiscal policy and management and strategies for addressing fragile states and post-conflict situations. Principal contractors and grantees: To be determined.

Improve Private Sector Competitiveness (\$2,266,000 DA). EGAT aims to expand the number of field missions promoting microeconomic reforms to improve the competitiveness of private enterprises. It plans to address impediments to foreign and domestic investment through at least 10 high-level symposia on competitiveness and globalization, bringing together regional policy makers and experts. The program will also lead the development of a new generation of competitiveness initiatives to raise the productivity and profitability of enterprises. Principal contractors and grantees: VEGA and others to be determined.

Strengthen the Financial Services Sector and Increase Access to Capital (\$2,110,000 DA). EGAT plans to support the design and implementation of new financial sector initiatives in at least six countries, focusing on new opportunities offered by field mission work on CAFTA, the African Global Competitiveness Initiative, and enterprise lending. Principal contractors and grantees: Financial Services Volunteer Corps, SEC, and others to be determined.

Performance and Results: Working with USAID missions in Central America, EGAT completed a comprehensive, comparative assessment of critical commercial, legal, and institutional constraints and is helping to implement the Central American countries' commitments under the U.S.-CAFTA customs chapter. EGAT helped strengthen programs in financial sector development and fiscal practices in six countries, and aided pension reform strategy in four others. In Vietnam, new work was begun with EGAT assistance to strengthen the securities exchange to create a domestic market for privatization of state-owned companies. EGAT has expanded implementation of the World Bank's "Doing Business" methodology, which is designed to improve the enabling environment for private sector development, to several additional countries. These efforts have heightened awareness of key obstacles to business growth and lead to regulatory reforms at the national, state, and local levels. In Mexico, "Doing Business" reforms are part of the Mexican government's action plan to improve the country's competitiveness. USAID's "Doing Business" work also helped Mexico's regulatory agency improve its reform of business registration and customs procedures. EGAT helped modernize and improve the transparency of fiscal planning, tax collection, and expenditure programs in Angola, Guatemala, India, Jordan, and Vietnam, and helped develop Millennium Challenge Account threshold country plans for Sao Tome and Principe and Paraguay. EGAT provided in-depth, country-specific macroeconomic analysis to 14 countries, which improved mission decision-making on economic growth activities by providing data, analyses, and benchmarking comparisons that have permitted better identification of strategic priorities.

US Financing in Thousands of Dollars

Economic Growth, Agriculture and Trade

905-101 Economic Growth	DA
Through September 30, 2004	
Obligations	16,985
Expenditures	9,590
Unliquidated	7,395
Fiscal Year 2005	
Obligations	11,676
Expenditures	2,349
Through September 30, 2005	
Obligations	28,661
Expenditures	11,939
Unliquidated	16,722
Prior Year Unobligated Funds	
Obligations	2,756
Planned Fiscal Year 2006 NOA	
Obligations	11,327
Total Planned Fiscal Year 2006	
Obligations	14,083
Proposed Fiscal Year 2007 NOA	
Obligations	20,049
Future Obligations	45,595
Est. Total Cost	108,388